



BDC Industry Review

FIRST QUARTER 2015

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June 17, 2015

We are pleased to release our first quarter 2015 Nontraded BDC Industry Report. We hope that you continue to derive value from our reports and can then make better informed investment decisions. As a firm that strives to provide independent, valuable, transparent and useful research, we will continue our expansion of research efforts and education to the alternative investment community. We thank our subscribers for their support of Blue Vault Partners.

With over \$18 billion in assets under management, nontraded BDCs continue to grow as a major piece of the alternative investment pie. Since 2012, the industry has seen a 160% increase in growth. Additionally, there are currently over \$8 billion of new offerings in registration with the SEC. Already, we are starting to see funds specialize whether by asset type, strategy or industry focus. This would allow investors to diversify across multiple BDCs while having specialized managers in their respective field of expertise.

As always, we appreciate your support and welcome any comments, suggestions or questions on the report. Our goal is that Blue Vault Partners will allow you to be better educated and make more informed investment decisions. We are always looking for new ways to enhance the reports and add value to our subscribers.

Our Best Regards,

A handwritten signature in blue ink, appearing to read "Stacy H. Chitty".

Stacy Chitty
Managing Partner
Blue Vault Partners

A handwritten signature in blue ink, appearing to read "Jared Schneider".

Jared Schneider
Managing Partner
Blue Springs Capital

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Metric Definitions & Explanations

A Portfolio Details

Includes a summary of the portfolio holdings for the current period as reported on the BDC's balance sheet. Items categorized as investments include debt investments, preferred equity, common equity and other short-term investments. Cash and Cash Equivalents include cash on the balance sheet and other cash-like liquid assets.

This section also includes a current overview of the BDC's investment strategy as it relates to the types of investments it makes, the industries the fund is focused on and the size of companies the fund plans to invest in. Specifics found in this section include number of portfolio companies and the investment management advisor. Also included is whether the company employs a Total Return Swap (TRS) and the value of the assets in the TRS.

Total Return Swap (TRS) – An investment vehicle designed to give the fund additional interest payments and capital gains without having to purchase the assets and hold on the balance sheet. Cash collateral and payments to the institution holding the investments are typically required. The fund essentially “borrows” the TRS portfolio without the full risk of purchasing the investments outright.

Net Taxable Income – The tax-basis of earnings, which includes net investment income, realized capital gains, unrealized gains on TRS Assets and foreign exchange and other derivatives. Taxable income is reported on an investor's 1099 to reconcile distributions to taxable income, capital gains and return of capital.

The initial offering date is defined as the date the BDC was considered “effective” by the SEC and began raising money in its public offering. The number of months indicates how long the BDC has been raising capital and the anticipated offering close date is the date the BDC anticipates closing the BDC to new investments. The current price per share and reinvestment price per share are based on either the most recent offering price or the most recent price published.

B Public Offering Price (POP) & Current Distribution Rate

The price at which shares are offered to the public. The offering price changes whenever a material change in the Net Asset Value (NAV) occurs. Current distribution rate is annualized.

C Net Asset Value (NAV) Per Share

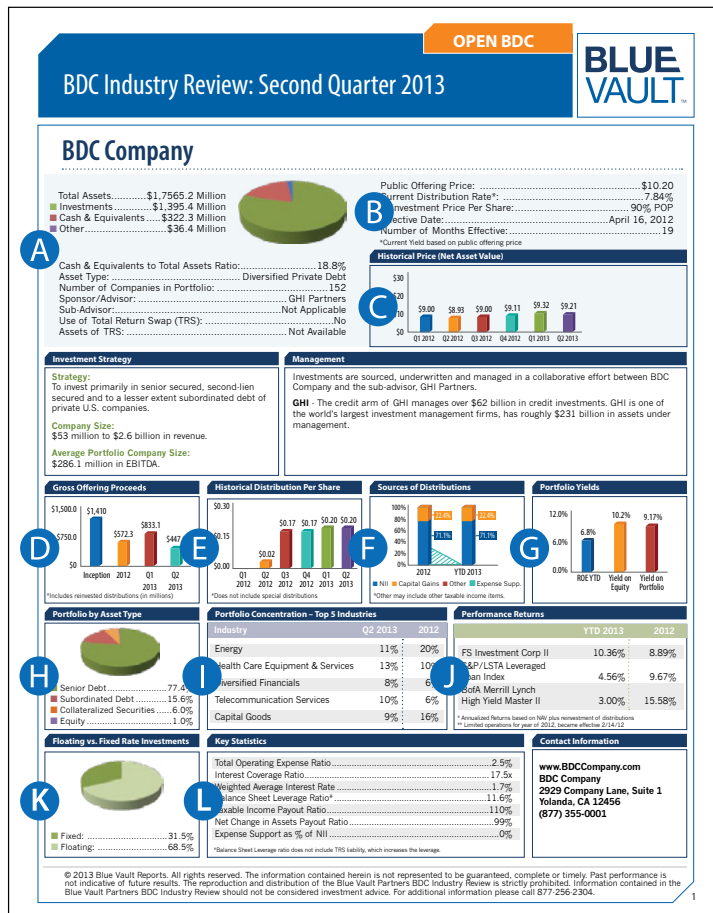
The sum of the fair value of the total assets minus the total liabilities divided by the total number of shares outstanding. This number is reported publicly at least every quarter.

D Gross Offering Proceeds

Defined as the sales of nontraded BDC shares plus shares purchased through dividend reinvestment.

E Historical Distribution

Historical distribution shows the per share distribution amount in dollars.



F Sources of Distributions

Note – comparisons may differ due to the fact that some funds use GAAP numbers and some use tax numbers for showing sources of distributions. In funds showing taxable income sources of distributions, unpaid & not yet earned incentive fees may show as “Other” for sources of distributions.

Net Investment Income (NII) – Income earned from investments during the quarter or year less investment and operating expenses. Expense support or the reimbursement of expense support may be subtracted from or added, respectively, to operating expenses. This portion of income is the most sustainable portion and should represent where the majority of distributions are coming from.

Net Realized Gains (Capital Gains) – Gains or losses from investments that were sold in the quarter or year. Although it is an important component of income to the fund, realized gains can be unpredictable and will not be consistent from quarter to quarter.

Expense Support – Expenses paid for by the advisor, sponsor or affiliated holding company during the quarter or year. Typically expense support is given at the beginning of the fund's lifecycle and tapers off as the fund begins to make

Metric Definitions & Explanations

investments and generate income and capital gains. These expenses are typically reimbursed to the sponsor or advisor over time. This number may also include fee waivers by the fund.

G Portfolio Yields

Return on Equity (ROE) – Calculated as the annualized Net Change in Assets from Operations (GAAP earnings measure), a line item that includes net investment income, realized and unrealized gains/losses, divided by the average total equity year-to-date.

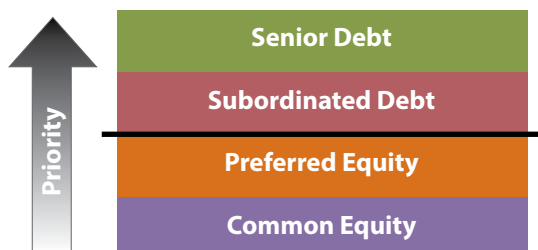
Yield on Equity – Calculated as the annualized total investment income for the quarter divided by average equity for the period.

Yield on Portfolio – Calculated as the annualized total investment income for the quarter divided by the average total dollar amount of investments for the period.

H Portfolio by Asset Type

The percentage of investments that appear as senior debt, subordinated debt, preferred stock or common stock as it relates to total investment assets. The priority of repayment refers to the priority each investor receives in repayment in the event of bankruptcy. This is sometimes referred to as the capital stack.

Capital Stack

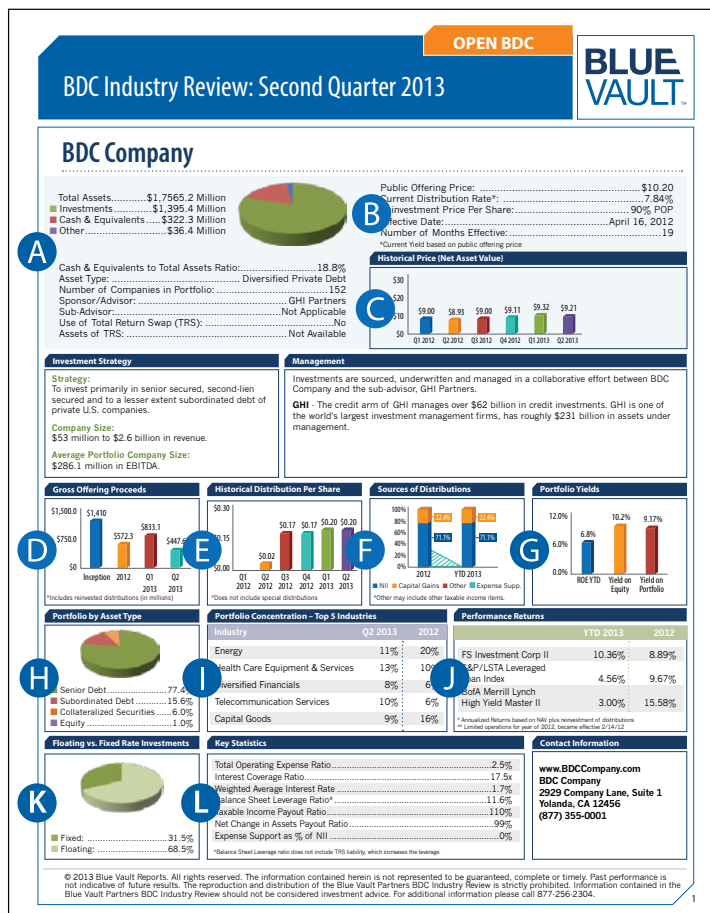


I Portfolio Concentration - Top 5 Industries

The top five industries that the fund holds in its portfolio (through companies in those respective industries) and the represented percentage of portfolio for the most recent quarter and previous year. This metric gives an understanding of whether the fund is overly concentrated in one or more industries.

J Performance Returns

Annualized Return – Calculated as the total return for the period converted into an annual rate. An example is a quarterly total return of 3% times 4 quarters equals 12% annualized rate. The annualized rate is subject to change based on future periods.



S&P/LSTA US Leveraged Loan Index – Capitalization-weighted syndicated loan index based upon market weightings, spreads and interest payments. The index seeks to mirror the market-weighted performance of the largest institutional leveraged loans. This index can be used to compare floating rate debt performance.

Bank of America Merrill Lynch High Yield Master II – A commonly used benchmark index for high yield corporate bonds. It is administered by Merrill Lynch. The Master II is a measure of the broad high yield market, unlike the Merrill Lynch BB/B Index, which excludes lower-rated securities. This index can be used to compare fixed rate/high yield debt performance.

K Floating Rate vs. Fixed Rate Investments

Calculated as the total dollar amount of floating rate debt investments divided by the total dollar amount of debt investments. The same calculation is done for fixed rate debt investments. Generally for debt investors, fixed rate debt is preferred during times of falling interest rates and floating rate debt is preferred during times of rising interest rates. This section does not cover equity and other securities.

Metric Definitions & Explanations

Floating Rate Debt – Debt that has a variable rate that changes based on changes in key interest rate indicators such as LIBOR, Fed Funds rate, Prime rate, Treasury yields, etc. The debt will many times be quoted as the indicator plus a spread amount. An example would be LIBOR + 250, which means the current LIBOR rate plus 2.50% is the current interest rate. Additionally, many floating rate loans have a floor which sets the minimum interest rate.

Fixed Rate Debt – Debt that has a fixed interest rate for a set period of time.

L Key Statistics

Fund Operating Expense Ratio – Calculated as the operating expenses (not including interest expenses) for the fund year-to-date divided by average net assets year-to-date starting with the beginning balance of the year. This ratio measures operational efficiency and impact of management fees and administrative expenses on the fund.

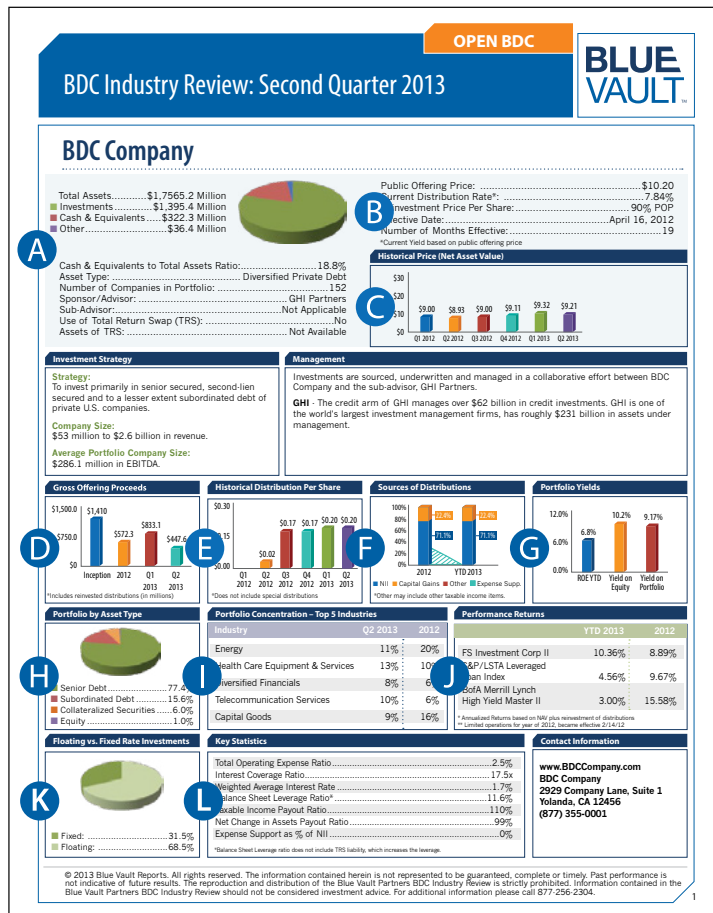
Interest Coverage Ratio – Calculated as the sum of Net Investment Income plus realized capital gains plus interest expense divided by total interest expense. This measures the ability of the company to pay ongoing interest expenses from operations.

Weighted Average Interest Rate – Calculated as the annualized current period interest expense divided by average borrowings for the period. This measure does not precisely evaluate the go-forward interest rate the fund pays, as new borrowings may not be reflected in interest payments for a given period. It does provide an estimate to determine the spread between interest payments and yield on borrowed assets.

Leverage Ratio – Calculated as the total borrowings divided by total assets. This number also includes off-balance sheet net TRS borrowings (TRS Notional Value minus Cash Collateral divided by TRS Notional Value).

Taxable Income Payout Ratio – Calculated as the year-to-date total distributions divided by the estimated year-to-date net taxable income. The metric is designed to determine how much of the distribution is derived from taxable income. Beyond the beginning stages of the fund, the ratio should be below or close to 100%.

Net Change in Net Assets (Net Change in Assets) – The GAAP measure for earnings, which includes net investment income, realized and unrealized capital gains, as well as certain accruals such as unearned performance incentive fees.



Net Change in Assets Payout Ratio – Calculated as the year-to-date total distributions divided by the year-to-date net change in net assets. The metric is designed to determine how much of the distribution is derived from the net change in assets, or GAAP-related earnings. Beyond the beginning stages of the fund, the ratio should be below or close to 100%.

Expense Support Percentage of Distribution – Calculated as the year-to-date total expense support divided by the year-to-date distribution. This measures the amount of distributions that are provided through the sponsor/advisor's expense support agreement.

The History of Business Development Companies (BDCs)

A business development company (BDC) is an SEC-registered investment company that invests in primarily private US-based businesses. This form of company was created by Congress in 1980 as amendments to the Investment Company Act of 1940. BDCs are typically taxed as regulated investment companies (RICs). Similar to REITs, BDCs are required to distribute at least 90% of taxable income as dividends to investors, and the company itself has to pay little or no corporate income tax.

Although the regulation for BDCs was passed in 1980, the creation of these companies did not come until the late 1990s and early 2000s. Furthermore, they did not begin to gain popularity until Apollo Investment Corporation raised \$930 million in a period of three months in 2004. This ignited a stream of BDC IPOs over the years following. Still the BDC industry remains relatively small when compared to mutual funds, REITs and other investments. Total BDC assets in the traded and nontraded are estimated to be close to \$45 billion.

Investments of BDCs

BDCs invest in primarily private companies. They are required to invest 70% or more of their assets in US-based private companies. This is an investment type that was previously limited to institutional and wealthy individuals through private equity and private debt funds. Now through these SEC reporting funds, retail investors now have access to private equity and debt investments.

Many times, BDCs will invest in smaller or medium sized businesses. BDCs may be diversified in the industries they invest in or have a specific industry specialization (i.e. energy, technology, healthcare). Additionally they may focus on equity investments in companies, debt investments in companies or a hybrid of the two. BDCs utilize management teams and advisors to underwrite investments and make loans or equity investments into companies. So far, nontraded BDCs have primarily been focused on investing in the debt side of businesses.

Additionally, BDCs are required to offer operational or management assistance to the companies they invest in. This provides a layer of support that the companies would have not previously had. Many times the managers of BDCs are very experienced at improving companies' operations and profitability.

Traded and Nontraded BDCs

Historically BDCs have been traded on public exchanges. Mirroring what happened about a decade ago in the REIT industry, nontraded BDCs have become available in the past few years. The first nontraded BDC, FS Investment Corporation, became effective in January 2009. Another nontraded BDC did not become effective until 2011 with Corporate Capital Trust.

There are a few reasons that the nontraded structure has come about. One such reason is that it allows the BDC to raise capital continuously. There are two parts to this. It allows the BDC to have capital across economic cycles rather than when the capital markets are up. Also, the continuous capital raise allows time for underwriting and investing in assets, rather than having to deploy a very large amount of capital immediately. Another reason is that the liquidity restrictions allow the BDC to be long-term focused. Additionally, the value of the investor's investment is based on Net Asset Value (NAV) of the assets and is not subject to the same volatility and pricing as the stock market. However, these investments are not for all investors. They cannot be bought and sold on the public markets and have limited liquidity provisions. Typically the investor will have to wait five to ten years until a "liquidity event," sale of the portfolio or listing on an exchange, takes place.

External and Internal Management

Similar to REITs, BDCs can be externally or internally managed. External management is a structure where an advisor makes investments and manages the portfolio for the BDC. The BDC itself has no employees, but pays a management fee to the advisor. Internal management means that the BDC has employees and overhead that are a normal operating expense to the BDC. However most BDCs traded and nontraded are externally managed. The reason for this is that many BDCs are advised or sub-advised by experienced private equity or investment management companies. This allows those investment companies to use resources from across their organization to underwrite, manage and handle the administration of the BDC.

Nontraded BDC Industry Highlights & Capital Market Overview

BDC Industry Facts (as of March 31, 2015)

- \$18.3 billion in assets under management
- Average yield of 7.31%
- \$1.15 billion in capital raise in the first quarter
- The top-3 funds raised 63% of equity in the first quarter 2015 compared to 73% as of the 1st half of 2014
- The top-4 funds raised 73% of industry equity in the first quarter 2015, down from 83% in the 1st half of 2014
- 13 funds currently raising capital (as of March 31, 2015)
- 1 closed fund (FS Investment Corporation II), 1 closed subsequent to the quarter (Business Development Corporation of America)
- 1 full cycle fund, now listed (FS Investment Corporation [NYSE:FSIC])
- 6 funds in registration with \$8.5 billion of registered equity offerings

Fund Name	Total Assets 2015	Gross Proceeds 2015	Current Yield
Business Development Corporation of America (Closed)	\$ 2,265.3	\$ 93.0	7.75%
Business Development Corporation of America II	\$ 0.1	NA	NA
CION Investment Corporation	\$ 653.2	\$ 111.2	7.00%
Corporate Capital Trust, Inc.	\$ 3,275.9	\$ 197.5	7.32%
Credit Suisse Park View BDC	\$ 295.9	NA	NA
FS Energy and Power Fund	\$ 3,783.6	\$ 205.6	7.30%
FS Investment Corporation II (Closed)	\$ 4,963.7	\$ 21.1	7.11%
FS Investment Corporation III	\$ 1,397.1	\$ 322.4	7.03%
Griffin-Benefit Street Partners BDC Corporation	\$ 0.2	NA	NA
HMS Income Fund, Inc.	\$ 696.9	\$ 98.9	7.07%
NexPoint Capital	\$ 26.8	\$ 10.0	NA
Sierra Income Corporation	\$ 855.5	\$ 85.5	8.00%
Triton Pacific Corporation	\$ 3.7	\$ 2.7	NA
VII Peaks Co-Optivist Income BDC II	\$ 44.0	\$ 8.7	7.20%
TOTAL	\$ 18,262	\$ 1,157	

Capital Market Update

Capital raise as for the quarter ended March 31, 2015 was \$1.15 billion. Based on that amount, we expect capital raise to stabilize in the \$5 billion to \$6 billion range for the year 2015. The only events that may increase capital raise significantly is if BDC of America or another BDC has a liquidity event.

The market continues to get more competitive as more entrants enter the industry and gain scale. Although the top 3 funds are raising well over half of the capital in the industry, the percentage of market share has steadily declined over the past two years.

Assets under management (AUM) of the nontraded BDC industry of \$18.3 billion equal nearly half of the market cap of traded BDCs at about \$37 billion.

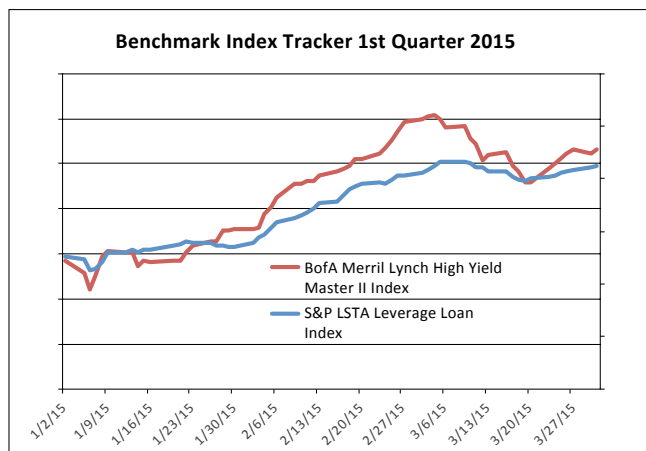
New funds in registration total nearly \$8.5 billion. Many in registration are sponsors already offering a nontraded BDC, but have registered a sequel fund to one already in the market. A large and well-known nontraded REIT sponsor, W.P. Carey, has a BDC in registration with Guggenheim Partners as a sub-advisor to the fund.

Fund Name	Sub-Advisor / Affiliated Sponsor	Dealer Manager	Registered Amount
Yorke Capital Corp.	Yorke Capital Management	Orchard Securities LLC	\$ 200,000,000
FS Energy & Power Fund II	Franklin Square Capital Partners & (Sub) GSO/Blackstone	FS2 Capital	\$ 3,000,000,000
FS Energy & Power Fund IV	Franklin Square Capital Partners & (Sub) GSO/Blackstone	FS2 Capital	\$ 2,637,500,000
Carey Credit Income Fund (A & T Shares)	W.P. Carey / Guggenheim Partners	Carey Financial / WP Carey	\$ 700,000,000
Corporate Capital Trust II (A & T Shares)	KKR / CNL Financial	CNL Securities	\$ 1,460,250,000
Freedom Capital Corporation	Freedom Capital	Democracy Funding LLC	\$ 500,000,000
TOTAL AMOUNT REGISTERED			\$8,497,750,000

Nontraded BDC Industry Highlights & Capital Market Overview

As predicted, both larger institutions are entering the space and BDCs are taking on a specialization approach to differentiate themselves in the market. Credit Suisse has become effective with the Credit Suisse Park View BDC. It came to market with a more than \$200 million portfolio. The fund is structured as a no-load product with a minimum investment of \$50,000. The structure suggests that it is geared more for higher net worth individuals in a fee-based or wrap account advisory format. As for specialization, Griffin-Benefit Street Partners BDC has taken the approach to have a significant concentration in technology, media and telecommunications (TMT). This specialization is attributed to Benefit Street Partners' expertise in the sector. Benefit Street Partners is the credit manager subsidiary of Providence Equity Partners. Benefit Street manages \$9 billion in assets as part of Providence's \$40 billion in assets under management.

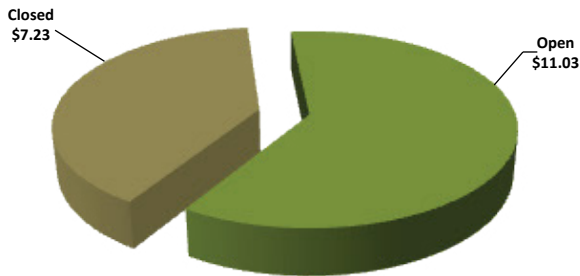
The credit markets have seen a mild but positive first quarter in 2015. Still many market participants anticipate interest rate hikes from the Federal Reserve by the end of the year, but corporate debt has continued to perform.



The Bank of America Merrill Lynch High Yield Index has produced a nearly 2.5% total return for the first quarter and the S&P LSTA Leveraged Loan Index (tracking senior bank loans) produced almost 1.9% in total return. That is compared to 2.5% and 0.99% respectively, for the full year of 2014. Although these corporate debt markets are tracking higher performance than last year, it remains to be seen what will happen when interest rates rise.

BDC Overall Industry Summary

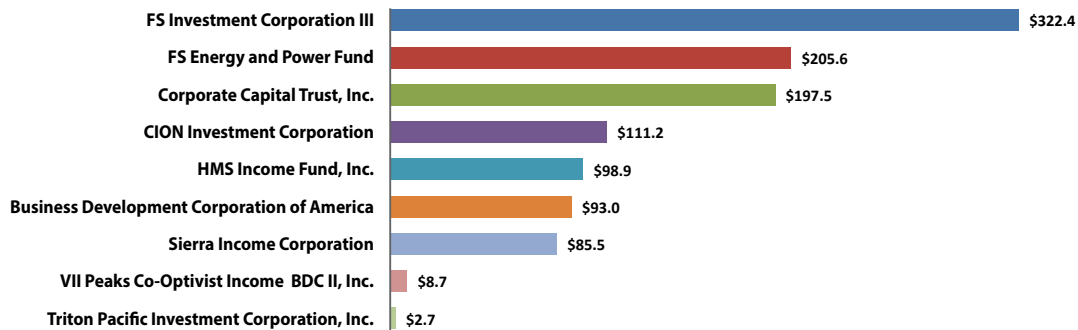
Total Nontraded BDC Industry Assets
(in \$ Billions) as of March 31, 2015



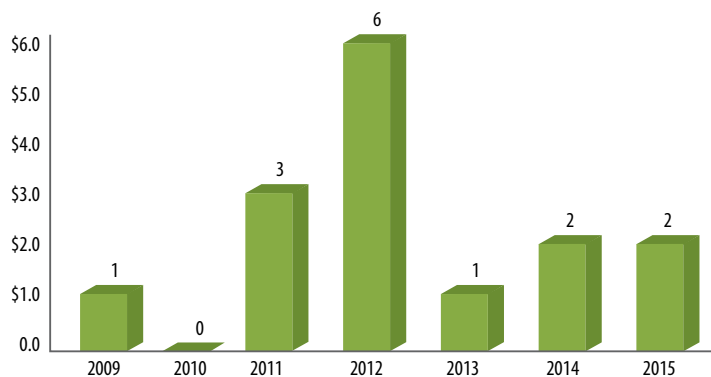
Total Industry Assets
(in \$ Millions) as of March 31, 2015



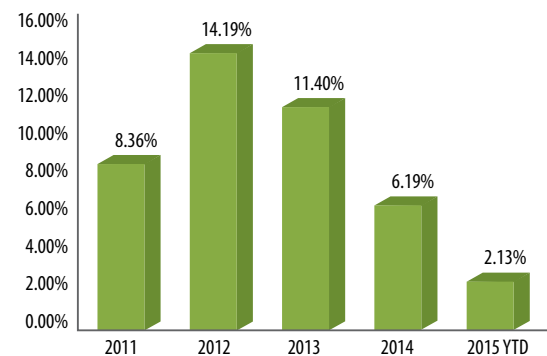
Gross Equity Raise YTD 2015
(in \$ Millions) as of March 31, 2015



New Product Introductions Since 2009



Median Total Returns of Nontraded BDCs
(Total Return of NAV + Distribution)



BDC Fund Offerings Summary

Fund Name	Open/Closed	Effective Date	Sponsor/Advisor	Sub-Advisor	Total Assets Q1 2015	Gross Proceeds YTD 2015	Current Yield
Business Development Corporation of America	Open	January 25, 2011	AR Capital	NA	\$2,265.3	\$93.0	7.75%
Business Development Corporation of America II	Open	September 8, 2014	AR Capital	NA	\$0.1	NA	NA
CION Investment Corp	Open	July 2, 2012	Icon Investments	Apollo Global Management	\$653.2	\$111.2	7.00%
Corporate Capital Trust, Inc.	Open	April 4, 2011	CNL Financial Group	KKR	\$3,275.9	\$197.5	7.32%
Credit Suisse Park View BDC, Inc.	Open	March 19, 2015	Credit Suisse	NA	\$295.9	—	—
FS Energy and Power Fund	Open	May 12, 2011	Franklin Square Capital Partners	GSO - Blackstone	\$3,783.6	\$205.6	7.30%
FS Investment Corporation II (Closed)	Closed	February 14, 2012	Franklin Square Capital Partners	GSO - Blackstone	\$4,963.7	\$21.1	7.11%
FS Investment Corporation III	Open	December 31, 2013	Franklin Square Capital Partners	GSO - Blackstone	\$1,397.1	\$322.4	7.03%
Griffin-Benefit Street Partners BDC Corp.	Open	January 20, 2015	Griffin Capital	Benefit Street Partners	\$0.2	NA	NA
HMS Income Fund, Inc.	Open	June 4, 2012	Hines	Main Street Capital	\$696.9	\$98.9	7.07%
NexPoint Capital	Open	August 18, 2014	NexPoint Capital / Highland Capital Management	NA	\$26.8	\$10.0	NA
Sierra Income Corporation, Inc.	Open	April 16, 2012	Sierra - Medley Capital	NA	\$855.5	\$85.5	8.00%
Triton Pacific Corporation, Inc.	Open	September 4, 2012	Triton Pacific Group	NA	\$3.7	\$8.7	NA
VII Peaks Co-Optivist Income BDC II, Inc.	Open	March 1, 2012	VII-Peaks	NA	\$44.0	\$8.7	7.20%
TOTAL					\$18,262	\$1,157	

BDC Industry Review: First Quarter 2015



BDC Fee Comparison

Effective Nontraded BDCs		Maximum Front-End Fees				Management Fees				Actual Operating Expenses
Fund Name	Sponsor/Advisor	Max. Sales Commission	Dealer-Manager Fee	Offering Expenses	Max Total Load	AUM Fee	Incentive Fee Income/ Capital Gains	Preferred Return	Catch-Up Percent	Annualized Operating Expense Ratio (2014 YTD)*
Business Development Corporation of America	AR Capital	7.00%	3.00%	1.50%	11.50%	1.50%	20.00%	7.00%	8.75%	3.96%
Business Development Corporation of America II	AR Capital	7.00%	3.00%	1.50%	11.50%	1.00%	20.00%	7.00%	8.75%	NA
CION Investment Corp	Icon Investments	7.00%	3.00%	1.50%	11.50%	2.00%	20.00%	7.50%	9.38%	4.32%
Corporate Capital Trust, Inc.	CNL Financial Group	7.00%	3.00%	1.10%	11.10%	2.00%	20.00%	7.00%	8.75%	4.84%
Credit Suisse Park View BDC, Inc.	Credit Suisse	0.00%	1.50 + 0.50%	0.30%	0.30%	1.75%	20.00%	7.00%	8.75%	NA
FS Energy and Power Fund	Franklin Square Capital Partners	7.00%	3.00%	1.50%	11.50%	2.00%	20.00%	6.50%	8.13%	3.83%
FS Investment Corporation II	Franklin Square Capital Partners	7.00%	3.00%	1.50%	11.50%	2.00%	20.00%	7.50%	9.38%	5.82%
FS Investment Corporation III	Franklin Square Capital Partners	7.00%	3.00%	1.50%	11.50%	2.00%	20.00%	7.50%	9.38%	4.07%
Griffin-Benefit Street Partners BDC Corp.	Griffin Capital	7.00%	3.00%	1.50%	11.50%	2.00%	20.00%	7.00%	8.75%	NA
HMS Income Fund, Inc.	Hines	7.00%	3.00%	1.50%	11.50%	2.00%	20.00%	7.50%	9.38%	4.86%
NexPoint Capital	NexPoint Capital/ Highland Capital Management	7.00%	1.00%	1.00%	9.00%	2.00%	20.00%	7.50%	9.38%	NA
Sierra Income Corporation	Sierra - Medley Capital	7.00%	2.75%	1.25%	11.00%	1.75%	20.00%	7.00%	8.75%	5.53%
Triton Pacific Investment Corporation, Inc.	Triton Pacific Capital	7.00%	3.00%	2.00%	12.00%	2.00%	20.00%	8.00%	10.00%	NA
VII Peaks Co-Optivist Income BDC II, Inc.	VII-Peaks KBR	7.00%	3.00%	1.50%	11.50%	1.5% - 2.0%	20.00%	8.00%	NA	NA

*Annualized Operating Expense Ratio uses expenses stated on the income statement and does not take into account expense support or fee waivers. Total Operating Expense Ratio will likely be overstated during the fundraising stage of each fund. The average net assets used in the calculation is likely to be less than current net assets, causing the ratio to be higher than if the fund was stabilized.

BDC Performance Summary

Effective Nontraded BDCs (Greater than \$50 million in AUM)		Total Returns				
Fund Name	Sponsor/Advisor	2015 YTD	2014	2013	2012	2011**
Business Development Corporation of America	AR Capital	7.63%	6.60%	14.12%	15.19%	8.36%
Corporate Capital Trust	CNL Financial Group	1.50%	5.90%	11.40%	14.30%	12.23%
FS Energy and Power Fund	Franklin Square Capital Partners	2.10%	4.14%	10.49%	14.07%	2.11%
FS Investment Corporation II	Franklin Square Capital Partners	2.15%	6.92%	10.81%	8.82%	—
FS Investment Corporation III	Franklin Square Capital Partners	-1.37%	6.48%	—	—	—
Sierra Income Corporation	Sierra - Medley Capital	2.38%	6.48%	11.75%	—	—
CION Investment Corporation	ICON Investments	3.33%	6.92%	11.96%	—	—
HMS Income Fund	Hines	4.05%	2.13%	8.47%	—	—

Benchmark Comparison

S&P/LSTA Leveraged Loan Index	1.85%	0.99%	5.25%	9.67%	1.51%
BofA High Yield Master II Index	2.48%	2.50%	7.42%	15.58%	4.38%
Median	2.13%	6.19%	11.40%	14.19%	8.36%
Mean	2.02%	4.19%	11.29%	13.10%	7.57%

* All funds but FS Investment Corp had limited operations for the year of 2011, FS Investment Corp II had limited operations in 2012

* Note A - FS Investment Corp. III had a 1.67% total return for the year, but had limited operations breaking escrow in April 2014

BDC Industry Review: First Quarter 2015

CION Investment Corporation

Total Assets.....	\$653.2 Million
Investments.....	\$432.7 Million
Cash & Equivalents.....	\$37.4 Million
Other.....	\$183.2 Million

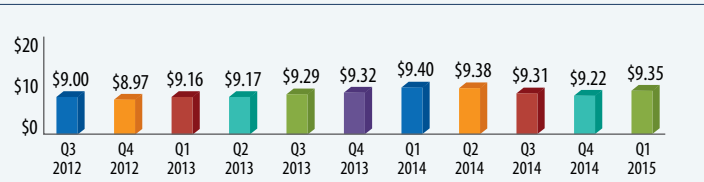


Public Offering Price:	\$10.25
Current Distribution Rate*:	7.00%
Reinvestment Price Per Share:.....	90% POP
Effective Date:.....	July 2, 2012
Number of Months Effective:.....	32

*Current distribution rate based on public offering price

Cash & Equivalents to Total Assets Ratio:.....5.7%
 Asset Type: Diversified Private Debt
 Number of Companies in Portfolio: 130
 Sponsor/Advisor: ICON Investments / CIM
 Sub-Advisor: Apollo Investment Management
 Use of Total Return Swap (TRS): Yes
 Assets of TRS: \$595.1 Million

Historical Price (Net Asset Value)



Investment Strategy

Strategy:

Primarily invests in the senior secured debt of U.S. middle market companies. The investment objective is to generate current income and to a lesser extent, capital appreciation for its investors.

Company Size:

EBITDA of \$50 million or less.

Average Portfolio Company Size:

\$125.3 million in EBITDA

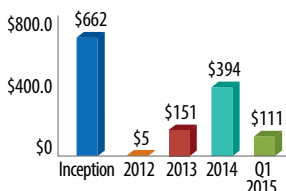
Management

Investments are sourced, underwritten and managed by CION Investment Management, an ICON Investments subsidiary, and has engaged Apollo Investment Management as a sub-advisor to source investments and make investment recommendations.

ICON Investments – With more than 27 years of experience and having made approximately \$4 billion in total investments, ICON provides direct financing to public and private companies through secured financing such as equipment financing.

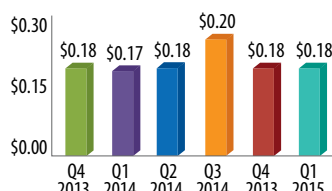
Apollo Investment Management - a subsidiary of Apollo Global – a global private equity, credit and real estate investment management firm with over \$163 billion in assets under management.

Gross Offering Proceeds



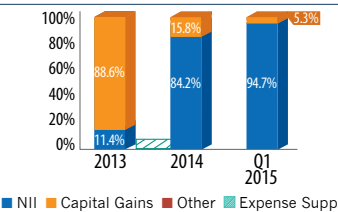
*Includes reinvested distributions (in millions)

Historical Distribution Per Share



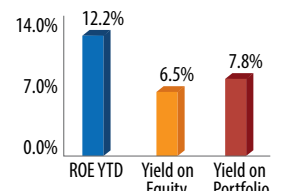
*Does not include special distributions

Sources of Distributions

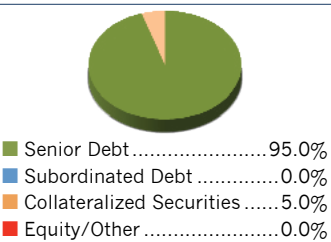


*Other may include other taxable income items.

Portfolio Yields



Portfolio by Asset Type



Portfolio Concentration - Top 5 Industries

Industry	2015 YTD	2014
Services: Business	19%	25%
High Tech Industries	14%	13%
Beverage, Food & Tobacco	13%	12%
Diversified Financials	13%	11%
Banking, Finance, Insurance & Real Estate	6%	2%

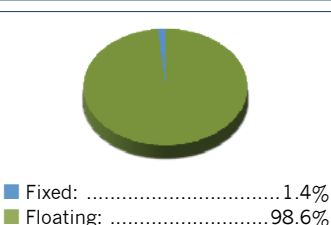
* Short-term Treasury Investments not included, includes TRS investments

Performance Returns

	2015* YTD	2014*	2013*
CION Investment Corp	3.33%	6.92%	11.96%
S&P/LSTA Leveraged Loan Index	1.85%	0.99%	5.25%
BofA Merrill Lynch High Yield Master II	2.48%	2.50%	7.42%

*YTD returns are not annualized

Floating vs. Fixed Rate Investments



Key Statistics

Fund Operating Expense Ratio.....	4.3%
Interest Coverage Ratio.....	Not Applicable
Weighted Average Interest Rate.....	Not Applicable
Leverage Ratio.....	34.1%
Taxable Income Payout Ratio.....	122.2%
Net Change in Assets Payout Ratio.....	64.0%
Expense Support % of Distribution.....	0.0%

Contact Information

www.CIONInvestmentcorp.com
CION Investment Corp.
3 Park Avenue, 36th Floor
New York, NY 10016
(800) 435-5697

*See additional notes on page 19.

BDC Industry Review: First Quarter 2015

Corporate Capital Trust, Inc.

Total Assets.....\$3,275.9 Million
 Investments.....\$2,957.2 Million
 Cash & Equivalents.....\$47.3 Million
 Other.....\$271.5 Million

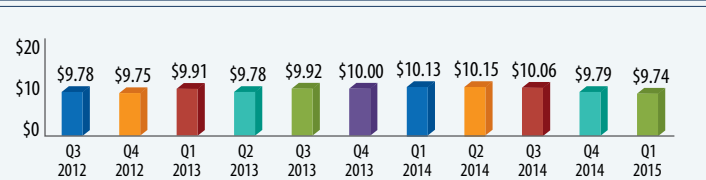


Public Offering Price:\$11.00
 Current Distribution Rate:7.32%
 Reinvestment Price Per Share:.....90% POP
 Effective Date:.....April 4, 2011
 Number of Months Effective:.....47

Cash & Equivalents to Total Assets Ratio:.....1.4%
 Asset Type: Diversified Private Debt
 Number of Companies in Portfolio*:129
 Sponsor/Advisor: CNL Financial Group
 Sub-Advisor:..... KKR
 Use of Total Return Swap (TRS): Yes
 Assets of TRS:\$310 Million

*Including TRS

Historical Price (Net Asset Value)



Investment Strategy

Strategy:

To invest in senior and subordinated debt of medium and large sized U.S. companies. Investments in companies may be accompanied by warrants, options, equity co-investments or other forms of equity.

Company Size:

EBITDA greater than \$25 million

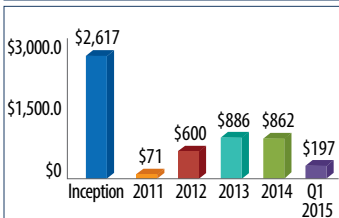
Management

Investments are sourced, underwritten and managed in a collaborative effort by KKR and CNL. Although the investment activity is primarily led by KKR, the partnership provides dual underwriting for investments.

KKR – A global investments firm that manages over \$99.1 billion in assets. The firm was founded in 1976 and has completed 250 private equity transactions with a total value of more than \$480 billion.

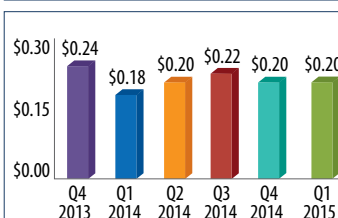
CNL – A private investment firm founded in 1973 that provides global real estate and alternative investment opportunities. CNL and its affiliates have formed or acquired companies with more than \$33 billion in assets.

Gross Offering Proceeds



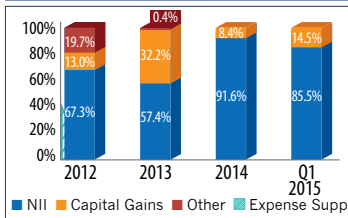
*Includes reinvested distributions (in millions)

Historical Distribution Per Share



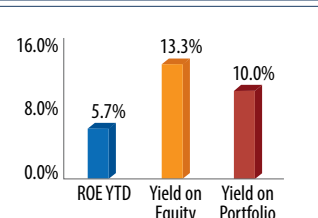
*Special distribution in Q4 2013 of \$0.03

Sources of Distributions

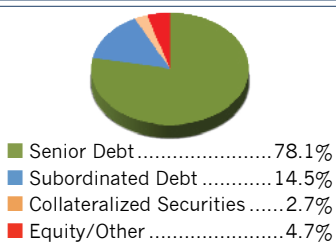


*Other may include other taxable income items.

Portfolio Yields



Portfolio by Asset Type



Portfolio Concentration – Top 5 Industries

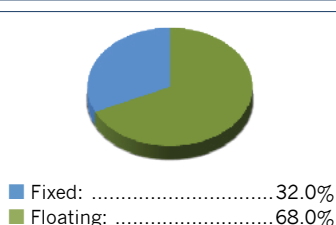
Industry	2014 YTD	2013
Software & Services	15%	8%
Consumer Durables & Apparel	14%	19%
Capital Goods	10%	5%
Retailing	8%	11%
Energy	7%	6%

Performance Returns

	2015 YTD	2014	2013	2012
Corporate Capital Trust, Inc.	1.50%	5.90%	11.40%	14.30%
S&P/LSTA Leveraged Loan Index	1.85%	0.99%	5.25%	9.70%
BofA Merrill Lynch High Yield Master II	2.48%	2.50%	7.42%	15.58%

* YTD returns are not annualized
 ** Annualized due to limited operating data in 2011

Floating vs. Fixed Rate Investments



Key Statistics

Fund Operating Expense Ratio.....	4.8%
Interest Coverage Ratio.....	8.4x
Weighted Average Interest Rate**.....	3.8%
Leverage Ratio.....	33.0%
Taxable Income Payout Ratio*.....	79.0%
Net Change in Assets Payout Ratio.....	144.0%
Expense Support % of Distribution.....	0.0%

*Average borrowings stated in quarterly SEC filing. **Using stated weighted average borrowings in SEC filing.

www.CorporateCapitalTrust.com
CNL Financial Group Inc.
450 S. Orange Ave.
Orlando, FL 32801
(407) 650-1000

*See additional notes on page 19.

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BDC Industry Review: First Quarter 2015

Credit Suisse Park View BDC, Inc.

Total Assets.....	\$295.9 Million
Investments.....	\$264.5 Million
Cash & Equivalents.....	\$21.5 Million
Other.....	\$9.8 Million

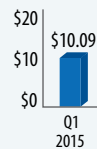


Public Offering Price: \$10.09
 Current Distribution Rate: Not Applicable
 Reinvestment Price Per Share: 90% POP
 Effective Date: March 18, 2015
 Number of Months Effective: 1

Cash & Equivalents to Total Assets Ratio: 7.3%
 Asset Type: Diversified Private Debt
 Number of Companies in Portfolio: 25
 Sponsor/Advisor: Credit Suisse Asset Management
 Sub-Advisor: Not Applicable
 Use of Total Return Swap (TRS): No
 Assets of TRS: Not Applicable

*TRS Agreement began June 26, 2014

Historical Price (Net Asset Value)



Investment Strategy

Strategy:

To make direct investments in secured debt (including first and second lien senior secured loans), unsecured debt (including mezzanine debt) and, to a lesser extent, equity securities of middle-market U.S. companies.

Company Size:

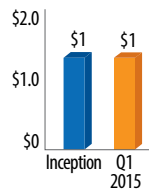
EBITDA between \$5 million and \$75 million

Management

Credit Suisse Asset Management (CSAM) serves as the Adviser to the BDC. Investments are originated by CSAM's proprietary network, Credit Suisse's investment banking platform and Private Wealth Management group.

Credit Suisse Asset Management – Part of Credit Suisse's global asset management business, CSAM manages approximately \$70.7 billion in the Americas and approximately \$392.5 billion worldwide.

Gross Offering Proceeds



*Includes reinvested distributions (in millions)

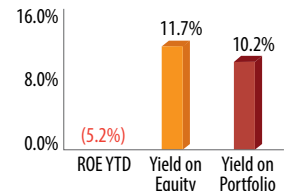
Historical Distribution Per Share

NA-Limited Operating Data

Sources of Distributions

NA-Limited Operating Data

Portfolio Yields



*Commencing operation on March 18, 2015.

Portfolio by Asset Type



Senior Debt.....	100.0%
Subordinated Debt.....	22.0%
Collateralized Securities.....	1.0%
Equity/Other.....	1.0%

Portfolio Concentration – Top 5 Industries

Industry	2015 YTD	2014
Services: Business	14%	15%
Healthcare & Pharmaceuticals	11%	7%
Consumer Goods: Non-Durable	8%	8%
Energy: Oil & Gas	8%	8%
Automotive	7%	8%

* Excludes TRS

Performance Returns

	2015 YTD**
FS Investment Corporation III	1.37%
S&P/LSTA Leveraged Loan Index	1.85%
BofA Merrill Lynch High Yield Master II	2.48%

* YTD returns are not annualized
 ** Annualized due to limited operating data in 2015

Floating vs. Fixed Rate Investments



Fixed:	90.9%
Floating:	9.1%

Key Statistics

Fund Operating Expense Ratio.....	4.1%
Interest Coverage Ratio.....	11.5x
Weighted Average Interest Rate.....	0.8%
Leverage Ratio.....	21.3%
Taxable Income Payout Ratio*.....	.NA
Net Change in Assets Payout Ratio.....	.NA
Expense Support % of Distribution.....	.NA

*Commenced operations on April 2, 2014 - limited operating data

Contact Information

www.Credit-Suisse.com
Credit Suisse Asset Management
One Madison Avenue
New York, NY 10010-3629
(212) 325-2000

*See additional notes on page 19.

BDC Industry Review: First Quarter 2015

FS Energy & Power Fund

Total Assets.....\$3,783.6 Million
 Investments.....\$3,402.6 Million
 Cash & Equivalents.....\$308.1 Million
 Other.....\$72.9 Million



Public Offering Price:\$9.70
 Current Distribution Rate*:7.30%
 Reinvestment Price Per Share:.....90% POP
 Effective Date:.....May 12, 2011
 Number of Months Effective:.....46

Cash & Equivalents to Total Assets Ratio:.....8.1%
 Asset Type: Diversified Private Debt
 Number of Companies in Portfolio:116
 Sponsor/Advisor: Franklin Square Capital Partners
 Sub-Advisor:.....GSO – Blackstone
 Use of Total Return Swap (TRS):No
 Assets of TRS:\$0 Million

Historical Price (Net Asset Value)



Investment Strategy

Strategy:

To invest primarily in the debt and income-oriented equity securities of private U.S. companies in the energy and power industry.

Company Size:

Not Applicable

Average Portfolio Company Size:

\$263.9 million in EBITDA

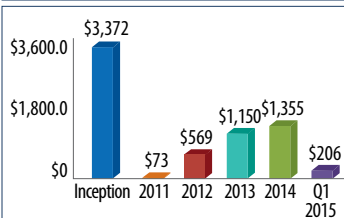
Management

Investments are sourced, underwritten and managed in a collaborative effort between Franklin Square (FS) Capital Partners and the sub-advisor, GSO Capital Partners, a Blackstone company.

GSO - Blackstone – The credit arm of Blackstone, GSO manages over \$75 billion in credit investments. Blackstone is one of the world's largest investment management firms, has roughly \$310 billion in assets under management.

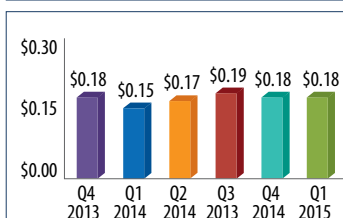
Franklin Square Capital Partners – An alternative investments firm founded in 2007 with an experienced team of investment professionals. The firm manages \$15.7 billion in BDC assets.

Gross Offering Proceeds



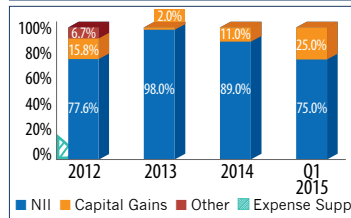
*Includes reinvested distributions (in millions)

Historical Distribution Per Share



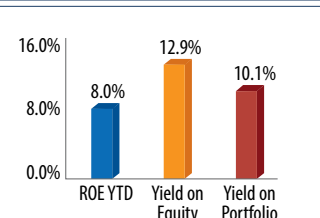
*Does not include special distributions

Sources of Distributions



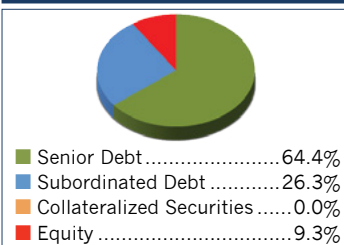
*Other may include other taxable income items.
 *Offering Price as of 7/1/14.

Portfolio Yields



*ROE was -7.62% for the year 2014

Portfolio by Asset Type



Portfolio Concentration – Top 5 Industries

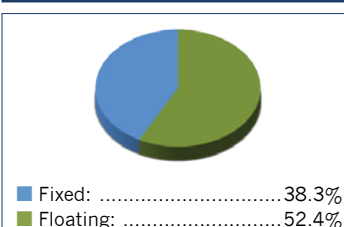
Industry	2015 YTD	2014
Upstream	57%	54%
Midstream	7%	7%
Downstream	0%	0%
Power	10%	10%
Service & Equipment	26%	29%

Performance Returns

	2015 YTD	2014	2013	2012
FS Energy & Power Fund	2.10%	(4.14%)	10.49%	14.07%
S&P/LSTA Leveraged Loan Index	1.85%	0.99%	5.25%	9.67%
BofA Merrill Lynch High Yield Master II	2.48%	2.50%	7.42%	15.58%

*YTD returns are not annualized

Floating vs. Fixed Rate Investments



Key Statistics

Fund Operating Expense Ratio	3.8%
Interest Coverage Ratio	5.7x
Weighted Average Interest Rate	2.4%
Leverage Ratio	25.5%
Taxable Income Payout Ratio	102.5%
Net Change in Assets Payout Ratio	103.5%
Expense Support % of Distribution	0.0%

www.FSEnergyandPowerFund.com

Franklin Square Capital Partners
 2929 Arch Street, Suite 675
 Philadelphia, PA 19104
 (877) 372-9880

*See additional notes on page 19.

BDC Industry Review: First Quarter 2015

FS Investment Corporation III

Total Assets.....\$1,397.0 Million
 Investments.....\$1,030.3 Million
 Cash & Equivalents.....\$247.9 Million
 Other.....\$118.9 Million

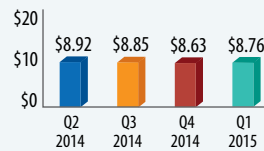


Public Offering Price:\$9.95
 Current Distribution Rate:7.03%
 Reinvestment Price Per Share:.....90% POP
 Effective Date:.....December 31, 2013
 Number of Months Effective:.....15

Cash & Equivalents to Total Assets Ratio:.....17.7%
 Asset Type:Diversified Private Debt
 Number of Companies in Portfolio:106
 Sponsor/Advisor:Franklin Square Capital Partners
 Sub-Advisor:.....GSO - Blackstone
 Use of Total Return Swap (TRS):Yes
 Assets of TRS:\$337.0 Million*

*TRS Agreement began June 26, 2014

Historical Price (Net Asset Value)



Investment Strategy

Strategy:

To invest primarily in senior secured, second-lien secured and to a lesser extent subordinated debt of private U.S. companies.

Company Size:

\$50 million to \$2.5 billion in revenue

Average Portfolio Company Size:

\$324.0 million in EBITDA

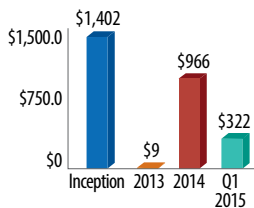
Management

Investments are sourced, underwritten and managed in a collaborative effort between Franklin Square (FS) Capital Partners and the sub-advisor, GSO Capital Partners, a Blackstone company.

GSO - Blackstone – The credit arm of Blackstone, GSO manages over \$75 billion in credit investments. Blackstone is one of the world's largest investment management firms, has roughly \$310 billion in assets under management.

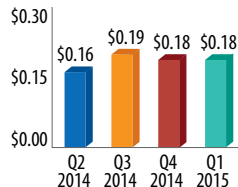
Franklin Square Capital Partners – An alternative investments firm founded in 2007 with an experienced team of investment professionals. The firm manages \$15.7 billion in BDC assets.

Gross Offering Proceeds



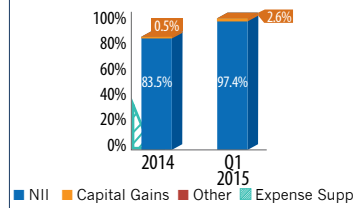
*Includes reinvested distributions (in millions)

Historical Distribution Per Share



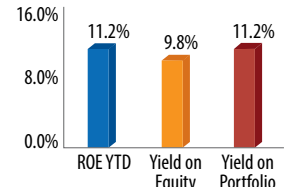
*Does not include special distributions

Sources of Distributions



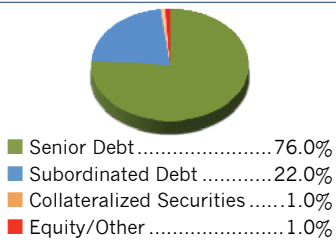
*Other may include other taxable income items.

Portfolio Yields



*Commencing operation on April 2, 2014.

Portfolio by Asset Type



Portfolio Concentration - Top 5 Industries

Industry	2015 YTD	2014
Energy	23%	16%
Commercial & Professional Services	12%	11%
Software & Services	11%	12%
Consumer Services	11%	14%
Materials	11%	8%

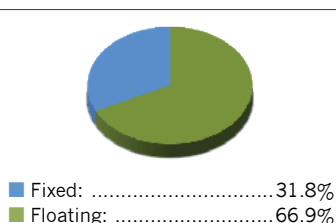
* Short-term Treasury Investments not included, includes TRS investments

Performance Returns

	2015 YTD	2014**
FS Investment Corporation III	3.59%	1.67%
S&P/LSTA Leveraged Loan Index	1.85%	0.99%
BofA Merrill Lynch High Yield Master II	2.48%	2.50%

* YTD returns are not annualized
 ** Annualized due to limited operating data in 2014

Floating vs. Fixed Rate Investments



Key Statistics

Fund Operating Expense Ratio.....	3.0%
Interest Coverage Ratio.....	19.7x
Weighted Average Interest Rate.....	2.8%
Leverage Ratio.....	13.8%
Taxable Income Payout Ratio*.....	102.7%
Net Change in Assets Payout Ratio.....	70.9%
Expense Support % of Distribution.....	0.0%

*Commenced operations on April 2, 2014 - limited operating data

Contact Information

www.FSInvestmentCorpiii.com
Franklin Square Capital Partners
2929 Arch Street, Suite 675
Philadelphia, PA 19104
(877) 372-9880

*See additional notes on page 19.

BDC Industry Review: First Quarter 2015

HMS Income Fund Inc.

Total Assets.....	\$696.9 Million
Investments.....	\$659.9 Million
Cash & Equivalents.....	\$23.9 Million
Other.....	\$13.1 Million

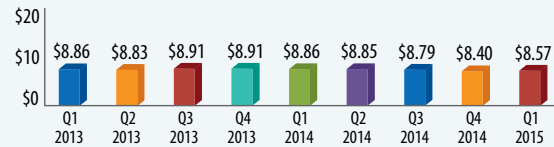


Public Offering Price:	\$9.90
Current Distribution Rate*:	7.07%
Reinvestment Price Per Share:.....	90% POP
Effective Date:.....	June 4, 2012
Number of Months Effective:.....	33

*Current distribution rate based on public offering price declared January 9, 2015

Cash & Equivalents to Total Assets Ratio:.....	3.4%
Asset Type:	Diversified Private Debt
Number of Companies in Portfolio:	106
Sponsor/Advisor:	Hines
Sub-Advisor:.....	Main Street Capital Corporation
Use of Total Return Swap (TRS):	No
Assets of TRS:	\$0 Million

Historical Price (Net Asset Value)



Investment Strategy

Strategy:

Generate current income and to a lesser, extent capital gains primarily through debt and equity investments in privately owned U.S. lower middle market companies as well as upper middle market firms.

Company Size:

Annual revenues of \$10 million to \$150 million (lower middle market) up to \$3 billion (upper middle market)

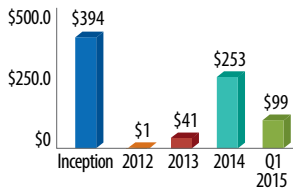
Management

Investments are managed by HMS Adviser, a Hines subsidiary, and sub-advised by Main Street Capital. Main Street provides sourcing, evaluation, negotiation and structuring for HMS's investments.

Hines – A global real estate investment firm that manages or has interests in over \$25.2 billion of investments. Together with its predecessor, Hines has been investing and managing real estate for over 50 years..

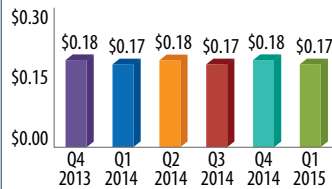
Main Street Capital – A manager of private debt and equity investments, Main Street Capital Corp. is a publicly traded BDC with a market capitalization of roughly \$2 billion.

Gross Offering Proceeds



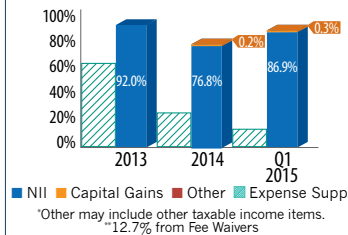
*Includes reinvested distributions (in millions)

Historical Distribution Per Share



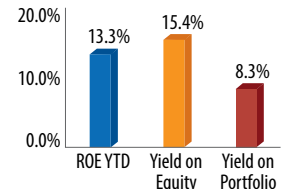
*Does not include special distributions

Sources of Distributions



*Other may include other taxable income items. -12.7% from Fee Waivers

Portfolio Yields



Portfolio by Asset Type



Senior Debt	96.8%
Subordinated Debt	0.3%
Collateralized Securities	0.0%
Equity	2.9%

Portfolio Concentration – Top 5 Industries

Industry	2015 YTD	2014
Media	8%	9%
IT Services	7%	7%
Diversified Consumer Services	6%	5%
Hotels, Restaurants, and Leisure	6%	8%
Oil, Gas, and Consumable Fuels	6%	5%

* Short-term Treasury Investments not included

Performance Returns

	2015 YTD	2014	2013	2012**
HMS Income Fund Inc.	4.05%	2.13%	8.47%	0.85%
S&P/LSTA Leveraged Loan Index	1.85%	0.99%	5.25%	9.67%
BofA Merrill Lynch High Yield Master II	2.48%	2.50%	7.42%	15.58%

* YTD returns are not annualized
** Limited operations for year of 2012, became effective 2/14/12

Floating vs. Fixed Rate Investments



Fixed:	19.0%
Floating:	81.0%

Key Statistics

Fund Operating Expense Ratio.....	4.9%
Interest Coverage Ratio.....	6.0x
Weighted Average Interest Rate	3.5%
Leverage Ratio.....	38.0%
Taxable Income Payout Ratio*	99.0%
Net Change in Assets Payout Ratio	61.0%
Expense Support % of Distribution	13.0%

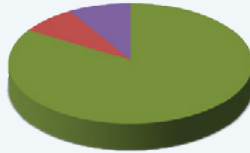
www.HinesSecurities.com/BDCS/HMS-Income-Fund
Hines Securities
 2800 Post Oak Boulevard, Suite 4700, Houston, TX 77056
 888.446.3773

*See additional notes on page 19.

BDC Industry Review: First Quarter 2015

Sierra Income Corporation

Total Assets.....	\$855.5 Million
Investments.....	\$714.4 Million
Cash & Equivalents.....	\$66.5 Million
Other.....	\$74.6 Million

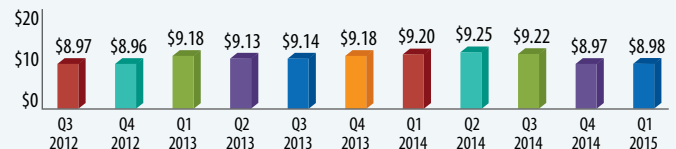


Public Offering Price:	\$10.00
Current Distribution Rate*:	8.00%
Reinvestment Price Per Share:.....	90% POP
Effective Date:.....	April 16, 2012
Number of Months Effective:.....	35

*Current distribution rate based on public offering price

Cash & Equivalents to Total Assets Ratio:.....	7.8%
Asset Type:	Diversified Private Debt
Number of Companies in Portfolio:	79
Sponsor/Advisor:	SIC Advisors - Medley Capital
Sub-Advisor:.....	Not Applicable
Use of Total Return Swap (TRS):	Yes
Assets of TRS:	\$224.4 Million

Historical Price (Net Asset Value)



Investment Strategy

Strategy:

To invest primarily in debt of privately owned U.S. companies with a focus on senior secured debt, second lien debt, and to a lesser extent, subordinated debt.

Company Size:

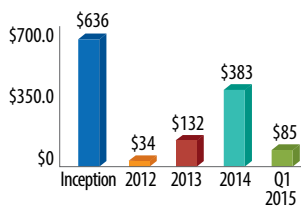
Enterprise value of \$50 million to \$4 billion

Management

Investments are sourced, underwritten and managed by SIC Advisors, Medley Capital professionals.

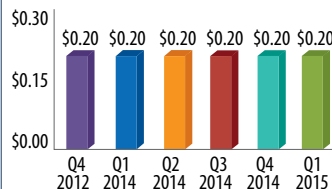
SIC Advisors - Medley Capital – Management team members bring an average of more than 20 years experience in principal finance, investment sourcing, credit analysis, transaction structuring, due diligence and investing. Medley Capital, the parent company of SIC Advisors has several private investment funds and a publicly traded BDC (Medley Capital Corporation) with combined assets of \$2 billion.

Gross Offering Proceeds



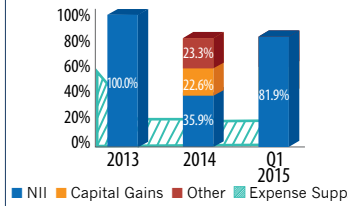
*Includes reinvested distributions (in millions)

Historical Distribution Per Share



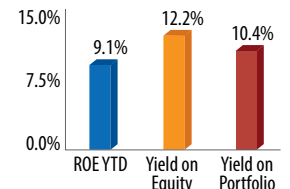
*Does not include special distributions

Sources of Distributions

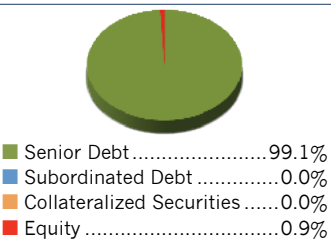


*Other may include other taxable income items.
**18.1% of distributions from offering proceeds.

Portfolio Yields



Portfolio by Asset Type



Portfolio Concentration - Top 5 Industries

Industry	2015 YTD	2014
Hotel, Gaming & Leisure	12%	3%
Services: Business	12%	NA
Banking, Finance, Insurance & Real Estate	12%	4%
Automobile	7%	7%
Construction & Building	6%	7%

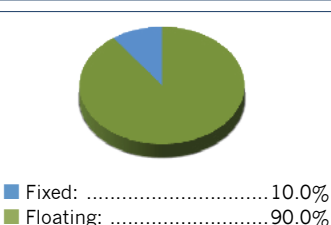
*Includes TRS Portfolio

Performance Returns

	2015* YTD	2014*	2013*
Sierra Income Corporation	2.38%	6.48%	11.75%
S&P/LSTA Leveraged Loan Index	1.85%	0.99%	5.25%
BofA Merrill Lynch High Yield Master II	2.48%	2.50%	7.42%

*Annualized Returns based on NAV plus reinvestment of distributions
*Limited operations for year of 2012, became effective 2/14/12

Floating vs. Fixed Rate Investments



Key Statistics

Fund Operating Expense Ratio.....	5.5%
Interest Coverage Ratio.....	8.7x
Weighted Average Interest Rate	2.9%
Leverage Ratio.....	40.6%
Taxable Income Payout Ratio.....	107.0%
Net Change in Assets Payout Ratio.....	98.0%
Expense Support % of Distribution.....	17.0%

Contact Information

www.SierraincomeCorp.com
SC Distributors
610 Newport Center Drive
Suite #350
Newport Beach, CA 92660
(949) 706-8640

*See additional notes on page 19.

BDC Industry Review: First Quarter 2015

Business Development Corporation of America

Total Assets.....\$2,265.3 Million
 Investments.....\$1,987.2 Million
 Cash & Equivalents.....\$228.5 Million
 Other.....\$49.5 Million



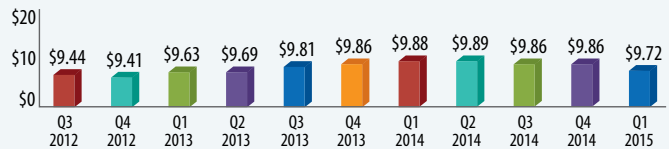
Public Offering Price:\$11.20
 Current Distribution Rate:7.75%
 Reinvestment Price Per Share:90% POP
 Effective Date:.....January 25, 2011
 Number of Months Effective:.....50

*Current distribution rate based on public offering price

Cash & Equivalents to Total Assets Ratio:.....10.1%
 Asset Type: Diversified Private Debt
 Number of Companies in Portfolio: 116
 Sponsor/Advisor: AR Capital - BDCA Adviser
 Sub-Advisor:.....Not Applicable
 Use of Total Return Swap (TRS):No
 Assets of TRS:Not Applicable

*TRS was terminated on June 27, 2014

Historical Price (Net Asset Value)



Investment Strategy

Strategy:

To invest largely in senior secured and second lien debt securities and mezzanine debt securities issued by middle market companies.

Company Size:

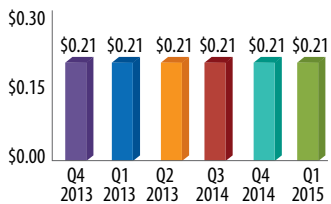
\$10 million to \$1 billion in revenue

Management

Investments are sourced, underwritten and managed by a single advisor and management team. BDCA Adviser is a wholly owned affiliate of AR Capital. The management team has experience in banking, loan origination, private equity investing & management, as well as real estate credit underwriting and investing.

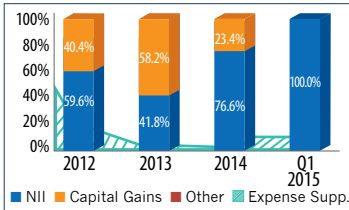
AR Capital – An alternative investment firm that invests in real estate and private company securities. AR Capital manages \$15 billion in alternative investments.

Historical Distribution Per Share



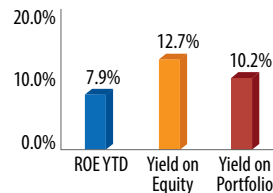
*Does not include special distributions

Sources of Distributions

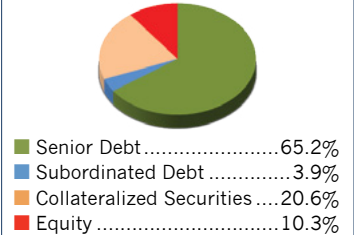


*Other may include other taxable income items.
 **10.2% of distributions attributable to waived fees.

Portfolio Yields



Portfolio by Asset Type



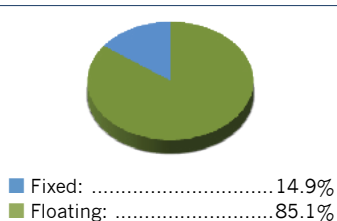
Portfolio Concentration – Top 5 Industries

Industry	2015 YTD	2014
Diversified Investment Vehicles	27%	27%
Health Care Providers & Services	5%	6%
Aerospace & Defense	5%	5%
Automotive	4%	4%
Food Products	4%	4%

Performance Returns

	2015 YTD	2014	2013	2012
Business Development Corporation of America	7.63%	6.60%	14.12%	15.19%
S&P/LSTA Leveraged Loan Index	1.85%	0.99%	5.25%	9.67%
BofA Merrill Lynch High Yield Master II	2.48%	2.50%	7.42%	15.58%

Floating vs. Fixed Rate Investments



Key Statistics

Fund Operating Expense Ratio	4.0%
Interest Coverage Ratio	8.9x
Weighted Average Interest Rate	2.8%
Leverage Ratio	27.0%
Taxable Income Payout Ratio*	100.0%
Net Change in Assets Payout Ratio	111.0%
Expense Support % of Distribution	0.0%

*BDCA only reports adjusted net investment income quarterly, may differ from taxable income

Contact Information

www.BDCofAmerica.com
Realty Capital Securities
Three Copley Place
Suite 3300
Boston, MA 02116
(877) 373-2522

*See additional notes on page 19.

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BDC Industry Review: First Quarter 2015

FS Investment Corporation II

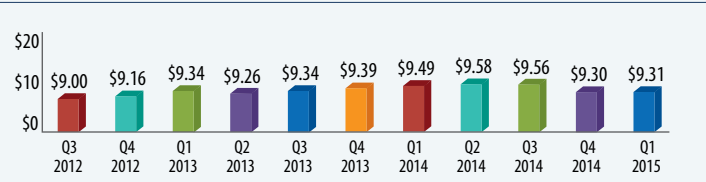
Total Assets.....\$4,963.7 Million
 Investments.....\$4,581.5 Million
 Cash & Equivalents.....\$232.8 Million
 Other.....\$149.5 Million



Last Offering Price:Closed
 Current Distribution Rate*:7.11%
 Reinvestment Price Per Share:.....Set by Board*
 Effective Date:.....February 14, 2012
 Offering Close Date:.....March 5, 2014

*Current distribution rate based on public offering price

Historical Price (Net Asset Value)



Cash & Equivalents to Total Assets Ratio:.....4.7%
 Asset Type:Diversified Private Debt
 Number of Companies in Portfolio:190
 Sponsor/Advisor:Franklin Square Capital Partners
 Sub-Advisor:.....GSO – Blackstone
 Use of Total Return Swap (TRS):No*
 Assets of TRS:\$0 Million

*FS Investment Corporation II terminated the TRS agreement on June 13, 2013

Investment Strategy

Strategy:

To invest primarily in senior secured, second-lien secured and to a lesser extent subordinated debt of private U.S. companies.

Company Size:

\$50 million to \$2.5 billion in revenue.

Average Portfolio Company Size:

\$254.8 million in EBITDA.

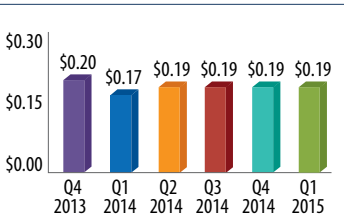
Management

Investments are sourced, underwritten and managed in a collaborative effort between Franklin Square (FS) Capital Partners and the sub-advisor, GSO Capital Partners, a Blackstone company.

GSO - Blackstone – The credit arm of Blackstone, GSO manages over \$75 billion in credit investments. Blackstone is one of the world's largest investment management firms, has roughly \$310 billion in assets under management.

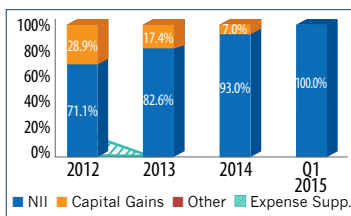
Franklin Square Capital Partners – An alternative investments firm founded in 2007 with an experienced team of investment professionals. The firm manages \$15.7 billion in BDC assets.

Historical Distribution Per Share



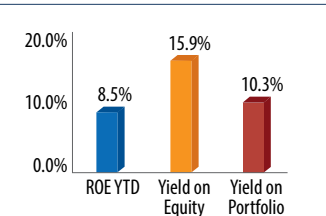
*Does not include special distributions

Sources of Distributions

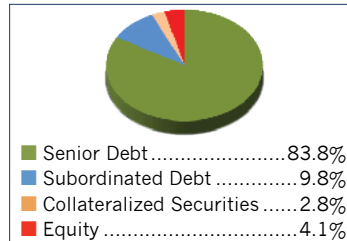


*Other may include other taxable income items.

Portfolio Yields



Portfolio by Asset Type



Portfolio Concentration – Top 5 Industries

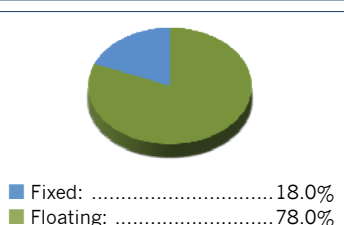
Industry	2015 YTD	2014
Consumer Services	16%	17%
Energy	15%	14%
Capital Goods	9%	9%
Commercial & Professional Services	8%	6%
Materials	7%	6%

Performance Returns

	2015* YTD	2014	2013*	2012
FS Investment Corporation II	2.15%	6.92%	10.81%	8.82%
S&P/LSTA Leveraged Loan Index	1.85%	0.99%	5.25%	9.67%
BofA Merrill Lynch High Yield Master II	2.48%	2.50%	7.42%	15.58%

*YTD returns are not annualized
 *Limited operations for year of 2012, became effective 2/14/12

Floating vs. Fixed Rate Investments



Key Statistics

Total Operating Expense Ratio	5.8%
Interest Coverage Ratio	4.3x
Weighted Average Interest Rate	2.8%
Leverage Ratio	38.8%
Taxable Income Payout Ratio*	98.1%
Net Change in Assets Payout Ratio	95.8%
Expense Support % of Distribution	0.0%

Contact Information

www.FSInvestmentCorpII.com
Franklin Square Capital Partners
2929 Arch Street, Suite 675
Philadelphia, PA 19104
(877) 372-9880

*See additional notes on page 19.

Additonal BDC Notes

Business Development Corporation of America

- Offering closed to new investors as of April 30, 2015
- Effective distribution on yield of 7.75%
- NAV decreased 1.62% YoY
- 10.2% of distributions came from expense support
- 26.7% of investments are in "Diversified Investment Vehicles" industry
- Second lowest Q1 Total Return of 2.02% of funds covered

CIION Investment Corp.

- Utilizes \$550 M of TRS Assets
- Raised 16.7% of their total gross proceeds since inception in Q 2015
- After three straight quarters of decline, NAV rebounded form \$9.22 to \$9.35
- Decreased public offering price from \$10.45 to \$10.25

Corporate Capital Trust

- Originated two investments for a total of \$151.5 million
- Originated investments represent 50.8% or \$1.49 billion of the portfolio
- 1.1% of the portfolio is on non-accrual (non-performing) status
- Lowest Q1 total return of funds covered of 1.50%

FS Energy and Power Fund

- Total return of 2.10%
- Decreased public offering price from \$9.80 to \$9.70
- Current effective yield is now 7.30%
- Largest percent of investments are fixed rate (38.3%)
- Yield on Equity of 12.89%
- Realized \$18M of losses in Q1
- Second best raise of Q1 of \$205M

FS Investment Corp. II

- Closed to new investors
- Yield on Equity of 15.9%
- Realized \$17.2M of losses in Q1
- Approaching \$5B in total assets
- Highest operating expense ratio of funds covered of 5.82%

FS Investment Corp. III

- Commenced operation in April 2014
- Highest raise of Q1 at over \$322M accounted for
- Second highest total return of funds covered in Q1 at 3.59%
- Increased public offering price to \$9.95 from \$9.85
- Approx. 98% of distributions from net investment income

HMS Income Fund

- 12.7% of distributions came from expense support in Q1
- Highest total return of funds covered in Q1 of 4.05%
- Increased public offering price from \$9.75 to \$9.90 in Q1
- NAV rebounded from \$8.40 to \$8.57 in Q1

Sierra Income Corp.

- Has one loan in non-accrual (non-performing) status in the amount of \$237,651
- Generated \$1.28 million in origination fee income on originated loans for the quarter
- Added \$80.9 million in originated loans across 7 companies during the first quarter

2015 Publication Schedule

	SEC 10-Q/10-K Release Date	Report Publication Date
First Quarter 2015 (10-Q)	May 15, 2015	June 15, 2015
Second Quarter 2015 (10-Q)	August 14, 2015	September 15, 2015
Third Quarter 2015 (10-Q)	November 13, 2015	December 14, 2015
2015 Year-in-Review	Year End 2015 Estimates	March 1, 2016
Fourth Quarter 2015 (10-K)	March 31, 2015	April 29, 2016