

## US mid-market earnings grow 12.8% in Q4 2017, up from 4.9% IN Q3

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Earnings in the US middle market grew by 12.8% in fourth quarter 2017, while overall revenue grew by 11.5% during September and October 2017. That's up from year-over-year earnings growth of 4.9% and revenue growth of 6.8% in the third quarter of 2017.

So says a new middle market report by Golub Capital.

“Middle market companies had an outstanding fourth quarter of 2017, building on the strong performance we saw in the third quarter,” said Lawrence Golub, chief executive officer of Golub Capital, in the report. “The fourth quarter’s robust growth was accompanied by profit margin expansion, which suggests that the U.S. economy has strong momentum going into 2018.”

The report – based on analysis of the median revenue and earnings growth of more than 150 privately owned companies in the Golub Capital loan portfolio – also highlighted improved company performance in all sectors. The technology sector, strong throughout the year, had median earnings growth of nearly 30% year-over-year, while the consumer and industrials sectors continued to rebound since the lackluster first quarter of 2017.

The Golub Capital Middle Market Report compares these results to the financial performance of public companies in well-known market indexes, including the S&P 500 and S&P SmallCap 600, as well as the quarterly Gross Domestic Product. It is based on the results of the Golub Capital Altman Index.