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News

Golub Capital scores Lender of the Year for growth in all areas

Danielle Fugazy

Golub Capital has been growing by leaps and bounds for years, and 2016 marked an exceptional year for the lender, which was founded in 1994. In 2016, Golub Capital closed 147 deals, hired 87 new employees and expanded its product offering to include buy and hold capacity of over \$400 million. Additionally in 2016, the New York-based firm closed its biggest deal in history with a \$605 million loan to support Roark Capital's purchase of Pet Valu and Pet Supermarket.

Golub Capital, as administrative agent, sole bookrunner and joint lead arranger, provided a \$605 million GOLD financing to support the merger of Pet Valu and Pet Supermarket. GOLD financings are Golub Capital One-Loan Debt facilities. The financing supported the combination of two current Roark Capital Group portfolio companies and created one of largest pet supply retailers in North America, with over 930 stores throughout the United States and Canada.

"In many ways 2016, crystalized the platform we have built over the years and highlights our ability to do deals across the spectrum. We are very proud of what we have accomplished. We now have a proven track record for executing large deal syndications," said managing director Andrew Steuerman. "Roark is a repeat client, and many of our clients are repeat clients because our business model resonates with private equity financing requirements."

Sixty-two private equity sponsors did repeat business with Golub Capital in 2016. Golub Capital also opened nine new sponsor relationships in 2016, including Kohlberg Kravis Roberts & Co. (NYSE: KKR), GI Partners and HgCapital. Two of these nine sponsors became repeat clients.

In addition to the Roark Capital deal, Golub lent on Thomas H. Lee Partners' acquisition of Professional Physical Therapy, CenterOak Partners' acquisition of Wetzels' Pretzels and Berkshire Partners' acquisition of Parts Town, among other deals.

"Prior to T.H. Lee's acquisition, we grew with Professional

Select 2016 loans made by Golub Capital

The \$605 million loan to Roark Capital ranks as the biggest in the lender's history.

Private equity firm	Portfolio company	Loan (\$M)
Roark Capital Group	Pet Valu and Pet Supermarket	605
Freeman Spogli	Batteries Plus Bulbs	280
Snow Phipps Group	Electric Guard Dog	130
CenterOak Partners	Wetzels' Pretzels	66.5
JMI Equity	X Matters	42

Source: Golub Capital

Physical Therapy. Besides our incumbency, we offered industry expertise and speed of execution. We were able to move to a new owner and continue to support the company's future growth," said Steuerman.

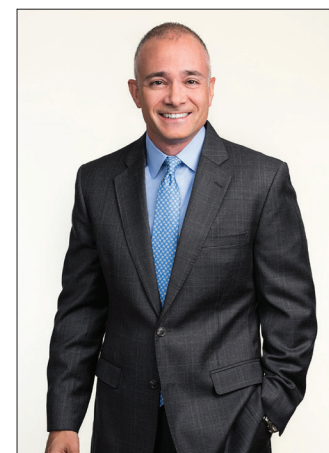
"In the case of Wetzels, we have in-depth knowledge of the specialty retail and food sectors. CenterOak really wanted a partner that understood retail businesses with multiple locations and they found that with us."

The firm syndicated \$1.4 billion of loans in 2016 and was ranked No. 1 for senior secured loans of up to \$100 million for leveraged buyouts, and No. 1 for senior secured loans of up to \$500 million for leveraged buyouts, according to Thomson Reuters and internal Golub data.

During the year, Golub Capital closed 147 loans with an aggregate value of over \$8.8 billion, compared to \$8.4 billion across 120 transactions in 2015. "We

are constantly making investments at our firm to serve our clients and meet their needs," said Steuerman. "That's always something we will do." **MA**

Danielle Fugazy serves as Contributing Editor of Mergers & Acquisitions.



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