

Golub Capital BDC, Inc.
Form 10-Q
August 07, 2014

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

**☐ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934**

For the Quarterly Period Ended June 30, 2014

OR

**☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission File Number 814-00794

Golub Capital BDC, Inc.

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(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

27-2326940

(I.R.S. Employer Identification No.)

150 South Wacker Drive, Suite 800

Chicago, IL 60606

(Address of principal executive offices)

(312) 205-5050

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company)

Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of August 7, 2014, the Registrant had 47,065,030 shares of common stock, \$0.001 par value, outstanding.

Part I. Financial Information

Item 1. Financial Statements	3
<u>Consolidated Statements of Financial Condition as of June 30, 2014 (unaudited) and September 30, 2013</u>	3
<u>Consolidated Statements of Operations for the three and nine months ended June 30, 2014 (unaudited) and 2013 (unaudited)</u>	4
<u>Consolidated Statements of Changes in Net Assets for the nine months ended June 30, 2014 (unaudited) and 2013 (unaudited)</u>	5
<u>Consolidated Statements of Cash Flows for the nine months ended June 30, 2014 (unaudited) and 2013 (unaudited)</u>	6
<u>Consolidated Schedules of Investments as of June 30, 2014 (unaudited) and September 30, 2013</u>	7
<u>Notes to Consolidated Financial Statements (unaudited)</u>	23
Item 2. <u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	54
Item 3. <u>Quantitative And Qualitative Disclosures About Market Risk</u>	83
Item 4. <u>Controls and Procedures</u>	84

Part II. Other Information

Item 1. <u>Legal Proceedings</u>	85
Item 1A. <u>Risk Factors</u>	85
Item 2. <u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	85
Item 3. <u>Defaults Upon Senior Securities</u>	85
Item 4. <u>Mine Safety Disclosures</u>	85
Item 5. <u>Other Information</u>	85
Item 6. <u>Exhibits</u>	86

Golub Capital BDC, Inc. and Subsidiaries**Consolidated Statements of Financial Condition***(In thousands, except share and per share data)*

	June 30, 2014 (unaudited)	September 30, 2013
Assets		
Investments, at fair value		
Non-controlled/non-affiliate company investments	\$ 1,287,616	\$ 1,011,586
Non-controlled affiliate company investments	2,877	8,225
Controlled affiliate company investments	34,397	4,834
Total investments, at fair value (cost of \$1,309,706 and \$1,017,961, respectively)	1,324,890	1,024,645
Cash and cash equivalents	11,392	16,309
Restricted cash and cash equivalents	109,818	38,408
Interest receivable	5,222	4,316
Deferred financing costs	10,514	7,742
Other assets	277	236
Total Assets	\$ 1,462,113	\$ 1,091,656
Liabilities		
Debt	\$ 703,300	\$ 412,100
Secured borrowings, at fair value (proceeds of \$20,064 and \$8,683, respectively)	20,264	8,809
Interest payable	3,689	1,277
Management and incentive fees payable	5,897	5,579
Payable for open trades	-	3,677
Accounts payable and accrued expenses	2,140	1,978
Accrued trustee fees	49	-
Total Liabilities	735,339	433,420
Commitments and contingencies (Note 8)		
Net Assets		
Preferred stock, par value \$0.001 per share, 1,000,000 shares authorized, zero shares issued and outstanding as of June 30, 2014 and September 30, 2013	-	-
Common stock, par value \$0.001 per share, 100,000,000 shares authorized, 47,065,030 and 43,282,932 shares issued and outstanding as of June 30, 2014 and September 30, 2013, respectively	47	43
Paid in capital in excess of par	718,760	652,669
Undistributed net investment income	1,647	2,725
Net unrealized appreciation (depreciation) on investments, derivative instruments and secured borrowings	17,652	9,225
Net realized gain (loss) on investments and derivative instruments	(11,332) (6,426

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Total Net Assets	726,774	658,236
Total Liabilities and Total Net Assets	\$ 1,462,113	\$ 1,091,656
Number of common shares outstanding	47,065,030	43,282,932
Net asset value per common share	\$ 15.44	\$ 15.21

See Notes to Consolidated Financial Statements.

Golub Capital BDC, Inc. and Subsidiaries**Consolidated Statements of Operations (unaudited)***(In thousands, except share and per share data)*

	Three months ended June 30,		Nine months ended June 30,	
	2014	2013	2014	2013
Investment income				
From non-controlled/non-affiliate company investments:				
Interest income	\$ 25,441	\$ 20,453	\$ 73,935	\$ 56,339
Dividend income	952	1,081	1,230	1,827
Fee income	1,042	579	1,976	2,328
Total investment income from non-controlled/non-affiliate company investments	27,435	22,113	77,141	60,494
From non-controlled affiliate company investments:				
Interest income	-	155	225	463
Fee income	-	15	171	15
Total investment income from non-controlled affiliate company investments	-	155	396	463
From controlled affiliate company investments:				
Interest income	594	-	1,331	-
Total investment income from controlled affiliate company investments	594	-	1,331	-
Total investment income	28,029	22,268	78,868	60,957
Expenses				
Interest and other debt financing expenses	5,609	2,967	14,241	9,254
Base management fee	4,394	3,114	12,403	8,268
Incentive fee	1,607	2,785	6,295	7,647
Professional fees	578	534	1,876	1,540
Administrative service fee	655	715	1,979	1,873
General and administrative expenses	113	153	389	404
Total expenses	12,956	10,268	37,183	28,986
Net investment income	15,073	12,000	41,685	31,971
Net gain (loss) on investments and secured borrowings				
Net realized gains (losses) on investments:				
Non-controlled/non-affiliate company investments	1	(77) (4,906) 18
Net realized gains (losses) on investments:	1	(77) (4,906) 18

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Net unrealized appreciation (depreciation) on investments:				
Non-controlled/non-affiliate company investments	989	1,081	7,775	2,576
Non-controlled affiliate company investments	(2)	(347)	272	(338)
Controlled affiliate company investments	205	-	454	-
Net unrealized appreciation (depreciation) on investments	1,192	734	8,501	2,238
Net change in unrealized (appreciation) depreciation on secured borrowings	14	-	(74)	-
Net gain (loss) on investments and secured borrowings	1,207	657	3,521	2,256
Net increase in net assets resulting from operations	\$ 16,280	\$ 12,657	\$ 45,206	\$ 34,227
Per Common Share Data				
Basic and diluted earnings per common share	\$ 0.35	\$ 0.34	\$ 1.01	\$ 1.05
Dividends and distributions declared per common share	\$ 0.32	\$ 0.32	\$ 0.96	\$ 0.96
Basic and diluted weighted average common shares outstanding	46,985,908	37,118,379	44,673,591	32,511,415

See Notes to Consolidated Financial Statements.

Golub Capital BDC, Inc. and Subsidiaries**Consolidated Statements of Changes in Net Assets (unaudited)***(In thousands, except share data)*

	Common Stock	Paid in Capital	Distributions and Undistributed Net Investment Income	Capital	Net Unrealized Appreciation (Depreciation) on Investments, Derivative Instruments and Secured Borrowings	Net Realized Gain (Loss) on Investments and Derivative Instruments	Total Net Assets
	Shares	Par Amount of Par					
Balance at September 30, 2012	25,688,101	\$ 26	\$ 375,563	\$ 347	\$ 5,737	\$ (6,544)) \$ 375,129
Issuance of common stock, net of offering and underwriting costs ⁽¹⁾	14,016,382	14	223,404	-	-	-	223,418
Net increase in net assets resulting from operations	-	-	-	31,971	2,238	18	34,227
Distributions to stockholders:							
Stock issued in connection with dividend reinvestment plan	87,322	-	1,385	-	-	-	1,385
Dividends and distributions	-	-	-	(32,661)	-	-	(32,661)
Balance at June 30, 2013	39,791,805	\$ 40	\$ 600,352	\$ (343)	\$ 7,975	\$ (6,526)) \$ 601,498
Balance at September 30, 2013	43,282,932	\$ 43	\$ 652,669	\$ 2,725	\$ 9,225	\$ (6,426)) \$ 658,236
Issuance of common stock, net of offering and underwriting costs ⁽²⁾	3,666,855	4	64,102	-	-	-	64,106
Net increase in net assets resulting from operations	-	-	-	41,685	8,427	(4,906)) 45,206

Distributions to stockholders:							
Stock issued in connection with dividend reinvestment plan	115,243	-	1,989	-	-	-	1,989
Dividends and distributions	-	-	-	(42,763)	-	-	(42,763)
Balance at June 30, 2014	47,065,030	\$ 47	\$ 718,760	\$ 1,647	\$ 17,652	\$ (11,332)	\$ 726,774

(1) On October 16, 2012, Golub Capital BDC, Inc. priced a public offering of 2,600,000 shares of its common stock at a public offering price of \$15.58 per share. On November 14, 2012, Golub Capital BDC, Inc. sold an additional 294,120 shares of its common stock at a public offering price of \$15.58 per share pursuant to the underwriters' partial exercise of the over-allotment option. On January 15, 2013, Golub Capital BDC, Inc. priced a public offering of 4,500,000 shares of its common stock at a public offering price of \$15.87 per share. On February 20, 2013, Golub Capital BDC, Inc. sold an additional 622,262 shares of its common stock at a public offering price of \$15.87 per share pursuant to the underwriters' partial exercise of the over-allotment option. On May 7, 2013, Golub Capital BDC, Inc. priced a public offering of 6,000,000 shares of its common stock at a public offering prices of \$17.47 per share.

(2) On March 18, 2014, Golub Capital BDC, Inc. priced a public offering of 3,500,000 shares of its common stock at a public offering price of \$18.05 per share. On April 23, 2014, Golub Capital BDC, Inc. sold an additional 166,855 shares of its common stock at a public offering price of \$18.05 per share pursuant to the underwriters' partial exercise of the option granted in connection with the public offering in March 2014.

See Notes to Consolidated Financial Statements.

Golub Capital BDC, Inc. and Subsidiaries**Consolidated Statements of Cash Flows (unaudited)***(In thousands)*

	Nine Months Ended June 30,	
	2014	2013
Cash flows from operating activities		
Net increase in net assets resulting from operations	\$ 45,206	\$ 34,227
Adjustments to reconcile net increase in net assets resulting from operations to net cash (used in) provided by operating activities		
Amortization of deferred financing costs	2,026	1,444
Accretion of discounts and amortization of premiums	(5,451)	(6,104)
Net realized loss (gain) on investments	4,906	(18)
Net change in unrealized (appreciation) depreciation on investments	(8,501)	(2,238)
Net change in unrealized appreciation (depreciation) on secured borrowings	74	-
Proceeds from (fundings of) revolving loans, net	2,363	(8,155)
Fundings of investments	(580,522)	(554,022)
Proceeds from principal payments and sales of portfolio investments	286,778	276,506
PIK interest	251	(851)
Changes in operating assets and liabilities:		
Interest receivable	(906)	(1,614)
Other assets	(41)	7
Interest payable	2,412	1,035
Management and incentive fees payable	318	1,605
Payable for open trades	(3,677)	-
Accounts payable and accrued expenses	162	1,152
Accrued trustee fees	49	-
Net cash (used in) provided by operating activities	(254,553)	(257,026)
Cash flows from investing activities		
Net change in restricted cash and cash equivalents	(71,410)	15,347
Net cash (used in) provided by investing activities	(71,410)	15,347
Cash flows from financing activities		
Borrowings on debt	759,850	304,350
Repayments of debt	(468,650)	(252,850)
Capitalized debt financing costs	(4,798)	(2,918)
Proceeds from secured borrowings	26,082	-
Repayments on secured borrowings	(14,770)	-
Proceeds from shares sold, net of underwriting costs	64,170	224,065
Offering costs paid	(64)	(647)
Dividends and distributions paid	(40,774)	(31,276)
Net cash (used in) provided by financing activities	321,046	240,724

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Net change in cash and cash equivalents	(4,917)	(955)
Cash and cash equivalents, beginning of period	16,309	13,891
Cash and cash equivalents, end of period	\$ 11,392	\$ 12,936
Supplemental information:		
Cash paid during the period for interest	\$ 9,024	\$ 6,775
Dividends and distributions declared during the period	\$ 42,763	\$ 32,661

See Notes to Consolidated Financial Statements.

Golub Capital BDC, Inc. and Subsidiaries
Consolidated Schedule of Investments (unaudited)
June 30, 2014
(In thousands)

	Investment Type	Spread		Maturity Date	Principal / Par Amount	Cost	Percentage	
		Above Index ⁽¹⁾	Interest Rate ⁽²⁾				of Net Assets	Fair Value
Investments								
United States								
Debt investments								
Aerospace and Defense								
ILC Dover, LP	One stop	P + 4.50%	7.75	% 03/2019	\$ 360	\$352	-	% \$351
ILC Dover, LP [^]	One stop	L + 5.50%	6.50	% 03/2020	18,713	18,579	2.6	18,572
NTS Technical Systems	One stop	L + 6.00%	7.25	% 11/2018	314	284	-	298
NTS Technical Systems* [^]	One stop	L + 6.00%	7.25	% 11/2018	18,918	18,606	2.6	18,729
NTS Technical Systems ⁽³⁾	One stop	L + 6.00%	N/A	⁽⁴⁾ 11/2018	-	(63)	-	(30)
Tresys Technology Holdings, Inc. ⁽³⁾	One stop	L + 6.75%	N/A	⁽⁴⁾ 12/2017	-	(7)	-	-
Tresys Technology Holdings, Inc.	One stop	L + 6.75%	8.00	% 12/2017	3,899	3,832	0.3	2,340
Whitcraft LLC	Subordinated debt	N/A	12.00	% 12/2018	1,877	1,856	0.3	1,877
White Oak Technologies, Inc. ⁽³⁾	Senior loan	L + 5.00%	N/A	⁽⁴⁾ 03/2017	-	(7)	-	-
White Oak Technologies, Inc.*	Senior loan	L + 5.00%	6.25	% 03/2017	1,721	1,694	0.2	1,721
					45,802	45,126	6.0	43,858
Automobile								
ABRA, Inc. ⁽³⁾⁽⁵⁾	One stop	L + 6.00%	N/A	⁽⁴⁾ 05/2018	-	(16)	-	-
ABRA, Inc.* ⁽⁵⁾	One stop	L + 6.00%	7.25	% 05/2018	31,138	30,885	4.3	31,138
ABRA, Inc. ⁽⁵⁾	One stop	L + 6.00%	7.25	% 05/2018	5,166	5,135	0.7	5,166
ABRA, Inc. ⁽⁵⁾	One stop	L + 6.00%	7.25	% 05/2018	6,861	6,818	0.9	6,861

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ABRA, Inc.*^	One stop	L + 7.75%	9.00	% 05/2018	4,334	4,271	0.6	4,334
American Driveline Systems, Inc.	Senior loan	L + 5.50%	7.16	% 01/2016	300	296	-	261
American Driveline Systems, Inc.*	Senior loan	L + 5.50%	7.00	% 01/2016	2,804	2,777	0.4	2,524
K&N Engineering, Inc. ⁽³⁾	Senior loan	L + 4.50%	N/A	(4) 04/2018	-	(6)	-	-
K&N Engineering, Inc.*^	Senior loan	P + 3.50%	6.75	% 04/2018	6,799	6,719	0.9	6,799
Take 5 Oil Change, L.L.C. ⁽³⁾	Senior loan	L + 5.25%	N/A	(4) 07/2018	-	(3)	-	-
Take 5 Oil Change, L.L.C.^	Senior loan	L + 4.75%	5.75	% 07/2018	2,953	2,935	0.4	2,953
Tectum Holdings, Inc.*	Senior loan	L + 4.25%	5.25	% 09/2018	874	872	0.1	874
					61,229	60,683	8.3	60,910
Banking								
HedgeServ Holding L.P.^	One stop	L + 8.25%	5.25% cash/4.00% PIK	02/2019	17,240	17,082	2.4	17,240
HedgeServ Holding L.P. ⁽³⁾	One stop	L + 4.25%	N/A	(4) 02/2019	-	(9)	-	-
Prommis Fin Co. ⁽⁶⁾	Senior loan	P + 10.00%	13.25	% 06/2015	85	84	-	2
Prommis Fin Co.* ⁽⁶⁾	Senior loan	N/A	2.25% cash/11.5% PIK	06/2015	124	124	-	3
					17,449	17,281	2.4	17,245
Beverage, Food and Tobacco								
ABP Corporation ⁽³⁾	Senior loan	L + 4.75%	N/A	(4) 06/2016	-	(3)	-	-
ABP Corporation*	Senior loan	L + 4.75%	6.00	% 06/2016	4,455	4,420	0.6	4,455
American Importing Company, Inc.^	One stop	P + 4.50%	7.75	% 05/2018	14,694	14,543	2.0	14,694
Ameriquel Group, LLC*	Senior loan	L + 6.00%	6.50% cash/1.00% PIK	03/2016	1,711	1,693	0.2	1,643
Ameriquel Group, LLC*	Senior loan	L + 7.50%	9.00% cash/1.50% PIK	03/2016	830	825	0.1	685
ARG IH Corporation (Arby's)^	Senior loan	L + 4.00%	5.00	% 11/2020	2,343	2,316	0.3	2,361
Atkins Nutritionals, Inc.*^	One stop	L + 5.00%	6.25	% 01/2019	21,455	21,254	3.0	21,481
	One stop		9.75	% 04/2019	18,997	18,642	2.7	19,281

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Atkins Nutritionals, Inc.*		L + 8.50%						
C. J. Foods, Inc.	One stop	L + 5.50%	6.50	% 05/2019	43	34	-	37
C. J. Foods, Inc. ⁽³⁾	One stop	L + 5.50%	N/A	(4) 05/2019	-	(13)	-	(9)
C. J. Foods, Inc.	One stop	L + 5.50%	6.50	% 05/2019	3,232	3,185	0.4	3,200
Candy Intermediate Holdings, Inc. (Ferrara Candy)^	Senior loan	L + 6.25%	6.57	% 06/2018	4,900	4,784	0.7	4,849
Diversified Foodservice Supply, Inc.	Senior loan	P + 3.75%	7.00	% 12/2018	96	93	-	96
Diversified Foodservice Supply, Inc.*	Senior loan	L + 4.75%	6.00	% 12/2018	4,606	4,565	0.6	4,606
Firebirds International, LLC	One stop	L + 5.75%	7.00	% 05/2018	41	40	-	41
Firebirds International, LLC*	One stop	L + 5.75%	7.00	% 05/2018	905	896	0.1	905
Firebirds International, LLC	One stop	L + 5.75%	7.00	% 05/2018	262	259	-	262
Firebirds International, LLC ⁽³⁾	One stop	L + 5.75%	N/A	(4) 05/2018	-	(3)	-	-
First Watch Restaurants, Inc. ⁽³⁾	One stop	L + 7.50%	N/A	(4) 12/2018	-	(25)	-	-
First Watch Restaurants, Inc.*^	One stop	L + 7.50%	8.75	% 12/2018	11,293	11,157	1.6	11,293
First Watch Restaurants, Inc.*^	One stop	P + 6.50%	9.75	% 12/2018	3,107	3,070	0.5	3,107
First Watch Restaurants, Inc.	One stop	L + 7.50%	8.75	% 12/2018	1,750	1,744	0.2	1,750
IT'SUGAR LLC	Senior loan	L + 7.50%	9.00	% 04/2018	7,585	7,467	1.0	7,585
IT'SUGAR LLC	Subordinated debt	N/A	5.00	% 10/2017	1,707	1,707	0.3	2,287
Julio & Sons Company	One stop	L + 5.50%	6.50	% 09/2016	277	270	-	277

See Notes to Consolidated Financial Statements

Golub Capital BDC, Inc. and Subsidiaries
Consolidated Schedule of Investments (unaudited) - (Continued)
June 30, 2014
(In thousands)

	Investment Type	Spread		Maturity Date	Principal / Par		Percentage	
		Above Index ⁽¹⁾	Interest Rate ⁽²⁾		Amount	Cost	of Net Assets	Fair Value
Julio & Sons Company*	One stop	L + 5.50%	6.50	% 09/2016	6,996	6,947	1.0	6,996
Julio & Sons Company ⁽³⁾	One stop	L + 5.50%	N/A	⁽⁴⁾ 09/2016	-	(29)	-	-
Northern Brewer, LLC	One stop	P + 9.25%	8.50% cash/4.00% PIK	02/2018	670	658	0.1	535
Northern Brewer, LLC	One stop	P + 9.25%	8.50% cash/4.00% PIK	02/2018	6,338	6,215	0.7	5,071
Richelieu Foods, Inc.	Senior loan	P + 4.50%	7.75	% 11/2015	127	121	-	127
Richelieu Foods, Inc.*	Senior loan	L + 5.50%	7.25	% 11/2015	1,872	1,853	0.3	1,872
					120,292	118,685	16.4	119,487
Building and Real Estate								
ITEL Laboratories, Inc. ⁽³⁾	Senior loan	L + 4.75%	N/A	⁽⁴⁾ 06/2018	-	(1)	-	-
ITEL Laboratories, Inc.*	Senior loan	L + 4.75%	6.00	% 06/2018	758	750	0.1	758
					758	749	0.1	758
Cargo Transport								
RP Crown Parent (RedPrairie Corp)*	Senior loan	L + 5.00%	6.00	% 12/2018	1,975	1,945	0.3	1,979
Containers, Packaging and Glass								
Fort Dearborn Company*	Senior loan	L + 4.25%	5.25	% 10/2017	26	26	-	26
Fort Dearborn Company* [^]	Senior loan	L + 4.25%	5.25	% 10/2017	522	520	0.1	522
Fort Dearborn Company*	Senior loan	L + 4.75%	5.75	% 10/2018	102	101	-	102

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Fort Dearborn Company*^	Senior loan	L + 4.75%	5.75	%	10/2018	2,185	2,172	0.3	2,185
Packaging Coordinators, Inc.*^	Senior loan	L + 4.25%	5.50	%	05/2020	6,759	6,723	0.9	6,759
Packaging Coordinators, Inc.	Second lien	L + 8.25%	9.50	%	11/2020	29,098	28,330	4.0	29,098
Packaging Coordinators, Inc.^	Senior loan	L + 4.25%	5.50	%	05/2020	9,286	9,265	1.3	9,286
						47,978	47,137	6.6	47,978
Diversified Conglomerate Manufacturing									
Chase Industries, Inc.*	One stop	L + 5.62%	6.87	%	11/2017	13,249	13,097	1.8	13,249
ICCN Acquisition Corp. ⁽³⁾	One stop	L + 5.25%	N/A	(4)	03/2019	-	(4)	-	(3)
ICCN Acquisition Corp.^	One stop	L + 5.25%	6.25	%	03/2019	4,008	3,942	0.5	3,968
ICCN Acquisition Corp. ⁽³⁾	One stop	L + 5.25%	N/A	(4)	03/2019	-	(15)	-	(11)
Metal Spinners, Inc.*	Senior loan	L + 7.50%	9.00	%	04/2015	1,309	1,298	0.2	1,309
Metal Spinners, Inc.*	Senior loan	L + 7.50%	9.00	%	04/2015	2,573	2,554	0.4	2,573
Onicon Incorporated ⁽³⁾	One stop	L + 6.75%	N/A	(4)	12/2017	-	(11)	-	-
Onicon Incorporated	One stop	L + 4.50%	5.50	%	12/2017	3,162	3,117	0.4	3,162
Pasternack Enterprises, Inc.*	Senior loan	L + 5.00%	6.25	%	12/2017	1,149	1,141	0.2	1,149
Plex Systems, Inc. ⁽³⁾	Senior loan	L + 7.50%	N/A	(4)	06/2018	-	(26)	-	-
Plex Systems, Inc.*^	Senior loan	L + 7.50%	8.75	%	06/2018	18,797	18,404	2.6	18,797
Sunless Merger Sub, Inc.	Senior loan	P + 4.00%	7.25	%	07/2016	77	76	-	50
Sunless Merger Sub, Inc.*	Senior loan	L + 5.25%	6.50	%	07/2016	1,847	1,843	0.2	1,293
TIDI Products, LLC	One stop	L + 6.50%	7.75	%	07/2017	78	66	-	78
TIDI Products, LLC*	One stop	L + 6.50%	7.75	%	07/2018	12,662	12,459	1.7	12,662
Vintage Parts, Inc.*	One stop	L + 4.50%	5.75	%	12/2015	4,175	4,142	0.6	4,175
Vintage Parts, Inc.*	One stop	L + 4.50%	5.75	%	12/2015	58	58	-	58
Vintage Parts, Inc.*	One stop	L + 4.50%	5.75	%	12/2015	873	877	0.1	873
						64,017	63,018	8.7	63,382

**Diversified
Conglomerate
Service**

Aderant North America, Inc.*	Senior loan	L + 4.25%	5.25	%	12/2018	4,220	4,188	0.6	4,220
Agility Recovery Solutions Inc. ⁽³⁾	One stop	L + 6.75%	N/A	(4)	09/2018	-	(6)	-	-
Agility Recovery Solutions Inc.*	One stop	L + 6.75%	8.00	%	09/2018	8,288	8,144	1.1	8,288
Bomgar Corporation ⁽³⁾	One stop	L + 6.00%	N/A	(4)	05/2019	-	(19)	-	(20)
Bomgar Corporation	One stop	L + 6.00%	7.00	%	05/2020	23,539	23,091	3.2	23,303
Daxko, LLC ⁽³⁾	One stop	L + 7.75%	N/A	(4)	03/2019	-	(25)	-	(22)
Daxko, LLC	One stop	L + 7.75%	8.75	%	03/2019	16,840	16,548	2.3	16,671
Document Technologies, LLC ⁽³⁾	Senior loan	L + 4.25%	N/A	(4)	12/2018	-	(10)	-	-
Document Technologies, LLC*^	Senior loan	L + 4.25%	5.50	%	12/2018	6,999	6,945	1.0	6,999
EAG, INC. (Evans Analytical Group)*	Senior loan	L + 4.00%	5.00	%	07/2017	2,435	2,409	0.3	2,435
HighJump Acquisition LLC	One stop	L + 7.50%	16.23	%	07/2018	7,089	7,033	1.0	7,089
Integration Appliance, Inc.	Senior loan	L + 8.25%	9.50	%	09/2018	719	710	0.1	710
Integration Appliance, Inc.	Senior loan	L + 8.25%	9.50	%	09/2018	5,396	5,281	0.7	5,328
Integration Appliance, Inc.	Senior loan	L + 8.25%	9.50	%	06/2019	7,914	7,717	1.1	7,815
Marathon Data Operating Co., LLC ⁽³⁾	One stop	L + 6.25%	N/A	(4)	08/2017	-	(7)	-	-
Marathon Data Operating Co., LLC	One stop	L + 6.25%	7.50	%	08/2017	4,606	4,533	0.6	4,606
Navex Global, Inc. ⁽³⁾	One stop	L + 5.50%	N/A	(4)	12/2016	-	(22)	-	-

See Notes to Consolidated Financial Statements

Golub Capital BDC, Inc. and Subsidiaries
Consolidated Schedule of Investments (unaudited) - (Continued)
June 30, 2014
(In thousands)

	Investment	Spread Above	Interest	Maturity	Principal / Par		Percentage	Fair
	Type	Index ⁽¹⁾	Rate ⁽²⁾	Date	Amount	Cost	of Net Assets	Value
Navex Global, Inc.*	One stop	L + 5.50%	6.50 %	12/2016	19,174	18,810	2.6	19,174
NetSmart Technologies, Inc.*	One stop	L + 7.54%	8.79 %	12/2017	8,121	8,061	1.1	8,121
NetSmart Technologies, Inc.	One stop	L + 7.88%	9.13 %	12/2017	642	632	0.1	642
PC Helps Support, LLC ⁽³⁾	Senior loan	L + 5.25%	N/A ⁽⁴⁾	09/2017	-	(2)	-	-
PC Helps Support, LLC	Senior loan	L + 5.25%	6.52 %	09/2017	1,795	1,778	0.2	1,795
Secure-24, LLC ⁽³⁾	One stop	L + 6.50%	N/A ⁽⁴⁾	08/2017	-	(5)	-	-
Secure-24, LLC*	One stop	L + 6.50%	7.75 %	08/2017	10,460	10,260	1.4	10,460
Secure-24, LLC^	One stop	L + 6.50%	7.75 %	08/2017	1,530	1,509	0.2	1,530
SoftWriters, Inc. ⁽³⁾	One stop	L + 5.00%	N/A ⁽⁴⁾	05/2019	-	(2)	-	(2)
SoftWriters, Inc. ⁽³⁾	One stop	L + 5.00%	N/A ⁽⁴⁾	05/2019	-	(3)	-	(4)
SoftWriters, Inc.	One stop	L + 5.00%	6.00 %	05/2019	6,427	6,402	0.9	6,401
Source Medical Solutions, Inc.	Second lien	L + 8.00%	9.00 %	03/2018	9,294	9,136	1.3	9,294
Vericclaim, Inc. ⁽³⁾	Senior loan	L + 4.75%	N/A ⁽⁴⁾	05/2018	-	(3)	-	-
Vericclaim, Inc.^	Senior loan	L + 4.75%	6.00 %	05/2018	6,311	6,283	0.9	6,311
Vericclaim, Inc.*	Senior loan	L + 4.75%	6.00 %	05/2018	367	363	0.1	367
					152,166	149,729	20.8	151,511
Electronics								
BeyondTrust Software, Inc.^	One stop	L + 7.62%	8.88 %	12/2019	11,939	11,702	1.6	11,939

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ECI Acquisition Holdings, Inc. ⁽³⁾	One stop	L + 6.25%	N/A ⁽⁴⁾	03/2019	-	(18)	-	(10)
ECI Acquisition Holdings, Inc. [^]	One stop	L + 6.25%	7.25 %	03/2019	22,270	21,878	3.0	22,047
ECI Acquisition Holdings, Inc. ⁽³⁾	One stop	L + 6.25%	N/A ⁽⁴⁾	03/2019	-	(84)	-	(48)
Rogue Wave Holdings, Inc.* [^]	One stop	L + 8.06%	9.06 %	12/2018	10,613	10,493	1.5	10,613
Sloan Company, Inc., The	One stop	L + 7.50%	8.75 %	10/2018	267	253	-	267
Sloan Company, Inc., The* [^]	One stop	L + 7.50%	8.75 %	10/2018	13,110	12,969	1.8	13,110
Sparta Systems, Inc. ⁽³⁾	Senior loan	L + 5.25%	N/A ⁽⁴⁾	12/2017	-	(6)	-	-
Sparta Systems, Inc.*	Senior loan	L + 5.25%	6.50 %	12/2017	6,327	6,272	0.9	6,327
Syncsort Incorporated ⁽³⁾	Senior loan	L + 4.75%	N/A ⁽⁴⁾	03/2019	-	(3)	-	(3)
Syncsort Incorporated ⁽³⁾	Senior loan	L + 4.75%	N/A ⁽⁴⁾	03/2019	-	(13)	-	(14)
Syncsort Incorporated*	Senior loan	L + 4.75%	5.75 %	03/2019	6,158	6,101	0.8	6,097
Systems Maintenance Services Holding, Inc. [^]	Senior loan	L + 4.25%	5.25 %	10/2019	2,657	2,645	0.4	2,657
Taxware, LLC	Second lien	L + 8.50%	9.50 %	10/2019	11,099	10,902	1.5	11,099
Watchfire Enterprises, Inc.	Second lien	L + 8.00%	9.00 %	10/2021	9,435	9,265	1.3	9,435
					93,875	92,356	12.8	93,516

Farming and Agriculture

AGData, L.P.*[^] One stop