



## GOLUB CAPITAL

---

### LENDER OF THE YEAR

The US mid-market lender had a strong year across the board, in terms of fundraising, origination, expansion and new hires. The firm originated \$14 billion in new loans in 2015, holding about \$8.4 billion of that – its largest volume yet. Golub also bagged its largest deal thus far last year. The firm usually prefers to work with returning sponsor clients, though having a larger asset base has also allowed the lender to work with increasingly larger sponsors.

During 2015, Golub also hired a dedicated non-sponsored deal originator. Brian Davis joined in August from TPG and opened a new office in Charlotte, North Carolina.

Other hires included Chip Cushman from Antares Capital and Joseph Wilson from Citigroup. Wilson joined as head of sales and trading and is tasked with expanding the firm's relationships with buyers of leveraged loans and sourcing secondary market opportunities.

Having closed its ninth lending fund at \$970 million in July, the firm launched Fund 10 immediately after following strong deployment. The Texas Municipal Retirement System invested \$300 million in a direct lending separate account with Golub in December, part of the pension fund's first foray into direct lending.

---

### SENIOR LENDER OF THE YEAR

About 70 percent of the \$8.4 billion in loans that Golub held on book in 2015 went into unitranche deals. The firm has a strong unitranche franchise, arranging deals and then syndicating slices of the debt to other lenders.

Last year, the firm led its largest such deal yet: a \$515 million refinancing package for Data Device Corporation (DDC). The company is a manufacturer of electronics and components for the military and aerospace defence industries controlled by Behrman Capital, and the loan was an add-on to Golub's original \$330 million senior credit facility that refinanced DDC in July

2014. Andy Steuerman, Golub's head of mid-market lending, notes that a deal of this size and scope would normally only be led and syndicated by a bank, but the facility proves alternative lenders can execute such transactions.

In December, Golub participated in one of the largest deals in the market: Pamplona Capital's \$2.7 billion leveraged buyout of healthcare analytics provider MedAssets. Although Golub didn't lead the \$1.73 billion financing, the deal was the largest in which Golub took an arranging role. The other lenders were Barclays, Morgan Stanley and Macquarie.

---

### BDC OF THE YEAR

The mid-market lender's \$1.6 billion BDC reported its 14th consecutive rise in net asset value (NAV), at a time when many of its competitors have been posting declines. The vehicle also touted other healthy financials in its full-year earnings report when many others have been beaten down by energy mark-downs, credit losses and declining stock values.

Analysts often give Golub's BDC high marks for its shareholder-friendly fees and terms. "GBDC is a best-in-class BDC with a strong credit platform and a focus on the top of the capital stack, providing a fully covered 8.3 percent dividend with stable NAV

performance," said a report from Wells Fargo BDC analyst Jonathan Bock.

NAV per share rose to \$15.89 at the end of December, from \$15.80 as of 30 September.

"We believe we are well-positioned to continue to do well in 2016. Our strong credit results allow us to play offence when others are playing defence. Our certainty of execution is more valuable to our clients today, particularly on larger middle market deals, and we are seeing improving terms on new business," says David Golub, chief executive of the BDC.