Golub Capital BDC, Inc.
Form 497
April 09, 2015

This preliminary prospectus supplement relates to an effective registration statement under the Securities Act of 1933, as amended, but the information in this preliminary prospectus supplement is not complete and may be changed. This preliminary prospectus supplement and the accompanying prospectus are not an offer to sell and are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Filed Pursuant to Rule 497
File No. 333-193308

Subject to Completion, dated April 9, 2015

PRELIMINARY PROSPECTUS SUPPLEMENT
(to Prospectus dated February 3, 2015)

3,500,000 Shares

GOLUB CAPITAL BDC, INC.

Common Stock

$ per share

We are an externally managed, closed-end, non-diversified management investment company that has elected to be regulated as a business development company under the Investment Company Act of 1940, as amended, or the 1940 Act. Our investment objective is to generate current income and capital appreciation by investing primarily in senior secured, one stop, second lien and subordinated loans of, and warrants and minority equity securities in, U.S. middle-market companies.

GC Advisors LLC serves as our investment adviser. Golub Capital LLC serves as our administrator. GC Advisors LLC and Golub Capital LLC are affiliated with Golub Capital (as defined herein), a leading lender to middle-market companies that has over $10.0 billion in capital under management as of December 31, 2014.

All of the 3,500,000 shares of common stock offered by this prospectus supplement are being sold by us. Our common stock is traded on the NASDAQ Global Select Market under the symbol GBDC . Mr. William M. Webster IV, one of our directors, has indicated his intent to purchase an aggregate of 5,000 shares in this offering at the public offering price per share. The last reported closing price for our common stock on April 8, 2015 was $17.65 per share. The net asset value of our common stock as of December 31, 2014 (the last date prior to the date of this prospectus supplement on which we determined net asset value) was $15.55 per share. The offering price per share of our common stock less any underwriting commissions or discounts will not be less than the net asset value per share of our common stock at the time we make this offering.

Shares of closed-end investment companies, including business development companies, frequently trade at a discount to their net asset value. If our shares trade at a discount to our net asset value, it will likely increase the risk of loss for purchasers in this offering. Investing in our common stock involves a high degree of risk.

Before buying any securities, you should read the discussion of the material risks of investing in our common stock, including the risk of leverage, in Risk Factors beginning on page S-17 of this prospectus supplement and page 14 of the accompanying prospectus.

This prospectus supplement and the accompanying prospectus contain important information you should know before investing in our common stock. Please read it before you invest and keep it for future reference. We file annual, quarterly and current reports, proxy statements and other information about us with the Securities and Exchange Commission, or the SEC. We maintain a website at *http://www.golubcapitalbdc.com* and make all of our annual, quarterly and current reports, proxy statements and other publicly filed information available on or through our website. You may also obtain such information, free of charge, and make shareholder inquiries by contacting us at 150 South Wacker Drive, Suite 800, Chicago, Illinois 60606, Attention: Investor Relations, or by calling us collect at (312) 205-5050. The SEC also maintains a website at *http://www.sec.gov* that contains such information.

We generally invest in securities that have been rated below investment grade by independent rating agencies or that would be rated below investment grade if they were rated. These securities, which may be referred to as junk, have predominantly speculative characteristics with respect to the issuer s capacity to pay interest and repay principal. In addition, many of our debt investments have floating interest rates that reset on a periodic basis and typically do not fully pay down principal prior to maturity, which may increase our risk of losing part or all of our investment.

Neither the SEC nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Per Share	Total
Public offering price	$	$
Sales load (underwriting discounts and commissions)	$	$
Proceeds to us (before expenses)	$	$

In addition, the underwriters may purchase up to an additional 525,000 shares of common stock at the public offering price, less the sales load payable by us, within 30 days from the date of this prospectus supplement. If the underwriters exercise this option in full, the total sales load paid by us will be $, and total proceeds, before expenses, will be $.

The underwriters are offering the common stock as set forth in Underwriting. Delivery of the common stock will be made on or about April , 2015.

Wells Fargo Securities **BofA Merrill Lynch** **UBS Investment Bank**

Raymond James **Keefe, Bruyette & Woods**
A Stifel Company

The date of this prospectus supplement is April , 2015.

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ABOUT THIS PROSPECTUS SUPPLEMENT

You should rely only on the information contained in this prospectus supplement and the accompanying prospectus. We have not, and the underwriters have not, authorized any other person to provide you with different information. We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus supplement is accurate only as of the date on the front cover of this prospectus supplement and that the information appearing in the accompanying prospectus is accurate only as of the date on its front cover. Our business, financial condition, results of operations, cash flows and prospects may have changed since that date. We will update these documents to reflect material changes only as required by law. We are offering to sell, and seeking offers to buy, securities only in jurisdictions where offers are permitted.

This document is in two parts. The first part is this prospectus supplement, which describes the terms of this offering and also adds to and updates information contained in the accompanying prospectus. The second part is the accompanying prospectus, which gives more general information and disclosure. To the extent the information contained in this prospectus supplement differs from the information contained in the accompanying prospectus, the information in this prospectus supplement will control. You should read this prospectus supplement and the accompanying prospectus together with the additional information described under the headings, Risk Factors and Available Information before investing in our common stock.

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PROSPECTUS SUPPLEMENT SUMMARY

This summary highlights some of the information in this prospectus supplement and the accompanying prospectus. It is not complete and may not contain all of the information that you may want to consider. You should read the more detailed information set forth under Risk Factors and the other information included in this prospectus supplement and the accompanying prospectus carefully.

Except as otherwise indicated, the terms:

we, us, our and Golub Capital BDC refer to Golub Capital BDC, Inc., a Delaware corporation, and its consolidated subsidiaries;

Holdings refers to Golub Capital BDC 2010-1 Holdings LLC, a Delaware limited liability company, or LLC, our direct subsidiary;

2010 Issuer refers to Golub Capital BDC 2010-1 LLC, a Delaware LLC, a direct subsidiary of Holdings and our indirect subsidiary;

2014 Issuer refers to Golub Capital BDC CLO 2014 LLC, a Delaware LLC, our direct subsidiary;

2010 Debt Securitization refers to the $350.0 million term debt securitization that we completed on July 16, 2010, as amended on February 15, 2013, in which the 2010 Issuer issued an aggregate of $350.0 million of notes, or the 2010 Notes, including $203.0 million of Class A 2010 Notes, which bear interest at a rate of three-month London Interbank Offered Rate, or LIBOR, plus 1.74%, $12.0 million of Class B 2010 Notes, which bear interest at a rate of three-month LIBOR plus 2.40%, and $135.0 million face amount of Subordinated 2010 Notes that do not bear interest;

2014 Debt Securitization refers to the $402.6 million term debt securitization that we completed on June 5, 2014, in which the 2014 Issuer issued an aggregate of $402.6 million of securities, including $191.0 million of Class A-1 2014 Notes, which bear interest at a rate of three-month LIBOR plus 1.75%, $20.0 million of Class A-2 2014 Notes, which bear interest at a rate of three-month LIBOR plus 1.45% through December 4, 2015 and three-month LIBOR plus 1.95% thereafter, $35.0 million of Class B 2014 Notes, which bear interest at a rate of three-month LIBOR plus 2.50%, $37.5 million of Class C 2014 Notes, which bear interest at a rate of three-month LIBOR plus 3.50%, and $119.1 million of LLC equity interests that do not bear interest;

Funding refers to Golub Capital BDC Funding, LLC, a Delaware LLC, our direct subsidiary;

Credit Facility refers to the senior secured revolving credit facility that Funding entered into on July 21, 2011 with Wells Fargo Securities, LLC, as administrative agent, and Wells Fargo Bank, N.A., as lender and collateral agent, as most recently amended and restated on December 18, 2014, for up to $150.0 million that bears interest at a rate of one-month LIBOR plus 2.25% per annum through the reinvestment period, which ends on November 22, 2015, and bears interest at a rate of one-month LIBOR plus 2.75% for the period following the reinvestment period through the stated maturity date of October 17, 2019;

Revolver Funding refers to Golub Capital BDC Revolver Funding LLC, a Delaware LLC, our direct subsidiary;

Revolver refers to the $15.0 million revolving line of credit, which may be increased to an amount not to exceed $30.0 million that Revolver Funding entered into on November 22, 2013 with The PrivateBank and Trust Company, or PrivateBank, as lender and administrative agent, as most recently amended on November 24, 2014, that bears interest, at the election of Revolver Funding, at a rate of either one-, two- or three-month LIBOR plus 3.50% per annum or PrivateBank s prime rate plus 1.50% per annum through November 22, 2015 and either one-, two- or three-month LIBOR plus 2.50% per annum or PrivateBank s prime rate plus 0.50% per annum for the period subsequent to November 22, 2015 and matures on November 22, 2020;

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SLF refers to Senior Loan Fund LLC, an unconsolidated Delaware LLC, in which we co-invest with RGA Reinsurance Company, or RGA, primarily in senior secured loans. SLF is capitalized as transactions are completed and all portfolio and investment decisions in respect of SLF must be approved by the SLF investment committee, which presently consists of two representatives of each of the members (with unanimous approval required from either (i) one representative of each of us and RGA or (ii) both representatives of each of us and RGA currently). As of December 31, 2014, we owned 87.5% of both the outstanding subordinated notes and LLC equity interests of SLF. As of December 31, 2014, SLF had subordinated note commitments from its members totaling $100.0 million and LLC equity interest subscriptions from its members totaling $25.0 million. We have committed to fund $87.5 million of subordinated notes and $21.9 million of LLC equity interest subscriptions to SLF;

GC Advisors refers to GC Advisors LLC, a Delaware LLC, our investment adviser;

Administrator refers to Golub Capital LLC, a Delaware LLC, an affiliate of GC Advisors and our administrator and, for periods prior to February 5, 2013, GC Service Company, LLC; and

Golub Capital refers, collectively, to the activities and operations of Golub Capital Incorporated, Golub Capital LLC (formerly Golub Capital Management LLC), which entity employs all of Golub Capital s investment professionals, GC Advisors and associated investment funds and their respective affiliates.

On April 13, 2010, we converted from an LLC into a corporation. In this conversion, Golub Capital BDC, Inc. succeeded to the business of Golub Capital BDC LLC and its consolidated subsidiary, and the members of Golub Capital BDC LLC became stockholders of Golub Capital BDC, Inc.

Golub Capital BDC

We are an externally managed, closed-end, non-diversified management investment company that has elected to be regulated as a business development company under the 1940 Act. In addition, for U.S. federal income tax purposes, we have elected to be treated as a regulated investment company, or RIC, under Subchapter M of the Internal Revenue Code of 1986, as amended, or the Code. We were formed in November 2009 to continue and expand the business of our predecessor, Golub Capital Master Funding LLC, which commenced operations in July 2007, by making investments primarily in senior secured, one stop (a loan that combines characteristics of traditional first lien senior secured loans and second lien or subordinated loans), second lien and subordinated (a loan that ranks senior only to a borrower s equity securities and ranks junior to all of such borrower s other indebtedness in priority of payment) loans and warrants and minority equity securities of middle-market companies that are, in most cases, sponsored by private equity firms. In this prospectus, the term middle-market generally refers to companies having earnings before interest, taxes, depreciation and amortization, or EBITDA, of between $10.0 million and $50.0 million annually.

Our investment objective is to generate current income and capital appreciation by investing primarily in senior secured, one stop, second lien and subordinated loans of, and warrants and minority equity securities in, U.S. middle-market companies. We intend to achieve our investment objective by (1) accessing the established loan origination channels developed by Golub Capital, a leading lender to middle-market companies with over $10.0 billion in capital under management as of December 31, 2014, (2) selecting investments within our core middle-market company focus, (3) partnering with experienced private equity firms, or sponsors, in many cases with whom we have invested alongside in the past, (4) implementing the disciplined underwriting standards of Golub Capital and (5) drawing upon the aggregate experience and resources of Golub Capital.

We seek to create a diverse portfolio that includes primarily senior secured, one stop, second lien and subordinated loans and warrants and minority equity securities by primarily investing approximately $5.0 million to $30.0 million of capital, on average, in the securities of U.S. middle-market companies. We may also selectively invest more than $30.0 million in some of our portfolio companies and generally expect that the size of our individual investments will vary proportionately with the size of our capital base.

We generally invest in securities that have been rated below investment grade by independent rating agencies or that would be rated below investment grade if they were rated. These securities, which may be referred to as junk, have predominantly speculative characteristics with respect to the issuer s capacity to

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pay interest and repay principal. In addition, many of our debt investments have floating interest rates that reset on a periodic basis and typically do not fully pay down principal prior to maturity, which may increase our risk of losing part or all of our investment.

As of December 31, 2014, our portfolio at fair value was comprised of 17.5% senior secured loans, 71.8% one stop loans, 4.2% second lien loans, 0.3% subordinated loans, 3.3% equity and 2.9% of investments in SLF. As of September 30, 2014, our portfolio at fair value was comprised of 19.5% senior secured loans, 69.8% one stop loans, 4.4% second lien loans, 0.3% subordinated loans, 3.4% equity and 2.6% of investments in SLF.

As of December 31, 2014 and September 30, 2014, we had debt and equity investments in 147 and 145 portfolio companies, respectively, and investments in subordinated notes and LLC equity interests in SLF. For the three months ended December 31, 2014 and 2013, our income producing debt investments, which represented nearly 100% of our total debt investments, had a weighted average annualized income yield (which is calculated as income from interest and fees excluding amortization of capitalized fees and discounts divided by the average fair value of earning investments) of 7.8% and 8.6%, respectively, and a weighted average annualized investment income yield (which is calculated as income from interest, fees and amortization of capitalized fees and discounts divided by average fair value of earning investments) of 8.3% and 9.3%, respectively.

As of December 31, 2014, we and RGA owned 87.5% and 12.5%, respectively, of both the outstanding subordinated notes and LLC equity interests of SLF. On January 17, 2014, Senior Loan Fund II LLC, a wholly owned subsidiary of SLF, or SLF II, entered into a senior secured revolving credit facility, or the SLF Credit Facility, with Wells Fargo Securities, LLC, as administrative agent, and Wells Fargo Bank, N.A., as lender, which, as amended, allows SLF II to borrow up to $150.0 million, subject to leverage and borrowing base restrictions. The reinvestment period of the SLF Credit Facility ends on April 11, 2015, and the stated maturity date is April 11, 2019. As of December 31, 2014, SLF had subordinated note commitments from its members totaling $100.0 million, of which approximately $33.0 million and $29.2 million in aggregate principal amount was funded as of December 31, 2014 and September 30, 2014, respectively. As of December 31, 2014, SLF had LLC equity interest subscriptions from its members totaling $25.0 million, of which approximately $12.5 million and $9.3 million in aggregate was called and contributed as of December 31, 2014 and September 30, 2014, respectively.

As of December 31, 2014 and September 30, 2014, our investment in SLF consisted of subordinated notes of approximately $28.9 million and $25.6 million, respectively, and LLC equity interests of approximately $10.8 million and $9.3 million, respectively, which together represented 2.9% and 2.6% of our portfolio at fair value. Our investment in SLF is not a qualifying asset under Section 55(a) of the 1940 Act. Under the 1940 Act, we may not acquire any non-qualifying asset unless, at the time the acquisition is made, qualifying assets represent at least 70% of our total assets.

Our Adviser

Our investment activities are managed by our investment adviser, GC Advisors. GC Advisors is responsible for sourcing potential investments, conducting research and due diligence on prospective investments and equity sponsors, analyzing investment opportunities, structuring our investments and monitoring our investments and portfolio companies on an ongoing basis. GC Advisors was organized in September 2008 and is a registered investment adviser under the Investment Advisers Act of 1940, as amended, or the Advisers Act. Under our amended and restated investment advisory agreement, or the Investment Advisory Agreement, with GC Advisors, we pay GC Advisors a base management fee and an incentive fee for its services. See Management Agreements Investment Advisory Agreement Management Fee in the accompanying prospectus for a discussion of the base management fee and incentive fee, including the cumulative income incentive fee and the income and capital gains incentive fee, payable by us to GC Advisors. Unlike most closed-end funds whose fees are based on assets net of leverage, our base management fee is based on our average-adjusted gross assets (including assets purchased with borrowed funds and securitization-related assets, leverage, unrealized depreciation or appreciation on derivative instruments and cash collateral on deposit with custodian but adjusted to exclude cash and cash equivalents so that investors do not pay the base management fee on such assets) and, therefore, GC Advisors benefits when we incur debt or use leverage. For purposes of the Investment Advisory Agreement, cash equivalents means U.S. government securities and commercial paper instruments maturing within 270 days of purchase (which is different than the definition under U.S. Generally Accepted Accounting Principles, or GAAP, which defines cash equivalents as U.S. government securities and commercial paper instruments maturing within 90 days of purchase). Additionally, under the incentive fee structure, GC Advisors benefits when capital gains are recognized and, because it determines when a holding is sold, GC Advisors controls the timing of the recognition of capital gains. Our board of directors is charged with protecting our interests by monitoring how GC Advisors addresses these and other conflicts of interest associated with its management services and compensation. While not expected to review or approve each borrowing, our independent directors periodically review GC Advisors services and fees as well as its portfolio management decisions and portfolio performance. In connection with these reviews, our independent directors consider whether our fees and expenses (including those related to leverage) remain appropriate. See Management Agreements Investment Advisory Agreement Board Approval of the Investment Advisory Agreement in the accompanying prospectus.

GC Advisors is an affiliate of Golub Capital and has entered into a staffing agreement, or the Staffing Agreement, with Golub Capital LLC. Under the Staffing Agreement, Golub Capital LLC makes experienced investment professionals available to GC Advisors and provides access to the senior investment personnel of Golub Capital LLC and its affiliates. The Staffing Agreement provides GC Advisors with access to investment opportunities, which we refer to in the aggregate as deal flow, generated by Golub Capital LLC and its affiliates in the ordinary course of their businesses and commits the members of GC Advisors investment committee to serve in that capacity. As our investment adviser, GC Advisors is obligated to allocate investment opportunities among us and its other clients fairly and equitably over time in accordance with its allocation policy. See Conflicts of Interest below and Related Party Transactions and Certain Relationships in the accompanying prospectus. However, there can be no assurance that such opportunities will be allocated to us fairly or equitably in the short-term or over time. GC Advisors seeks to capitalize on the significant deal origination, credit underwriting, due diligence, investment structuring, execution, portfolio management and monitoring experience of Golub Capital LLC s investment professionals.

An affiliate of GC Advisors, the Administrator, provides the administrative services necessary for us to operate. See Management Agreements Administration Agreement in the accompanying prospectus for a discussion of the fees and expenses (subject to the review and approval of our independent directors) we are required to reimburse to the Administrator.

About Golub Capital

Golub Capital, founded in 1994, is a leading lender to middle-market companies, with a long track record of investing in senior secured, one stop, second lien and subordinated loans. As of December 31, 2014, Golub Capital managed over $8.0 billion of invested or available capital for senior secured, one stop, second lien and subordinated loan investments in middle-market companies. Since its inception, Golub Capital has closed deals with over 200 middle-market sponsors and repeat transactions with over 100 sponsors.

Golub Capital s middle-market lending group is managed by a four-member senior management team consisting of Lawrence E. Golub, David B. Golub, Andrew H. Steuerman and Gregory W. Cashman. As of December 31, 2014, Golub Capital s more than 75 investment professionals had an average of 12 years of investment experience and were supported by more than 130 administrative and back office personnel that focus on operations, finance, legal and compliance, accounting and reporting, marketing, information technology and office management.

Market Trends

We have identified the following trends that may affect our business:

Target Market. We believe that small and middle-market companies in the United States with annual revenues between $10.0 million and $2.5 billion represent a significant growth segment of the U.S. economy and often require substantial capital investments to grow. Middle-market companies have generated a significant number of investment opportunities for investment funds managed or advised by Golub Capital, and we believe that this market segment will continue to produce significant investment opportunities for us.

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Specialized Lending Requirements. We believe that several factors render many U.S. financial institutions ill-suited to lend to U.S. middle-market companies. For example, based on the experience of our management team, lending to U.S. middle-market companies (1) is generally more labor intensive than lending to larger companies due to the smaller size of each investment and the fragmented nature of information for such companies, (2) requires due diligence and underwriting practices consistent with the demands and economic limitations of the middle market and (3) may also require more extensive ongoing monitoring by the lender.

Demand for Debt Capital. We believe there is a large pool of uninvested private equity capital for middle-market companies. We expect private equity firms will seek to leverage their investments by combining equity capital with senior secured loans and subordinated debt from other sources, such as us.

Competition from Bank Lenders. We believe that many traditional bank lenders to middle-market businesses have either exited or de-emphasized their service and product offerings in the middle market. These traditional lenders have instead focused on lending and providing other services to large corporate clients. We believe this has resulted in fewer key players and the reduced availability of debt capital to the companies we target.

Market Environment. We believe that as part of the path of economic recovery following the credit crisis, there has been increased competition for new middle-market investments due to some new non-bank finance companies that have entered the market and due to improving financial performance of middle-market companies. However, we believe that our scale and strong market position will continue to allow us to find investment opportunities with attractive risk-adjusted returns.

Competitive Strengths

Deep, Experienced Management Team. We are managed by GC Advisors, which, as of December 31, 2014, had access through the Staffing Agreement to the resources and expertise of Golub Capital s more than 200 employees, led by our chairman, Lawrence E. Golub, and our chief executive officer, David B. Golub. As of December 31, 2014, the more than 75 investment professionals of Golub Capital had an average of 12 years of investment experience and were supported by more than 130 administrative and back office personnel that focus on operations, finance, legal and compliance, accounting and reporting, marketing, information technology and office management. Golub Capital seeks to hire and retain high-quality investment professionals and reward those personnel based on investor returns.

In 2014, Golub Capital was awarded *Acquisition International* s 2014 Fund Awards Credit Asset Management Firm of the Year USA, *ACQ* s Global Awards US Credit Asset Manager of the Year, *Acquisition International* s Broadly Syndicated Loans Specialist of the Year USA, and *Acquisition International* s Hedge Fund Award USA Credit Asset Manager of the Year. In 2013, Golub Capital was awarded Finance Monthly s Global Awards 2013 Credit Asset Manager of the Year and DealMakers M&A Awards 2013 Middle Market Lender of the Year. These awards do not constitute an endorsement by such organizations of the securities being offered by this prospectus supplement.

Leading U.S. Debt Platform Provides Access to Proprietary Relationship-Based Deal Flow. GC Advisors gives us access to the deal flow of Golub Capital, one of the leading middle-market lenders in the United States. Golub Capital has been ranked a top 3 Traditional Middle Market Bookrunner every year from 2008 through 2014 by Thomson Reuters LPC for senior secured loans of up to $500.0 million for leveraged buyouts (based on number of deals completed). Since its inception, Golub Capital has closed deals with over 200 middle-market sponsors and repeat transactions with over 100 sponsors. We believe that Golub Capital receives relationship-based early looks and last looks at many investment opportunities in the U.S. middle-market market, allowing it to be highly selective in the transactions it pursues.

Disciplined Investment and Underwriting Process. GC Advisors utilizes the established investment process of Golub Capital for reviewing lending opportunities, structuring transactions and monitoring investments. Using its disciplined approach to lending, GC Advisors seeks to minimize credit losses through effective underwriting, comprehensive due diligence investigations, structuring and the implementation of restrictive debt covenants.

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Regimented Credit Monitoring. Following each investment, GC Advisors implements a regimented credit monitoring system. This careful approach, which involves ongoing review and analysis by teams of professionals, has enabled us to identify problems early and to assist borrowers before they face difficult liquidity constraints.

Concentrated Middle-Market Focus. Because of our focus on the middle-market, we understand the following general characteristics of middle-market lending:

- middle-market companies are generally less leveraged than large companies and, we believe, offer more attractive investment returns in the form of upfront fees, prepayment penalties and higher interest rates;
- middle-market issuers are more likely to have simple capital structures;
- carefully structured covenant packages enable middle-market lenders to take early action to remediate poor financial performance; and
- middle-market lenders can undertake thorough due diligence investigations prior to investment.

Operating and Regulatory Structure

Our investment activities are managed by GC Advisors and supervised by our board of directors, a majority of whom are independent of us, GC Advisors and its affiliates.

As a business development company, we are required to comply with certain regulatory requirements. For example, while we are permitted to finance investments using leverage, which may include the issuance of shares of preferred stock, or notes and other borrowings, our ability to use leverage is limited in significant respects. See Regulation in the accompanying prospectus. Any decision on our part to use leverage will depend upon our assessment of the attractiveness of available investment opportunities in relation to the costs and perceived risks of such leverage. GC Advisors makes recommendations to our board of directors with respect to leverage policies. Our board of directors determines our leverage policy, including approving in advance the incurrence of material indebtedness and the execution of material contracts, and directs GC Advisors to implement such policies. The use of leverage to finance investments creates certain risks and potential conflicts of interest. See Risk Factors Risks Relating to our Business and Structure There are significant potential conflicts of interest that could affect our investment returns Our management and incentive fee structure may create incentives for GC Advisors that are not fully aligned with the interests of our stockholders, Risks Relating to our Business and Structure Regulations governing our operation as a business development company affect our ability to, and the way in which we, raise additional capital. As a business development company, the necessity of raising additional capital exposes us to risks, including the typical risks associated with leverage and Risks Relating to our Business and Structure We intend to finance our investments with borrowed money, which will magnify the potential for gain or loss on amounts invested and may increase the risk of investing in us in the accompanying prospectus.

Also, as a business development company, we are generally prohibited from acquiring assets other than qualifying assets unless, after giving effect to any acquisition, at least 70% of our total assets are qualifying assets. Qualifying assets generally include securities of eligible portfolio companies, cash, cash equivalents, U.S. government securities and high-quality debt investments maturing in one year or less from the time of investment. Under the 1940 Act and the rules thereunder, eligible portfolio companies include (1) private domestic operating companies, (2) public domestic operating companies whose securities are not listed on a national securities exchange (*e.g.*, the New York Stock Exchange, NYSE Amex Equities and The NASDAQ Stock Market) or registered under the Securities Exchange Act of 1934, as amended, or the Exchange Act, and (3) public domestic operating companies having a market capitalization of less than $250.0 million. Public domestic operating companies whose securities are quoted on the over-the-counter bulletin board and through Pink Sheets LLC are not listed on a national securities exchange and therefore are eligible portfolio companies. See Regulation in the accompanying prospectus.

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Conflicts of Interest

Subject to certain 1940 Act restrictions on co-investments with affiliates, GC Advisors offers us the right to participate in all investment opportunities that it determines are appropriate for us in view of our investment objective, positions, policies, strategies and restrictions as well as regulatory requirements and other relevant factors. Such offers are subject to the exception that, in accordance with GC Advisors code of ethics and allocation policies, we might not participate in each individual opportunity but will, on an overall basis, be entitled to participate equitably with other entities sponsored or managed by GC Advisors and its affiliates.

To the extent that we compete with entities sponsored or managed by GC Advisors or its affiliates for a particular investment opportunity, GC Advisors will allocate investment opportunities across the entities for which such opportunities are appropriate, consistent with (1) its internal conflict of interest and allocation policies, (2) the requirements of the Advisers Act and (3) certain restrictions under the 1940 Act regarding co-investments with affiliates. GC Advisors allocation policies are intended to ensure that, over time, we may generally share equitably in investment opportunities with other investment funds, accounts or other investment vehicles, together referred to as accounts, sponsored or managed by GC Advisors or its affiliates, particularly those involving a security with limited supply or involving differing classes of securities of the same issuer which may be suitable for us and such other accounts.

GC Advisors and its affiliates have other clients with similar or competing investment objectives, including several private funds that are pursuing an investment strategy similar to ours, some of which are continuing to seek new capital commitments. In serving these clients, GC Advisors may have obligations to other clients or investors in those entities. Our investment objective may overlap with such affiliated accounts. GC Advisors allocation procedures are designed to allocate investment opportunities among the accounts sponsored or managed by GC Advisors and its affiliates in a manner consistent with its obligations under the Advisers Act. If two or more accounts with similar investment strategies are actively investing, GC Advisors will seek to allocate investment opportunities among eligible accounts in a manner that is fair and equitable over time and consistent with its allocation policy. GC Advisors has put in place a conflict-resolution policy that addresses the co-investment restrictions set forth under the 1940 Act. See Risk Factors Risks Relating to our Business and Structure There are significant potential conflicts of interest that could affect our investment returns Conflicts related to obligations GC Advisors investment committee, GC Advisors or its affiliates have to other clients in the accompanying prospectus.

GC Advisors seeks to ensure the equitable allocation of investment opportunities when we are able to invest alongside other accounts sponsored or managed by GC Advisors and its affiliates. When we invest alongside such other accounts, such investments are made consistent with GC Advisors allocation policy. Under this allocation policy, if an investment opportunity is appropriate for us and another similar eligible account, the opportunity will be allocated pro rata based on the relative total capital of each of us and such other eligible accounts, subject to minimum and maximum investment size limits. In situations in which co-investment with other entities sponsored or managed by GC Advisors or its affiliates is not permitted or appropriate, such as when, in the absence of exemptive relief described below, we and such other entities would be making different investments in the same issuer, GC Advisors will need to decide whether we or such other entity or entities will proceed with the investment. GC Advisors will make these determinations based on its policies and procedures, which generally require that such opportunities be offered to eligible accounts on a basis that will be fair and equitable over time, including, for example, through random or rotational methods. We and GC Advisors have submitted an exemptive application to the SEC to permit greater flexibility to negotiate the terms of co-investments if our board of directors determines that it would be advantageous for us to co-invest with other accounts sponsored or managed by GC Advisors or its affiliates in a manner consistent with our investment objectives, positions, policies, strategies and restrictions as well as regulatory requirements and other pertinent factors. Our board of directors regularly reviews the allocation policy of Golub Capital and annually reviews the code of ethics of GC Advisors. See Related Party Transactions and Certain Relationships in the accompanying prospectus.

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Additionally, under our incentive fee structure, GC Advisors benefits when we recognize capital gains and, because GC Advisors determines when a holding is sold, GC Advisors controls the timing of the recognition of such capital gains. See Risk Factors Risks Relating to our Business and Structure There are significant potential conflicts of interest that could affect our investment returns Our management and incentive fee structure may create incentives for GC Advisors that are not fully aligned with the interests of our stockholders in the accompanying prospectus. In addition, because the base management fee that we pay to GC Advisors is based on our average adjusted gross assets, including those assets acquired through the use of leverage, GC Advisors has a financial incentive to incur leverage.

Recent Developments

On February 3, 2015, our board of directors declared a quarterly distribution of $0.32 per share of our common stock paid on March 27, 2015 to holders of record as of March 20, 2015.

Set forth in the table below are certain preliminary estimates of our financial condition and results of operations for the three months ended March 31, 2015. These estimates are subject to the completion of our financial closing procedures and are not a comprehensive statement of our financial results for the three months ended March 31, 2015. Our actual results may differ materially from these estimates as a result of the completion of our financial closing procedures, final adjustments and other developments arising between now and the time that our financial results for the three months ended March 31, 2015 are finalized.

	Estimated to have totaled between:	
Net asset value per share	$ 15.59	$ 15.62
Net income per share	$ 0.37	$ 0.39
Net investment income per share	$ 0.28	$ 0.30
Accrual for capital gain incentive fee per share[(1)]	$ 0.02	$ 0.02
Net investment income before capital gain incentive fee accrual per share	$ 0.30	$ 0.32

(1) The Capital Gain Incentive Fee payable as calculated under the Investment Advisory Agreement for the three months ended March 31, 2015 is estimated to be $0. However, in accordance with GAAP, we are required to include the aggregate unrealized capital appreciation on investments in the calculation and accrue a capital gain incentive fee on a quarterly basis, as if such unrealized capital appreciation were realized, even though such unrealized capital appreciation is not permitted to be considered in calculating the fee actually payable under the Investment Advisory Agreement.

We originated $161.9 million in new middle-market investment commitments during the three months ended March 31, 2015. Approximately 63% of the new middle-market investment commitments were one stop loans, 35% were senior secured loans and 2% were equity securities. Of the new middle-market investment commitments, $132.9 million funded at close. In addition, during the three months ended March 31, 2015, we invested $17.1 million in SLF.

Total investments at fair value are estimated to have increased by $22.3 million during the three months ended March 31, 2015 after factoring in debt repayments, sales of securities, net fundings on revolvers, and net change in unrealized gains (losses). Total investments at fair value held by SLF are estimated to have increased by approximately $67.5 million after factoring in debt repayments, sales of securities, net fundings on revolvers, and net change in unrealized gains (losses).

We intend to announce final results of operations for the three months ended March 31, 2015 on May 7, 2015. We plan to host an earnings conference call on May 7, 2015 to discuss the financial results.

The preliminary financial data included herein have been prepared by, and is the responsibility of, management. McGladrey LLP, our independent registered public accounting firm, has not audited, reviewed, compiled or performed any procedures with respect to these preliminary estimates. Accordingly, McGladrey LLP does not express an opinion or any other form of assurance with respect thereto. See Risk Factors There are material limitations with making preliminary estimates of our financial results for the three months ended March 31, 2015 prior to the completion of our and our auditors financial review procedures for such period.

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Updates to Biographical Information of Directors

In December 2014, Mr. Lawrence E. Golub resigned from the board of directors of Empire State Realty.

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Our principal executive offices are located at 150 South Wacker Drive, Suite 800, Chicago, Illinois 60606, and our telephone number is (312) 205-5050. Our corporate website is located at *www.golubcapitalbdc.com*. Information on our website is not incorporated into or a part of this prospectus supplement.

THE OFFERING

Common Stock Offered by Us

3,500,000 shares, excluding 525,000 shares issuable pursuant to the option granted to the underwriters.

Common Stock to be Outstanding After this Offering

50,725,212 shares, excluding shares issuable pursuant to the option granted to the underwriters.

Use of Proceeds

We intend to use the net proceeds from the sale of our common stock to invest in portfolio companies in accordance with our investment objective and strategies and for general corporate purposes. We expect that our new investments will consist primarily of senior secured and one stop loans, and to a lesser extent, second lien and subordinated loans. We will also pay operating expenses, including management and administrative fees, and may pay other expenses such as due diligence expenses relating to potential new investments, from the net proceeds of this offering. A portion of the net proceeds may also be utilized to capitalize SLF. We may also use a portion of the net proceeds from this offering to repay amounts outstanding under our Credit Facility, which bore an annual interest rate of 2.4% (i.e., one-month LIBOR plus 2.25% per annum) on the outstanding balance of $44.9 million as of December 31, 2014 and matures on October 17, 2019 and our Revolver, which bears interest, at the election of Revolver Funding, at a rate of either one-, two- or three-month LIBOR plus 3.50% per annum or PrivateBank s prime rate plus 1.50% per annum through November 22, 2015 and either one-, two- or three-month LIBOR plus 2.50% per annum or PrivateBank s prime rate plus 0.50% per annum for the period subsequent to November 22, 2015 and matures on November 22, 2020. See Use of Proceeds in this prospectus supplement for more information.

NASDAQ Global Select Market Symbol

GBDC

Trading at a Discount

Shares of closed-end investment companies, including business development companies, frequently trade at a discount to their net asset value. We are not generally able to issue and sell our common stock at a price below our net asset value per share unless we have stockholder approval. The risk that our shares may trade at a discount to our net asset value is separate and distinct from the risk that our net asset value per share may decline. We cannot predict whether our shares will trade above, at or below net asset value. See Risk Factors in the accompanying prospectus.

Dividend Reinvestment Plan

We have adopted a dividend reinvestment plan for our stockholders, which is an opt out dividend reinvestment plan. Under this plan, cash distributions to our stockholders are automatically reinvested in additional shares of our common stock unless a stockholder specifically opts out of our dividend reinvestment plan.

If a stockholder opts out, that stockholder receives cash dividends or other distributions. Stockholders who receive distributions in the form of shares of common stock generally are subject to the same U.S. federal, state and local tax consequences as stockholders who elect to receive their distributions in cash but do not receive any corresponding cash distributions with which to pay any applicable taxes. See Dividend Reinvestment Plan in the accompanying prospectus.

Custodian and Transfer Agent

U.S. Bank National Association serves as our custodian, and American Stock Transfer & Trust Company, LLC serves as our transfer and dividend paying agent and registrar. See Custodian, Transfer and Dividend Paying Agent and Registrar in the accompanying prospectus.

Risk Factors

An investment in our common stock is subject to risks and involves a heightened risk of total loss of investment. In addition, the companies in which we invest are subject to special risks. See Risk Factors beginning on page S-17 of this prospectus supplement and page 14 of the accompanying prospectus to read about factors you should consider, including the risks of leverage, before investing in our common stock.

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FEES AND EXPENSES

The following table is intended to assist you in understanding the costs and expenses that an investor in shares of our common stock will bear directly or indirectly. However, we caution you that some of the percentages indicated in the table below are estimates and may vary. Actual costs and expenses incurred by investors in shares of our common stock may be greater than the percentage estimates in the table below. The following table excludes one-time fees payable to third parties not affiliated with GC Advisors that were incurred in connection with each of the 2010 Debt Securitization and the 2014 Debt Securitization, collectively the Debt Securitizations, but includes all of the applicable ongoing fees and expenses of the Debt Securitizations. Whenever this prospectus supplement contains a reference to fees or expenses paid by us or Golub Capital BDC, or that we will pay fees or expenses, our common stockholders will indirectly bear such fees or expenses.

Stockholder transaction expenses:	
Sales load (as a percentage of offering price)	3.00% (1)
Offering expenses (as a percentage of offering price)	0.57% (2)
Dividend reinvestment plan expenses	0.00% (3)
Total stockholder transaction expenses (as a percentage of offering price)	3.57 %
Annual expenses (as a percentage of net assets attributable to common stock):	
Management fees	2.43% (4)
Incentive fees payable under the Investment Advisory Agreement (20%)	0.54% (5)
Interest payments on borrowed funds	2.87% (6)
Other expenses	0.71% (7)
Acquired fund fees and expenses	0.02% (8)
Total annual expenses	6.57% (9)

(1) The underwriting discounts and commissions with respect to the shares sold in this offering, which is a one-time fee, is the only sales load paid in connection with this offering.

(2) Amount reflects estimated offering expenses of approximately $350,000 and is based on 3,500,000 shares offered in this offering at the last reported closing price of $17.65 per share of our common stock on April 8, 2015.

(3) The expenses associated with the dividend reinvestment plan are included in Other expenses. See Dividend Reinvestment Plan in the accompanying prospectus.

(4) Our management fee is calculated at an annual rate equal to 1.375% and is based on the average adjusted gross assets (including assets purchased with borrowed funds and securitization-related assets, leverage, unrealized depreciation or appreciation on derivative instruments and cash collateral on deposit with custodian but adjusted to exclude cash and cash equivalents so that investors do not pay the base management fee on such assets) at the end of the two most recently completed calendar quarters and is payable quarterly in arrears. See Management Agreements Investment Advisory Agreement Management Fee in the accompanying prospectus. The management fee referenced in the table above is based on actual amounts incurred during the three months ended December 31, 2014 by GC Advisors in its capacity as investment adviser to us and collateral manager to the 2010 Issuer and the 2014 Issuer, annualized for a full year.

GC Advisors, as collateral manager for the 2010 Issuer under a collateral management agreement, or the 2010 Collateral Management Agreement, is entitled to receive an annual fee in an amount equal to 0.35% of the principal balance of the portfolio loans held by the 2010 Issuer at the beginning of the collection period relating to each payment date, which is payable in arrears on each payment date. This fee, which is less than the management fee payable under the Investment Advisory Agreement, is paid directly by the 2010 Issuer to GC Advisors and offset against such management fee. Accordingly, the 1.375% management fee paid by us to GC Advisors under the

Investment Advisory Agreement on all of our assets, including those indirectly held through the 2010 Issuer, is reduced, on a dollar-for-dollar basis, by an amount equal to such 0.35% fee paid to GC Advisors by the 2010 Issuer.

Under the 2010 Collateral Management Agreement, the term collection period refers to a quarterly period running from the day after the end of the prior collection period to the fifth business day of the calendar month in which a

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payment date occurs. This fee may be waived by the collateral manager. The 2010 Collateral Management Agreement does not include any incentive fee payable to GC Advisors.

GC Advisors, as collateral manager for the 2014 Issuer, under a collateral management agreement, or the 2014 Collateral Management Agreement, is entitled to receive an annual fee in an amount equal to 0.25% of the principal balance of the portfolio loans held by the 2014 Issuer at the beginning of the collection period relating to each payment date, which is payable in arrears on each payment date. This fee, which is less than the management fee payable under the Investment Advisory Agreement, is paid directly by the 2014 Issuer to GC Advisors and offset against such management fee. Accordingly, the 1.375% management fee paid by us to GC Advisors under the Investment Advisory Agreement on all of our assets, including those indirectly held through the 2014 Issuer, is reduced, on a dollar-for-dollar basis, by an amount equal to such 0.25% fee paid to GC Advisors by the 2014 Issuer. Under the 2014 Collateral Management Agreement, the term collection period refers to a quarterly period running from the day after the end of the prior collection period to the tenth business day prior to the payment date. This fee may be waived by the collateral manager. The 2014 Collateral Management Agreement does not include any incentive fee payable to GC Advisors.

For purposes of this table, the SEC requires that the Management fees percentage be calculated as a percentage of net assets attributable to common stock, rather than total assets, including assets that have been funded with borrowed monies because common stockholders bear all of this cost. If the base management fee portion of the Management fees percentage were calculated instead as a percentage of our total assets, our base management fee portion of the Management fees percentage would be approximately 1.32% of total assets. The base management fee in the table above is based on net assets of $793.2 million and leverage of $715.0 million, which reflects our net assets and leverage pro forma as of December 31, 2014 after giving effect to this offering.

(5) The incentive fee referenced in the table above is based on actual amounts incurred during the three months ended December 31, 2014, annualized for a full year. We have structured the calculation of the incentive fee to include a fee limitation such that no incentive fee will be paid to GC Advisors for any quarter if, after such payment, the cumulative incentive fees paid to GC Advisors since the effective date of our election to become a business development company would be greater than 20.0% of our Cumulative Pre-Incentive Fee Net Income (as defined below).

We accomplish this limitation by subjecting each quarterly incentive fee payable under the Income and Capital Gain Incentive Fee Calculation (as defined below) to a cap, or the Incentive Fee Cap. The Incentive Fee Cap in any quarter is equal to the difference between (a) 20.0% of Cumulative Pre-Incentive Fee Net Income and (b) cumulative incentive fees of any kind paid to GC Advisors by Golub Capital BDC since April 13, 2010, the effective date of our election to become a business development company. To the extent the Incentive Fee Cap is zero or a negative value in any quarter, no incentive fee would be payable in that quarter. Cumulative Pre-Incentive Fee Net Income is equal to the sum of (a) Pre-Incentive Fee Net Investment Income (as defined below) for each period since April 13, 2010 and (b) cumulative aggregate realized capital gains, cumulative aggregate realized capital losses, cumulative aggregate unrealized capital depreciation and cumulative aggregate unrealized capital appreciation since April 13, 2010.

Pre-Incentive Fee Net Investment Income means interest income, dividend income and any other income (including any other fees such as commitment, origination, structuring, diligence and consulting fees or other fees that we receive from portfolio companies, but excluding fees for providing managerial assistance) accrued during the calendar quarter, minus operating expenses for the calendar quarter (including the base management fee, taxes, any expenses payable under the Investment Advisory Agreement and an administration agreement, or the Administration Agreement, with the Administrator, any expenses of securitizations and any interest expense and dividends paid on any outstanding preferred stock, but excluding the incentive fee). Pre-Incentive Fee Net Investment Income includes, in the case of investments with a deferred interest feature such as market discount, debt instruments with payment-in-kind, or PIK, interest, preferred stock with PIK dividends and zero coupon securities, accrued income that we have not yet received in cash.

The income and capital gain incentive fee calculation, or the Income and Capital Gain Incentive Fee Calculation, has two parts. The income component is calculated quarterly in arrears based on our Pre-Incentive Fee Net Investment Income for the immediately preceding calendar quarter.

Pre-Incentive Fee Net Investment Income does not include any realized capital gains, realized capital losses or unrealized capital appreciation or depreciation. Because of the structure of the income component, it is possible that an incentive fee may be calculated under this formula with respect to a period in which we have incurred a loss. For example, if we receive Pre-Incentive Fee Net Investment Income in excess of the hurdle rate (as defined below) for a calendar quarter, the income component will result in a positive value and an incentive fee will be paid unless the payment of such incentive fee would cause us to pay incentive fees on a cumulative basis that exceed 20.0% of our Cumulative Pre-Incentive Fee Net Income.

Pre-Incentive Fee Net Investment Income, expressed as a rate of return on the value of our net assets (defined as total assets less indebtedness and before taking into account any incentive fees payable during the period) at the end of the immediately preceding calendar quarter, is compared to a fixed hurdle rate of 2.0% quarterly. If market interest rates rise, we may be able to invest our funds in debt instruments that provide for a higher return, which would increase our Pre-Incentive Fee Net Investment Income and make it easier for GC Advisors to surpass the fixed hurdle rate and receive an incentive fee based on such net investment income. Our Pre-Incentive Fee Net Investment Income used to calculate this part of the incentive fee is also included in the amount of our total assets (excluding cash and cash equivalents but including assets purchased with borrowed funds and securitization-related assets and cash collateral on deposit with custodian) used to calculate the 1.375% base management fee.

We calculate the income component of the Income and Capital Gain Incentive Fee Calculation with respect to our Pre-Incentive Fee Net Investment Income quarterly, in arrears, as follows:

zero in any calendar quarter in which the Pre-Incentive Fee Net Investment Income does not exceed the hurdle rate;
100.0% of our Pre-Incentive Fee Net Investment Income with respect to that portion of such Pre-Incentive Fee Net Investment Income, if any, that exceeds the hurdle rate but is less than 2.5% in any calendar quarter. We refer to this portion of our Pre-Incentive Fee Net Investment Income (which exceeds the hurdle rate but is less than 2.5%) as the catch-up provision. The catch-up is meant to provide GC Advisors with 20.0% of the Pre-Incentive Fee Net Investment Income as if a hurdle rate did not apply if this net investment income exceeds 2.5% in any calendar quarter; and
20.0% of the amount of our Pre-Incentive Fee Net Investment Income, if any, that exceeds 2.5% in any calendar quarter.

The sum of these calculations yields the income incentive fee. This amount is appropriately adjusted for any share issuances or repurchases during the quarter.

The second part of the Income and Capital Gain Incentive Fee Calculation, or the Capital Gain Incentive Fee, equals (a) 20.0% of our Capital Gain Incentive Fee Base (as defined below), if any, calculated in arrears as of the end of each calendar year (or upon termination of the Investment Advisory Agreement, as of the termination date), commencing with the calendar year ending December 31, 2010, less (b) the aggregate amount of any previously paid Capital Gain Incentive Fees. Our Capital Gain Incentive Fee Base equals (1) the sum of (i) our realized capital gains, if any, on a cumulative positive basis from April 13, 2010 through the end of each calendar year, (ii) all realized capital losses on a cumulative basis and (iii) all unrealized capital depreciation on a cumulative basis less (2) all unamortized deferred financing costs, if and to the extent such costs exceed all unrealized capital appreciation on a cumulative basis.

The cumulative aggregate realized capital losses are calculated as the sum of the amounts by which (a) the net sales price of each investment in our portfolio when sold is less than (b) the accreted or amortized cost basis of such investment.
The cumulative aggregate realized capital gains are calculated as the sum of the differences, if positive, between (a) the net sales price of each investment in our portfolio when sold and (b) the accreted or amortized cost basis of such investment.
The aggregate unrealized capital depreciation is calculated as the sum of the differences, if negative, between (a) the valuation of each investment in our portfolio as of the applicable Capital Gain Incentive Fee calculation date and (b) the accreted or amortized cost basis of such investment.

As described above, the incentive fee will not be paid at any time where after such payment the cumulative incentive fees paid to date would be greater than 20.0% of the Cumulative Pre-Incentive Net

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Income since April 13, 2010. In accordance with GAAP, we will accrue a capital gain incentive fee on a quarterly basis as if aggregate unrealized capital appreciation on investments were realized, even though such unrealized capital appreciation is not permitted to be considered in calculating the fee actually payable under the Investment Advisory Agreement. We will accrue the capital gain incentive fee under GAAP if the Capital Gain Incentive Fee Base, adjusted as required by GAAP to include unrealized appreciation, is positive. The Capital Gain Incentive Fee is calculated on a cumulative basis from the date we elected to become a business development company through the end of each calendar year. Since inception through December 31, 2014, we have not made any Capital Gain Incentive Fee payments. For the three months ended December 31, 2014 and the year ended September 30, 2014, we accrued a capital gain incentive fee under GAAP of $139,000 and $96,000, respectively. For a more detailed discussion of the calculation of the incentive fee, see Management Agreements Investment Advisory Agreement Management Fee in the accompanying prospectus.

(6) Interest payments on borrowed funds represents our annualized interest expense as of December 31, 2014 and includes interest payable on the notes issued by each of the 2010 Issuer and the 2014 Issuer. For the three months ended December 31, 2014, the effective annualized average interest rate on our total debt outstanding, which includes all interest and amortization of debt issuance costs on the Debt Securitizations but excludes secured borrowings, was 3.3%. Debt issuance costs represent fees and other direct incremental costs incurred in connection with the Debt Securitizations. These fees include a structuring and placement fee paid to Wells Fargo Securities, LLC for its services in connection with the initial structuring and subsequent amendment of the 2010 Debt Securitization and the initial structuring of the 2014 Debt Securitization of $1.74 million, $0.75 million and $1.81 million, respectively, as well as legal fees, accounting fees, rating agency fees and all other costs associated with each of the Debt Securitizations. We do not currently anticipate issuing debt securities or preferred stock in the next 12 months.

(7) Includes our overhead expenses, including payments under the Administration Agreement based on our allocable portion of overhead and other expenses incurred by the Administrator, and any acquired fund fees and expenses that are not required to be disclosed separately. See Management Agreements Administration Agreement in the accompanying prospectus. Other expenses are based on actual amounts incurred during the three months ended December 31, 2014, annualized for a full year. Other expenses also includes the ongoing administrative expenses to the trustee, collateral manager, independent accountants, legal counsel, rating agencies and independent managers in connection with developing and maintaining reports and providing required services in connection with the administration of each of the Debt Securitizations. The administrative expenses are paid by the 2010 Issuer on each payment date in two parts: (1) a component that is paid in a priority to other amounts distributed by the 2010 Issuer, subject to a cap equal to the sum of 0.04% per annum on the adjusted principal balance of the portfolio loans and other assets held by the 2010 Issuer on the last day of the collection period relating to such payment date, plus $150,000 per annum, and (2) a component that is paid in a subordinated position relative to other amounts distributed by the 2010 Issuer, equal to any amounts that exceed the aforementioned administrative expense cap. The administrative expenses are paid by the 2014 Issuer on each payment date in two parts: (1) a component that is paid in a priority to other amounts distributed by the 2014 Issuer, subject to a cap equal to the sum of 0.04% per annum on the adjusted principal balance of the portfolio loans and other assets held by the 2014 Issuer on the last day of the collection period relating to such payment date, plus $150,000 per annum, and (2) a component that is paid in a subordinated position relative to other amounts distributed by the 2014 Issuer, equal to any amounts that exceed the aforementioned administrative expense cap.

(8) Our stockholders indirectly bear the expenses of our investment in SLF. No management fee is charged by Golub Capital LLC in connection with the administrative services it provides to SLF. However, SLF does reimburse Golub Capital LLC for its costs related to providing accounting, bookkeeping, treasury, loan operations, reporting and administrative services for SLF. Future expenses for SLF may be substantially higher or lower because certain expenses may fluctuate over time.

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(9) All of our expenses, including all expenses of each of the Debt Securitizations, are disclosed in the appropriate line items under Annual Expenses (as a percentage of net assets attributable to common stock). Total annual expenses as a percentage of consolidated net assets attributable to common stock are higher than the total annual expenses percentage would be for a company that is not leveraged. We borrow money to leverage our net assets and increase our total assets. The SEC requires that the Total annual expenses percentage be calculated as a percentage of net assets (defined as total assets less indebtedness and after taking into account any incentive fees payable during the period), rather than the total assets, including assets that have been funded with borrowed monies. The reason for presenting expenses as a percentage of net assets attributable to common stockholders is that our common stockholders bear all of our fees and expenses.

Example

The following example demonstrates the projected dollar amount of total cumulative expenses that would be incurred over various periods with respect to a hypothetical investment in our common stock. **This example and the expenses in the table above should not be considered a representation of our future expenses, and actual expenses (including the cost of debt, if any, and other expenses) may be greater or less than those shown.** These amounts assume (1) a 3.00% sales load (underwriting discounts and commissions), (2) offering expenses totaling 0.57% and (3) total net annual expenses of 6.03% of net assets attributable to common shares as set forth in the table above (other than performance-based incentive fees). For purposes of this table, we have assumed leverage of $715.0 million, which was our actual leverage as of December 31, 2014.

	1 year	3 years	5 years	10 years
You would pay the following expenses on a $1,000 investment, assuming a 5% annual return	$ 94	$ 208	$ 321	$ 591

While the example assumes, as required by the SEC, a 5% annual return, our performance will vary and may result in a return greater or less than 5%. The incentive fee under the Investment Advisory Agreement, which, assuming a 5% annual return, would either not be payable or have an immaterial impact on the expense amounts shown above, is not included in the example. Under our Investment Advisory Agreement, no incentive fee would be payable if we have a 5% annual return. If we achieve sufficient returns on our investments, including through the realization of capital gains, to trigger an incentive fee of a material amount, our expenses, and returns to our investors, would be higher. The example assumes that all dividends and other distributions are reinvested at net asset value. Under certain circumstances, reinvestment of dividends and other distributions under our dividend reinvestment plan may occur at a price per share that differs from net asset value. See Dividend Reinvestment Plan in the accompanying prospectus for more information.

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RISK FACTORS

Investing in our securities involves a number of significant risks. Please see Risk Factors in the accompanying prospectus, as supplemented by the risk factor described below, for a discussion of these risks.

There are material limitations with making preliminary estimates of our financial results for the three months ended March 31, 2015 prior to the completion of our and our auditors financial review procedures for such period.

The preliminary financial estimates contained in Prospectus Supplement Summary Recent Developments are not a comprehensive statement of our financial results for the three months ended March 31, 2015, and have not been audited by our independent registered public accounting firm. Our consolidated financial statements for the three months ended March 31, 2015 will not be available until after this offering is completed and, consequently, will not be available to you prior to investing in this offering. Our actual financial results for the three months ended March 31, 2015 may differ materially from the preliminary financial estimates we have provided as a result of the completion of our financial closing procedures, final adjustments and other developments arising between now and the time that our financial results for the three months ended March 31, 2015 are finalized. The preliminary financial data included herein have been prepared by, and are the responsibility of, management. McGladrey LLP, our independent registered public accounting firm, has not audited, reviewed, compiled or performed any procedures with respect to such preliminary estimates. Accordingly, McGladrey LLP does not express an opinion or any other form of assurance with respect thereto.

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

Some of the statements in this prospectus supplement and the accompanying prospectus constitute forward-looking statements, which relate to future events or our future performance or financial condition. The forward-looking statements contained in this prospectus supplement and the accompanying prospectus involve risks and uncertainties, including statements as to:

- our future operating results;
- our business prospects and the prospects of our portfolio companies;
- preliminary estimates of our financial condition and results of operations for the three months ended March 31, 2015
- the effect of investments that we expect to make and the competition for those investments;
- our contractual arrangements and relationships with third parties;
- actual and potential conflicts of interest with GC Advisors and other affiliates of Golub Capital;
- the dependence of our future success on the general economy and its effect on the industries in which we invest;
- the ability of our portfolio companies to achieve their objectives;
- the use of borrowed money to finance a portion of our investments;
- the adequacy of our financing sources and working capital;
- the timing of cash flows, if any, from the operations of our portfolio companies;
- general economic trends and other external factors;
- the ability of GC Advisors to locate suitable investments for us and to monitor and administer our investments;
- the ability of GC Advisors or its affiliates to attract and retain highly talented professionals;
- our ability to qualify and maintain our qualification as a RIC and as a business development company;
- general price and volume fluctuations in the stock markets;
- the impact on our business of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the rules and regulations issued thereunder; and
- the effect of changes to tax legislation and our tax position.

Such forward-looking statements may include statements preceded by, followed by or that otherwise include the words may, might, will, intend, should, could, can, would, expect, believe, estimate, anticipa or similar words. The forward-looking statements contained in this prospectus supplement and the accompanying prospectus involve risks and uncertainties. Our actual results could differ materially from those implied or expressed in the forward-looking statements for any reason, including the factors set forth as Risk Factors in the accompanying prospectus and elsewhere in this prospectus supplement and the accompanying prospectus.

We have based the forward-looking statements included in this prospectus supplement on information available to us on the date of this prospectus supplement. Actual results could differ materially from those anticipated in our forward-looking statements and future results could differ materially from historical performance. You are advised to consult any additional disclosures that we may make directly to you or through reports that we have filed or in the future may file with the SEC, including annual reports on Form 10-K, registration statements on Form N-2, quarterly reports on Form 10-Q and current reports on Form 8-K. This prospectus supplement and the accompanying prospectus contain statistics and other data that have been obtained from or compiled from information made available by third-party service providers. We have not independently verified such statistics or data.

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You should understand that, under Section 27A(b)(2)(B) of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E(b)(2)(B) of the Exchange Act, the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 do not apply to forward-looking statements made in connection with any offering of securities pursuant to this prospectus supplement, the accompanying prospectus or in periodic reports we file under the Exchange Act.

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USE OF PROCEEDS

We estimate that net proceeds we will receive from the sale of 3,500,000 shares of our common stock in this offering will be approximately $59.6 million (or approximately $68.6 million if the underwriters fully exercise their option), in each case based on a public offering price of $17.65 per share, which was the last reported closing price of our common stock on April 8, 2015, after deducting the underwriting discounts and commissions payable by us and estimated offering expenses of approximately $350,000 payable by us. The amount of net proceeds may be more or less than the amount described in this preliminary prospectus supplement depending on the public offering price of the common stock and the actual number of shares of common stock we sell in the offering, both of which will be determined at pricing.

We intend to use the net proceeds from the sale of our common stock to invest in portfolio companies in accordance with our investment objective and strategies and for general corporate purposes. We expect that our new investments will consist primarily of senior secured and one stop loans and, to a lesser extent, second lien and subordinated loans. We will also pay operating expenses, including management and administrative fees, and may pay other expenses such as due diligence expenses relating to potential new investments, from the net proceeds of this offering. A portion of the net proceeds may be utilized to capitalize SLF. We may also use a portion of the net proceeds from this offering to repay amounts outstanding under our Credit Facility, which bore an annual interest rate of 2.4% (*i.e.*, one-month LIBOR plus 2.25% per annum) on the outstanding balance of $44.9 million as of December 31, 2014 and matures on October 17, 2019, and our Revolver, which, at the election of Revolver Funding, bears interest at a rate of either one-, two- or three-month LIBOR plus 3.50% per annum or PrivateBank s prime rate plus 1.50% per annum through November 22, 2015 and either one-, two- or three-month LIBOR plus 2.50% per annum or PrivateBank s prime rate plus 0.50% per annum for the period subsequent to November 22, 2015 and matures on November 22, 2020.

Until appropriate investment opportunities can be found, we may also invest the net proceeds of this offering primarily in cash, cash equivalents, U.S. government securities and high-quality debt investments that mature in one year or less from the date of investment. These temporary investments may have lower yields than our other investments and, accordingly, may result in lower distributions, if any, during such period. Our ability to achieve our investment objective may be limited to the extent that the net proceeds from this offering, pending full investment, are held in lower yielding interest-bearing deposits or other short-term instruments. See Regulation Temporary Investments in the accompanying prospectus for additional information about temporary investments we may make while waiting to make longer-term investments in pursuit of our investment objective.

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CAPITALIZATION

The following table sets forth:

- our actual capitalization as of December 31, 2014; and
- our pro forma capitalization to give effect to 53,694 shares issued through the dividend reinvestment plan on March 27, 2015 and the sale of 3,500,000 shares of common stock in this offering based on the last reported closing price of $17.65 per share on April 8, 2015, after deducting the underwriting discounts and commissions and estimated offering expenses of approximately $350,000 payable by us.

	As of December 31, 2014	
	Actual	Pro Forma
	(dollars in thousands)	
Assets:		
Cash and cash equivalents	$41,426	$100,996
Investments at fair value	1,400,726	1,400,726
Other assets	18,431	18,431
Total assets	1,460,583	1,520,153
Liabilities:		
Debt	714,650	714,650
Secured borrowings	380	380
Other liabilities	11,835	11,835
Total liabilities	726,865	726,865
Net assets:		
Common stock, par value $0.001 per share; 100,000,000 shares authorized, 47,171,518 shares issued and outstanding; 50,725,212 shares issued and outstanding, pro forma	47	51
Paid in capital in excess of par	721,364	780,930
Undistributed net investment income	3,106	3,106
Net unrealized (depreciation) appreciation on investments and secured borrowings	11,583	11,583
Net realized gains (losses) on investments	(2,382)	(2,382)
Total stockholders equity	733,718	793,288
Net asset value per common share	$15.55	$15.64

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SELECTED CONSOLIDATED FINANCIAL DATA

The following selected consolidated financial data of Golub Capital BDC as of and for the fiscal years ended September 30, 2014, 2013, 2012, 2011 and 2010 are derived from our consolidated financial statements that have been audited by McGladrey LLP, an independent registered public accounting firm. The consolidated financial statements for the three-month periods ended December, 2014 and 2013 are unaudited. However, in our opinion, all adjustments, consisting of normal recurring adjustments, necessary for a fair presentation have been made. Interim results may be subject to significant quarterly variations and may not be indicative of the results of operations to be expected for a full fiscal year. The financial data should be read in conjunction with our consolidated financial statements and related notes thereto and with Interim Management s Discussion and Analysis of Financial Condition, Results of Operations and Cash Flows included elsewhere in this prospectus supplement and Management s Discussion and Analysis of Financial Condition, Results of Operations and Cash Flows included in the accompanying prospectus.

	As of and for the three months ended		As of and for the years ended				
	December 31, 2014	December 31, 2013	September 30, 2014	September 30, 2013	September 30, 2012	September 30, 2011	September 30, 2010
	(unaudited)	(unaudited)	(In thousands, except per share data)				
Statement of Operations Data:							
Total investment income	$27,545	$25,579	$109,526	$83,774	$57,859	$39,150	$33,150
Base management fee	4,821	3,824	17,053	11,749	8,495	5,789	3,328
Incentive fee	1,071	3,032	10,128	9,844	6,228	348	55
All other expenses	7,096	5,463	25,810	17,786	15,260	10,197	6,400
Net investment income	14,557	13,260	56,535	44,395	27,876	22,816	23,367
Net realized gain (loss) on investments and derivative instruments	1,726	(4,994)	5,384	(1,363)	(3,372)	2,037	(40)
Net change in unrealized (depreciation) appreciation on investments, derivative instruments and secured borrowings	(1,111)	6,571	3,469	3,488	7,256	(3,514)	2,921
Net increase in net assets resulting from operations	15,172	14,837	65,388	46,520	31,760	21,339	26,248
Per share data:							
Net asset value	$15.55	$15.23	$15.55	$15.21	$14.60	$14.56	$14.71
Net investment income	0.31	0.31	1.26	1.29	1.15	1.16	N/A (1)
Net realized gain (loss) on investments and derivative instruments	0.04	(0.12)	0.11	(0.04)	(0.14)	0.10	N/A (1)
Net change in unrealized (depreciation) appreciation on investments, derivative instruments and secured	(0.03)	0.15	0.07	0.10	0.30	(0.18)	N/A (1)

borrowings							
Net increase in net assets resulting from operations	0.32	0.34	1.44	1.35	1.31	1.09	N/A [(1)]
Per share distributions declared	0.32	0.32	1.28	1.28	1.28	1.27	0.55
From net investment income	N/A	N/A	1.22	1.15	1.24	1.19	0.49
From capital gains	N/A	N/A	0.06			0.09	
From return of capital	N/A	N/A		0.13	0.04		0.06
Dollar amount of distributions declared	15,078	13,850	57,823	45,394	31,556	25,069	9,742
From net investment income	N/A	N/A	54,905	40,605	30,484	23,254	8,620
From capital gains	N/A	N/A	2,918			1,815	
From return of capital	N/A	N/A		4,789	1,072		1,122

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	As of and for the three months ended		As of and for the years ended				
	December 31, 2014	December 31, 2013	September 30, 2014	September 30, 2013	September 30, 2012	September 30, 2011	September 30, 2010
	(unaudited)	(unaudited)	(In thousands, except per share data)				
Balance Sheet data at period end:							
Investments, at fair value	$1,400,726	$1,179,919	$1,347,612	$1,024,645	$672,910	$459,827	$344,869
Cash and cash equivalents	41,426	71,683	79,943	54,717	50,927	69,766	92,990
Other assets	18,431	13,225	15,833	12,294	10,259	30,051	4,904
Total assets	1,460,583	1,264,827	1,443,388	1,091,656	734,096	559,644	442,763
Total debt	715,030	591,566	697,539	420,909	352,300	237,683	174,000
Total liabilities	726,865	604,846	710,649	433,420	358,967	243,095	182,222
Total net assets	733,718	659,981	732,739	658,236	375,129	316,549	260,541
Other Data							
Weighted average annualized yield on income producing investments at fair value(2)	7.8 %	8.6 %	8.3 %	9.1 %	9.3 %	8.6 %	8.4 %
Number of portfolio companies at period end	147	139	145	135	121	103	94

(1) Per share data are not provided as we did not have shares of common stock outstanding or an equivalent prior to the initial public offering on April 14, 2010.

(2) Weighted average yield on income producing investments is calculated as income from interest and fees excluding amortization of capitalized fees and discounts divided by the average fair value of earning investments.

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INTERIM MANAGEMENT S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND CASH FLOWS

The following discussion and analysis of our financial condition, results of operations and cash flows should be read in conjunction with Selected Consolidated Financial Data and the financial statements and the related notes thereto appearing elsewhere in this prospectus supplement and the accompanying prospectus. The information in this section contains forward-looking statements that involve risks and uncertainties. Please see Risk Factors in the accompanying prospectus and Special Note Regarding Forward-Looking Statements in this prospectus supplement for a discussion of the uncertainties, risks and assumptions associated with these statements.

Overview

We are an externally managed, closed-end, non-diversified management investment company that has elected to be regulated as a business development company under the 1940 Act. In addition, for U.S. federal income tax purposes, we have elected to be treated as a RIC under Subchapter M of the Code. As a business development company and a RIC, we are also subject to certain constraints, including limitations imposed by the 1940 Act and the Code. We were formed in November 2009 to continue and expand the business of our predecessor, Golub Capital Master Funding LLC, which commenced operations in July 2007, in making investments in senior secured, one stop (a loan that combines characteristics of traditional first lien senior secured loans and second lien or subordinated loans), second lien and subordinated (a loan that ranks senior only to a borrower s equity securities and ranks junior to all of such borrower s other indebtedness in priority of payment) loans and warrants and minority equity securities of middle-market companies that are, in most cases, sponsored by private equity firms.

Our shares are currently listed on The NASDAQ Global Select Market under the symbol GBDC .

Our investment objective is to maximize the total return to our stockholders in the form of current income and capital appreciation through debt and minority equity investments. We intend to achieve our investment objective by (1) accessing the established loan origination channels developed by Golub Capital, a leading lender to middle-market companies with over $10.0 billion in capital under management as of December 31, 2014, (2) selecting investments within our core middle-market company focus, (3) partnering with experienced sponsors, in many cases with whom we have invested alongside in the past, (4) implementing the disciplined underwriting standards of Golub Capital and (5) drawing upon the aggregate experience and resources of Golub Capital.

Our investment activities are managed by GC Advisors and supervised by our board of directors of which a majority of the members are independent of us.

Under the Investment Advisory Agreement, which was most recently reapproved by our board of directors under the procedural requirements of the 1940 Act in May 2014, we have agreed to pay GC Advisors an annual base management fee based on our average adjusted gross assets as well as an incentive fee based on our investment performance. Under the Administration Agreement, we have agreed to reimburse the Administrator for our allocable portion (subject to the review and approval of our independent directors) of overhead and other expenses incurred by the Administrator in performing its obligations under the Administration Agreement.

We seek to create a diverse portfolio that includes senior secured, one stop, second lien and subordinated loans and warrants and minority equity securities by investing approximately $5.0 million to $30.0 million of capital, on average, in the securities of middle-market companies. We may also selectively invest more than $30.0 million in some of our portfolio companies and generally expect that the size of our individual investments will vary proportionately with the size of our capital base.

As of December 31, 2014, our portfolio at fair value was comprised of 17.5% senior secured loans, 71.8% one stop loans, 4.2% second lien loans, 0.3% subordinated loans, 3.3% equity and 2.9% of investments in SLF. As of September 30, 2014, our portfolio at fair value was comprised of 19.5% senior secured loans, 69.8% one stop loans, 4.4% second lien loans, 0.3% subordinated loans, 3.4% equity and 2.6% of investments in SLF.

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One stop loans include loans to technology companies undergoing strong growth due to new services, increased adoption and/or entry into new markets. We refer to loans to these companies as late stage lending loans. Other targeted characteristics of late stage lending businesses include strong customer revenue retention rates, a diversified customer base and backing from growth equity or venture capital firms. In some cases, the borrower s high revenue growth is supported by a high level of discretionary spending. As part of the underwriting of such loans and consistent with industry practice, we may adjust our characterization of the earnings of such borrowers for a reduction or elimination of such discretionary expenses, if appropriate. As of December 31, 2014, one stop loans included $162.6 million of late stage lending loans at fair value. During the three months ended December 31, 2014, we recharacterized $47.1 million of late stage lending loans at fair value from senior secured loans to one stop loans.

As of December 31, 2014 and September 30, 2014, we had debt and equity investments in 147 and 145 portfolio companies, respectively, and investments in subordinated notes and LLC equity interests in SLF. For the three months ended December 31, 2014 and 2013, our income producing debt investments, which represented nearly 100% of our total debt investments, had a weighted average annualized income yield (which is calculated as income from interest and fees excluding amortization of capitalized fees and discounts divided by the average fair value of earning investments) of 7.8% and 8.6%, respectively, and a weighted average annualized investment income yield (which is calculated as income from interest, fees and amortization of capitalized fees and discounts divided by average fair value of earning investments) of 8.3% and 9.3%, respectively.

Revenues: We generate revenue in the form of interest and fee income on debt investments and capital gains and distributions, if any, on portfolio company investments that we originate or acquire. Our debt investments, whether in the form of senior secured, one stop, second lien or subordinated loans, typically have a term of three to seven years and bear interest at a fixed or floating rate. In some instances, we receive payments on our debt investments based on scheduled amortization of the outstanding balances. In addition, we receive repayments of some of our debt investments prior to their scheduled maturity date. The frequency or volume of these repayments fluctuates significantly from period to period. Our portfolio activity also reflects the proceeds of sales of securities. In some cases, our investments provide for deferred interest payments or PIK interest. The principal amount of loans and any accrued but unpaid interest generally become due at the maturity date. In addition, we may generate revenue in the form of commitment, origination, amendment, structuring or due diligence fees, fees for providing managerial assistance and consulting fees. Loan origination fees, original issue discount and market discount or premium are capitalized, and we accrete or amortize such amounts as interest income. We record prepayment premiums on loans as fee income. Dividend income on preferred equity securities is recorded as dividend income on an accrual basis to the extent that such amounts are payable by the portfolio company and are expected to be collected. Dividend income on common equity securities is recorded on the record date for private portfolio companies or on the ex-dividend date for publicly traded portfolio companies. Distributions received from LLC, and limited partnership, or LP, investments are evaluated to determine if the distribution should be recorded as dividend income or a return of capital. Generally, we will not record distributions from equity investments in LLCs and LPs as dividend income unless there are sufficient accumulated tax-basis earnings and profits in the LLC or LP prior to the distribution. Distributions that are classified as a return of capital are recorded as a reduction in the cost basis of the investment.

We recognize realized gains or losses on investments based on the difference between the net proceeds from the disposition and the cost basis of the investment or derivative instrument, without regard to unrealized gains or losses previously recognized. We record current period changes in fair value of investments and derivative instruments that are measured at fair value as a component of the net change in unrealized appreciation (depreciation) on investments in the consolidated statements of operations.

Partial loan sales: We follow the guidance in Accounting Standards Codification, or ASC, Topic 860 *Transfers and Servicing*, or ASC Topic 860, when accounting for loan participations and other partial loan sales. Such guidance requires a participation or other partial loan sale to meet the definition of a participating interest , as defined in the guidance, in order for sale treatment to be allowed. Participations or

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other partial loan sales, which do not meet the definition of a participating interest, remain on our consolidated statements of assets and liabilities and the proceeds are recorded as a secured borrowing until the definition is met.

Expenses: Our primary operating expenses include the payment of fees to GC Advisors under the Investment Advisory Agreement, our allocable portion of overhead expenses under the Administration Agreement and other operating costs described below. We bear all other out-of-pocket costs and expenses of our operations and transactions, including:

organizational expenses;
calculating our net asset value (including the cost and expenses of any independent valuation firm);
fees and expenses incurred by GC Advisors payable to third parties, including agents, consultants or other advisors, in monitoring financial and legal affairs for us and in monitoring our investments and performing due diligence on our prospective portfolio companies or otherwise relating to, or associated with, evaluating and making investments, which fees and expenses may include, among other items, due diligence reports, appraisal reports, any studies that may be commissioned by GC Advisors and travel and lodging expenses;
interest payable on debt, if any, incurred to finance our investments and expenses related to unsuccessful portfolio acquisition efforts;
offerings of our common stock and other securities;
investment advisory and management fees, including any incentive fees;
administration fees and expenses, if any, payable under the Administration Agreement (including payments based upon our allocable portion of the Administrator s overhead in performing its obligations under the Administration Agreement, including rent and the allocable portion of the cost of our chief compliance officer, chief financial officer and their respective staffs);
fees payable to third parties, including agents, consultants or other advisors, relating to, or associated with, evaluating and making investments in portfolio companies, including costs associated with meeting financial sponsors;
transfer agent, dividend agent and custodial fees and expenses;
U.S. federal and state registration and franchise fees;
all costs of registration and listing our shares on any securities exchange;
U.S. federal, state and local taxes;
independent directors fees and expenses;
costs of preparing and filing reports or other documents required by the SEC or other regulators;
costs of any reports, proxy statements or other notices to stockholders, including printing costs;
costs associated with individual or group stockholders;
costs associated with compliance under the Sarbanes-Oxley Act of 2002, as amended;
our allocable portion of any fidelity bond, directors and officers/errors and omissions liability insurance, and any other insurance premiums;
direct costs and expenses of administration, including printing, mailing, long distance telephone, copying, secretarial and other staff, independent auditors and outside legal costs;
proxy voting expenses; and
all other expenses incurred by us or the Administrator in connection with administering our business.

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We expect our general and administrative expenses to be relatively stable or decline as a percentage of total assets during periods of asset growth and to increase during periods of asset declines.

GC Advisors, as collateral manager for the 2010 Issuer, under the 2010 Collateral Management Agreement is entitled to receive an annual fee in an amount equal to 0.35% of the principal balance of the portfolio loans held by the 2010 Issuer at the beginning of the collection period relating to each payment date, which is payable in arrears on each payment date. This fee, which is less than the management fee payable under the Investment Advisory Agreement, is paid directly by the 2010 Issuer to GC Advisors and offset against such management fee. Accordingly, the 1.375% management fee paid by us to GC Advisors under the Investment Advisory Agreement on all of our assets, including those indirectly held through the 2010 Issuer, is reduced, on a dollar-for-dollar basis, by an amount equal to such 0.35% fee paid to GC Advisors by the 2010 Issuer. Under the 2010 Collateral Management Agreement, the term collection period refers to a quarterly period running from the day after the end of the prior collection period to the fifth business day of the calendar month in which a payment date occurs. This fee may be waived by the collateral manager. The 2010 Collateral Management Agreement does not include any incentive fee payable to GC Advisors. In addition, the 2010 Issuer paid Wells Fargo Securities, LLC a structuring and placement fee for its services in connection with the initial structuring and subsequent amendment of the 2010 Debt Securitization. The 2010 Issuer also agreed to pay ongoing administrative expenses to the trustee, collateral manager, independent accountants, legal counsel, rating agencies and independent managers in connection with developing and maintaining reports and providing required services in connection with the administration of the 2010 Debt Securitization.

GC Advisors, as collateral manager for the 2014 Issuer, under the 2014 Collateral Management Agreement is entitled to receive an annual fee in an amount equal to 0.25% of the principal balance of the portfolio loans held by the 2014 Issuer at the beginning of the collection period relating to each payment date, which is payable in arrears on each payment date. This fee, which is less than the management fee payable under the Investment Advisory Agreement, is paid directly by the 2014 Issuer to GC Advisors and offset against such management fee. Accordingly, the 1.375% management fee paid by us to GC Advisors under the Investment Advisory Agreement on all of our assets, including those indirectly held through the 2014 Issuer, is reduced, on a dollar-for-dollar basis, by an amount equal to such 0.25% fee paid to GC Advisors by the 2014 Issuer. Under the 2014 Collateral Management Agreement, the term collection period refers to a quarterly period running from the day after the end of the prior collection period to the tenth business day prior to the payment date. This fee may be waived by the collateral manager. The 2014 Collateral Management Agreement does not include any incentive fee payable to GC Advisors. In addition, the 2014 Issuer paid Wells Fargo Securities, LLC a structuring and placement fee for its services in connection with the 2014 Debt Securitization. The 2014 Issuer also agreed to pay ongoing administrative expenses to the trustee, collateral manager, independent accountants, legal counsel, rating agencies and independent managers in connection with developing and maintaining reports and providing required services in connection with the administration of the 2014 Debt Securitization.

The administrative expenses of each of the 2010 Issuer and the 2014 Issuer are paid on each payment date in two parts: (1) a component that is paid in a priority to other amounts distributed by the 2010 Issuer or the 2014 Issuer, as applicable, subject to a cap equal to the sum of 0.04% per annum of the adjusted principal balance of the portfolio loans and other assets held by the 2010 Issuer or the 2014 Issuer, as applicable, on the last day of the collection period relating to such payment date, plus $150,000 per annum, and (2) a component that is paid in a subordinated position relative to other amounts distributed by the 2010 Issuer or the 2014 Issuer, as applicable, equal to any amounts that exceed the aforementioned administrative expense cap. We believe that these administrative expenses approximate the amount of ongoing fees and expenses that we would be required to pay in connection with a traditional secured credit facility. Our common stockholders indirectly bear all of these expenses.

Recent Developments

On February 3, 2015, our board of directors declared a quarterly distribution of $0.32 per share of our common stock paid on March 27, 2015 to holders of record as of March 20, 2015.

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Set forth in the table below are certain preliminary estimates of our financial condition and results of operations for the three months ended March 31, 2015. These estimates are subject to the completion of our financial closing procedures and are not a comprehensive statement of our financial results for the three months ended March 31, 2015. Our actual results may differ materially from these estimates as a result of the completion of our financial closing procedures, final adjustments and other developments arising between now and the time that our financial results for the three months ended March 31, 2015 are finalized.

	Estimated to have totaled between:	
Net asset value per share	$ 15.59	$ 15.62
Net income per share	$ 0.37	$ 0.39
Net investment income per share	$ 0.28	$ 0.30
Accrual for capital gain incentive fee per share[1]	$ 0.02	$ 0.02
Net investment income before capital gain incentive fee accrual per share	$ 0.30	$ 0.32

(1) The Capital Gain Incentive Fee payable as calculated under the Investment Advisory Agreement for the three months ended March 31, 2015 is estimated to be $0. However, in accordance with GAAP, we are required to include the aggregate unrealized capital appreciation on investments in the calculation and accrue a capital gain incentive fee on a quarterly basis, as if such unrealized capital appreciation were realized, even though such unrealized capital appreciation is not permitted to be considered in calculating the fee actually payable under the Investment Advisory Agreement.

We originated $161.9 million in new middle-market investment commitments during the three months ended March 31, 2015. Approximately 63% of the new middle-market investment commitments were one stop loans, 35% were senior secured loans and 2% were equity securities. Of the new middle-market investment commitments, $132.9 million funded at close. In addition, during the three months ended March 31, 2015, we invested $17.1 million in SLF.

Total investments at fair value are estimated to have increased by $22.3 million during the three months ended March 31, 2015 after factoring in debt repayments, sales of securities, net fundings on revolvers, and net change in unrealized gains (losses). Total investments at fair value held by SLF are estimated to have increased by approximately $67.5 million after factoring in debt repayments, sales of securities, net fundings on revolvers, and net change in unrealized gains (losses).

We intend to announce final results of operations for the three months ended March 31, 2015 on May 7, 2015. We plan to host an earnings conference call on May 7, 2015 to discuss the financial results.

The preliminary financial data included herein have been prepared by, and is the responsibility of, management. McGladrey LLP, our independent registered public accounting firm, has not audited, reviewed, compiled or performed any procedures with respect to these preliminary estimates. Accordingly, McGladrey LLP does not express an opinion or any other form of assurance with respect thereto. See Risk Factors There are material limitations with making preliminary estimates of our financial results for the three months ended March 31, 2015 prior to the completion of our and our auditors financial review procedures for such period.

Consolidated Results of Operations

Consolidated operating results for the three months ended December 31, 2014 and 2013 are as follows:

	For the three months ended December 31,		Variances
	2014	2013	2014 vs. 2013
	(in thousands)		
Interest income	$ 25,099	$ 22,474	$ 2,625
Income from accretion of discounts and origination fees	1,670	1,908	(238)
Interest income from subordinated notes in SLF	550	181	369
Dividend income	18	16	2
Fee income	208	1,000	(792)

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	For the three months ended December 31,		Variances
	2014	2013	2014 vs. 2013
	(in thousands)		
Total investment income	27,545	25,579	1,966
Total expenses	12,988	12,319	669
Net investment income	14,557	13,260	1,297
Net realized gains (losses) on investments	1,726	(4,994)	6,720
Net change in unrealized appreciation (depreciation) on investments and secured borrowings	(1,111)	6,571	(7,682)
Net income	$15,172	$14,837	$335
Average earning portfolio company investments, at fair value	$1,372,572	$1,089,469	$283,103
Average debt outstanding[(1)]	$692,809	$494,588	$198,221

(1) For the three months ended December 31, 2014, we have excluded $0.4 million of secured borrowings, at fair value, which were the result of participations and partial loan sales that did not meet the definition of a participating interest, as defined in the guidance to ASC Topic 860.

Net income can vary substantially from period to period for various reasons, including the recognition of realized gains and losses and unrealized appreciation and depreciation. As a result, quarterly comparisons of net income may not be meaningful.

Investment Income

Investment income increased from the three months ended December 31, 2013 to the three months ended December 31, 2014 by $2.0 million primarily as a result of an increase in the average earning investment balance, which is the annual average balance of accruing loans in our investment portfolio, of $283.1 million. These increases were partially offset by a decline in the weighted average annualized investment income yield of 1.0% and a decline in fee income of $0.8 million.

The decrease in the weighted average annualized investment income yield from the three months ended December 31, 2013 to the three months ended December 31, 2014 was driven primarily by interest rate compression on new investments and the change in asset mix of our portfolio. Higher yielding second lien and subordinated debt investments decreased from 9.9% of the portfolio as of December 31, 2013 to 4.5% of the portfolio as December 31, 2014 with an offsetting increase in lower yielding senior secured and one stop investments.

The annualized income yield by security type for the three months ended December 31, 2014 and 2013 was as follows:

	For the three months ended December 31,	
	2014	2013
Senior secured	6.3 %	7.2 %

One stop	8.0 %	8.7 %
Second lien	9.5 %	11.6 %
Subordinated debt	8.4 %	13.9 %
Subordinated notes in SLF[1]	8.3 %	4.3 %

(1) SLF s proceeds from the subordinated notes invested in SLF were utilized by SLF to invest in senior secured loans.

Annualized income yields on senior secured and one stop investments have declined, as shown in the table above, for the three months ended December 31, 2014 compared to the three months ended December 31, 2013 primarily due to a general trend of interest rate compression on new investments. The decrease in yield on second lien debt is primarily attributable to repayments of high yielding second lien

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investments since December 31, 2013 and the inclusion of $0.4 million of prepayment fees during the three months ended December 31, 2013. The decrease in yield on subordinated debt is primarily due to repayments in subordinated debt investments and the lower current yield on the two remaining subordinated debt investments as of December 31, 2014 as shown in our consolidated financial statements beginning on page SF-2 of this prospectus supplement. The income yield on subordinated notes of SLF increased for the three months ended December 31, 2014 compared to the three months ended December 31, 2013, as the spread on the subordinated notes was increased to LIBOR plus 8.0% from LIBOR plus 4.0% subsequent to the closing of the SLF Credit Facility in January 2014.

For additional details on investment yields and asset mix, refer to the Liquidity and Capital Resources Portfolio Composition, Investment Activity and Yield section below.

Expenses

The following table summarizes our expenses:

	For the three months ended December 31,		Variances
	2014	2013	2014 vs. 2013
	(in thousands)		
Interest and other debt financing expenses	$ 5,694	$ 4,092	$ 1,602
Base management fee	4,821	3,824	997
Incentive fee	1,071	3,032	(1,961)
Professional fees	629	658	(29)
Administrative service fee	607	582	25
General and administrative expenses	166	131	35
Total expenses	$ 12,988	$ 12,319	$ 669

Interest expense and debt facility fees increased by $1.6 million from the three months ended December 31, 2013 to the three months ended December 31, 2014 primarily due to an increase in weighted average of outstanding borrowings from $494.6 million for the three months ended December 31, 2013 to $692.8 million for the three months ended December 31, 2014. The increase in our debt was driven by the issuance of $246.0 million of notes pursuant to the 2014 Debt Securitization as well as the increase in our use of debt under our Small Business Administration, or SBA, debentures through small business investment companies, or SBICs, which had outstanding balances of $208.8 million as of December 31, 2014 and $196.3 million as of December 31, 2013. These increases were partially offset by a decrease in our use of debt under the Credit Facility to $44.9 million as of December 31, 2014 from an outstanding balance of $165.9 million as of December 31, 2013.

Amortization of debt issuance costs increased by $0.6 million from the three months ended December 31, 2013 to the three months ended December 31, 2014 primarily due to additional capitalized debt issuance costs associated with the 2014 Debt Securitization The increase in our effective annualized average interest rate on our outstanding debt from 3.1% for the three months ended December 31, 2013 to 3.3% for the three months ended December 31, 2014 was primarily the result of the increase in amortization of debt issuance costs and the issuance of new SBA debentures at higher interest rates. The interest rates on the SBA debentures are fixed at the time of issuance at a market driven spread over U.S. Treasury Notes with ten-year maturities.

The base management fee increased as a result of a sequential increase in average assets from December 31, 2013 to

December 31, 2014. The administrative service fee remained relatively stable from the three months ended December 31, 2013 to the three months ended December 31, 2014 due to efficiencies gained by the Administrator in servicing a growing portfolio.

Incentive fee expense decreased by $2.0 million from the three months ended December 31, 2013 to the three months ended December 31, 2014, as the interest rate compression on new investments and the change in asset mix of our portfolio caused a decline in our Pre-Incentive Fee Net Investment Income, expressed as a rate of return on the value of our net assets. Due to this decline, we were not fully through the catch-up provision of the incentive fee calculation. For the three months ended December 31, 2014, incentive fee

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expense as a percentage of Pre-Incentive Fee Net Investment Income was 6.9% compared to 18.6% for the three months ended December 31, 2013.

The Administrator pays for certain expenses incurred by us. These expenses are subsequently reimbursed in cash. Total expenses reimbursed by us to the Administrator for the three months ended December 31, 2014 and 2013 were $0.2 million and $0.3 million, respectively.

As of December 31, 2014 and September 30, 2014, included in accounts payable and accrued expenses were $0.3 million and $0.2 million, respectively, for accrued expenses paid on behalf of us by the Administrator.

Net Realized and Unrealized Gains and Losses

The following table summarizes our net realized and unrealized gains (losses) for the periods presented:

	For the three months ended December 31,		Variances
	2014	2013	2014 vs. 2013
	(in thousands)		
Net realized gain (loss) on investments	$1,727	$(4,994)	$6,721
Net realized gain (loss)	$1,727	$(4,994)	$6,721
Unrealized appreciation on investments	6,896	13,772	(6,876)
Unrealized (depreciation) on investments	(7,981)	(7,366)	(615)
Unrealized appreciation on investments in SLF[1]		651	(651)
Unrealized (depreciation) on investments in SLF[1]	(26)	(410)	384
Unrealized (appreciation) on secured borrowings		6	(6)
Unrealized depreciation on secured borrowings		(82)	82
Net change in unrealized appreciation (depreciation) on investments, investments in SLF and secured borrowings	$(1,111)	$6,571	$(7,682)

(1) Unrealized appreciation and (depreciation) on investments in SLF include our investments in the subordinated notes and LLC equity interests in SLF.

For the three months ended December 31, 2014, we had a net realized gain of $1.7 million primarily due to the sale of two equity investments.

During the three months ended December 31, 2014, we had $6.9 million in unrealized appreciation on 73 portfolio company investments, which was offset by $8.0 million in unrealized depreciation on 120 portfolio company investments. Unrealized appreciation during the three months ended December 31, 2014 resulted from an increase in fair value primarily due to the rise in market prices of portfolio company investments. Unrealized depreciation primarily resulted from the amortization of discounts, negative credit related adjustments that caused a reduction in fair value and the reversal of the net unrealized appreciation on the equity investments sold during the three months ended December 31, 2014. Additionally, we had less than $1,000 in net unrealized depreciation on secured borrowing proceeds for the three months ended December 31, 2014. The unrealized depreciation resulted from the amortization of discounts associated with the investments funded by the secured borrowing proceeds.

For the three months ended December 31, 2014, we had $26,000 in unrealized depreciation on our investment in SLF LLC equity interests. The unrealized depreciation on the SLF LLC equity interests was primarily driven by negative market yield adjustments associated with broadly syndicated loans in SLF s investment portfolio. For the three months ended December 31, 2014, we had no unrealized appreciation or depreciation on our investment in SLF subordinated notes.

For the three months ended December 31, 2013, we had net realized losses on investments totaling $5.0 million primarily due to the sale of our investment in one underperforming portfolio company and the write off of two non-accrual portfolio company investments.

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During the three months ended December 31, 2013, we had $13.8 million in unrealized appreciation on 64 portfolio company investments, which was partially offset by $7.4 million in unrealized depreciation on 115 portfolio company investments. Unrealized appreciation during the three months ended December 31, 2013 resulted from an increase in fair value primarily due to the rise in market prices and a reversal of prior period unrealized depreciation associated with the portfolio company investment sales and write-offs. Unrealized depreciation primarily resulted from the amortization of discounts and negative credit related adjustments that caused a reduction in fair value. Additionally, we had $0.1 million in net unrealized depreciation on secured borrowing proceeds related to two portfolio company investments for the three months ended December 31, 2013. The unrealized depreciation resulted from the amortization of discounts and the rise in market prices associated with the investments funded by the secured borrowing proceeds.

For the three months ended December 31, 2013, we had $0.6 million in unrealized appreciation on our investment in SLF LLC equity interests, which was partially offset by $0.4 million in unrealized depreciation on our investment in SLF subordinated notes. The unrealized depreciation was the result of the lower yielding contractual rate compared to comparable market pricing of subordinated notes. Unrealized appreciation on the SLF LLC equity interests was driven by positive credit-related adjustments associated with SLF s investment portfolio as well the offsetting impact of the pricing on the subordinated notes.

Liquidity and Capital Resources

For the three months ended December 31, 2014, we experienced a net increase in cash and cash equivalents of $0.6 million. During the period, we used $40.8 million in operating activities primarily as a result of fundings of portfolio investments of $131.5 million. This was partially offset by proceeds from principal payments and sales of portfolio investments of $80.9 million and net investment income of $14.6 million. During the same period, cash provided by investment activities of $39.1 million was driven by the decrease in restricted cash and cash equivalents. Lastly, cash provided by financing activities was $2.3 million, primarily driven by borrowings on debt of $33.6 million that were partially offset by repayments of debt of $16.1 million and distributions paid of $14.2 million.

For the three months ended December 31, 2013, we experienced a net increase in cash and cash equivalents of $15.6 million. During the period we used $138.9 million in operating activities, primarily as a result of fundings of portfolio investments of $256.2 million. This was partially offset by proceeds from principal payments and sales of portfolio investments of $103.6 million and net investment income of $13.3 million. During the same period, cash used in investment activities of $1.4 million was driven by the increase in restricted cash and cash equivalents. Lastly, cash provided by financing activities was $155.9 million, primarily driven by borrowings on debt of $215.4 million that were partially offset by repayments of debt of $50.2 million and distributions paid of $13.1 million.

As of December 31, 2014 and September 30, 2014, we had cash and cash equivalents of $5.7 million and $5.1 million, respectively. In addition, we had restricted cash and cash equivalents of $35.7 million and $74.8 million as of December 31, 2014 and September 30, 2014, respectively. Cash and cash equivalents are available to fund new investments, pay operating expenses and pay distributions. As of December 31, 2014, $17.6 million of our restricted cash and cash equivalents could be used to fund new investments that meet the investment guidelines established in the Debt Securitizations, and for the payment of interest expense on the notes issued in the Debt Securitizations. $3.9 million of such restricted cash and cash equivalents can be used to fund investments that meet the guidelines under the Credit Facility as well as for the payment of interest expense and revolving debt of the Credit Facility. $0.2 million of such restricted cash and cash equivalents can be used to fund investments that meet the guidelines under the Revolver as well as for the payment of interest expense and revolving debt of the Revolver. The remaining $14.0 million of restricted cash and cash equivalents can be used to fund new investments that meet the regulatory and investment guidelines established by the SBA for our SBICs, and for interest expense and fees on our outstanding SBA debentures.

As of December 31, 2014 and September 30, 2014, we had outstanding commitments to fund investments totaling $131.8 million and $124.5 million, respectively. These amounts may or may not be funded to the borrowing party now or in the future. The unfunded commitments relate to loans with various maturity dates, but the entire amount was eligible for funding to the borrowers as of December 31, 2014 and September 30, 2014, respectively, subject to the terms of each loan s respective credit agreement.

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As of December 31, 2014, the Credit Facility, as amended, allows Funding to borrow up to $150.0 million at any one time outstanding, subject to leverage and borrowing base restrictions. As of December 31, 2014 and September 30, 2014, subject to leverage and borrowing base restrictions, we had approximately $105.1 million and $122.6 million, respectively, of remaining commitments and $59.3 million and $70.0 million, respectively, of availability on the Credit Facility. As of December 31, 2014 and September 30, 2014, we had $44.9 million and $27.4 million outstanding under the Credit Facility, respectively. As of December 31, 2014 and September 30, 2014, the Revolver allows Revolver Funding to borrow up to $15.0 million at any one time outstanding, subject to leverage and borrowing base restrictions. As of December 31, 2014 and September 30, 2014, subject to leverage and borrowing base restrictions, we had $15.0 million and $15.0 million, respectively, of remaining commitments and $1.7 million and $1.2 million, respectively, of availability on the Revolver. As of both December 31, 2014 and September 30, 2014, we had no borrowings outstanding under the Revolver.

On July 16, 2010, we completed the 2010 Debt Securitization, as amended on February 15, 2013, in which the 2010 Issuer issued an aggregate of $350.0 million of 2010 Notes, including $203.0 million of Class A 2010 Notes, which bear interest at a rate of three-month LIBOR plus 1.74%, $12.0 million of Class B 2010 Notes, which bear interest at a rate of three-month LIBOR plus 2.40%, and $135.0 million face amount of Subordinated 2010 Notes that do not bear interest. On November 15, 2013, we sold $12.0 million of Class B 2010 Notes and, on November 20, 2013, the transaction closed and proceeds of $12.0 million were received. The Class A 2010 Notes and Class B 2010 Notes of the 2010 Debt Securitization are included in the December 31, 2014 and September 30, 2014 consolidated statements of financial condition as our debt.

On June 5, 2014, we completed the 2014 Debt Securitization in the which the 2014 Issuer issued an aggregate of $402.6 million of securities including $191.0 million of Class A-1 2014 Notes, which bear interest at a rate of three-month LIBOR plus 1.75%, $20.0 million of Class A-2 2014 Notes, which bear interest at a rate of three-month LIBOR plus 1.45% through December 4, 2015 and three-month LIBOR plus 1.95% thereafter, $35.0 million of Class B 2014 Notes, which bear interest at a rate of three-month LIBOR plus 2.50%, $37.5 million of Class C 2014 Notes, which bear interest at a rate of three-month LIBOR plus 3.50%, and $119.1 million of LLC equity that does not bear interest. We retained all of the Class C 2014 Notes and LLC equity interests totaling $37.5 million and $119.1 million, respectively. The Class A-1, Class A-2 and Class B 2014 Notes are included in the December 31, 2014 and September 30, 2014 consolidated statements of financial condition as our debt and the Class C 2014 Notes and LLC equity interests were eliminated in consolidation. As of December 31, 2014 and September 30, 2014, we had outstanding debt under the 2014 Debt Securitization of $246.0 million. As of December 31, 2013, the 2014 Debt Securitization had not been completed.

Under present SBIC regulations, the maximum amount of SBA-guaranteed debentures that may be issued by multiple licensees under common management is $225.0 million and the maximum amount that a single SBIC licensee may issue is $150.0 million. As of December 31, 2014, GC SBIC IV, L.P., or SBIC IV, and GC SBIC V, L.P., or SBIC V, each a wholly-owned subsidiary of us, had $150.0 million and $58.8 million, respectively, of outstanding SBA-guaranteed debentures leaving incremental borrowing capacity of $16.2 million for SBIC V under present SBIC regulations. As of September 30, 2014, SBIC IV and SBIC V had $150.0 million and $58.8 million, respectively, of outstanding SBA-guaranteed debentures.

SBIC IV and SBIC V may each borrow up to two times the amount of its regulatory capital, subject to customary regulatory requirements. As of December 31, 2014, we had committed and funded $75.0 million to SBIC IV and had SBA-guaranteed debentures of $150.0 million outstanding that mature between March 2021 and September 2024. As of December 31, 2014, we had committed and funded $37.5 million to SBIC V and had SBA-guaranteed debentures of $58.8 million outstanding that mature between September 2023 and September 2024.

In accordance with the 1940 Act, with certain limited exceptions, we are only allowed to borrow amounts such that our asset coverage, as defined in the 1940 Act, is at least 200% after such borrowing. On September 13, 2011, we received exemptive relief from the SEC allowing us to modify the asset coverage requirement to exclude the SBA debentures from this calculation. As such, our ratio of total consolidated assets to outstanding indebtedness may be less than 200%. This provides us with increased investment

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flexibility but also increases our risks related to leverage. As of December 31, 2014, our asset coverage for borrowed amounts was 244.4% (excluding the SBA debentures).

Although we expect to fund the growth of our investment portfolio through the net proceeds from future securities offerings and through our dividend reinvestment plan as well as future borrowings, to the extent permitted by the 1940 Act, we cannot assure you that our efforts to raise capital will be successful. In addition to capital not being available, it also may not be available on favorable terms.

We believe that our existing cash and cash equivalents and available borrowings as of December 31, 2014 will be sufficient to fund our anticipated requirements through at least December 31, 2015.

Portfolio Composition, Investment Activity and Yield

As of December 31, 2014 and September 30, 2014, we had investments in 147 and 145 portfolio companies, respectively, with a total fair value of $1,361.0 million and $1,312.8 million, respectively, and had investments in subordinated notes and LLC equity interests in SLF with a total fair value of $39.7 million and $34.8 million, respectively. The following table shows the asset mix of our new origination commitments for the three months ended December 31, 2014 and 2013:

	For the three months ended December 31,			
	2014		2013	
	(In thousands)	Percentage of Commitments	(In thousands)	Percentage of Commitments
Senior secured	$ 77,297	52.8 %	$ 35,404	12.3 %
One stop	62,747	42.9	203,245	70.4
Second lien			20,534	7.1
Subordinated notes in SLF[(1)]	3,281	2.2	24,216	8.4
LLC equity interests in SLF[(1)]	1,619	1.1	3,459	1.2
Equity securities	1,516	1.0	1,905	0.6
Total new investment commitments	$ 146,460	100.0 %	$ 288,763	100.0 %

(1) SLF s proceeds from the subordinated notes and LLC interests invested in SLF were utilized by SLF to invest in senior secured loans. As of December 31, 2014, SLF funded senior secured loans to 38 different borrowers.

The asset mix of new origination commitments may fluctuate quarter-over-quarter due to a variety of factors. During the three months ended December 31, 2014, we experienced an increase in the amount of senior secured originations as we closed a few larger senior secured investments. However, consistent with our origination mix in fiscal year ended September 30, 2014, we continue to expect the majority of our originations will be in one stop investments for the fiscal year ended September 30, 2015. For the three months ended December 31, 2014 and 2013, we had approximately $60.2 million and $99.1 million, respectively, in proceeds from principal payments and return of capital distributions of portfolio companies. For the three months ended December 31, 2014 and 2013, we had sales of securities in seven and three portfolio companies, respectively, aggregating approximately $20.7 million and $4.5 million, respectively, in net proceeds.

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The following table shows the par, amortized cost and fair value of our portfolio of investments by asset class:

	As of December 31, 2014[1]			As of September 30, 2014[1]		
	Par	Amortized Cost	Fair Value	Par	Amortized Cost	Fair Value
	(in thousands)					
Senior secured:						
Performing	$248,797	$245,675	$245,684	$265,103	$262,021	$262,854
Non-accrual[2]	3,025	3,013	5	3,033	3,021	5
One stop:						
Performing	1,015,031	1,001,481	1,003,726	952,359	939,765	940,729
Non-accrual[2]	4,457	3,974	2,228			
Second lien:						
Performing	59,903	59,130	59,457	59,902	59,086	59,964
Non-accrual[2]						
Subordinated debt:						
Performing	3,584	3,565	3,724	3,584	3,564	3,710
Non-accrual[2]						
Subordinated notes in SLF:[3]						
Performing	28,871	28,871	28,871	25,589	25,589	25,589
Non-accrual[2]						
LLC equity interests in SLF:[3]	N/A	10,937	10,834	N/A	9,318	9,242
Equity:	N/A	35,159	46,197	N/A	35,216	45,519
Total	$1,363,668	$1,391,805	$1,400,726	$1,309,570	$1,337,580	$1,347,612

(1) Nine and 11 of our loans included a feature permitting a portion of the interest due on such loan to be PIK interest as of December 31, 2014 and September 30, 2014, respectively.

(2) We refer to a loan as non-accrual when we cease recognizing interest income on the loan because we have stopped pursuing repayment of the loan or, in certain circumstances, it is past due 90 days or more on principal and interest or our management has reasonable doubt that principal or interest will not be collected See Critical Accounting Polices Revenue Recognition.

(3) SLF's proceeds from the subordinated notes and LLC equity interests invested in SLF were utilized by SLF to invest in senior secured loans.

The following table shows the weighted average rate, spread over LIBOR of floating rate, fixed rate and fees of investments originated and the weighted average rate of sales and payoffs of portfolio companies during the three months ended December 31, 2014 and 2013:

	For the three months ended December 31,	
	2014	2013
Weighted average rate of new investment fundings	6.8 %	7.2 %
Weighted average spread over LIBOR of new floating rate investment fundings	5.8 %	6.1 %
Weighted average rate of new fixed rate investment fundings	N/A	N/A
Weighted average fees of new investment fundings	1.8 %	1.2 %

Weighted average rate of sales and payoffs of portfolio companies	6.5 %	9.6 %

For the three months ended December 31, 2014 and 2013, the weighted average annualized income yield on the fair value of income producing loans in our portfolio was 7.8% and 8.6%, respectively. As of December 31, 2014, 97.4% and 97.1% of our debt portfolio at fair value and at cost, respectively, had interest

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rate floors that limit the minimum applicable interest rates on such loans. As of September 30, 2014, 97.6% and 97.2% of our debt portfolio at fair value and at cost, respectively, had interest rate floors that limit the minimum applicable interest rates on such loans.

As of December 31, 2014, the portfolio median EBITDA for our portfolio companies was $23.6 million. The portfolio median EBITDA is based on the most recently reported trailing twelve-month EBITDA received from the portfolio company. The portfolio median EBITDA excludes underlying borrowers in SLF.

As part of the monitoring process, GC Advisors regularly assesses the risk profile of each of our investments and rates each of them based on an internal system developed by Golub Capital and its affiliates. This system is not generally accepted in our industry or used by our competitors. It is based on the following categories, which we refer to as GC Advisors internal performance rating:

Internal Performance Ratings

Rating	Definition
5	Involves the least amount of risk in our portfolio. The borrower is performing above expectations, and the trends and risk factors are generally favorable.
4	Involves an acceptable level of risk that is similar to the risk at the time of origination. The borrower is generally performing as expected, and the risk factors are neutral to favorable.
3	Involves a borrower performing below expectations and indicates that the loan s risk has increased somewhat since origination. The borrower may be out of compliance with debt covenants; however, loan payments are generally not past due.
2	Involves a borrower performing materially below expectations and indicates that the loan s risk has increased materially since origination. In addition to the borrower being generally out of compliance with debt covenants, loan payments may be past due (but generally not more than 180 days past due).
1	Involves a borrower performing substantially below expectations and indicates that the loan s risk has substantially increased since origination. Most or all of the debt covenants are out of compliance and payments are substantially delinquent. Loans rated 1 are not anticipated to be repaid in full and we will reduce the fair market value of the loan to the amount we anticipate will be recovered.

Our internal performance ratings do not constitute any rating of investments by a nationally recognized statistical rating organization or represent or reflect any third-party assessment of any of our investments.

For any investment rated 1, 2 or 3, GC Advisors will increase its monitoring intensity and prepare regular updates for the investment committee, summarizing current operating results and material impending events and suggesting recommended actions.

GC Advisors monitors and, when appropriate, changes the internal performance ratings assigned to each investment in our portfolio. In connection with our valuation process, GC Advisors and our board of directors review these internal performance ratings on a quarterly basis.

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The following table shows the distribution of our investments on the 1 to 5 internal performance rating scale at fair value as of December 31, 2014 and September 30, 2014:

Internal Performance Rating	December 31, 2014 Investments at Fair Value (In thousands)	Percentage of Total Investments		September 30, 2014 Investments at Fair Value (In thousands)	Percentage of Total Investments	
5	$ 155,411	11.1	%	$ 129,806	9.7	%
4	1,135,019	81.0		1,144,232	84.9	
3	99,707	7.1		68,944	5.1	
2	10,584	0.8		4,625	0.3	
1	5	0.0	*	5	0.0	*
Total	$ 1,400,726	100.0	%	$ 1,347,612	100.0	%

* Represents an amount less than 0.1%.

Senior Loan Fund LLC

We co-invest with RGA in senior secured loans through SLF, an unconsolidated Delaware LLC. SLF is capitalized as transactions are completed and all portfolio and investment decisions in respect to SLF must be approved by the SLF investment committee consisting of two representatives of each of us and RGA (with unanimous approval required from (i) one representative of each of us and RGA or (ii) both representatives of each of us and RGA).

SLF is capitalized with subordinated notes and LLC equity interest subscriptions from its members. As of December 31, 2014, we and RGA owned 87.5% and 12.5%, respectively, of both the outstanding subordinated notes and LLC equity interests. As of December 31, 2014, SLF had subordinated note commitments from us and RGA totaling $100.0 million, of which approximately $33.0 million and $29.2 million in aggregate principal amount was funded as of December 31, 2014 and September 30, 2014, respectively. As of December 31, 2014, SLF had LLC equity interest subscriptions from us and RGA totaling $25.0 million, of which approximately $12.5 million and $9.3 million in aggregate was called and contributed as of December 31, 2014 and September 30, 2014, respectively.

As of December 31, 2014, the SLF Credit Facility, as amended, allows SLF II to borrow up to $150.0 million subject to leverage and borrowing base restrictions. The reinvestment period of the SLF Credit Facility ends on April 11, 2015, and the stated maturity date is April 11, 2019. As of December 31, 2014 and September 30, 2014, SLF II had outstanding debt under the SLF Credit Facility of $74.8 million and $66.6 million, respectively.

Through the reinvestment period, the SLF Credit Facility bears interest at one-month LIBOR plus a rate between 1.75% and 2.25%, depending on the composition of the collateral asset portfolio, per annum. After the reinvestment period, the rate will reset to one-month LIBOR plus 2.75% per annum for the remaining term of the SLF Credit Facility.

As of December 31, 2014 and September 30, 2014, SLF had total assets at fair value of $126.4 million and $107.2 million, respectively. As of December 31, 2014 and September 30, 2014, SLF s portfolio was comprised of first lien senior secured loans to 38 and 31 different borrowers, respectively. As of both December 31, 2014 and September 30, 2014, none of these loans was on non-accrual status. The portfolio companies in SLF are in industries similar to those in which we may invest directly. Additionally, as of December 31, 2014 and September 30, 2014, SLF had commitments to fund various undrawn revolving credit and delayed draw loans to its portfolio companies totaling $7.6 million and $10.1 million, respectively.

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Below is a summary of SLF s portfolio, followed by a listing of the individual loans in SLF s portfolio as of December 31, 2014 and September 30, 2014:

	As of December 31, 2014	As of September 30, 2014
	(Dollars in thousands)	
Senior secured loans[1]	$ 122,516	$ 103,695
Weighted average current interest rate on senior secured loans[2]	5.3 %	5.2 %
Number of borrowers in SLF	38	31
Largest loan to a single borrower[1]	$ 8,208	$ 8,229
Total of five largest loans to borrowers[1]	$ 30,468	$ 31,132

(1) At principal amount.

(2) Computed as (a) the sum of (i) the annual stated interest rate on each accruing senior secured loan multiplied by (ii) each loan's principal amount divided by (b) total senior secured loans at principal amount.

SLF Loan Portfolio as of December 31, 2014

Portfolio Company	Business Description	Investment Type	Maturity Date	Current Interest Rate[1]	Principal Amount	Fair Value[2]
					(In thousands)	
1011778 B.C. ULC (Burger King Worldwide, Inc.)	Beverage, Food and Tobacco	Senior Loan	10/2021	4.5 %	$ 3,000	$ 2,996
5.11, Inc.[3]	Textiles and Leather	Senior Loan	02/2020	6.0	3,282	3,279
Acosta, Inc.	Diversified Conglomerate Service	Senior Loan	09/2021	5.0	3,000	3,005
ACTIVE Network, Inc.	Electronics	Senior Loan	11/2020	5.5	1,980	1,943
ARG IH Corporation[3]	Beverage, Food and Tobacco	Senior Loan	11/2020	4.8	2,145	2,143
Atrium Innovations	Personal and Non Durable Consumer Products	Senior Loan	02/2021	4.3	3,547	3,437
BJ's Wholesale Club, Inc.	Retail Stores	Senior Loan	09/2019	4.5	2,977	2,930
Blue Coat Systems, Inc.	Electronics	Senior Loan	05/2019	4.0	1,985	1,938
BMC Software, Inc.	Electronics	Senior Loan	09/2020	5.0	1,911	1,865
Brasa (Holdings) Inc.	Personal, Food and Miscellaneous Services	Senior Loan	07/2019	5.0	8,208	8,153

Brickman Group Ltd. LLC	Farming and Agriculture	Senior Loan	12/2020	4.0	1,995	1,943
Connect Merger Sub, Inc.	Telecommunications	Senior Loan	04/2020	4.8	3,965	3,924
Dell, Inc.	Electronics	Senior Loan	04/2020	4.5	1,980	1,979
Dialysis Newco, Inc.	Healthcare, Education and Childcare	Senior Loan	04/2021	4.5	2,488	2,475
Diversified Foodservice Supply, Inc.(3)	Beverage, Food and Tobacco	Senior Loan	12/2018	5.8	4,194	4,194
EAG, INC. (Evans Analytical Group)	Diversified Conglomerate Service	Senior Loan	07/2017	5.0	2,366	2,366
Federal-Mogul Corporation	Automobile	Senior Loan	04/2021	4.8	3,990	3,969
GSDM Holdings Corp.(3)	Healthcare, Education and Childcare	Senior Loan	06/2019	5.3	1,795	1,795
Hygenic Corporation, The	Personal and Non Durable Consumer Products	Senior Loan	10/2018	6.0	4,527	4,527
K&N Engineering, Inc.(3)	Automobile	Senior Loan	07/2019	5.3	3,894	3,894

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Portfolio Company	Business Description	Investment Type	Maturity Date	Current Interest Rate(1)	Principal/Par Amount	Fair Value(2)
					(In thousands)	
Mister Car Wash Holdings, Inc.	Automobile	Senior Loan	08/2021	5.0	2,992	3,001
National Veterinary Associates, Inc.	Personal, Food and Miscellaneous Services	Senior Loan	08/2021	4.8	998	989
Paradigm DKD Group, LLC	Buildings and Real Estate	Senior Loan	11/2018	6.0	2,053	2,011
Paradigm DKD Group, LLC	Buildings and Real Estate	Senior Loan	11/2018	6.0	360	346
Paradigm Management Services, LLC(3)	Healthcare, Education and Childcare	Senior Loan	01/2019	5.5	6,247	6,247
Payless ShoeSource, Inc.	Retail Stores	Senior Loan	03/2021	5.0	1,990	1,831
Plano Molding Company, LLC(3)	Home and Office Furnishings, Housewares, and Durable Consumer	Senior Loan	10/2018	5.3	1,815	1,815
Print Payroll Services, LLC	Diversified/Conglomerate Service	Senior Loan	06/2019	5.7	2,943	2,943
Print Payroll Services, LLC	Diversified/Conglomerate Service	Senior Loan	06/2019	5.7	568	568
Reliant Pro ReHab, LLC(3)	Healthcare, Education and Childcare	Senior Loan	06/2017	6.0	4,296	4,296
Rug Doctor LLC(3)	Personal and Non Durable Consumer Products	Senior Loan	12/2016	6.3	4,875	4,875
Scientific Games International, Inc.	Hotels, Motels, Inns, and Gaming	Senior Loan	10/2020	6.0	3,965	3,918
Self Esteem Brands, LLC(3)	Leisure, Amusement, Motion Pictures, Entertainment	Senior Loan	02/2020	5.0	6,185	6,185
Smashburger Finance LLC	Beverage, Food and Tobacco	Senior Loan	05/2018	5.5	968	968
Syncsort Incorporated(3)	Electronics	Senior Loan	03/2019	5.8	4,953	4,953
Systems Maintenance Services Holding, Inc.(3)	Electronics	Senior Loan	10/2019	5.0	2,433	2,433
Take 5 Oil Change, L.L.C.(3)	Automobile	Senior Loan	07/2018	6.3	1,426	1,426
U.S. Water Services, Inc.	Utilities	Senior Loan	08/2018	5.8	3,452	3,452
U.S. Water Services, Inc.	Utilities	Senior Loan	08/2018	6.8	403	403
U.S. Water Services, Inc.	Utilities	Senior Loan	08/2018	5.8	165	165

W3 Co.	Oil and Gas	Senior Loan	03/2020	5.8	2,977	2,873
WII Components, Inc.[3]	Home and Office Furnishings, Housewares, and Durable Consumer	Senior Loan	07/2018	5.5	3,223	3,223
					$122,516	$121,676

(1) Represents the weighted average annual current interest rate as of December 31, 2014. All interest rates are payable in cash.

(2) Represents the fair value in accordance with ASC Topic 820. The determination of such fair value is not included in the board of directors' valuation process described elsewhere herein.

(3) We also hold a portion of the first lien senior secured loan in this portfolio company.

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SLF Loan Portfolio as of September 30, 2014

Portfolio Company	Business Description	Investment Type	Maturity Date	Current Interest Rate[1]	Principal Amount	Fair Value[2]
					(In thousands)	
5.11, Inc.[3]	Textiles and Leather	Senior Loan	02/2020	6.0 %	$ 3,290	$ 3,294
ACTIVE Network, Inc.	Electronics	Senior Loan	11/2020	5.5	1,985	1,975
ARG IH Corporation[3]	Beverage, Food and Tobacco	Senior Loan	11/2020	4.8	2,151	2,152
Atrium Innovations	Personal and Non Durable Consumer Products	Senior Loan	02/2021	4.3	3,556	3,498
BJ's Wholesale Club, Inc.	Retail Stores	Senior Loan	09/2019	4.5	2,985	2,944
Blue Coat Systems, Inc.	Electronics	Senior Loan	05/2019	4.0	1,990	1,958
BMC Software, Inc.	Electronics	Senior Loan	09/2020	5.0	1,915	1,886
Brasa (Holdings) Inc.	Personal, Food and Miscellaneous Services	Senior Loan	07/2019	5.0	8,229	8,215
Connect Merger Sub, Inc.	Telecommunications	Senior Loan	04/2020	4.8	3,975	3,943
Dell, Inc.	Electronics	Senior Loan	04/2020	4.5	1,985	1,974
Dialysis Newco, Inc.	Healthcare, Education and Childcare	Senior Loan	04/2021	4.5	2,494	2,491
Diversified Foodservice Supply, Inc.[3]	Beverage, Food and Tobacco	Senior Loan	12/2018	5.8	4,194	4,194
El Pollo Loco Inc.[3]	Personal, Food and Miscellaneous Services	Senior Loan	10/2018	5.3	4,740	4,758
Federal-Mogul Corporation	Automobile	Senior Loan	04/2021			