

Summit Non-Listed BDC Return Index

4th Quarter 2016

Quarterly Returns	2012	2013	2014	2015	2016
1st Quarter	4.82%	3.42%	2.81%	2.00%	-0.48%
2nd Quarter	1.68%	1.24%	2.29%	1.52%	7.64%
3rd Quarter	4.16%	2.60%	0.96%	-3.88%	4.01%
4th Quarter	2.89%	2.52%	-2.78%	-4.88%	3.23%
Full Year (YTD for 2016)	13.55%	9.78%	3.28%	-5.24%	14.40%
Three-Year Average			8.87%	2.61%	4.15%

Note: Quarterly returns are weighted averages based on quarterly distributions and quarterly changes in net asset value for non-listed BDCs. Quarterly returns do not represent or equate to specific investor returns but reflect the average BDC-level returns for non-listed BDCs.

In 4Q16, non-listed BDCs reported a high 3.23% quarterly return, which is the third quarter of strong increases after three straight quarters of losses that included a 3.88% loss in 3Q15 and a 4.88% loss in 4Q15. For 2016, non-listed BDCs had strong positive returns of 14.40%, which exceeded the previous highest annual return of 13.55% in 2012. The recent positive returns for non-listed BDCs have ended the declining returns over the previous four years. For the three-years ended 12/31/16, non-listed BDCs still have a low 4.15% average annual return. Subsequent to 4Q16, several non-listed BDCs continue to report higher net asset values and maintain high distribution rates, which indicate continued positive returns for non-listed BDCs in the first half of 2017. With continued market uncertainty, non-listed BDCs could continue to experience volatility in their quarterly returns.