GOLUB CAPITAL BDC, Inc.
Form N-14 8C
December 21, 2018

As filed with the Securities and Exchange Commission on December 21, 2018

Registration No. 333-

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-14

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

Pre-Effective Amendment No.

Post-Effective Amendment No.

(Check appropriate box or boxes)

GOLUB CAPITAL BDC, INC.

(Exact Name of Registrant as Specified in Charter)

666 Fifth Avenue

18th Floor

New York, NY 10103

(Address of Principal Executive Offices)

(212) 750-6060

(Area Code and Telephone Number)

David B. Golub

Golub Capital BDC, Inc.

666 Fifth Avenue

18th Floor

New York, NY 10103

(212) 750-6060

(Name and Address of Agent for Service)

Copies to:

Thomas J. Friedmann, Esq.

Eric S. Siegel, Esq.

Dechert LLP

One International Place, 40th Floor

100 Oliver Street

Boston, MA 02110-2605

Telephone: (617) 728-7100

Fax: (617) 426-6567

Approximate Date of Proposed Public Offering: As soon as practicable after this registration statement becomes effective and upon completion of the merger described in the enclosed document.

Calculation of Registration Fee Under the Securities Act of 1933

Title of Securities Being Registered	Amount Being Registered(1)	Proposed Maximum Offering Price per Share of Common Stock	Proposed Maximum Aggregate Offering Price(2)	Amount of Registration Fee(3)
Common Stock, par value $0.001 per share	86,500,000.00 shares	N/A	$ 1,500,000,000.00	$ 181,800.00

(1) The number of shares to be registered represents the maximum number of shares of the registrant's common stock estimated to be issuable in connection with the merger agreement described in the enclosed document. Pursuant to Rule 416, this registration statement also covers additional securities that may be issued as a result of stock splits, stock dividends or similar transactions.

(2) Estimated solely for the purpose of calculating the registration fee and computed pursuant to Rule 457(f)(2) under the Securities Act of 1933, as amended, the aggregate offering price of the Common Stock was calculated as

follows: (a) 100,000,000.00, the estimated number of Common Stock of Golub Capital Investment Corporation to be exchanged and cancelled for the Registrant's Common Stock, multiplied by (b) $15.00, the book value per share of the securities.

(3) Based on a rate of $121.20 per $1,000,000 of the proposed maximum aggregate offering price.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

Information contained herein is subject to completion or amendment. A registration statement relating to these securities has been filed with the U.S. Securities and Exchange Commission. We may not sell these securities until the registration statement filed with the U.S. Securities and Exchange Commission is effective. This document is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state or jurisdiction where such offer or sale is not permitted.

PRELIMINARY—SUBJECT TO COMPLETION—DATED December 21, 2018

GOLUB CAPITAL BDC, INC.

666 Fifth Avenue, 18th Floor

New York, NY 10103

MERGER PROPOSED—YOUR VOTE IS VERY IMPORTANT

[ ], 2019

Dear Stockholder:

You are cordially invited to attend the Special Meeting of Stockholders (the "GBDC Special Meeting") of Golub Capital BDC, Inc. ("GBDC"), to be held on [ ], 2019 at [ ], Eastern Time, at the offices of Golub Capital LLC, located at 666 Fifth Avenue, New York, New York.

The notice of special meeting and joint proxy statement/prospectus accompanying this letter provide an outline of the business to be conducted at the GBDC Special Meeting. At the GBDC Special Meeting, you will be asked to:

(i) approve an amendment to the certificate of incorporation of GBDC to increase the number of authorized shares of capital stock from 101,000,000 shares to 201,000,000 shares, consisting of 200,000,000 shares of GBDC common stock, par value $0.001 per share ("GBDC Common Stock"), and 1,000,000 shares of preferred stock, par value $0.001 per share (such proposal is referred to herein as the "Certificate of Incorporation Amendment Proposal");

(ii) approve the issuance of shares of GBDC Common Stock, pursuant to the Agreement and Plan of Merger dated as of November 27, 2018 (as amended, the “Merger Agreement”) by and among GBDC, Fifth Ave Subsidiary Inc., a wholly owned subsidiary of GBDC (“Merger Sub”), Golub Capital Investment Corporation, a Maryland corporation (“GCIC”), GC Advisors LLC (“GC Advisors”), and, for certain limited purposes, Golub Capital LLC (such proposal is referred to herein as the “Merger Stock Issuance Proposal”), which proposal is contingent upon approval of the Certificate of Incorporation Amendment Proposal; and

(iii) approve the amendment of the investment advisory agreement between GBDC and GC Advisors (as amended, the “New Investment Advisory Agreement”) on the terms described in the accompanying proxy statement (such proposal is referred to herein as the “Advisory Agreement Amendment Proposal”), which proposal is contingent upon approval of each of the Certificate of Incorporation Amendment Proposal and the Merger Stock Issuance Proposal.

Closing of the Merger (as defined below) is contingent upon GBDC stockholder approval of all of the above proposals and certain other closing conditions. If the Merger does not close, then the New Investment Advisory Agreement will not go into effect, even if approved by the GBDC stockholders.

GBDC and GCIC are proposing a combination of both companies by a merger and related transactions pursuant to the Merger Agreement in which Merger Sub would merge with and into GCIC with GCIC continuing as the surviving company (the “Initial Merger”). Immediately following the Initial Merger, GCIC, as the surviving company, would merge with and into GBDC with GBDC continuing as the surviving company (the Initial Merger and the subsequent combination referred to collectively herein as the “Merger”). The New Investment Advisory Agreement would take effect upon the closing of the Merger.

Subject to the terms and conditions of the Merger Agreement, if the Merger is completed, each holder of GCIC common stock, par value $0.001 per share (“GCIC Common Stock”), issued and outstanding immediately prior to the effective time of the Merger will have the right to receive, for each share of GCIC Common Stock, 0.865 shares of GBDC Common Stock (the “Exchange Ratio”), provided, that the number of shares of GBDC Common Stock to be received (the “Merger Consideration”) shall be subject to adjustment if, between the date of the Merger Agreement and the effective time of the Merger, the respective outstanding shares of GBDC Common Stock or GCIC Common Stock shall have been increased or decreased or changed into or exchanged for a different number or kind of shares or securities, in each case, as a result of any reclassification, recapitalization, stock split, reverse stock split, split-up, combination or exchange of shares, or if a stock dividend or dividend payable in any other securities shall be declared with a record date within such period.

The market value of the Merger Consideration will fluctuate with changes in the market price of GBDC Common Stock. We urge you to obtain current market quotations of GBDC Common Stock. GBDC Common Stock trades on The Nasdaq Global Select Market (the “Nasdaq”) under the ticker symbol “GBDC.” The following table shows the closing sale price of GBDC Common Stock, as reported on the Nasdaq on November 26, 2018, the last trading day before the execution of the Merger Agreement.

	GBDC Common Stock
Closing Nasdaq Sales Price at November 26, 2018	$ 18.57

Your vote is extremely important. At the GBDC Special Meeting, you will be asked to vote on the Certificate of Incorporation Amendment Proposal, the Merger Stock Issuance Proposal and the Advisory Agreement Amendment Proposal. Approval of the Certificate of Incorporation Amendment Proposal requires the affirmative vote of at least a majority of the outstanding shares of GBDC Common Stock. The approval of the Merger Stock Issuance Proposal requires the affirmative vote of at least a majority of the votes cast by holders of GBDC Common Stock at a meeting at which a quorum is present. The approval of the Advisory Agreement Amendment Proposal requires the approval of a "majority of the outstanding voting securities" of GBDC. Under the Investment Company Act of 1940, as amended (the "1940 Act"), a "majority of the outstanding voting securities" of GBDC is the lesser of: (1) 67% of the GBDC Common Stock at the GBDC Special Meeting if the holders of more than 50% of the outstanding shares of GBDC Common Stock are present or represented by proxy or (2) more than 50% of the outstanding shares of GBDC Common Stock.

Abstentions and broker non-votes (which occur when a beneficial owner does not instruct its broker, bank or other institution or nominee holding its shares of GBDC Common Stock on its behalf) will not be included in determining the number of votes cast, and, as a result, will have no effect on the outcome of the Merger Stock Issuance Proposal. Abstentions and broker non-votes will not count as affirmative votes cast and will therefore have the same effect as votes against each of the Certificate of Incorporation Amendment Proposal and the Advisory Agreement Amendment Proposal.

After careful consideration, the board of directors of GBDC, including, after separate meetings and discussion, all of the independent directors, unanimously recommends that GBDC stockholders vote "FOR" each of the Certificate of Incorporation Amendment Proposal, the Merger Stock Issuance Proposal and the Advisory Agreement Amendment Proposal.

It is very important that your shares be represented at the GBDC Special Meeting. Even if you plan to attend the meeting in person, we urge you to complete, date and sign the enclosed proxy card and promptly return it in the envelope provided. If you prefer, you can save time by voting through the Internet or by telephone as described in this joint proxy statement/prospectus and on the enclosed proxy card. We encourage you to vote via the Internet, if possible, as it saves us significant time and processing costs. Your vote and participation in the governance of GBDC are very important to us.

This joint proxy statement/prospectus describes the GBDC Special Meeting, the Merger, the documents related to the Merger (including the Merger Agreement), the proposed amendment to the GBDC certificate of incorporation, the New Investment Advisory Agreement and other related matters that GBDC stockholders ought to know before voting on the Certificate of Incorporation Amendment Proposal, the Merger Stock Issuance Proposal and the Advisory Agreement Amendment Proposal and should be retained for future reference. Please carefully read this entire document, including "Risk Factors" beginning on page 19, for a discussion of the risks relating to the Merger. GBDC files annual, quarterly and current reports, proxy statements and other information about itself with the SEC. GBDC maintains a website at

http://www.golubcapitalbdc.com **and makes all of its annual, quarterly and current reports, proxy statements and other publicly filed information available on or through its website. You may also obtain such information, free of charge, and make shareholder inquiries by contacting GBDC at 666 Fifth Avenue, 18th Floor, New York, New York 10103, Attention: Investor Relations, or by calling collect at (212) 750-6060. The SEC also maintains a website at** ***http://www.sec.gov*** **that contains such information.**

Sincerely yours,

David B. Golub
Chief Executive Officer

Neither the U.S. Securities and Exchange Commission nor any state securities commission has approved or disapproved of the shares of GBDC Common Stock to be issued under this joint proxy statement/prospectus or determined if this joint proxy statement/prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

This joint proxy statement/prospectus is dated [ ], 2019 and it is first being mailed or otherwise delivered to GBDC stockholders on or about [ ], 2019.

Golub Capital BDC, Inc.	*Golub Capital Investment Corporation*
666 Fifth Avenue, 18th Floor	666 Fifth Avenue, 18th Floor
New York, NY 10103	New York, NY 10103
(212) 750-6060	(212) 750-6060

GOLUB CAPITAL BDC, INC.
666 Fifth Avenue, 18th Floor
New York, NY 10103
(212) 750-6060

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS
To Be Held On [ ], 2019

Notice is hereby given to the owners of shares of common stock (the “GBDC Stockholders”) of Golub Capital BDC, Inc. (“GBDC”) that:

A Special Meeting of Stockholders (the “GBDC Special Meeting”) of GBDC will be held at the offices of Golub Capital LLC, located at 666 Fifth Avenue, New York, New York, on [ ], 2019 at [ ], Eastern Time, for the following purposes:

1. To approve an amendment to the GBDC certificate of incorporation to increase the number of authorized shares of capital stock from 101,000,000 shares to 201,000,000 shares, consisting of 200,000,000 shares of GBDC common stock, par value $0.001 per share (“GBDC Common Stock”), and 1,000,000 shares of preferred stock, par value $0.001 per share (the “Certificate of Incorporation Amendment Proposal”); and

2. Contingent upon approval of the Certificate of Incorporation Amendment Proposal, to approve the issuance of shares of GBDC Common Stock pursuant to the Agreement and Plan of Merger dated as of November 27, 2018 (as amended, the “Merger Agreement”) by and among GBDC, Fifth Ave Subsidiary Inc., a wholly owned subsidiary of GBDC (“Merger Sub”), Golub Capital Investment Corporation, a Maryland corporation (“GCIC”), GC Advisors LLC (“GC Advisors”), and, for certain limited purposes, Golub Capital LLC (such proposal is referred to herein as the “Merger Stock Issuance Proposal”); and

3. Contingent upon approval of each of the Certificate of Incorporation Amendment Proposal and the Merger Stock Issuance Proposal, to approve the amendment of the investment advisory agreement between GBDC and GC Advisors (as amended, the “New Investment Advisory Agreement”) on the terms described in the accompanying proxy statement (such proposal is referred to herein as the “Advisory Agreement Amendment Proposal”).

Closing of the Merger is contingent upon GBDC stockholder approval of all of the above proposals and certain other closing conditions. If the Merger does not close, then the New Investment Advisory Agreement will not go into effect, even if approved by the GBDC stockholders.

The GBDC board of directors, including, AFTER SEPARATE MEETINGS AND DISCUSSION, ALL of the independent directors, has unanimously approved each of the Merger Agreement and related transactions (the "Merger"), THE CERTIFICATE OF INCORPORATION AMENDMENT PROPOSAL, THE MERGER STOCK ISSUANCE PROPOSAL, and the Advisory Agreement amendment Proposal and unanimously recommends that GBDC stockholders vote "FOR" each of CERTIFICATE OF INCORPORATION AMENDMENT PROPOSAL, the Merger Stock Issuance Proposal and the Advisory Agreement Amendment Proposal.

Enclosed is a copy of the joint proxy statement/prospectus and the proxy card. You have the right to receive notice of, and to vote at, the GBDC Special Meeting if you were a GBDC Stockholder of record at the close of business on [ ], 2019. Whether or not you expect to be present in person at the GBDC Special Meeting, please sign the enclosed proxy and return it promptly in the envelope provided, or authorize your proxy via the Internet or telephone. Instructions are shown on the proxy card.

Your vote is extremely important to GBDC. In the event there are not sufficient votes for a quorum or to approve the proposals at the time of the GBDC Special Meeting, the GBDC Special Meeting may be adjourned in order to permit further solicitation of proxies by GBDC.

The amendment to the GBDC certificate of incorporation to be adopted to increase the authorized shares of capital stock of GBDC is described in more detail in this joint proxy statement/prospectus, which you should read carefully and in its entirety before authorizing a proxy to vote. Attached to this joint proxy statement/prospectus is a copy of the Amendment to the GBDC Certificate of Incorporation as Annex A.

The Merger and the Merger Agreement are each described in more detail in this joint proxy statement/prospectus, which you should read carefully and in its entirety before authorizing a proxy to vote. Attached to this joint proxy statement/prospectus is a copy of the Merger Agreement, including the First Amendment to the Merger Agreement, as Annex B.

The Advisory Agreement Amendment Proposal is described in more detail in this joint proxy statement/prospectus, which you should read carefully and in its entirety before authorizing a proxy to vote. Attached to this joint proxy statement/prospectus is a copy of the New Investment Advisory Agreement as Annex C.

By Order of the Board of Directors,

Joshua M. Levinson
Secretary

[ ], 2019

This is an important meeting. To ensure proper representation at the meeting, please promptly authorize a proxy over the Internet or by telephone, or execute and return the accompanying proxy card, which is being solicited by the GBDC board of directors. Instructions are shown on the proxy card. Authorizing a proxy is important to ensure a quorum at the GBDC Special Meeting. Proxies may be revoked at any time before they are exercised by submitting a written notice of revocation or a subsequently executed proxy, or by attending the GBDC Special Meeting and voting in person.

Important notice regarding the availability of proxy materials for the GBDC Special Meeting, GBDC's joint proxy statement/prospectus and the proxy card are available at [www.proxyonline.com].

Information contained herein is subject to completion or amendment. A registration statement relating to these securities has been filed with the U.S. Securities and Exchange Commission. We may not sell these securities until the registration statement filed with the U.S. Securities and Exchange Commission is effective. This document is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state or jurisdiction where such offer or sale is not permitted.

PRELIMINARY—SUBJECT TO COMPLETION—DATED December 21, 2018

GOLUB CAPITAL INVESTMENT CORPORATION
666 Fifth Avenue, 18th Floor
New York, NY 10103

[ ], 2019

Dear Stockholder:

You are cordially invited to attend the Special Meeting of Stockholders (the "GCIC Special Meeting") of Golub Capital Investment Corporation, a Maryland corporation ("GCIC"), to be held on [ ], 2019 at [ ], Eastern Time, at the offices of Golub Capital LLC, located at 666 Fifth Avenue, New York, New York.

The notice of special meeting and joint proxy statement/prospectus accompanying this letter provide an outline of the business to be conducted at the GCIC Special Meeting. At the GCIC Special Meeting, you will be asked to approve the Agreement and Plan of Merger dated as of November 27, 2018 (as amended, the "Merger Agreement") by and among Golub Capital BDC, Inc. ("GBDC"), Fifth Ave Subsidiary Inc., a wholly owned subsidiary of GBDC ("Merger Sub"), GCIC, GC Advisors LLC ("GC Advisors"), and, for certain limited purposes, Golub Capital LLC (such proposal is referred to herein as the "Merger Proposal").

The Merger Agreement provides for a combination of GCIC and GBDC via a merger and related transactions in which Merger Sub would merge with and into GCIC with GCIC continuing as the surviving company (the "Initial Merger"). Immediately following the Initial Merger, in a subsequent combination, the surviving company would merge with and into GBDC with GBDC continuing as the surviving company (the Initial Merger, together with the subsequent merger, the "Merger"). An amended investment advisory agreement between GBDC and GC Advisors (the "New Investment Advisory Agreement") would take effect upon the closing of the Merger. Closing of the Merger is contingent upon GBDC stockholder approval of each of an amendment to GBDC's certificate of incorporation to increase the authorized capital stock of GBDC and the New Investment Advisory Agreement and certain other closing conditions.

Subject to the terms and conditions of the Merger Agreement, if the Initial Merger is completed, each holder of GCIC common stock, par value $0.001 per share (“GCIC Common Stock”), issued and outstanding immediately prior to the effective time of the Initial Merger will have the right to receive, for each share of GCIC Common Stock, 0.865 shares (the “Exchange Ratio”) of common stock, par value $0.001 per share, of GBDC (“GBDC Common Stock”), provided, that the number of shares of GBDC Common Stock to be received (the “Merger Consideration”) shall be subject to adjustment if, between the date of the Merger Agreement and the effective time of the Initial Merger, the respective outstanding shares of GBDC Common Stock or GCIC Common Stock shall have been increased or decreased or changed into or exchanged for a different number or kind of shares or securities, in each case, as a result of any reclassification, recapitalization, stock split, reverse stock split, split-up, combination or exchange of shares, or if a stock dividend or dividend payable in any other securities shall be declared with a record date within such period.

The value of the Merger Consideration will fluctuate with changes in the market price of GBDC Common Stock. We urge you to obtain current market quotations of GBDC Common Stock. GBDC Common Stock trades on The Nasdaq Global Select Market (“Nasdaq”) under the ticker symbol “GBDC.” The following table shows the closing sale price of GBDC Common Stock, as reported on the Nasdaq on November 26, 2018, the last trading day before the execution of the Merger Agreement.

	GBDC Common Stock
Closing Nasdaq Sales Price at November 26, 2018	$ 18.57

The holders of at least a majority of GCIC’s outstanding shares must be present at the GCIC Special Meeting in order for the Merger Proposal to be voted upon. The approval of the Merger Proposal requires the affirmative vote of the holders of a majority of the outstanding shares of GCIC Common Stock entitled to vote at the GCIC Special Meeting.

Abstentions and broker non-votes will not count as affirmative votes cast and will therefore have the same effect as votes against the Merger Proposal.

GCIC's board of directors, including, after separate meetings and discussion, all of the independent directors, unanimously recommends that GCIC stockholders vote FOR the Merger Proposal. No other business is expected to be presented at the GCIC Special Meeting.

It is very important that your shares be represented at the GCIC Special Meeting. Even if you plan to attend the meeting in person, we urge you to complete, date and sign the enclosed proxy card and promptly return it in the envelope provided. If you prefer, you can save time by voting through the Internet or by telephone as described in this joint proxy statement/prospectus and on the enclosed proxy card. We encourage you to vote via the Internet, if possible, as it saves us significant time and processing costs. Your vote and participation in the governance of GCIC are very important to us.

Sincerely yours,

David B. Golub
President and Chief Executive Officer.

This joint proxy statement/prospectus is dated [ ], 2019 and it is first being mailed or otherwise delivered to GCIC stockholders on or about [ ], 2019.

Golub Capital BDC, Inc.

666 Fifth Avenue, 18th Floor

New York, NY 10103

(212) 750-6060

Golub Capital Investment Corporation

666 Fifth Avenue, 18th Floor

New York, NY 10103

(212) 750-6060

GOLUB CAPITAL INVESTMENT CORPORATION
666 Fifth Avenue, 18th Floor
New York, NY 10103

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS
TO BE HELD ON [ ], 2019

Notice is hereby given to the owners of shares of common stock (the "GCIC Stockholders") of Golub Capital Investment Corporation, a Maryland corporation ("GCIC"), that:

A Special Meeting of Stockholders (the "GCIC Special Meeting") of GCIC will be held at the offices of Golub Capital LLC, located at 666 Fifth Avenue, New York, New York, on [ ], 2019 at [ ], Eastern Time, for the purpose of approving the Agreement and Plan of Merger dated as of November 27, 2018 (as amended, the "Merger Agreement") by and among Golub Capital BDC, Inc. ("GBDC"), Fifth Ave Subsidiary Inc., a wholly owned subsidiary of GBDC ("Merger Sub"), GCIC, GC Advisors LLC ("GC Advisors"), and, for certain limited purposes, Golub Capital LLC, pursuant to which Merger Sub will merge with and into GCIC, with GCIC as the surviving company (the "Initial Merger"), followed immediately by the merger of GCIC with and into GBDC, with GBDC surviving the second merger (collectively, the "Merger"). Subject to the terms and conditions of the Merger Agreement, if the Initial Merger is completed, each holder of shares of GCIC common stock, par value $0.001 per share ("GCIC Common Stock"), issued and outstanding immediately prior to the effective time of the Initial Merger will have the right to receive, in respect of each share of GCIC Common Stock, 0.865 shares of GBDC common stock, par value $0.001 per share ("GBDC Common Stock"), provided, that the number of shares of GBDC Common Stock to be received shall be subject to adjustment if, between the date of the Merger Agreement and the effective time of the Initial Merger, the respective outstanding shares of GBDC Common Stock or GCIC Common Stock shall have been increased or decreased or changed into or exchanged for a different number or kind of shares or securities, in each case, as a result of any reclassification, recapitalization, stock split, reverse stock split, split-up, combination or exchange of shares, or if a stock dividend or dividend payable in any other securities shall be declared with a record date within such period.

Enclosed is a copy of the joint proxy statement/prospectus and the proxy card. You have the right to receive notice of, and to vote at, the GCIC Special Meeting if you were a GCIC Stockholder of record at the close of business on [ ], 2019. Whether or not you expect to be present in person at the GCIC Special Meeting, please sign the enclosed proxy and return it promptly in the envelope provided, or authorize your proxy via the Internet or telephone. Instructions are shown on the proxy card.

Your vote is extremely important to us. In the event there are not sufficient votes for a quorum or to approve the proposal at the time of the GCIC Special Meeting, the GCIC Special Meeting may be adjourned in order to permit further solicitation of proxies by GCIC.

THE GCIC BOARD OF DIRECTORS, INCLUDING, AFTER SEPARATE MEETINGS AND DISCUSSION, ALL OF THE INDEPENDENT DIRECTORS, UNANIMOUSLY RECOMMENDS THAT YOU VOTE "FOR" THE MERGER PROPOSAL.

By Order of the Board of Directors,

Joshua M. Levinson
Secretary

[ ], 2019

This is an important meeting. To ensure proper representation at the meeting, please promptly authorize a proxy over the Internet or by telephone, or execute and return the accompanying proxy card, which is being solicited by the GCIC board of directors. Instructions are shown on the proxy card. Authorizing a proxy is important to ensure a quorum at the GCIC Special Meeting. Proxies may be revoked at any time before they are exercised by submitting a written notice of revocation or a subsequently executed proxy, or by attending the GCIC Special Meeting and voting in person

Important notice regarding the availability of proxy materials for the GCIC Special Meeting, GCIC's joint proxy statement/prospectus and the proxy card are available at [www.proxyonline.com].

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ABOUT THIS DOCUMENT

This document, which forms part of a registration statement on Form N-14 filed with the U.S. Securities and Exchange Commission (the "SEC") by GBDC (File No. 333-[ ]), constitutes a prospectus of GBDC under Section 5 of the Securities Act of 1933, as amended (the "Securities Act"), with respect to the shares of GBDC Common Stock to be issued to GCIC stockholders as required by the Merger Agreement.

This document also constitutes joint proxy statements of GBDC and GCIC under Section 14(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). It also constitutes a notice of meeting with respect to: (1) the GBDC Special Meeting, at which GBDC stockholders will be asked to vote upon the Certificate of Incorporation Amendment Proposal, the Merger Stock Issuance Proposal and the Advisory Agreement Amendment Proposal; and (2) the GCIC Special Meeting, at which GCIC stockholders will be asked to vote on the Merger Proposal.

You should rely only on the information contained in this joint proxy statement/prospectus. No one has been authorized to provide you with information that is different from that contained in this joint proxy statement/prospectus. This joint proxy statement/prospectus is dated [ ], 2019. You should not assume that the information contained in this joint proxy statement/prospectus is accurate as of any date other than that date. Neither the mailing of this joint proxy statement/prospectus to GBDC stockholders or GCIC stockholders nor the issuance of GBDC Common Stock in connection with the Merger will create any implication to the contrary.

This joint proxy statement/prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any securities, or the solicitation of a proxy, in any jurisdiction to or from any person to whom it is unlawful to make any such offer or solicitation in such jurisdiction.

Except where the context otherwise indicates, information contained in this joint proxy statement/prospectus regarding GBDC has been provided by GBDC and information contained in this joint proxy statement/prospectus regarding GCIC has been provided by GCIC.

When used in this document, unless otherwise indicated in this document or the context otherwise requires:

- "Administration Agreement" refers to the administration agreement by and between GBDC and the Administrator;

- "Administrator" refers to Golub Capital LLC, a Delaware limited liability company, an affiliate of GC Advisors and the administrator of GBDC and GCIC;
- "Current GBDC Investment Advisory Agreement" refers to the Second Amended and Restated Investment Advisory Agreement, dated August 4, 2014, by and between GBDC and GC Advisors;
- "Determination Date" refers to an agreed upon date no more than 48 hours (excluding Sundays and holidays) prior to the closing of the Initial Merger;
- "Effective Time" refers to the effective time of the Initial Merger;
- "GBDC" refers to Golub Capital BDC, Inc. and, where applicable, its consolidated subsidiaries;
- "GBDC Board" refers to the board of directors of GBDC;
- "GBDC Independent Directors" refers to the independent members of the GBDC Board in their capacity as such;
- "GC Advisors" refers to GC Advisors LLC, the investment adviser to GBDC and GCIC;
- "GCIC" refers to Golub Capital Investment Corporation and, where applicable, its consolidated subsidiaries;
- "GCIC Administration Agreement" refers to the Administration Agreement by and between GCIC and the Administrator;
- "GCIC Board" refers to the board of directors of GCIC;
- "GCIC Independent Directors" refers to the independent members of the GCIC Board in their capacity as such;
- "GCIC Investment Advisory Agreement" refers to the Investment Advisory Agreement, dated as of December 31, 2014, by and between GCIC and GC Advisors;
- "Golub Capital" refers, collectively, to the activities and operations of 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;
- "Initial Merger" refers to the merger of Merger Sub with and into GCIC, with GCIC as the surviving company;

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- "KBW" refers to Keefe, Bruyette & Woods, Inc., the financial advisor to the GBDC Independent Directors (in their collective capacity as such);

- "Merger" refers to the Initial Merger, together with, unless the context otherwise requires, the Subsequent Combination;

- "Merger Agreement" refers to the Agreement and Plan of Merger, dated November 27, 2018, by and among GBDC, Merger Sub, GCIC, GC Advisors, and, for certain limited purposes, the Administrator, as amended by the First Amendment to the Agreement and Plan of Merger, dated December 21, 2018, by and among GBDC, Merger Sub, GCIC, GC Advisors, and the Administrator;

- "Merger Sub" refers to Fifth Ave Subsidiary Inc., a wholly owned subsidiary of GBDC;

- "NAV" refers to net asset value;

- "New Investment Advisory Agreement" refers to the proposed Third Amended and Restated Investment Advisory Agreement by and between GBDC and GC Advisors;

- "Subsequent Combination" refers to the merger of GCIC, as the surviving company of the Initial Merger, with and into GBDC, with GBDC as the surviving company;

- "UBS" refers to UBS Securities LLC, the financial advisor to the GCIC Independent Directors;

- "2010 Debt Securitization" refers to the $350.0 million term debt securitization that GBDC completed on July 16, 2010, amended on October 20, 2016 and redeemed on July 20, 2018, in which Golub Capital BDC 2010-1 LLC, a Delaware limited liability company ("LLC") and GBDC's indirect subsidiary (the "2010 Issuer") issued an aggregate of $350.0 million of notes (the "2010 Notes"), including $205.0 million of Class A-Refi 2010 Notes, which bore interest at a rate of three-month London Interbank Offered Rate ("LIBOR") plus 1.90%, $10.0 million of Class B-Refi 2010 Notes, which bore interest at a rate of three-month LIBOR plus 2.40%, and $135.0 million face amount of Subordinated 2010 Notes that did not bear interest;

- "2014 Debt Securitization" refers to the $402.6 million term debt securitization that GBDC completed on June 5, 2014, as most recently amended on March 23, 2018, in which Golub Capital BDC CLO 2014 LLC, a Delaware LLC and GBDC's direct subsidiary (the "2014 Issuer"), issued an aggregate of $402.6 million of notes (the "2014 Notes") including $191.0 million of Class A-1-R 2014 Notes, which bear interest at a rate of three-month LIBOR, plus 0.95%, $20.0 million of Class A-2-R 2014 Notes, which bear interest at a rate of three-month LIBOR plus 0.95%, $35.0 million of Class B-R 2014 Notes, which bear interest at a rate of three-month LIBOR plus 1.40%, $37.5 million of Class C-R 2014 Notes, which bear interest at a rate of three-month LIBOR plus 1.55%, and $119.1 million of membership interests that do not bear interest;

- "2018 Debt Securitization" refers to the $602.4 million term debt securitization that GBDC completed on November 16, 2018, in which Golub Capital BDC CLO III LLC, a Delaware LLC and GBDC's indirect subsidiary (the "2018 Issuer"), issued an aggregate of $602.4 million of notes (the "2018 Notes"), including $327.0 million of Class A 2018 Notes, which bear interest at a rate of three-month LIBOR, plus 1.48%, $61.2 million of Class B 2018 Notes, which bear interest at a rate of three-month LIBOR plus 2.10%, $20.0 million of Class C-1 2018 Notes, which bear interest at a rate of three-month LIBOR plus 2.80%, $38.8 million of Class C-2 2018 Notes, which bear interest at a rate of three-month LIBOR plus 2.65%, $42.0 million of Class D 2018 Notes, which bear interest at a rate of three-month LIBOR plus 2.95%, and $113.4 million of Subordinated 2018 Notes that do not bear interest;

- "GBDC Credit Facility" refers to the amended and restated senior secured revolving credit facility that Golub Capital BDC Funding LLC, a Delaware LLC and GBDC's direct subsidiary ("GBDC Funding"), originally entered into on July 21, 2011, as most recently amended on September 21, 2018, with Wells Fargo Securities, LLC, as administrative agent, and Wells Fargo Bank, N.A., as lender and collateral agent, that currently allows for borrowing up to $170 million and that bears interest at a rate of one-month LIBOR plus 2.15% per annum through the reinvestment period, which ends September 20, 2019, and through the stated maturity date of September 21, 2023;

- "MS Credit Facility" refers to the amended senior secured credit facility that the 2010 Issuer originally entered into on July 20, 2018 and recently amended on November 1, 2018, with Morgan Stanley Bank, N.A., as lender, Morgan Stanley Senior Secured Funding, Inc. as administrative agent, and U.S. Bank National Association, as collateral agent for the administrative agent and the lenders, that currently allows for borrowing up to $450 million and that bears interest at a rate of one-month LIBOR plus 1.90% per annum through the reinvestment period, which ends on January 18, 2019, and bears interest at a rate of one-month LIBOR plus 2.15% following the reinvestment period through the stated maturity date of March 20, 2019;

- "Revolving Credit Facilities" refers collectively to the GBDC Credit Facility and the MS Credit Facility, and each a "Revolving Credit Facility";

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- "GCIC 2016 Debt Securitization" refers to the $410.1 million term debt securitization that GCIC completed on August 16, 2016, in which Golub Capital Investment Corporation CLO 2016(M) LLC, a Delaware LLC and GCIC's direct subsidiary (the "GCIC 2016 Issuer") issued notes (the "GCIC 2016 Notes"), consisting of $220.0 million of Aaa/AAA Class A GCIC 2016 Notes, which bear interest at a rate of three-month LIBOR plus 2.15%, $32.5 million of Aa1 Class B GCIC 2016 Notes which bear interest at a rate of three-month LIBOR plus 3.00%, $42.3 million Class C GCIC 2016 Notes, which bear interest at a rate of three-month LIBOR plus 3.10%, and $28.6 million Class D GCIC 2016 Notes, which bear interest at a rate of three-month LIBOR plus 3.25%, and $86.7 million of LLC equity interests that do not bear interest; certain of the GCIC 2016 Notes were redeemed on December 13, 2018 with cash proceeds of the private placement of the GCIC 2018 Notes (as defined below);

- "GCIC Credit Facility" refers to the senior secured revolving credit facility that GCIC Funding LLC, a Delaware LLC and GCIC's direct subsidiary ("GCIC Funding"), originally entered into on October 10, 2014 with Wells Fargo Securities, LLC, as administrative agent, and Wells Fargo Bank, N.A., as lender, as most recently amended on December 13, 2018, that currently allows for borrowing up to $275.0 million and that bears interest at a rate of one-month LIBOR plus 2.15% per annum through the maturity date, May 25, 2023;

- "GCIC 2018 Debt Securitization" refers to the $908.2 million term debt securitization that GCIC completed on December 13, 2018, in which GCIC CLO II LLC, a Delaware LLC and GCIC's indirect subsidiary (the "GCIC 2018 Issuer") issued notes (the "GCIC 2018 Notes"), consisting of approximately $490.0 million of AAA(sf)/AAAsf Class A-1 GCIC 2018 Notes, which bear interest at the three-month LIBOR plus 1.48%; $38.5 million of AAA(sf) Class A-2 GCIC 2018 Notes, which bear interest at a fixed interest rate of 4.665%; $18.0 million of AA(sf) Class B-1 GCIC 2018 Notes, which bear interest at the three-month LIBOR plus 2.25%; $27.0 million of AA(sf) Class B-2 GCIC 2018 Notes, which bear interest at the three-month LIBOR plus 1.75%; $95.0 million of A(sf) Class C GCIC 2018 Notes, which bear interest at the three-month LIBOR plus 2.30%; $60.0 million of BBB-(sf) Class D GCIC 2018 Notes, which bear interest at the three-month LIBOR plus 2.75% (with the Class A-1, A-2, B-1, B-2 and C GCIC 2018 Notes, referred to collectively as the "Secured GCIC 2018 Notes"); and $179.7 million of Subordinated GCIC 2018 Notes, which do not bear interest; and

- "SMBC Revolver" refers to the $75.0 million revolving credit facility that GCIC entered into on May 17, 2018 with Sumitomo Mitsui Banking Corporation, as administrative agent, sole lead arranger and sole manager.

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QUESTIONS AND ANSWERS ABOUT THE SPECIAL MEETINGS AND THE MERGER

The questions and answers below highlight only selected information from this joint proxy statement/prospectus. They do not contain all of the information that may be important to you. You should read carefully this entire document to fully understand the Merger Agreement and the transactions contemplated thereby (including the Merger) and the voting procedures for each of the GBDC Special Meeting and the GCIC Special Meeting.

Questions and Answers about the Special Meetings

Q: Why am I receiving these materials?

A: GBDC is furnishing these materials in connection with the solicitation of proxies by GBDC's board of directors (the "GBDC Board") for use at the special meeting of GBDC stockholders to be held at [ ], Eastern Time, on [ ], 2019 at the offices of Golub Capital LLC, located at 666 Fifth Avenue, New York, New York, and any adjournments or postponements thereof (the "GBDC Special Meeting").

GCIC is furnishing these materials in connection with the solicitation of proxies by GCIC's board of directors (the "GCIC Board") for use at the special meeting of GCIC stockholders to be held at [ ], Eastern Time, on [ ], 2019 at the offices of Golub Capital LLC, located at 666 Fifth Avenue, New York, New York, and any adjournments or postponements thereof (the "GCIC Special Meeting").

This joint proxy statement/prospectus and the accompanying materials are being mailed on or about [ ], 2019 to stockholders of record of GBDC and GCIC described below and are available at [www.proxyonline.com].

Q: What items will be considered and voted on at the GBDC Special Meeting?

A: At the GBDC Special Meeting, GBDC stockholders will be asked to approve (i) an amendment to the GBDC certificate of incorporation to increase the number of authorized shares of capital stock from 101,000,000 shares to 201,000,000 shares, consisting of 200,000,000 shares of GBDC common stock, par value $0.001 per share ("GBDC Common Stock"), and 1,000,000 shares of preferred stock, par value $0.001 per share (such proposal, the "Certificate of Incorporation Amendment Proposal") (ii) the issuance of the shares of GBDC Common Stock pursuant to the Merger Agreement (such proposal, the "Merger Stock Issuance Proposal"), which proposal is contingent upon approval of the Certificate of Incorporation Amendment Proposal, and (iii) approval of a new investment advisory agreement between GBDC and GC Advisors to take effect upon closing of the Merger (such proposal, the "Advisory

Agreement Amendment Proposal"), which proposal is contingent upon approval of each of the Certificate of Incorporation Amendment Proposal and the Merger Stock Issuance Proposal.

Q: What items will be considered and voted on at the GCIC Special Meeting?

A: At the GCIC Special Meeting, GCIC stockholders will be asked to approve the Initial Merger and the Merger Agreement (such proposal, the "Merger Proposal").

Q: How does the GBDC Board recommend voting on the proposals at the GBDC Special Meeting?

A: The GBDC Board, including, after separate meetings and discussion, the GBDC Independent Directors, has unanimously approved the Merger Agreement, including the Merger and the related transactions, and the New Investment Advisory Agreement. The GBDC Board, including each of the GBDC Independent Directors, has unanimously approved the amendment to the GBDC certificate of incorporation to increase the authorized capital stock of GBDC and has declared such amendment to be advisable and directed that the amendment be submitted to the stockholders of GBDC for approval at the GBDC Special Meeting. The GBDC Board, including each of the GBDC Independent Directors, recommends that GBDC stockholders vote "FOR" each of the Certificate of Incorporation Proposal, the Merger Stock Issuance Proposal and the Advisory Agreement Amendment Proposal.

Q: How does the GCIC Board recommend voting on the Merger Proposal at the GCIC Special Meeting?

A: The GCIC Board, including, after separate meetings and discussion, the GCIC Independent Directors, has unanimously approved the Initial Merger and the Merger Agreement and recommends that GCIC stockholders vote "FOR" the Merger Proposal.

Q: If I am a GBDC stockholder, what is the "Record Date" and what does it mean?

A: The record date for the GBDC Special Meeting is [ ], 2019 (the "GBDC Record Date"). The GBDC Record Date is established by the GBDC Board, and only holders of record of shares of GBDC Common Stock at the close of business on the GBDC Record Date are entitled to receive notice of the GBDC Special Meeting and vote at the GBDC Special Meeting. As of the GBDC Record Date, there were [ ] shares of GBDC Common Stock outstanding.

Q: If I am a GCIC stockholder, what is the "Record Date" and what does it mean?

A: The record date for the GCIC Special Meeting is [ ], 2019 (the "GCIC Record Date"). The GCIC Record Date is established by the GCIC Board, and only holders of record of shares of GCIC common stock, par value $0.001 per share ("GCIC Common Stock") at the close of business on the GCIC Record Date are entitled to receive notice of the GCIC Special Meeting and vote at the GCIC Special Meeting. As of the GCIC Record Date, there were [ ] shares of GCIC Common Stock outstanding.

Q: If I am a GBDC stockholder, how many votes do I have?

A: Each share of GBDC Common Stock held by a holder of record as of the GBDC Record Date has one vote on each matter to be considered at the GBDC Special Meeting.

Q: If I am a GCIC stockholder, how many votes do I have?

A: Each share of GCIC Common Stock held by a holder of record as of the GCIC Record Date has one vote on each matter to be considered at the GCIC Special Meeting.

Q: If I am a GBDC stockholder, how do I vote?

A: A GBDC stockholder may vote in person at the GBDC Special Meeting or by proxy in accordance with the instructions provided below. A GBDC stockholder may also authorize a proxy by telephone or through the Internet using the toll-free telephone numbers or web address printed on your proxy card. Authorizing a proxy by telephone or through the Internet requires you to input the control number located on your proxy card. After inputting the control number, you will be prompted to direct your proxy to vote on each proposal. You will have an opportunity to review your directions and make any necessary changes before submitting your directions and terminating the telephone call or Internet link.

- *By Internet*: [www.proxyonline.com]

- *By telephone*: [(888) 227-9349] to reach a toll-free, automated touchtone voting line, or [(866) 416-0565] Monday through Friday 9:00 a.m. until 10:00 p.m. Eastern Time to reach a toll-free, live operator line.

- *By mail*: You may vote by proxy by following the directions and indicating your instructions on the enclosed proxy card, dating and signing the proxy card, and promptly returning the proxy card in the envelope provided, which requires no postage if mailed in the United States. Please allow sufficient time for your proxy card to be received on or prior to 5:00 p.m., Eastern Time, on [ ], 2019.

- *In person*: You may vote in person at the GBDC Special Meeting by requesting a ballot when you arrive. If your shares of GBDC Common Stock are held through a broker and you attend the GBDC Special Meeting in person, please bring a letter from your broker identifying you as the beneficial owner of the shares and authorizing you to vote your shares at the GBDC Special Meeting.

Important notice regarding the availability of proxy materials for the GBDC Special Meeting. GBDC's joint proxy statement/prospectus and the proxy card are available at [www.proxyonline.com].

Q: If I am a GCIC stockholder, how do I vote?

A: A GCIC stockholder may vote in person at the GCIC Special Meeting or by proxy in accordance with the instructions provided below. A GCIC stockholder may also authorize a proxy by telephone or through the Internet using the toll-free telephone numbers or web address printed on your proxy card. Authorizing a proxy by telephone or through the Internet requires you to input the control number located on your proxy card. After inputting the control number, you will be prompted to direct your proxy to vote on each proposal. You will have an opportunity to review your directions and make any necessary changes before submitting your directions and terminating the telephone call or Internet link.

- *By Internet*: [www.proxyonline.com]

- *By telephone*: [(888) 227-9349] to reach a toll-free, automated touchtone voting line, or [(866) 416-0565] Monday through Friday 9:00 a.m. until 10:00 p.m. Eastern Time to reach a toll-free, live operator line.

- *By mail*: You may authorize a proxy by following the directions and indicating your instructions on the enclosed proxy card, dating and signing the proxy card, and promptly returning the proxy card in the envelope provided, which requires no postage if mailed in the United States. Please allow sufficient time for your proxy card to be received on or prior to 5:00 p.m., Eastern Time, on [ ], 2019.

- *In person*: You may vote in person at the GCIC Special Meeting by requesting a ballot when you arrive. If your shares of GCIC Common Stock are held through a broker and you attend the GCIC Special Meeting in person, please bring a letter from your broker identifying you as the beneficial owner of the shares and authorizing you to vote your shares at the GCIC Special Meeting.

Important notice regarding the availability of proxy materials for the GCIC Special Meeting. GCIC's joint proxy statement/prospectus and the proxy card are available at [www.proxyonline.com].

Q: What if a GBDC stockholder does not specify a choice for a matter when authorizing a proxy?

A: All properly executed proxies representing shares of GBDC Common Stock received prior to the GBDC Special Meeting will be voted in accordance with the instructions marked thereon. If a proxy card is signed and returned without any instructions marked, the shares of GBDC Common Stock will be voted "FOR" the Certificate of Incorporation Amendment Proposal, "FOR" the Merger Stock Issuance Proposal and "FOR" the Advisory Agreement Amendment Proposal.

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Q: What if a GCIC stockholder does not specify a choice for a matter when authorizing a proxy?

A: All properly executed proxies representing shares of GCIC Common Stock at the GCIC Special Meeting will be voted in accordance with the directions given. If the enclosed proxy card is signed and returned without any directions given, the shares of GCIC Common Stock will be voted "FOR" the Merger Proposal.

Q: If I am a GBDC stockholder, how can I change my vote or revoke a proxy?

A: You may revoke your proxy and change your vote by giving notice at any time before your proxy is exercised. A revocation may be effected by resubmitting voting instructions via the Internet voting site, by telephone, by obtaining and properly completing another proxy card that is dated later than the original proxy card and returning it, by mail, in time to be received before the GBDC Special Meeting, by attending the GBDC Special Meeting and voting in person, or by a notice, provided in writing and signed by you, delivered to GBDC's Secretary on any business day before the date of the GBDC Special Meeting.

Q: If I am a GCIC stockholder, how can I change my vote or revoke a proxy?

A: You may revoke your proxy and change your vote by giving notice at any time before your proxy is exercised. A revocation may be effected by resubmitting voting instructions via the Internet voting site, by telephone, by obtaining and properly completing another proxy card that is dated later than the original proxy card and returning it, by mail, in time to be received before the GCIC Special Meeting, by attending the GCIC Special Meeting and voting in person, or by a notice, provided in writing and signed by you, delivered to GCIC's Secretary on any business day before the date of the GCIC Special Meeting.

Q: If my shares of GBDC Common Stock or GCIC Common Stock, as applicable, are held in a broker-controlled account or in "street name," will my broker vote my shares for me?

A: No. You should follow the instructions provided by your broker on your voting instruction form. It is important to note that your broker will vote your shares only if you provide instructions on how you would like your shares to be voted at the applicable special meeting.

Q: What constitutes a "quorum" for the GBDC Special Meeting?

A: The presence at the GBDC Special Meeting, in person or by proxy, of the holders of a majority of the shares of GBDC Common Stock outstanding on the GBDC Record Date will constitute a quorum. Shares held by a broker or other nominee for which the nominee has not received voting instructions from the record holder and does not have discretionary authority to vote the shares on non-routine proposals (which are considered "broker non-votes" with respect to such proposals) will be treated as shares present for quorum purposes. If there are not enough votes for a quorum, the presiding officer or GBDC stockholders who are represented in person or by proxy may vote to adjourn the GBDC Special Meeting to permit the further solicitation of proxies.

If there appear not to be enough votes for a quorum or to approve the proposals at the GBDC Special Meeting, the GBDC Special Meeting may also be adjourned for such periods as the presiding officer of the GBDC Special Meeting shall direct. The holders of a majority of the votes entitled to be cast by the GBDC stockholders entitled to vote thereat, present in person or represented by proxy, shall have the power to adjourn the GBDC Special Meeting from time to time without notice other than announcement at the GBDC Special Meeting. Joshua M. Levinson and Ross A. Teune are the persons named as proxy and will vote proxies held by one of them for such adjournment, unless marked to be voted against any proposal for which an adjournment is sought, to permit the further solicitation of proxies.

If sufficient votes in favor of any of the proposals to be considered at the GBDC Special Meeting have been received at the time of the GBDC Special Meeting, the applicable proposal or proposals will be acted upon and such action will be final, regardless of any subsequent adjournments to consider other proposals.

Q: What constitutes a “quorum” for the GCIC Special Meeting?

A: The presence at the GCIC Special Meeting, in person or by proxy, of stockholders entitled to cast a majority of votes entitled to be cast at the GCIC Special Meeting will constitute a quorum. If there are not enough votes for a quorum, the chairman of the meeting may adjourn the GCIC Special Meeting to permit the further solicitation of proxies.

If there appears not to be enough votes for a quorum or to approve the proposals at the GCIC Special Meeting, the chairman of the GCIC Special Meeting shall have the power to conclude or adjourn the GCIC Special Meeting from time to time to a date not more than 120 days after the original record date without notice other than announcement at the GCIC Special Meeting.

Q: What vote is required to approve each of the proposals at the GBDC Special Meeting?

A: The affirmative vote of the holders of a majority of the outstanding shares of GBDC Common Stock entitled to vote at the GBDC Special Meeting is required for approval of the Certificate of Incorporation Amendment Proposal. Abstentions and broker non-votes will have the effect of a vote “against” this proposal.

The affirmative vote of the holders of a majority of the votes cast by GBDC stockholders at the Special Meeting in person or by proxy is required for approval of the Merger Stock Issuance Proposal (meaning that the number of shares voted “for” the proposal must exceed the number of shares voted “against” such proposal). Abstentions and broker non-votes will not be included in determining the number of votes cast and, as a result, will have no effect on this proposal.

The affirmative vote of “a majority of the outstanding voting securities” of GBDC Common Stock is required to approve the Advisory Agreement Amendment Proposal. Under the Investment Company Act of 1940, as amended (the “1940 Act”), a “majority of the outstanding voting securities” of GBDC is the lesser of: (1) 67% of the GBDC Common Stock at the GBDC Special Meeting if the holders of more than 50% of the outstanding shares of GBDC Common Stock are present or represented by proxy or (2) more than 50% of the outstanding shares of GBDC Common Stock. Abstentions and broker non-votes will have the effect of a vote “against” this proposal.

Broker non-votes are described as votes cast by a broker or other nominee on behalf of a beneficial holder who does not provide explicit voting instructions to such broker or nominee and who does not attend the meeting. Each of the Certificate of Incorporation Amendment Proposal, the Merger Stock Issuance Proposal and the Advisory Agreement Amendment Proposal is a non-routine matter for GBDC. As a result, if a GBDC stockholder hold shares in “street name” through a broker, bank or other nominee, the broker, bank or nominee will not be permitted to exercise voting discretion with respect to either the Certificate of Incorporation Amendment Proposal, the Merger Stock Issuance Proposal or the Advisory Agreement Amendment Proposal. As a result, abstentions and broker non-votes will have no effect on the outcome of the Merger Stock Issuance Proposal. Abstentions and broker non-votes will not count as affirmative votes cast and will therefore have the same effect as votes against each of the Certificate of Incorporation Amendment Proposal and the Advisory Agreement Amendment Proposal.

Q: What vote is required to approve each of the proposals being considered at the GCIC Special Meeting?

A: The affirmative vote of the holders of outstanding shares of GCIC Common Stock entitled to cast a majority of votes entitled to be cast at the GCIC Special Meeting is required to approve the Merger Proposal.

Abstentions and broker non-votes will have the effect of a vote “against” this proposal.

Q: What will happen if all of the proposals being considered at the GBDC Special Meeting and the GCIC Special Meeting are not approved by the required vote?

A: As discussed in more detail in this joint proxy statement/prospectus, closing of the Merger is conditioned on, among other things, (i) approval of the Certificate of Incorporation Amendment Proposal, the Merger Stock Issuance Proposal and the Advisory Agreement Amendment Proposal by GBDC stockholders at the GBDC Special Meeting, (ii) approval of the Merger Proposal by GCIC stockholders at the GCIC Special Meeting, and (iii) the receipt of any required regulatory and other approvals.

If the Certificate of Incorporation Amendment Proposal is approved by the requisite vote of GBDC stockholders, the amendment to the GBDC certificate of incorporation will be filed with the Delaware Secretary of State regardless of the results of the voting on the other proposals at the GBDC Special Meeting. If the Merger Stock Issuance Proposal is not approved by the GBDC stockholders, then the Merger will not close. If the Advisory Agreement Amendment Proposal is not approved by the GBDC stockholders and the closing condition in the Merger Agreement in respect of such approval is not waived by the parties to the Merger Agreement, then the Merger will not close. If the Merger Proposal is not approved by the GCIC stockholders, then the Merger will not close.

If the Merger does not close because either the GBDC stockholders or the GCIC stockholders do not approve the applicable proposals or any of the other conditions to the closing of the Merger are not satisfied or waived, each of GBDC and GCIC will continue to operate pursuant to the current agreements in place for each, including, in the case of GBDC, the Current GBDC Investment Advisory Agreement, and each of GBDC's and GCIC's respective directors and executive officers will continue to serve as its directors and officers, respectively, until their successors are duly elected and qualified or their resignation.

Q: How will the final voting results be announced?

A: Preliminary voting results will be announced at each special meeting. Final voting results will be published by GBDC and GCIC in a current report on Form 8-K within four business days after the date of the GBDC Special Meeting and the GCIC Special Meeting, respectively.

Q: Will GBDC and GCIC incur expenses in soliciting proxies?

A: GBDC and GCIC will equally bear the cost of preparing, printing and mailing this joint proxy statement/prospectus and the applicable accompanying Notice of Special Meeting of Stockholders and proxy card. GBDC and GCIC intend to use the services of GC Advisors to aid in the distribution and collection of proxy votes. GBDC and GCIC expect to pay market rates for such services. No additional compensation will be paid to directors, officers or regular employees for such services.

For more information regarding expenses related to the Merger, see "Questions and Answers about the Merger—Who is responsible for paying the expenses relating to completing the Merger?'"

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Q: What does it mean if I receive more than one proxy card?

A: Some of your shares of GBDC Common Stock or GCIC Common Stock, as applicable, may be registered differently or held in different accounts. You should authorize a proxy to vote the shares in each of your accounts by mail, by telephone or via the Internet. If you mail proxy cards, please sign, date and return each proxy card to guarantee that all of your shares are voted.

Q: Are the proxy materials available electronically?

A: In accordance with regulations promulgated by the SEC, GBDC and GCIC have made the registration statement (of which this joint proxy statement/prospectus forms a part), the applicable Notice of Special Meeting of Stockholders and the applicable proxy card available to stockholders of GBDC and GCIC on the Internet. Stockholders may (i) access and review the proxy materials of GBDC and GCIC, as applicable, (ii) authorize their proxies, as described in "The GBDC Special Meeting—Voting of Proxies" and "The GCIC Special Meeting—Voting of Proxies" and/or (iii) elect to receive future proxy materials by electronic delivery via the Internet address provided below.

The registration statement (of which this joint proxy statement/prospectus forms a part), each Notice of Special Meeting of Stockholders and each proxy card are available at [www.proxyonline.com].

Q: Will my vote make a difference?

A: Yes. Your vote is needed to ensure the proposals can be acted upon. Your vote is very important. Your immediate response will help avoid potential delays and may save significant additional expenses associated with soliciting stockholder votes.

Q: Whom can I contact with any additional questions?

A: If you are a GBDC stockholder or a GCIC stockholder, you can contact GBDC's or GCIC's Investor Relations Departments at the below contact information with any additional questions:

Golub Capital BDC, Inc. or Golub Capital Investment Corporation
Investor Relations
666 Fifth Avenue, 18th Floor
New York, New York 10103
(212) 750-6060

Q: Where can I find more information about GBDC and GCIC?

A: You can find more information about GBDC and GCIC in the documents described under the caption "Where You Can Find More Information."

Q: What do I need to do now?

A: We urge you to read carefully this entire document, including its annexes. You should also review the documents referenced under "Where You Can Find More Information" and consult with your accounting, legal and tax advisors.

Questions and Answers about the Merger

Q: What will happen in the Initial Merger and Subsequent Combination?

A: GCIC will be the surviving company of the Initial Merger and will continue its existence as a corporation under the laws of the State of Maryland until the Subsequent Combination. As of the effective time of the Merger (the "Effective Time"), the separate corporate existence of Merger Sub will cease. Immediately after the Effective Time, pursuant to the Subsequent Combination, the surviving company will merge with and into GBDC, with GBDC as the surviving entity.

Q: What will GCIC stockholders receive in the Merger?

A: Each GCIC stockholder will be entitled to receive, for each share of GCIC Common Stock, 0.865 shares of GBDC Common Stock (the "Exchange Ratio"); provided, that the number of shares of GBDC Common Stock to be received by GCIC stockholders (the "Merger Consideration") will be subject to adjustment solely to the extent described below.

Q: Is the Exchange Ratio subject to any adjustment?

A: Yes. The Exchange Ratio will be adjusted only if, between the date of the Merger Agreement and the effective time of the Merger, the respective outstanding shares of GBDC Common Stock or GCIC Common Stock has been increased or decreased or changed into or exchanged for a different number or kind of shares or securities, in each case, as a result of any reclassification, recapitalization, stock split, reverse stock split, split-up, combination or exchange of shares, or if a stock dividend or dividend payable in any other securities has been declared with a record date within such period.

Q: Who is responsible for paying the expenses relating to completing the Merger?

A: In general, all fees and expenses incurred in connection with the Merger will be paid by the person incurring such fees and expenses, whether or not the Merger is consummated. However, GBDC and GCIC will equally bear the costs and expenses of printing and mailing this joint proxy statement/prospectus, all filing and other fees paid to the SEC in connection with the Merger, all filings and other fees in connection with any filing under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "HSR Act") and the fees and expenses of legal services to GCIC, GBDC and Merger Sub in connection with the Merger Agreement and the transactions contemplated thereby. See "Description of the Merger Agreement—Expenses and Fees." It is anticipated that GBDC will bear expenses of approximately $2.5 million in connection with the Merger (none of which was expensed by GBDC during the year ended September 30, 2018), and GCIC will bear expenses of approximately $2.5 million in connection with the Merger (of which approximately $0.1 million was expensed by GCIC during the year ended September 30, 2018).

Q: Will I receive dividends after the Merger?

A: Subject to applicable legal restrictions and the sole discretion of the GBDC Board, GBDC intends to declare and pay regular cash distributions to its stockholders on a quarterly basis. The GBDC Board intends to increase GBDC's quarterly dividend to $0.33 per share after closing of the Merger; provided that the GBDC Board reserves the right to revisit this intention if market conditions or GBDC's prospects meaningfully change. For a history of the dividends and distributions paid by GBDC since September 30, 2016, see "Market Price, Dividend and Distribution Information—GBDC." The amount and timing of past dividends and distributions are not a guarantee of any future dividends or distributions, or the amount thereof, the payment, timing and amount of which will be determined by the GBDC Board and depend on GBDC's cash requirements, its financial condition and earnings, contractual restrictions, legal and regulatory considerations and other factors. See "Golub Capital BDC, Inc. Dividend Reinvestment Plan" for additional information regarding GBDC's dividend reinvestment plan.

Following the Effective Time, the record holders of shares of GCIC Common Stock will be entitled to receive dividends or other distributions declared by the GBDC Board with a record date after the Effective Time theretofore payable with respect to the whole shares of GBDC Common Stock represented by such shares of GCIC Common Stock. For a history of the dividends and distributions paid by GCIC since September 30, 2016, see "Market Price, Dividend and Distribution Information—GCIC."

Q: Is the Merger subject to any third-party consents?

A: Under the Merger Agreement, GBDC and GCIC have agreed to cooperate with each other and use their reasonable best efforts to take, or cause to be taken, in good faith, all actions, and to do, or cause to be done, all things necessary, including to obtain as promptly as practicable all permits, consents, approvals, confirmations and authorizations of all third parties, in each case, that are necessary or advisable, to consummate the transactions contemplated by the Merger Agreement, including the Merger, in the most expeditious manner practicable. As of the date of this joint proxy statement/prospectus, GBDC and GCIC believe that, subject to the satisfaction of certain conditions, they have obtained all necessary third-party consents other than stockholder approval and certain lender and derivative counterparty consents. There can be no assurance that any permits, consents, approvals, confirmations or authorizations will be obtained or that such permits, consents, approvals, confirmations or authorizations will not impose conditions or requirements that, individually or in the aggregate, would or could reasonably be expected to have a material adverse effect on the financial condition, results of operations, assets or business of the combined company following the Merger.

Q: How does GBDC's investment objective and strategy differ from GCIC's?

A: The investment objectives and strategies of GBDC and GCIC are identical. The investment objective of each of GBDC and GCIC is to generate current income and capital appreciation by investing primarily in one stop (a loan that combines characteristics of traditional first lien senior secured loans and second lien or subordinated loans and that are often referred to by other middle-market lenders as unitranche loans) and other senior secured loans of middle-market companies that are, in most cases, sponsored by private equity firms. GBDC may also selectively invest in second lien and subordinated loans of, and warrants and minority equity securities in, U.S. middle-market companies. GBDC and GCIC each use the term "middle-market" to generally refer to companies having earnings before interest, taxes, depreciation and amortization ("EBITDA") of less than $100.0 million annually.

As a result of these commonalities, GC Advisors does not anticipate any significant portfolio repositioning in connection with the Merger.

Q: How do the distribution procedures, purchase procedures, redemption procedures and exchange rights of GBDC differ from those of GCIC?

A: GBDC and GCIC have substantially identical distribution, purchase and redemption procedures. Neither GBDC nor GCIC offers exchange rights with respect to its common stock, and neither GBDC nor GCIC has the right to redeem its common stock. Shares of GBDC Common Stock trade on the Nasdaq under the symbol "GBDC." Shares of GCIC Common Stock are not listed on a national stock exchange. From time to time, GBDC may offer shares of its securities in public offerings registered under the Securities Act, and each of GBDC and GCIC may offer its respective securities in private placements in reliance on an exemption from the registration requirements of the Securities Act. Both GBDC and GCIC have adopted "opt out" dividend reinvestment plans, which provide for the reinvestment of the applicable entity's distributions on behalf of its stockholders unless a stockholder elects to receive such distributions in cash. GBDC anticipates that the combined company will maintain the distribution, purchase and redemption procedures of GBDC following the closing of the Merger.

Q: How will the combined company be managed following the Subsequent Combination?

A: GBDC and GCIC have the same directors and officers. The directors of GBDC immediately prior to the Subsequent Combination will remain the directors of GBDC and will hold office until their respective successors are duly elected and qualify, or their earlier death, resignation or removal. The officers of GBDC immediately prior to the Subsequent Combination will remain the officers of GBDC and will hold office until their respective successors are duly appointed and qualify, or their earlier death, resignation or removal. Following the Subsequent Combination, GC Advisors will continue to be the investment adviser of GBDC and the New Investment Advisory Agreement will be effective at the Effective Time if the Advisory Agreement Amendment Proposal is approved by GBDC stockholders.

Q: Are GBDC stockholders able to exercise appraisal rights?

A: No. GBDC stockholders will not be entitled to exercise appraisal rights with respect to any matter to be voted upon at the GBDC Special Meeting. Any GBDC stockholder may abstain from voting or vote against any of such matters.

Q: Are GCIC stockholders able to exercise appraisal rights?

A: No. GCIC stockholders will not be entitled to exercise rights of objecting stockholders with respect to any matter to be voted upon at the GCIC Special Meeting. Any GCIC stockholder may abstain from voting or vote against any of such matters.

Q: When do you expect to complete the Merger and Subsequent Combination?

A: While there can be no assurance as to the exact timing, or that the Merger will be completed at all, GBDC and GCIC are working to complete the Merger in the first half of calendar year 2019. It is currently expected that the Merger will be completed promptly following receipt of the required stockholder approvals at the GBDC Special Meeting and the GCIC Special Meeting and satisfaction of the other closing conditions set forth in the Merger Agreement. The Subsequent Combination will occur immediately after the Merger is completed.

Q: Is the Merger expected to be taxable to GBDC stockholders?

A: No. The Merger and Subsequent Combination are not expected to be a taxable event for GBDC stockholders.

Q: Is the Merger expected to be taxable to GCIC stockholders?

A: No. The Initial Merger and Subsequent Combination are intended to qualify as a "reorganization," within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the "Code"). It is a condition to GBDC's and GCIC's respective obligations to complete the Merger that each of them receives a legal opinion to that effect. GCIC stockholders are not expected to recognize any gain or loss for U.S. federal income tax purposes on the exchange of shares of GCIC Common Stock for shares of GBDC Common Stock pursuant to the Initial Merger, except with respect to cash received in lieu of fractional shares of GBDC Common Stock. GCIC stockholders should read the section captioned "Certain Material U.S. Federal Income Tax Consequences of the Merger" for a more complete discussion of the U.S. federal income tax consequences of the Merger. Tax matters can be complicated and the tax consequences of the Merger to a GCIC stockholder will depend on the particular tax situation of such stockholder. **GCIC stockholders should consult with their own tax advisors to determine the tax consequences of the Merger to them.**

Q: What happens if the Merger is not consummated?

A: If the Initial Merger is not approved by the requisite vote of GCIC's stockholders, or any of the amendment to GBDC's certificate of incorporation, the issuance of shares of GBDC Common Stock in connection with the Merger or the New Investment Advisory Agreement is not approved by the requisite vote of GBDC's stockholders, or if the Merger is not completed for any other reason, GCIC's stockholders will not receive any payment for their shares of GCIC Common Stock in connection with the Merger. Instead, GCIC will remain an independent company. In addition, under circumstances specified in the Merger Agreement, GCIC may be required to pay GBDC, or GBDC may be required to pay GCIC, a termination fee of $29 million. See "Description of the Merger Agreement—Termination of the Merger Agreement."

Q: Did the GBDC Board receive an opinion from the financial advisor to the GBDC Independent Directors regarding the Exchange Ratio?

A: Yes. For more information, see the section entitled "The Merger—Opinion of the Financial Advisor to the GBDC Independent Directors."

Q: Did the GCIC Board receive an opinion from the financial advisor to the GCIC Independent Directors regarding the Exchange Ratio?

A: Yes. On November 27, 2018, at a meeting of the GCIC Board, including a meeting of the GCIC Independent Directors separately as a group, held to evaluate the proposed Merger, UBS delivered to each of the GCIC Independent Directors as a group and the GCIC Board an oral opinion, confirmed by delivery of a written opinion, dated November 27, 2018, to the effect that, as of that date and based on and subject to various assumptions made, matters considered and limitations described in its opinion, the Exchange Ratio provided for in the Initial Merger was fair, from a financial point of view, to the holders of GCIC Common Stock (other than any shares held by GBDC and its consolidated subsidiaries).

The full text of UBS' opinion describes the assumptions made, procedures followed, matters considered and limitations on the review undertaken by UBS. UBS' opinion is attached as Annex D to this joint proxy statement/prospectus and is incorporated herein by reference. **GCIC stockholders are encouraged to read UBS' opinion carefully in its entirety. UBS' opinion was provided for the benefit of the GCIC Independent Directors and the GCIC Board (in their capacity as such) in connection with and for the purpose of their evaluation of the Exchange Ratio in the Initial Merger, and does not address any other aspect of the Initial Merger or any other transaction contemplated by the Merger Agreement. UBS' opinion does not address the relative merits of the Initial Merger or any related transaction as compared to other business strategies or transactions that might be available to GCIC or GCIC's underlying business decision to effect the Initial Merger or any related transactions. UBS' opinion does not constitute a recommendation to any stockholder as to how such stockholder should vote or act with respect to the Initial Merger or any related transaction.**

For more information, see the section entitled "The Merger—Opinion of the Financial Advisor to the GCIC Independent Directors."

SUMMARY OF THE MERGER

This summary highlights selected information contained elsewhere in this joint proxy statement/prospectus and may not contain all of the information that is important to you. You should carefully read this entire joint proxy statement/prospectus, including the other documents to which this joint proxy statement/prospectus refers for a more complete understanding of the Merger. In particular, you should read the annexes attached to this joint proxy statement/prospectus, including the Merger Agreement, which is attached as Annex B hereto, as it is the legal document that governs the Merger. See "Where You Can Find More Information." For a discussion of the risk factors you should carefully consider, see the section entitled "Risk Factors" beginning on page 19.

The Parties to the Merger

Golub Capital BDC, Inc.

666 Fifth Avenue, 18th Floor

New York, NY 0103

(212) 750-6060

GBDC is an externally managed, closed-end, non-diversified management investment company that has elected to be regulated as a business development company ("BDC") under the 1940 Act. In addition, for U.S. federal income tax purposes, GBDC has elected to be treated as a regulated investment company ("RIC"), under Subchapter M of the Internal Revenue Code of 1986, as amended (the "Code"). GBDC was formed in November 2009 to continue and expand the business of its predecessor, Golub Capital Master Funding LLC, which commenced operations in July 2007. GBDC makes investments primarily in one stop (a loan that combines characteristics of traditional first lien senior secured loans and second lien or subordinated loans) and other senior secured loans of middle-market companies that are, in most cases, sponsored by private equity firms. GC Advisors structures GBDC's one stop loans as senior secured loans, and GBDC obtains security interests in the assets of the portfolio companies that serve as collateral in support of the repayment of these loans. This collateral may take the form of first-priority liens on the assets of the portfolio company. In many cases, GBDC together with its affiliates are the sole lenders of one stop loans, which can afford GBDC additional influence over the borrower in terms of monitoring and, if necessary, remediation in the event of underperformance.

GBDC's investment objective is to generate current income and capital appreciation by investing primarily in one stop and other senior secured loans of U.S. middle-market companies. GBDC may also selectively invest in 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 of, and warrants and minority equity securities in U.S. middle-market companies. GBDC intends to achieve its investment objective by (1) accessing the established loan origination channels developed by Golub Capital, a leading lender to middle-market companies with over $25.0 billion in capital under management as of September 30, 2018, (2) selecting investments within its core middle-market company focus, (3) partnering with experienced private equity firms, or sponsors, in many cases with whom Golub Capital has 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.

GBDC seeks to create a portfolio that includes primarily one stop and other senior secured loans by primarily investing approximately $5.0 million to $30.0 million of capital, on average, in the securities of U.S. middle-market companies. GBDC may also selectively invest more than $30.0 million in some of its portfolio companies and generally expects that the size of its individual investments will vary proportionately with the size of its capital base.

GBDC generally invests 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 GBDC's 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 GBDC's risk of losing part or all of its investment.

Golub Capital Investment Corporation

666 Fifth Avenue, 18th Floor

New York, NY 10103

(212) 750-6060

GCIC is an externally managed, closed-end, non-diversified management investment company that has elected to be regulated as a BDC under the 1940 Act and has elected to be treated for U.S. federal income tax purposes as a RIC under the Code.

GCIC was formed in September 2014 to make investments and generate current income and capital appreciation by investing primarily in one stop (a loan that combines characteristics of traditional first lien senior secured loans and second lien or subordinated loans) and other senior secured loans of U.S. middle-market companies that are, in most cases, sponsored by private equity firms. GCIC commenced operations on December 31, 2014. GCIC structures its one stop loans as senior secured loans, and GCIC obtains security interests in the assets of the portfolio companies that serve as collateral in support of the repayment of these loans. This collateral may take the form of first-priority liens on the assets of the portfolio company. In many cases, GCIC, together with its affiliates, are the sole lenders of one stop loans, which can afford it additional influence over the borrower in terms of monitoring and, if necessary, remediation in the event of underperformance.

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GCIC's investment objective is to generate current income and capital appreciation by investing primarily in one stop and other senior secured loans of U.S. middle-market companies. GCIC may also selectively invest in second lien and subordinated loans of, and warrants and minority equity securities in U.S. middle-market companies. GCIC intends to achieve its investment objective by (1) accessing the established loan origination channels developed by Golub Capital, a leading lender to middle-market companies with over $25.0 billion in capital under management as of September 30, 2018, (2) selecting investments within its core middle-market company focus, (3) partnering with experienced private equity firms, or sponsors, in many cases with whom Golub Capital has 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.

GCIC seeks to create a portfolio that includes primarily one stop and senior secured loans by primarily investing approximately $5.0 million to $30.0 million of capital, on average, in the securities of U.S. middle-market companies. GCIC may also selectively invest more than $30.0 million in some of its portfolio companies and generally expects that the size of its individual investments will vary proportionately with the size of its capital base.

GCIC generally invests 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 GCIC's 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 GCIC's risk of losing part or all of its investment.

Fifth Ave Subsidiary Inc.

666 Fifth Avenue, 18th Floor

New York, NY 10103

(212) 750-6060

Merger Sub is a Maryland corporation and a newly formed, wholly owned subsidiary of GBDC. Merger Sub was formed in connection with and for the sole purpose of the Merger.

GC Advisors LLC

666 Fifth Avenue, 18th Floor

New York, NY 10103

(212) 750-6060

GC Advisors is a Delaware limited liability company located at 666 Fifth Avenue, 18th Floor, New York, NY 10103. GC Advisors is registered as an investment adviser with the SEC under the Investment Advisers Act of 1940, as amended (the "Advisers Act"). GC Advisors is an affiliate of Golub Capital. The beneficial interests in GC Advisors are majority owned, indirectly, by two affiliated trusts. The trustees of those trusts are Stephen A. Kepniss and David L. Finegold. GC Advisors manages the day-to-day operations of and provides investment advisory services to each of GBDC and GCIC.

GC Advisors is an affiliate of Golub Capital and pursuant to a staffing agreement (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 the investment adviser to each of GBDC and GCIC, GC Advisors is obligated to allocate investment opportunities among GBDC, GCIC and its other clients fairly and equitably over time in accordance with its allocation policy. See "Certain Relationships and Related Party Transactions of Golub Capital BDC, Inc." and "Certain Relationships and Related Party Transactions of Golub Capital Investment Corporation." However, there can be no assurance that such opportunities will be allocated to GBDC or GCIC 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, Golub Capital LLC (the "Administrator"), provides the administrative services necessary for each of GBDC and GCIC to operate. See "Golub Capital BDC, Inc. Management Agreements—Administration Agreement" and "Golub Capital Investment Corporation Management Agreements—GCIC Administration Agreement" for a discussion of the fees and expenses (subject to the review and approval of their GBDC's and GCIC's respective independent directors) each of GBDC and GCIC is 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 September 30, 2018, Golub Capital had over $25.0 billion of capital under management. Since its inception, Golub Capital has closed deals with over 260 middle-market sponsors and repeat transactions with over 170 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 September 30, 2018, Golub Capital's more than 100 investment professionals had an average of over 12 years of investment experience and were supported by more than 250 administrative and back office personnel that focus on operations, finance, legal and compliance, accounting and reporting, marketing, information technology and office management.

Merger Structure

Pursuant to the terms of the Merger Agreement, at the Effective Time, Merger Sub will be merged with and into GCIC. GCIC will be the surviving company in the Initial Merger and will continue its existence as a corporation under the laws of the State of Maryland. As of the Effective Time, the separate corporate existence of Merger Sub will cease. Immediately after the occurrence of the Effective Time, in the Subsequent Combination, the surviving company will merge with and into GBDC in accordance with the Delaware General Corporation Law (the "DGCL") and the Maryland General Corporation Law ("MGCL"), with GBDC as the surviving entity.

Based on the number of shares of GBDC Common Stock and GCIC Common Stock issued and outstanding as of November 27, 2018, at the closing of the Merger (the "Closing Date"), GBDC stockholders would own approximately 50.9% of the outstanding GBDC Common Stock, and former GCIC stockholders would own approximately 49.1% of the outstanding GBDC Common Stock. Following the Merger, GBDC will continue its operations as conducted before the Merger with GC Advisors acting as its investment adviser pursuant to the New Investment Advisory Agreement.

The Merger Agreement is attached as *Annex B* to this joint proxy statement/prospectus and is incorporated by reference into this joint proxy statement/prospectus. GBDC and GCIC encourage their respective stockholders to read the Merger Agreement carefully and in its entirety, as it is the principal legal document governing the Merger.

Merger Consideration

If the Initial Merger is consummated, each GCIC stockholder will be entitled to receive 0.865 shares of GBDC Common Stock for each share of GCIC Common Stock, subject to adjustment only if, between the date of the Merger Agreement and the Effective Time, the respective outstanding shares of GBDC Common Stock or GCIC Common Stock have been increased or decreased or changed into or exchanged for a different number or kind of shares or securities, in each case, as a result of any reclassification, recapitalization, stock split, reverse stock split, split-up, combination or exchange of shares, or if a stock dividend or dividend payable in any other securities has been declared with a record date within such period. Closing of the Initial Merger is contingent upon GBDC stockholder approval of the Certificate of Incorporation Amendment Proposal, the Merger Stock Issuance Proposal and the Advisory Agreement Amendment Proposal and certain other closing conditions. Holders of GCIC Common Stock will receive cash in lieu of fractional shares.

After the Determination Date and until the Initial Merger is completed, the market value of the shares of GBDC Common Stock to be issued in the Initial Merger will continue to fluctuate but the number of shares to be issued to GCIC stockholders will remain fixed.

Market Price of Securities

Shares of GBDC Common Stock trade on the Nasdaq under the symbol “GBDC.” Shares of GCIC Common Stock are not listed on a national stock exchange.

The following table presents the closing sales prices as of the last trading day before the execution of the Merger Agreement and the most recently determined NAV per share of GBDC Common Stock and the most recently determined NAV per share of GCIC Common Stock.

	GBDC Common Stock	**GCIC Common Stock**
NAV per Share at September 30, 2018	$ 16.10	$ 15.00
Closing Nasdaq Sales Price at November 26, 2018	$ 18.57	N/A

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Risks Relating to the Proposed Merger

The Merger and the other transactions contemplated by the Merger Agreement are subject to, among others, the following risks. GBDC and GCIC stockholders should carefully consider these risks before deciding how to vote on the proposals to be voted on at their respective special meetings.

- Because the market price of GBDC Common Stock will fluctuate, GCIC stockholders cannot be sure of the market value of the Merger Consideration they will receive until the Closing Date.
- Sales of shares of GBDC Common Stock after the completion of the Merger may cause the market price of GBDC Common Stock to decline.
- GCIC stockholders and GBDC stockholders will experience a reduction in percentage ownership and voting power in the combined company as a result of the Merger.
- GBDC may be unable to realize the benefits anticipated by the Merger, including estimated cost savings, or it may take longer than anticipated to achieve such benefits.
- The Merger may trigger certain "change of control" provisions and other restrictions in contracts of GBDC, GCIC or their respective affiliates, and the failure to obtain any required consents or waivers could adversely impact the combined company.
- The opinions delivered to the GBDC Independent Directors and the GCIC Independent Directors from their respective financial advisors prior to signing the Merger Agreement will not reflect changes in circumstances since the date of such opinions.
- If the Merger does not close, neither GBDC nor GCIC will benefit from the expenses incurred in its pursuit.
- The termination of the Merger Agreement could negatively impact GCIC and GBDC.
- Under certain circumstances, GCIC and GBDC are obligated to pay each other a termination fee upon termination of the Merger Agreement.

- The Merger Agreement limits the ability of GCIC and GBDC to pursue alternatives to the Merger.

- The Initial Merger is subject to closing conditions, including stockholder approvals, that, if not satisfied or waived, will result in the Merger not being completed, which may result in material adverse consequences to GCIC's and GBDC's business and operations.

- GBDC and GCIC will be subject to operational uncertainties and contractual restrictions while the Merger is pending.

- GBDC and GCIC may, to the extent legally allowed, waive one or more conditions to the Initial Merger without resoliciting stockholder approval.

- The shares of GBDC Common Stock to be received by GCIC stockholders as a result of the Merger will have different rights associated with them than shares of GCIC Common Stock currently held by them.

- The market price of GBDC Common Stock after the Merger may be affected by factors different from those affecting GBDC Common Stock currently.

See the section captioned "Risk Factors—Risks Relating to the Merger" below for a more detailed discussion of these factors.

Tax Consequences of the Merger

The Merger is intended to qualify as a "reorganization," within the meaning of Section 368(a) of the Code, and it is a condition to GBDC's and GCIC's respective obligations to complete the Merger that each of them receives a legal opinion to that effect. Accordingly, the Merger is not expected to be a taxable event for GCIC stockholders for U.S. federal income tax purposes as to the shares of GBDC Common Stock they receive in the Merger, except for any gain or loss that may result from the receipt of cash in lieu of fractional shares of GBDC Common Stock.

GCIC stockholders should read the section captioned "Certain Material U.S. Federal Income Tax Consequences of the Merger" for a more complete discussion of the U.S. federal income tax consequences of the Merger. Tax matters can be complicated and the tax consequences of the Merger to GCIC stockholders will depend on their particular tax situation. Holders of GCIC Common Stock should consult with their own tax advisors to understand the tax consequences of the Merger to them.

The Merger is not expected to be a taxable event for GBDC stockholders.

Special Meeting of GBDC Stockholders

GBDC plans to hold the GBDC Special Meeting on [ ], 2019, at [ ], Eastern Time, at 666 Fifth Avenue, New York, New York. At the GBDC Special Meeting, holders of GBDC Common Stock will be asked to approve (i) the Certificate of Incorporation Amendment Proposal, (ii) the Merger Stock Issuance Proposal and (iii) the Advisory Agreement Amendment Proposal.

A GBDC stockholder can vote at the GBDC Special Meeting if such stockholder owned shares of GBDC Common Stock at the close of business on the GBDC Record Date. As of that date, there were approximately [ ] shares of GBDC Common Stock outstanding and entitled to vote, approximately [ ] of which, or [ ]%, were owned beneficially or of record by directors and executive officers of GBDC.

Special Meeting of GCIC Stockholders

GCIC plans to hold the GCIC Special Meeting on [ ], 2019, at [ ], Eastern Time, at 666 Fifth Avenue, New York, New York. At the GCIC Special Meeting, holders of GCIC Common Stock will be asked to approve the Merger Proposal.

A GCIC stockholder can vote at the GCIC Special Meeting if such stockholder owned shares of GCIC Common Stock at the close of business on the GCIC Record Date. As of that date, there were approximately [ ] shares of GCIC Common Stock outstanding and entitled to vote. Approximately [ ] of such total outstanding shares, or [ ]%, were owned beneficially or of record by directors and executive officers of GCIC.

GBDC Board Recommendation

The GBDC Board, including, after separate meetings and discussion, all of the GBDC Independent Directors, has unanimously approved the Merger Agreement, including the Merger and the related transactions, as well as the proposed amendment to the Merger Agreement, and the New Investment Advisory Agreement. The GBDC Board, including, after separate meetings and discussion, all of the GBDC Independent Directors, has unanimously approved the amendment to the GBDC certificate of incorporation to increase the authorized capital stock of GBDC, declared such amendment to be advisable and directed that the amendment be submitted to the stockholders of GBDC for approval at the GBDC Special Meeting. The GBDC Board, including all of the GBDC Independent Directors, recommends that GBDC stockholders vote "FOR" each of the Certificate of Incorporation Proposal, the Merger Stock Issuance Proposal and the Advisory Agreement Amendment Proposal.

GCIC Board Recommendation

The GCIC Board, including, after separate meetings and discussion, the GCIC Independent Directors, has unanimously approved the Initial Merger and the Merger Agreement and recommend that GCIC stockholders vote "FOR" the Merger Proposal.

Vote Required—GBDC

Each share of GBDC Common Stock held by a holder of record as of the GBDC Record Date has one vote on each matter considered at the GBDC Special Meeting.

The Certificate of Incorporation Amendment Proposal

The affirmative vote of the holders of a majority of the outstanding shares of GBDC Common Stock entitled to vote at the GBDC Special Meeting is required for approval of the Certificate of Incorporation Amendment Proposal. Abstentions and broker non-votes will have the effect of a vote "against" the Certificate of Incorporation Amendment Proposal.

The Merger Stock Issuance Proposal

The approval of the Merger Stock Issuance Proposal requires the affirmative vote of at least a majority of the votes cast by holders of GBDC Common Stock at a meeting at which a quorum is present. Abstentions and broker non-votes will have no effect on the outcome of the Merger Stock Issuance Proposal.

The Advisory Agreement Amendment Proposal

The approval of the Advisory Agreement Amendment Proposal requires the approval of a "majority of the outstanding voting securities" of GBDC. Under the 1940 Act, a "majority of the outstanding voting securities" of GBDC is the lesser of: (1) 67% of the GBDC Common Stock at the GBDC Special Meeting if the holders of more than 50% of the outstanding shares of GBDC Common Stock are present or represented by proxy or (2) more than 50% of the outstanding shares of GBDC Common Stock. Abstentions and broker non-votes will not count as affirmative votes cast and will therefore have the same effect as votes "against" the Advisory Agreement Amendment Proposal.

Vote Required—GCIC

Each share of GCIC Common Stock held by a holder of record as of the GCIC Record Date has one vote on the Merger Proposal considered at the GCIC Special Meeting.

The Merger Proposal

The approval of the Merger Proposal requires the affirmative vote of the holders of the outstanding shares of GCIC Common Stock entitled to cast a majority of votes entitled to be cast at the GCIC Special Meeting. Abstentions and broker non-votes will not count as affirmative votes cast and will therefore have the same effect as votes "against" the Merger Proposal.

Completion of the Merger

As more fully described in this joint proxy statement/prospectus and in the Merger Agreement, the completion of the Initial Merger depends on a number of conditions being satisfied or, where legally permissible, waived. For information on the conditions that must be satisfied or waived for the Merger to occur, see "Description of the Merger—Conditions to the Closing of the Merger." While there can be no assurances as to the exact timing, or that the Merger will be completed at all, GBDC and GCIC are working to complete the Merger in the first half of calendar year 2019. It is currently expected that the Merger will be completed promptly following receipt of the required stockholder approvals at the GBDC Special Meeting and the GCIC Special Meeting and satisfaction of the other closing conditions set forth in the Merger Agreement. The Subsequent Combination will occur immediately after the

Initial Merger is completed.

Termination of the Merger and Termination Fee

The Merger Agreement contains certain termination rights for GBDC and GCIC, each of which is discussed below in “Description of the Merger—Termination of the Merger Agreement.” The Merger Agreement provides that, in connection with the termination of the Merger Agreement under specified circumstances and subject to applicable law, GCIC may be required to pay a GBDC, or GBDC may be required to pay GCIC, a termination fee of $29 million. See “Description of the Merger Agreement—Termination of the Merger Agreement” for a discussion of the circumstances that could result in the payment of the termination fees. GBDC or GCIC, as applicable, will be the entities entitled to receive any termination fees under the Merger Agreement. The GCIC Board and GBDC Board have approved the amount of the termination fees.

Reasons for the Merger

GBDC

The GBDC Board consulted with GBDC’s management, GC Advisors, as well as its legal and other advisors and considered numerous factors, including the unanimous recommendation of GBDC Independent Directors, and determined that the Merger is in GBDC’s best interests and the best interests of GBDC’s stockholders, and that GBDC stockholders will not suffer any dilution for purposes of Rule 17a-8 of the 1940 Act as a result of the Merger.

Certain material factors considered by the GBDC Board and the GBDC Independent Directors as a group that favored the conclusion of the GBDC Board and the GBDC Independent Directors that the Merger is in GBDC’s best interests and the best interests of GBDC’s stockholders included, among others:

- the expected accretion to GBDC’s NAV per share at closing of the Merger;
- the expected value creation from GBDC NAV per share accretion;
- the expected increased scale and liquidity of the combined company;
- the acquisition of a known, diversified portfolio of assets;

- the expected greater access to long-term, low-cost, flexible debt capital;
- the potential for operational synergies;
- the investment strategies and risks of GBDC and GCIC;

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· the tax consequences of the Merger; and

· the opinion of KBW, financial advisor to the GBDC Independent Directors (in their collective capacity as such).

The foregoing list does not include all the factors that the GBDC Board considered in approving the proposed Merger and the Merger Agreement and in recommending that GBDC stockholders approve the amendment to the GBDC certificate of incorporation and the issuance of shares of GBDC Common Stock each necessary to effectuate the Merger. For a further discussion of the material factors considered by the GBDC Board, see “The Merger—Reasons for the Merger.”

GCIC

The GCIC Board consulted with GCIC’s management, GC Advisors, as well as its legal and other advisors and considered numerous factors, including the unanimous recommendation of the GCIC Independent Directors, and determined that the Initial Merger is in GCIC’s best interests and the best interests of GCIC’s stockholders, and that GCIC stockholders will not suffer any dilution for purposes of Rule 17a-8 of the 1940 Act as a result of the Merger.

Certain material factors considered by the GCIC Board and the GCIC Independent Directors as a group that favored the conclusion of the GCIC Board and the GCIC Independent Directors that the Initial Merger is in GCIC’s best interests and the best interests of GCIC’s stockholders included, among others:

· the premium of the consideration to GCIC’s NAV per share as of September 30, 2018;

· the potential incremental value of the consideration from GBDC’s NAV per share accretion;

· the expected increased scale and liquidity of the combined company;

· the merger with a known, diversified portfolio of assets;

· the expected greater access to long-term, low-cost, flexible debt capital;

· the potential for operational synergies;

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the more favorable incentive fee structure under the New Investment Advisory Agreement to be applicable to the combined company after the Merger;

- the investment strategies and risks of GBDC and GCIC;
- the continuity of GC Advisors and the management team;
- the tax consequences of the Merger; and
- the opinion of UBS, financial advisor to the GCIC Independent Directors.

The foregoing list does not include all the factors that the GCIC Board considered in approving the Merger and the Merger Agreement and in recommending that GCIC stockholders approve the Merger and the Merger Agreement.

For a further discussion of the material factors considered by the GCIC Board, see "The Merger—Reasons for the Merger."

GCIC and GBDC Stockholders Do Not Have Appraisal Rights

Neither GCIC stockholders nor GBDC stockholders will be entitled to exercise appraisal rights in connection with the Merger under the laws of the State of Maryland or the State of Delaware.

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RISK FACTORS

In addition to the other information included in this document, stockholders should carefully consider the matters described below in determining whether to approve (i) in the case of GCIC stockholders, the Merger Proposal and (ii) in the case of GBDC stockholders, the Merger Stock Issuance Proposal. The risks associated with an investment in GBDC and GCIC are substantially identical because GBDC and GCIC have the same investment adviser and co-invest in transactions together and with affiliates of GC Advisors and have the same investment objectives and strategies. The risks set out below are not the only risks GBDC and GCIC and, following the Merger, the combined company, face. Additional risks and uncertainties not currently known to GBDC or GCIC or that they currently deem to be immaterial also may materially adversely affect their or, following the Merger, the combined company's, business, financial condition or operating results. If any of the following events occur, GBDC or GCIC or, following the Merger, the combined company's, business, financial condition or results of operations could be materially adversely affected.

Risks Relating to the Merger

Because the market price of GBDC Common Stock will fluctuate, GCIC common stockholders cannot be sure of the market value of the Merger Consideration they will receive until the Closing Date.

The market value of the Merger Consideration may vary from the closing price of GBDC Common Stock on the date the Merger was announced, on the date that this joint proxy statement/prospectus was mailed to stockholders, on the date of the GCIC Special Meeting or the date of the GBDC Special Meeting and on the date the Merger is completed and thereafter. Any change in the market price of GBDC Common Stock prior to completion of the Merger will affect the market value of the Merger Consideration that GCIC stockholders will receive upon completion of the Merger. In addition, if the market price of GBDC Common Stock were to decrease such that the product of the Exchange Ratio and the greater of (i) the closing market price and (ii) the NAV per share of the GBDC Common Stock is less than the NAV per share of GCIC Common Stock the conditions to closing of the Initial Merger would not be satisfied, and the Merger would not close, even if all of the proposals considered at the GBDC Special Meeting and the GCIC Special Meeting were approved by the stockholders of GBDC and GCIC, respectively.

Accordingly, at the time of the GCIC Special Meeting, GCIC stockholders will not know or be able to calculate the market price of the Merger Consideration they would receive upon completion of the Merger. Neither GCIC nor GBDC is permitted to terminate the Merger Agreement or resolicit the vote of their respective stockholders solely because of changes in the market price of shares of GBDC Common Stock after the GCIC Special Meeting.

The market price and liquidity of the market for GBDC Common Stock may be significantly affected by numerous factors, some of which are beyond GBDC's control and may not be directly related to GBDC's operating performance. These factors include:

- significant volatility in the market price and trading volume of securities of business development companies or other companies in GBDC's sector, which are not necessarily related to the operating performance of the companies;
- changes in regulatory policies, accounting pronouncements or tax guidelines, particularly with respect to RICs and business development companies;
- loss of GBDC's qualification as a RIC or business development company;
- changes in market interest rates and decline in the prices of debt,
- changes in earnings or variations in operating results;
- changes in the value of GBDC's portfolio investments;
- changes in accounting guidelines governing valuation of GBDC's investments;

- any shortfall in revenue or net income or any increase in losses from levels expected by investors or securities analysts;
- departure of GC Advisors' or any of its affiliates' key personnel;
- operating performance of companies comparable to GBDC;
- general economic trends and other external factors; and
- loss of a major funding source.

See "Special Note Regarding Forward-Looking Statements" for other factors that could cause the market price of GBDC Common Stock to change.

Closing sales prices of GBDC Common Stock as reported on Nasdaq for the year ended September 30, 2018, ranged from a low of $17.62 to a high of $19.41 and for the period from October 1, 2018 through December 18, 2018 from a low of $16.91 to a high of $19.01. However, historical trading prices are not necessarily indicative of future performance. You should obtain current market quotations for shares of GBDC Common Stock prior to the special meetings.

Sales of shares of GBDC Common Stock after the completion of the Merger may cause the market price of GBDC Common Stock to decline.

Based on the number of outstanding shares of GCIC Common Stock as of November 27, 2018, GBDC would issue approximately 58,044,096 shares of GBDC Common Stock pursuant to the Merger Agreement. Former GCIC stockholders may decide not to hold the shares of GBDC Common Stock that they will receive pursuant to the Merger Agreement. Certain GCIC stockholders, such as funds with limitations on their permitted holdings of stock in individual issuers, may be required to sell the shares of GBDC Common Stock that they receive pursuant to the Merger Agreement. In addition, GBDC stockholders may decide not to hold their shares of GBDC Common Stock after completion of the Merger. In each case, such sales of GBDC Common Stock could have the effect of depressing the market price for GBDC Common Stock and may take place promptly following the completion of the Merger.

GCIC stockholders and GBDC stockholders will experience a reduction in percentage ownership and voting power in the combined company as a result of the Merger.

GCIC stockholders will experience a substantial reduction in their respective percentage ownership interests and effective voting power in respect of the combined company relative to their respective percentage ownership interests in GCIC prior to the Merger. Consequently, GCIC stockholders should expect to exercise less influence over the management and policies of the combined company following the Merger than they currently exercise over the management and policies of GCIC. GBDC stockholders will experience a substantial reduction in their respective percentage ownership interests and effective voting power in respect of the combined company relative to their respective ownership interests in GBDC prior to the Merger. Consequently, GBDC stockholders should expect to exercise less influence over the management and policies of the combined company following the Merger than they currently exercise over the management and policies of GBDC.

If the Merger were consummated as of November 27, 2018, based on the pro forma number of shares of GBDC Common Stock to be issued and outstanding as of such date, GBDC stockholders would own approximately 50.9% of the outstanding GBDC Common Stock, and GCIC stockholders would own approximately 49.1% of the outstanding GBDC Common Stock. Prior to completion of the Merger, subject to certain restrictions in the Merger Agreement, GBDC and GCIC may each issue additional shares of common stock, which would further reduce the percentage ownership of the combined company held by current GBDC stockholders or to be held by GCIC stockholders, as applicable. After completion of the Merger, GBDC may issue additional shares of GBDC Common Stock, including, subject to certain restrictions under the 1940 Act, including stockholder approval of such issuance, at prices below GBDC Common Stock's then-current net asset value per share. The issuance or sale by GBDC of shares of GBDC Common Stock at a discount to net asset value poses a risk of dilution to GBDC and former GCIC stockholders.

GBDC may be unable to realize the benefits anticipated by the Merger, including estimated cost savings, or it may take longer than anticipated to achieve such benefits.

The realization of certain benefits anticipated as a result of the Merger will depend in part on the integration of GCIC's investment portfolio with GBDC's and the integration of GCIC's business with GBDC's business. There can be no assurance that GCIC's investment portfolio or business can be operated profitably or integrated successfully into GBDC's operations in a timely fashion or at all. The dedication of management resources to such integration may detract attention from the day-to-day business of the combined company, and there can be no assurance that there will not be substantial costs associated with the transition process or that there will not be other material adverse effects as a result of these integration efforts. Such effects, including incurring unexpected costs or delays in connection with such integration and failure of GCIC's investment portfolio to perform as expected, could have a material adverse effect on the financial results of the combined company.

GBDC also expects to achieve certain cost savings from the Merger when the two companies have fully integrated their portfolios. It is possible that the estimates of the potential cost savings could ultimately be incorrect. The cost savings estimates also assume GBDC will be able to combine the operations of GBDC and GCIC in a manner that permits those cost savings to be fully realized. If the estimates turn out to be incorrect or if GBDC is not able to combine GCIC's investment portfolio or business with the operations of GBDC successfully, the anticipated cost savings may not be fully realized or realized at all or may take longer to realize than expected.

The Merger may trigger certain "change of control" provisions and other restrictions in contracts of GBDC, GCIC or their affiliates and the failure to obtain any required consents or waivers could adversely impact the combined company.

Certain agreements of GBDC and GCIC or their affiliates, which may include agreements governing indebtedness of GBDC or GCIC, will or may require the consent or waiver of one or more counterparties in connection with the Merger. The failure to obtain any such consent or waiver may permit such counterparties to terminate, or otherwise increase their rights or GBDC's or GCIC's obligations under, any such agreement because the Merger or other transactions contemplated by the Merger Agreement may violate an anti-assignment, change of control or other similar provision relating to any of such transactions. If this occurs, GBDC may have to seek to replace that agreement with a new agreement or seek an amendment to such agreement. GBDC and GCIC cannot assure you that GBDC will be able to replace or amend any such agreement on comparable terms or at all. If these types of provisions are triggered in agreements governing indebtedness of GBDC or GCIC, the lender or holder of the debt instrument could accelerate repayment under such indebtedness and negatively affect GBDC's business, financial condition, results of operations and cash flows. See "Risks Relating to GBDC—Risks Related to GBDC's Business and Structure— GBDC intends to finance its investments with borrowed money, which will accelerate and increase the potential for gain or loss on amounts invested and may increase the risk of investing in GBDC."

If any such agreement is material, the failure to obtain consents, amendments or waivers under, or to replace on similar terms or at all, any of these agreements could adversely affect the financial performance or results of operations of the combined company following the Merger, including preventing GBDC from operating a material part of GCIC's business.

In addition, the consummation of the Merger may violate, conflict with, result in a breach of provisions of, or the loss of any benefit under, constitute a default (or an event that, with or without notice or lapse of time or both, would constitute a default) under, or result in the termination, cancellation, acceleration or other change of any right or obligation (including any payment obligation) under, certain agreements of GBDC or GCIC. Any such violation, conflict, breach, loss, default or other effect could, either individually or in the aggregate, have a material adverse effect on the financial condition, results of operations, assets or business of the combined company following completion of the Merger.

The opinions delivered to the GBDC Board and the GCIC Board by the financial advisors to the GBDC Independent Directors and the GCIC Independent Directors, respectively, prior to signing the Merger Agreement do not reflect changes in circumstances after the date of the opinions.

The opinions of the financial advisors to the GBDC Independent Directors and the GCIC Independent Directors, respectively, were delivered to the parties' respective boards on, and dated, November 27, 2018. Changes in the operations and prospects of GCIC or GBDC, general market and economic conditions and other factors that may be beyond the control of GCIC or GBDC may significantly alter the value of GCIC or the price of shares of GBDC Common Stock by the time the Merger is completed. The opinions do not speak as of the time the Merger will be completed or as of any date other than the date of such opinions. For a description of the opinion that the GCIC Board and the GCIC Independent Directors received from the financial advisor to the GCIC Independent Directors, see "The Merger— Opinion of the Financial Advisor to the GCIC Independent Directors." For a description of the opinion that the GBDC Board and the GBDC Independent Directors received from the financial advisor to the GBDC Independent Directors, see "The Merger—Opinion of the Financial Advisor to the GBDC Independent Directors."

If the Merger does not close, neither GBDC nor GCIC will benefit from the expenses incurred in its pursuit.

The Merger may not be completed. If the Merger is not completed, GBDC and GCIC will have incurred substantial expenses for which no ultimate benefit will have been received. Both companies have incurred out-of-pocket expenses in connection with the Merger for investment banking, legal and accounting fees and financial printing and other related charges, much of which will be incurred even if the Merger is not completed.

The termination of the Merger Agreement could negatively impact GCIC and GBDC.

If the Merger Agreement is terminated, there may be various consequences, including:

- GCIC's and GBDC's businesses may have been adversely impacted by the failure to pursue other beneficial opportunities due to the focus of management on the Merger, without realizing any of the anticipated benefits of completing the Merger;

- the market price of GBDC Common Stock might decline to the extent that the market price prior to termination reflects a market assumption that the Merger will be completed;

- in the case of GCIC, it may not be able to find a party willing to pay an equivalent or more attractive price than the price GBDC agreed to pay in the Merger; and

- the payment of any termination fee, if required under the circumstances, could adversely affect the financial condition and liquidity of GCIC or GBDC.

Under certain circumstances, GCIC and GBDC are obligated to pay each other a termination fee upon termination of the Merger Agreement.

No assurance can be given that the Merger will be completed. The Merger Agreement provides for the payment, subject to applicable law, by GCIC or GBDC, as applicable, of a termination fee of $29 million to GBDC or GCIC, as applicable, if the Merger Agreement is terminated by GCIC or GBDC, as applicable, under certain circumstances, including if

(i) (a) the GCIC Board or the GBDC Board, as applicable, has changed its recommendation in favor of the proposals for its respective stockholders set forth in this joint proxy statement/prospectus, and/or has approved an alternative takeover proposal;

(b) GCIC or GBDC, as applicable, fails to recommend that its stockholders vote in favor of the proposals for its respective stockholders set forth in this joint proxy statement/prospectus;

(c) a takeover proposal by a third-party is announced and the GBDC Board or GCIC Board, as applicable, fails to reaffirm its recommendation that its stockholders vote in favor of the proposals for its respective stockholders set forth in this joint proxy statement/prospectus; or

(d) a tender or exchange offer for GBDC Common Stock or GCIC Common Stock, as applicable, is initiated by a third-party and the GBDC Board or GCIC Board, as applicable, does not recommend rejection of such tender or exchange offer;

(ii) GCIC or GBDC, as applicable, materially breaches any of its obligations relating to the solicitation and administration of takeover proposals from third parties; or

(iii) (1) the Merger is not completed by November 27, 2019, the GBDC stockholders or GCIC stockholders, as applicable, do not approve the applicable proposals set forth in this joint proxy statement/prospectus, at their respective special meetings, or GCIC or GBDC, as applicable, willfully or intentionally breaches its representations, warranties, covenants or agreements in the Merger Agreement,

(2) an alternative takeover proposal of GCIC or GBDC, as applicable, is disclosed after the date of the Merger Agreement; and

(3) GCIC or GBDC, as applicable, enters into an agreement with respect to such takeover proposal within twelve (12) months after the Merger Agreement is terminated and such takeover is subsequently completed, subject to applicable law.

See "Description of the Merger Agreement—Termination of the Merger Agreement" for a discussion of the circumstances that could result in the payment of a termination fee. GBDC or GCIC, as applicable, will be the entities entitled to receive any termination fees under the Merger Agreement. Each of the GBDC Board and GCIC Board have approved the amount of the termination fee which may be paid.

The Merger Agreement limits the ability of GBDC and GCIC to pursue alternatives to the Merger.

The Merger Agreement contains provisions that limit each of GBDC's and GCIC's ability to discuss, facilitate or commit to competing third-party proposals to acquire all or a significant part of GBDC or GCIC, as applicable. These provisions, which are typical for transactions of this type, and include a $29 million termination fee payable under certain circumstances, might discourage a potential competing acquiror that might have an interest in acquiring all or a significant part of GBDC or GCIC from considering or proposing that acquisition even if it were prepared to pay consideration with a higher per share market price than that proposed in the Merger or might result in a potential competing acquiror proposing to pay a lower per share price to acquire GBDC or GCIC than it might otherwise have proposed to pay.

The Merger is subject to closing conditions, including stockholder approvals, that, if not satisfied or waived, will result in the Merger not being completed, which may result in material adverse consequences to GCIC's and GBDC's business and operations.

The Merger is subject to closing conditions, including certain approvals of GCIC's and GBDC's respective stockholders that, if not satisfied, will prevent the Merger from being completed. The closing condition that GCIC's stockholders approve the Merger Proposal may not be waived under applicable law and must be satisfied for the Merger to be completed. GCIC currently expects that all directors and executive officers of GCIC will vote their shares of GCIC Common Stock in favor of the proposals presented at the GCIC Special Meeting. If GCIC's stockholders do not approve the Merger Proposal and the Merger is not completed, the resulting failure of the Merger could have a material adverse impact on GCIC's business and operations. The closing condition that GBDC's stockholders approve the Certificate of Incorporation Amendment Proposal and the Merger Stock Issuance Proposal may not be waived under applicable law and must be satisfied for the Merger to be completed. In addition, closing of the Merger is conditioned upon approval of the Advisory Agreement Amendment Proposal by GBDC Stockholders. GBDC currently expects that all directors and executive officers of GBDC will vote their shares of GBDC Common Stock in favor of the proposals presented at the GBDC Special Meeting. If GBDC's stockholders do not approve each of the Certificate of Incorporation Amendment Proposal, the Merger Stock Issuance Proposal and the Advisory Agreement Amendment Proposal and the Merger is not completed, the resulting failure of the Merger could have a material adverse impact on GBDC's business and operations. In addition to the required approvals of GCIC's and GBDC's stockholders, the Merger is subject to a number of other conditions beyond GCIC's and GBDC's control that may prevent, delay or otherwise materially adversely affect its completion. Neither GCIC nor GBDC can predict whether and when these other conditions will be satisfied.

GBDC and GCIC will be subject to operational uncertainties and contractual restrictions while the Merger is pending.

Uncertainty about the effect of the Merger may have an adverse effect on GBDC and GCIC and, consequently, on the combined company following completion of the Merger. These uncertainties may cause those that deal with GBDC and GCIC to seek to change their existing business relationships with GBDC and GCIC, respectively. In addition, the Merger Agreement restricts GBDC and GCIC from taking actions that they might otherwise consider to be in their best interests. These restrictions may prevent GBDC and GCIC from pursuing certain business opportunities that may arise prior to the completion of the Merger. Please see the section entitled "Description of the Merger Agreement—Conduct of Business Pending Completion of the Merger" for a description of the restrictive covenants to which GCIC is subject.

GBDC and GCIC may waive one or more conditions to the Merger without resoliciting stockholder approval.

Certain conditions to GBDC’s and GCIC’s obligations to complete the Merger may be waived, in whole or in part, to the extent legally allowed, either unilaterally or by agreement of GBDC and GCIC. In the event that any such waiver does not require resolicitation of stockholders, the parties to the Merger Agreement will have the discretion to complete the Merger without seeking further stockholder approval. The conditions requiring the approval of each of the Certificate of Incorporation Amendment Proposal and the Merger Stock Issuance Proposal by GBDC's stockholders and the Merger Proposal by GCIC's stockholders, however, cannot be waived.

The shares of GBDC Common Stock to be received by GCIC stockholders as a result of the Merger will have different rights associated with them than shares of GCIC Common Stock currently held by them.

The rights associated with GCIC Common Stock are different from the rights associated with GBDC Common Stock. See “Comparison of GBDC and GCIC Stockholder Rights.”

The market price of GBDC Common Stock after the Merger may be affected by factors different from those affecting GBDC Common Stock currently.

The businesses of GBDC and GCIC differ in some respects and, accordingly, the results of operations of the combined company and the market price of GBDC Common Stock after the Merger may be affected by factors different from those currently affecting the independent results of operations of each of GBDC and GCIC. These factors include a larger stockholder base and a different capital structure.

Accordingly, the historical trading prices and financial results of GBDC may not be indicative of these matters for the combined company following the Merger. For a discussion of the business of GBDC and of certain factors to consider in connection with its business, see “Business of Golub Capital BDC, Inc.” For a discussion of the business of GCIC and of certain factors to consider in connection with its business, see “Business of Golub Capital Investment Corporation.” As described elsewhere in the joint proxy statement/prospectus, the risks associated with an investment in GBDC and GCIC are substantially identical.

Risks Relating to GBDC

Risks Relating to GBDC's Business and Structure

GBDC is subject to risks associated with the current interest rate environment and to the extent GBDC uses debt to finance its investments, changes in interest rates will affect GBDC's cost of capital and net investment income.

Since the economic downturn that began in mid-2007, interest rates have remained low. Because longer-term inflationary pressure is likely to result from the U.S. government's fiscal policies and challenges during this time, GBDC will likely experience rising interest rates, rather than falling rates, and has experienced increases to LIBOR in 2018.

To the extent GBDC borrows money or issues debt securities or preferred stock to make investments, GBDC's net investment income depends, in part, upon the difference between the rate at which GBDC borrows funds or pays interest or dividends on such debt securities or preferred stock and the rate at which GBDC invests these funds. In addition, many of GBDC's debt investments and borrowings have floating interest rates that reset on a periodic basis, and many of GBDC's investments are subject to interest rate floors. As a result, a change in market interest rates could have a material adverse effect on GBDC's net investment income, in particular with respect to increases from current levels to the level of the interest rate floors on certain investments. In periods of rising interest rates, GBDC's cost of funds increases because the interest rates on the majority of amounts GBDC has borrowed are floating, which could reduce GBDC's net investment income to the extent any debt investments have fixed interest rates, and the interest rate on investments with an interest rate floor will not increase until interest rates exceed the applicable floor. GBDC may use interest rate risk management techniques in an effort to limit its exposure to interest rate fluctuations. Such techniques may include various interest rate hedging activities to the extent permitted by the 1940 Act and applicable commodities laws. These activities may limit GBDC's ability to participate in the benefits of lower interest rates with respect to the hedged borrowings. Adverse developments resulting from changes in interest rates or hedging transactions could have a material adverse effect on GBDC's business, financial condition and results of operations.

You should also be aware that a rise in the general level of interest rates typically leads to higher interest rates applicable to GBDC's debt investments, which may result in an increase of the amount of incentive fees payable to GC Advisors. Also, an increase in interest rates available to investors could make an investment in GBDC Common Stock less attractive if GBDC is not able to increase its distribution rate, which could reduce the value of GBDC Common Stock.

In July 2017, the head of the United Kingdom Financial Conduct Authority announced the desire to phase out the use of LIBOR by the end of 2021. There is currently no definitive information regarding the future utilization of LIBOR or of any particular replacement rate. As such, the potential effect of any such event on GBDC's cost of capital and net investment income cannot yet be determined. In addition, any further changes or reforms to the determination or supervision of LIBOR may result in a sudden or prolonged increase or decrease in reported LIBOR, which could have an adverse impact on the market value for or value of any LIBOR-linked securities, loans, and other financial obligations or extensions of credit held by or due to GBDC and could have a material adverse effect on GBDC's business, financial condition and results of operations.

Global capital markets could enter a period of severe disruption and instability. These conditions have historically affected and could again materially and adversely affect debt and equity capital markets in the United States and around the world and GBDC's business.

The U.S. and global capital markets have in the past and may in the future experience periods of extreme volatility and disruption during economic downturns and recessions. Increases to budget deficits or direct and contingent sovereign debt, may create concerns about the ability of certain nations to service their sovereign debt obligations, and risks resulting from any such debt crisis in Europe, the United States or elsewhere could have a detrimental impact on the global economy, sovereign and non-sovereign debt in certain countries and the financial condition of financial institutions generally. Austerity measures that certain countries may agree to as part of any debt crisis or disruptions to major financial trading markets may adversely affect world economic conditions and have an adverse impact on GBDC's business and that of its portfolio companies. In June 2016, the United Kingdom held a referendum in which voters approved an exit from the European Union, and the implications of the United Kingdom's pending withdrawal from the European Union are unclear at present. Market and economic disruptions, which may be caused by political trends and government actions in the United States or elsewhere, have in the past and may in the future affect, the U.S. capital markets, which could adversely affect GBDC's business and that of its portfolio companies and the broader financial and credit markets and reduce the availability of debt and equity capital for the market as a whole and to financial firms, in particular. At various times, such disruptions have resulted in, and may in the future result, a lack of liquidity in parts of the debt capital markets, significant write-offs in the financial services sector and the repricing of credit risk. Such conditions may occur for a prolonged period of time again and may materially worsen in the future, including as a result of U.S. government shutdowns or further downgrades to the U.S. government's sovereign credit rating or the perceived credit worthiness of the United States or other large global economies. Unfavorable economic conditions, including future recessions, also could increase GBDC's funding costs, limit GBDC's access to the capital markets or result in a decision by lenders not to extend credit to GBDC. GBDC may in the future have difficulty accessing debt and equity capital on attractive terms, or at all, and a severe disruption and instability in the global financial markets or deteriorations in credit and financing conditions may cause GBDC to reduce the volume of loans it originates and/or funds, adversely affect the value of GBDC's portfolio investments or otherwise have a material adverse effect on GBDC's business, financial condition, results of operations and cash flows.

GBDC is dependent upon GC Advisors for its success and upon their access to the investment professionals and partners of Golub Capital and its affiliates.

GBDC does not have any internal management capacity or employees. GBDC depends on the diligence, skill and network of business contacts of the senior investment professionals of GC Advisors to achieve its investment objective. GC Advisors' investment committee, which consists of two members of the GBDC Board and two additional employees of Golub Capital LLC, provides oversight over GBDC's investment activities. GBDC also cannot assure you that GBDC will replicate the historical results achieved for other Golub Capital funds by members of the investment committee. GBDC cautions you that its investment returns could be substantially lower than the returns achieved by them in prior periods. GBDC expects that GC Advisors will evaluate, negotiate, structure, close and monitor GBDC's investments in accordance with the terms of the Current GBDC Investment Advisory Agreement. GBDC can offer no assurance, however, that the senior investment professionals of GC Advisors will continue to provide investment advice to GBDC. If these individuals do not maintain their existing relationships with Golub Capital LLC and its affiliates and do not develop new relationships with other sources of investment opportunities, GBDC may not be able to identify appropriate replacements or grow its investment portfolio. The loss of any member of GC Advisors' investment committee or of other senior investment professionals of GC Advisors and its affiliates would limit GBDC's ability to achieve its investment objective and operate as it anticipates. This could have a material adverse effect on GBDC's financial condition, results of operations and cash flows.

The Staffing Agreement provides that Golub Capital LLC makes available to GC Advisors experienced investment professionals and provides access to the senior investment personnel of Golub Capital LLC for purposes of evaluating, negotiating, structuring, closing and monitoring GBDC’s investments. GBDC is not a party to the Staffing Agreement and cannot assure you that Golub Capital LLC will fulfill its obligations under the agreement. If Golub Capital LLC fails to perform, GBDC cannot assure you that GC Advisors will enforce the Staffing Agreement, that such agreement will not be terminated by either party or that GBDC will continue to have access to the investment professionals of Golub Capital LLC and its affiliates or their information and deal flow.

GBDC’s business model depends to a significant extent upon strong referral relationships with sponsors. Any inability of GC Advisors to maintain or develop these relationships, or the failure of these relationships to generate investment opportunities, could adversely affect GBDC’s business.

GBDC depends upon Golub Capital LLC’s relationships with sponsors, and GBDC intends to rely to a significant extent upon these relationships to provide it with potential investment opportunities. If Golub Capital LLC fails to maintain such relationships, or to develop new relationships with other sponsors or sources of investment opportunities, GBDC cannot grow its investment portfolio. In addition, individuals with whom the principals of Golub Capital LLC have relationships are not obligated to provide GBDC with investment opportunities, and, therefore, GBDC can offer no assurance that these relationships will generate investment opportunities for it.

GBDC’s financial condition, results of operations and cash flows depend on its ability to manage its business effectively.

GBDC’s ability to achieve its investment objective depends on its ability to manage its business and to grow. This depends, in turn, on GC Advisors’ ability to identify, invest in and monitor companies that meet GBDC’s investment criteria. The achievement of GBDC’s investment objectives on a cost-effective basis depends upon GC Advisors’ execution of GBDC’s investment process, its ability to provide competent, attentive and efficient services to GBDC and, to a lesser extent, on GBDC’s access to financing on acceptable terms. GC Advisors has substantial responsibilities under the Current GBDC Investment Advisory Agreement, as well as responsibilities in connection with the management of other accounts sponsored or managed by GC Advisors, members of GC Advisors’ investment committee or Golub Capital LLC and its affiliates. The personnel of the Administrator and its affiliates may be called upon to provide managerial assistance to GBDC’s portfolio companies. These activities may distract them or slow GBDC’s rate of investment. Any failure to manage GBDC’s business and its future growth effectively could have a material adverse effect on GBDC’s business, financial condition, results of operations and cash flows.

There are significant potential conflicts of interest that could affect GBDC’s investment returns.

As a result of GBDC's arrangements with GC Advisors and its affiliates and GC Advisors' investment committee, there may be times when GC Advisors or such persons have interests that differ from those of GBDC's securityholders, giving rise to a conflict of interest.

Conflicts related to obligations GC Advisors' investment committee, GC Advisors or its affiliates have to other clients and conflicts related to fees and expenses of such other clients.

The members of GC Advisors' investment committee serve or may serve as officers, directors or principals of entities that operate in the same or a related line of business as GBDC does or of accounts sponsored or managed by GC Advisors or its affiliates. Currently, GBDC's officers and directors also serve as officers and directors of GCIC and Golub Capital BDC 3, Inc. ("GBDC 3"), each a closed-end, non-diversified management investment company that has elected to be regulated as a business development company under the 1940 Act. Similarly, GC Advisors or its affiliates currently manage and may have other clients with similar or competing investment objectives. In serving in these multiple capacities, they may have obligations to other clients or investors in those entities, the fulfillment of which may not be in the best interests of GBDC or its stockholders. For example, Lawrence E. Golub and David B. Golub have management responsibilities for other accounts managed or sponsored by GC Advisors or its affiliates, including GCIC and GBDC 3. GBDC's investment objective may overlap with the investment objectives of such affiliated accounts. For example, GC Advisors currently manages GCIC, GBDC 3 and several private funds, some of which may seek additional capital from time to time, that are pursuing an investment strategy similar to GBDC's, and GBDC may compete with these and other accounts sponsored or managed by GC Advisors and its affiliates for capital and investment opportunities. As a result, those individuals may face conflicts in the allocation of investment opportunities among GBDC and other accounts advised by or affiliated with GC Advisors. Certain of these accounts may provide for higher management or incentive fees, greater expense reimbursements or overhead allocations, or permit GC Advisors and its affiliates to receive higher origination and other transaction fees, all of which may contribute to this conflict of interest and create an incentive for GC Advisors to favor such other accounts. For example, the 1940 Act restricts GC Advisors from receiving more than a 1% fee in connection with loans that GBDC acquires, or originates, a limitation that does not exist for certain other accounts. GC Advisors seeks to allocate investment opportunities among eligible accounts in a manner that is fair and equitable over time and consistent with its allocation policy. However, GBDC can offer no assurance that such opportunities will be allocated to GBDC fairly or equitably in the short-term or over time, and there can be no assurance that GBDC will be able to participate in all investment opportunities that are suitable to it.

GC Advisors' investment committee, GC Advisors or its affiliates may, from time to time, possess material non-public information, limiting GBDC's investment discretion.

Principals of GC Advisors and its affiliates and members of GC Advisors' investment committee may serve as directors of, or in a similar capacity with, companies in which GBDC invests, the securities of which are purchased or sold on GBDC's behalf. In the event that material nonpublic information is obtained with respect to such companies, or GBDC becomes subject to trading restrictions under the internal trading policies of those companies or as a result of applicable law or regulations, GBDC could be prohibited for a period of time from purchasing or selling the securities of such companies, and this prohibition may have an adverse effect on GBDC.

GBDC's management and incentive fee structure may create incentives for GC Advisors that are not fully aligned with the interests of GBDC's stockholders and may induce GC Advisors to make certain investments, including speculative investments.

In the course of GBDC's investing activities, GBDC pays management and incentive fees to GC Advisors. The management fee is based on GBDC's average adjusted gross assets and the incentive fee is computed and paid on income, both of which include leverage. As a result, investors in GBDC Common Stock will invest on a "gross" basis and receive distributions on a "net" basis after expenses, resulting in a lower rate of return than one might achieve through direct investments. Because these fees are based on GBDC's average adjusted gross assets, GC Advisors benefits when GBDC incurs debt or use leverage. Under certain circumstances, the use of leverage may increase the likelihood of default, which would negatively impact GBDC's securityholders.

Additionally, the incentive fee payable by GBDC to GC Advisors may create an incentive for GC Advisors to cause GBDC to realize capital gains or losses that may not be in the best interests of GBDC or its stockholders. Under the incentive fee structure, GC Advisors benefits when GBDC recognizes capital gains and, because GC Advisors determines when an investment is sold, GC Advisors controls the timing of the recognition of such capital gains. The GBDC Board is charged with protecting its stockholders' interests by monitoring how GC Advisors addresses these and other conflicts of interest associated with its management services and compensation.

The part of the management and incentive fees payable to GC Advisors that relates to GBDC's net investment income is computed and paid on income that may include interest income that has been accrued but not yet received in cash, such as market discount, debt instruments with payment-in-kind ("PIK") interest, preferred stock with PIK dividends, zero coupon securities, and other deferred interest instruments and may create an incentive for GC Advisors to make investments on GBDC's behalf that are riskier or more speculative than would be the case in the absence of such compensation arrangement. This fee structure may be considered to give rise to a conflict of interest for GC Advisors to the extent that it may encourage GC Advisors to favor debt financings that provide for deferred interest, rather than current cash payments of interest. Under these investments, GBDC accrues the interest over the life of the investment but does not receive the cash income from the investment until the end of the term. GBDC's net investment income used to calculate the income portion of its investment fee, however, includes accrued interest. GC Advisors may have an incentive to invest in deferred interest securities in circumstances where it would not have done so but for the opportunity to continue to earn the fees even when the issuers of the deferred interest securities would not be able to make actual cash payments to GBDC on such securities. This risk could be increased because GC Advisors is not obligated to reimburse GBDC for any fees received even if GBDC subsequently incurs losses or never receives in cash the deferred income that was previously accrued.

The valuation process for certain of GBDC’s portfolio holdings creates a conflict of interest.

The majority of GBDC’s portfolio investments are expected to be made in the form of securities that are not publicly traded. As a result, the GBDC Board determines the fair value of these securities in good faith. In connection with that determination, investment professionals from GC Advisors may provide the GBDC Board with portfolio company valuations based upon the most recent portfolio company financial statements available and projected financial results of each portfolio company. In addition, Lawrence E. Golub and David B. Golub have an indirect pecuniary interest in GC Advisors. The participation of GC Advisors’ investment professionals in GBDC’s valuation process, and the indirect pecuniary interest in GC Advisors by Lawrence E. Golub and David B. Golub, could result in a conflict of interest as GC Advisors’ management fee is based, in part, on GBDC’s average adjusted gross assets and GBDC’s incentive fees are based, in part, on unrealized gains and losses.

Conflicts related to other arrangements with GC Advisors or its affiliates.

GBDC has entered into a license agreement with Golub Capital LLC under which Golub Capital LLC has granted GBDC a non-exclusive, royalty-free license to use the name “Golub Capital.” In addition, GBDC pays to the Administrator GBDC’s allocable portion of overhead and other expenses incurred by the Administrator in performing its obligations under the Administration Agreement, such as rent and GBDC’s allocable portion of the cost of its chief financial officer and chief compliance officer and their respective staffs. These arrangements create conflicts of interest that the GBDC Board must monitor.

The Current GBDC Investment Advisory Agreement and the Administration Agreement were not negotiated on an arm’s-length basis and may not be as favorable to GBDC as if they had been negotiated with an unaffiliated third party.

The Current GBDC Investment Advisory Agreement and the Administration Agreement were negotiated between related parties. Consequently, their terms, including fees payable to GC Advisors, may not be as favorable to GBDC as if they had been negotiated with an unaffiliated third party. For example, certain accounts managed by GC Advisors have lower management, incentive or other fees than those charged under the Current GBDC Investment Advisory Agreement and/or a reduced ability to recover expenses and overhead than may be recovered by the Administrator under the Administration Agreement. In addition, GBDC may choose not to enforce, or to enforce less vigorously, its rights and remedies under these agreements and its unsecured revolving credit facility with GC Advisors (the “Adviser Revolver”) because of GBDC’s desire to maintain its ongoing relationship with GC Advisors, the Administrator and their respective affiliates. Any such decision, however, would breach GBDC’s fiduciary obligations to its stockholders.

GBDC's ability to enter into transactions with its affiliates is restricted, which limits the scope of investments available to GBDC.

GBDC is prohibited under the 1940 Act from participating in certain transactions with its affiliates without the prior approval of the GBDC Independent Directors and, in some cases, the SEC. Any person that owns, directly or indirectly, five percent or more of GBDC's outstanding voting securities is GBDC's affiliate for purposes of the 1940 Act, and GBDC is generally prohibited from buying or selling any security from or to such affiliate, absent the prior approval of the GBDC Independent Directors. GBDC's considers GC Advisors and its affiliates to be GBDC's affiliates for such purposes. The 1940 Act also prohibits certain "joint" transactions with certain of GBDC's affiliates, which could include investments in the same portfolio company, without prior approval of the GBDC Independent Directors and, in some cases, the SEC. GBDC is prohibited from buying or selling any security from or to, among others, any person who owns more than 25% of its voting securities or certain of that person's affiliates, or entering into prohibited joint transactions with such persons, absent the prior approval of the SEC.

GBDC may, however, invest alongside GC Advisors' and its affiliates' other clients in certain circumstances where doing so is consistent with applicable law and SEC staff interpretations. For example, GBDC may invest alongside such accounts consistent with guidance promulgated by the SEC staff permitting GBDC and such other accounts to purchase interests in a single class of privately placed securities so long as certain conditions are met, including that GC Advisors, acting on GBDC's behalf and on behalf of its other clients, negotiates no term other than price. GBDC may also invest alongside GC Advisors' other clients as otherwise permissible under regulatory guidance, applicable regulations and GC Advisors' allocation policy. Under this allocation policy, if an investment opportunity is appropriate for GBDC and another similar eligible account, the opportunity will be allocated pro rata based on the relative capital available for investment of each of GBDC and such other eligible accounts, subject to minimum and maximum investment size limits. However, GBDC can offer no assurance that investment opportunities will be allocated to it fairly or equitably in the short-term or over time.

In situations in which co-investment with other accounts 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, GBDC and such other entities may make investments in the same issuer or where the different investments could be expected to result in a conflict between GBDC's interests and those of other GC Advisors clients, GC Advisors needs to decide whether GBDC or such other entity or entities will proceed with such investments. GC Advisors makes these determinations based on its policies and procedures, which generally require that such investment opportunities be offered to eligible accounts on a basis that is fair and equitable over time, including, for example, through random or rotational methods. Moreover, in certain circumstances, GBDC may be unable to invest in an issuer in which an account sponsored or managed by GC Advisors or its affiliates has previously invested. Similar restrictions limit GBDC's ability to transact business with its officers or directors or their affiliates. These restrictions may limit the scope of investment opportunities that would otherwise be available to GBDC.

On February 27, 2017, GC Advisors and certain other funds and accounts sponsored or managed by GC Advisors and its affiliates, received exemptive relief from the SEC that permits GBDC greater flexibility to negotiate the terms of co-investments if the GBDC Board determines that it would be advantageous for GBDC to co-invest with other accounts sponsored or managed by GC Advisors or its affiliates in a manner consistent with GBDC's investment objectives, positions, policies, strategies and restrictions as well as regulatory requirements and other pertinent factors. Under the terms of this exemptive relief, a "required majority" (as defined in Section 57(o) of the 1940 Act) of the GBDC Independent Directors is required to make certain conclusions in connection with a co-investment transaction, including that (1) the terms of the proposed transaction are reasonable and fair to GBDC and its stockholders and do not involve overreaching of GBDC or its stockholders on the part of any person concerned and (2) the transaction is consistent with the interests of GBDC's stockholders and is consistent with its investment strategies and policies.

GBDC may be the target of litigation.

GBDC may be the target of securities litigation in the future, particularly if the trading price of the GBDC Common Stock fluctuates significantly. GBDC could also generally be subject to litigation, including derivative actions by its stockholders. Any litigation could result in substantial costs and divert management's attention and resources from GBDC's business and cause a material adverse effect on its business, financial condition and results of operations.

GBDC operates in a highly competitive market for investment opportunities, which could reduce returns and result in losses.

A number of entities compete with GBDC to make the types of investments that GBDC plans to make. GBDC competes with public and private funds, commercial and investment banks, commercial financing companies and, to the extent they provide an alternative form of financing, private equity and hedge funds. Many of GBDC's competitors are substantially larger and have considerably greater financial, technical and marketing resources than GBDC does. For example, GBDC believes some of its competitors may have access to funding sources that are not available to GBDC. In addition, some of GBDC's competitors may have higher risk tolerances or different risk assessments, which could allow them to consider a wider variety of investments and establish more relationships than GBDC. Furthermore, many of GBDC's competitors are not subject to the regulatory restrictions that the 1940 Act imposes on GBDC as a business development company or the source of income, asset diversification and distribution requirements GBDC must satisfy to maintain its qualification as a RIC. The competitive pressures GBDC faces may have a material adverse effect on its business, financial condition, results of operations and cash flows. As a result of this competition, GBDC may not be able to take advantage of attractive investment opportunities from time to time, and GBDC may not be able to identify and make investments that are consistent with its investment objective.

With respect to the investments GBDC makes, GBDC does not seek to compete based primarily on the interest rates GBDC offers, and GBDC believes that some of its competitors may make loans with interest rates that are lower than the rates GBDC offers. In the secondary market for acquiring existing loans, GBDC competes generally on the basis of pricing terms. With respect to all investments, GBDC may lose some investment opportunities if GBDC does not match its competitors' pricing, terms and structure. However, if GBDC matches its competitors' pricing, terms and structure, GBDC may experience decreased net interest income, lower yields and increased risk of credit loss. GBDC may also compete for investment opportunities with accounts managed or sponsored by GC Advisors or its affiliates. Although GC Advisors allocates opportunities in accordance with its allocation policy, allocations to such other accounts will reduce the amount and frequency of opportunities available to GBDC and may not be in the best interests of GBDC and its securityholders. Moreover, the performance of investments will not be known at the time of allocation.

GBDC will be subject to corporate-level income tax if it is unable to qualify as a RIC.

In order to be subject to tax as a RIC under the Code, GBDC must meet certain source-of-income, asset diversification and distribution requirements. The distribution requirement for a RIC is satisfied if GBDC distributes to its stockholders dividends for U.S. federal income tax purposes of an amount generally at least equal to 90% of its investment company taxable income, which is generally GBDC's net ordinary income plus the excess of its net short-term capital gains in excess of its net long-term capital losses, determined without regard to any deduction for dividends paid, to GBDC stockholders on an annual basis. GBDC is subject, to the extent it uses debt financing, to certain asset coverage ratio requirements under the 1940 Act and financial covenants under loan and credit agreements that could, under certain circumstances, restrict GBDC from making distributions necessary to qualify as a RIC. If GBDC is unable to obtain cash from other sources, GBDC may fail to be subject to tax as a RIC and, thus, may be subject to corporate-level income tax. To qualify as a RIC, GBDC must also meet certain asset diversification requirements at the end of each quarter of its taxable year. Failure to meet these requirements may result in GBDC having to dispose of certain investments quickly in order to prevent the loss of its qualification as a RIC. Because most of GBDC's investments are in private or thinly traded public companies, any such dispositions could be made at disadvantageous prices and may result in substantial losses. If GBDC fails to qualify as a RIC for any reason and become subject to corporate-level income tax, the resulting corporate taxes could substantially reduce its net assets, the amount of income available for distributions to stockholders and the amount of its distributions and the amount of funds available for new investments. Such a failure would have a material adverse effect on GBDC and its securityholders. See "Certain Material U.S. Federal Income Tax Consequences of the Merger—U.S. Federal Income Taxation of an Investment in GBDC Common Stock—Election to be Taxed as a RIC."

GBDC may need to raise additional capital to grow because it must distribute most of its income.

GBDC may need additional capital to fund new investments and grow its portfolio of investments. GBDC intends to access the capital markets periodically to issue debt or equity securities or borrow from financial institutions in order to obtain such additional capital. Unfavorable economic conditions could increase GBDC's funding costs, limit its access to the capital markets or result in a decision by lenders not to extend credit to GBDC. A reduction in the availability of new capital could limit GBDC's ability to grow. In addition, GBDC is required to distribute each taxable year an amount at least equal to 90% of its investment company taxable income, determined without regard to any deduction for dividends paid as dividends for U.S. federal income tax purposes, to its stockholders to maintain its ability to be subject to tax as a RIC. As a result, these earnings are not available to fund new investments. An inability to access the capital markets successfully could limit GBDC's ability to grow its business and execute its business strategy fully and could decrease its earnings, if any, which may have an adverse effect on the value of its securities. Furthermore, to the extent GBDC is not able to raise capital and is at or near its targeted leverage ratios, GBDC may receive smaller allocations, if any, on new investment opportunities under GC Advisors' allocation policy and has, in the past, received such smaller allocations under similar circumstances.

GBDC may have difficulty paying its required distributions if it recognizes income before, or without, receiving cash representing such income.

For U.S. federal income tax purposes, GBDC includes in income certain amounts that it has not yet received in cash, such as the accretion of original issue discount. This arises if GBDC receives warrants in connection with the making of a loan and in other circumstances, or through contracted PIK interest, which represents contractual interest added to the loan balance and due at the end of the loan term. Such original issue discount, which could be significant relative to GBDC's overall investment activities, or increases in loan balances as a result of contracted PIK arrangements, is included in income before GBDC receives any corresponding cash payments. GBDC also may be required to include in income certain other amounts that it does not receive in cash.

That part of the incentive fee payable by GBDC that relates to its net investment income is computed and paid on income that may include interest that has been accrued but not yet received in cash, such as market discount, debt instruments with PIK interest, preferred stock with PIK dividends and zero coupon securities. If a portfolio company defaults on a loan that is structured to provide accrued interest, it is possible that accrued interest previously used in the calculation of the incentive fee will become uncollectible, and GC Advisors will have no obligation to refund any fees it received in respect of such accrued income.

Since in certain cases GBDC may recognize income before or without receiving cash representing such income, GBDC may have difficulty meeting the annual distribution requirement applicable to RICs. In such a case, GBDC may have to sell some of its investments at times it would not consider advantageous, raise additional debt or equity capital or reduce new investment originations to meet these distribution requirements. If GBDC is not able to obtain such cash from other sources, GBDC may fail to qualify as a RIC and thus be subject to corporate-level income tax. See "Certain Material U.S. Federal Income Tax Consequences of the Merger—U.S. Federal Income Taxation of an Investment in GBDC Common Stock—Election to be Taxed as a RIC."

Regulations governing GBDC's operation as a business development company affect its ability to, and the way in which it, raises additional capital. As a business development company, the necessity of raising additional capital exposes GBDC to risks, including the typical risks associated with leverage.

GBDC may issue debt securities or preferred stock and/or borrow money from banks or other financial institutions, which GBDC refers to collectively as "senior securities," up to the maximum amount permitted by the 1940 Act. Under the provisions of the 1940 Act, GBDC is permitted as a business development company to issue senior securities in amounts such that its asset coverage, as defined in the 1940 Act, equals at least 200%, or 150% if the stockholders of GBDC approve a proposal to be subject to a reduced asset coverage requirement at GBDC's annual meeting of stockholders currently scheduled for February 5, 2019 and subject to GBDC's compliance with certain disclosure requirements thereafter, of gross assets (other than the U.S. Small Business Administration ("SBA") debentures of a small business investment company ("SBIC") subsidiary, as permitted by exemptive relief GBDC has been granted by the SEC) less all liabilities and indebtedness not represented by senior securities, after each issuance of senior securities (other than the debentures of an SBIC subsidiary, as permitted by exemptive relief GBDC has been granted by the SEC). If the value of GBDC's assets declines, GBDC may be unable to satisfy this ratio. If that happens, GBDC may be required to sell a portion of its investments and, depending on the nature of its leverage, repay a portion of its indebtedness at a time when such sales may be disadvantageous. This could have a material adverse effect on GBDC's operations and GBDC may not be able to make distributions in an amount sufficient to be subject to tax as a RIC, or at all. Also, any amounts that GBDC uses to service its indebtedness are not available for distributions to GBDC stockholders. If GBDC issues senior securities, GBDC will be exposed to typical risks associated with leverage, including an increased risk of loss. As of September 30, 2018, GBDC had $845.7 million of outstanding borrowings, including $197.5 million outstanding under the 2014 Debt Securitization.

In the absence of an event of default, no person or entity from which GBDC borrows money has a veto right or voting power over its ability to set policy, make investment decisions or adopt investment strategies. If GBDC issues preferred stock, which is another form of leverage, the preferred stock would rank "senior" to common stock in GBDC's capital structure, preferred stockholders would have separate voting rights on certain matters and might have other rights, preferences or privileges more favorable than those of the GBDC common stockholders, and the issuance of preferred stock could have the effect of delaying, deferring or preventing a transaction or a change of control that might involve a premium price for holders of GBDC Common Stock or otherwise be in the best interest of GBDC's common stockholders. Holders of GBDC Common Stock will directly or indirectly bear all of the costs associated with offering and servicing any preferred stock that GBDC issues. In addition, any interests of preferred stockholders may not necessarily align with the interests of holders of GBDC Common Stock and the rights of holders of shares of preferred stock to receive distributions would be senior to those of holders of shares of GBDC Common Stock. GBDC does not, however, anticipate issuing preferred stock in the next 12 months.

GBDC is not generally able to issue and sell GBDC Common Stock at a price below net asset value per share. GBDC may, however, sell GBDC Common Stock, or warrants, options or rights to acquire GBDC Common Stock, at a price below the then-current net asset value per share of GBDC Common Stock if the GBDC Board determines that such sale is in the best interests of GBDC and its stockholders, and if GBDC's stockholders approve such sale. In any such case, the price at which GBDC's securities are to be issued and sold may not be less than a price that, in the determination of the GBDC Board, closely approximates the market value of such securities (less any distributing commission or discount). If GBDC raises additional funds by issuing common stock or senior securities convertible into, or exchangeable for, GBDC Common Stock, then the percentage ownership of GBDC's stockholders at that time will decrease, and holders of GBDC Common Stock might experience dilution.

GBDC intends to finance its investments with borrowed money, which will accelerate and increase the potential for gain or loss on amounts invested and may increase the risk of investing in GBDC.

The use of leverage accelerates and increases the potential for gain or loss on amounts invested. The use of leverage is generally considered a speculative investment technique and increases the risks associated with investing in GBDC's securities. The amount of leverage that GBDC employs will depend on GC Advisors' and the GBDC Board's assessment of market and other factors at the time of any proposed borrowing. GBDC cannot assure you that it will be able to obtain credit at all or on terms acceptable to it. GBDC may issue senior debt securities to banks, insurance companies and other lenders. Lenders of these senior securities will have fixed dollar claims on GBDC's assets that are superior to the claims of GBDC's common stockholders, and GBDC would expect such lenders to seek recovery against GBDC's assets in the event of a default. GBDC may pledge up to 100% of its assets and may grant a security interest in all of its assets under the terms of any debt instruments GBDC may enter into with lenders. The terms of GBDC's existing indebtedness require GBDC to comply with certain financial and operational covenants, and GBDC expects similar covenants in future debt instruments. Failure to comply with such covenants could result in a default under the applicable credit facility or debt instrument if GBDC is unable to obtain a waiver from the applicable lender or holder, and such lender or holder could accelerate repayment under such indebtedness and negatively affect GBDC's business, financial condition, results of operations and cash flows. In addition, under the terms of any credit facility or other debt instrument GBDC enters into, GBDC is likely to be required by its terms to use the net proceeds of any investments that GBDC sells to repay a portion of the amount borrowed under such facility or instrument before applying such net proceeds to any other uses. If the value of GBDC's assets decreases, leveraging would cause GBDC's net asset value to decline more rapidly and to a greater extent than it otherwise would have had GBDC not leveraged, thereby accelerating and increasing losses or eliminating GBDC's equity stake in a leveraged investment. Similarly, any decrease in GBDC's net investment income will cause its net income to decline more rapidly and to a greater extent than it would have had GBDC not borrowed. Such a decline would also negatively affect GBDC's ability to make distributions on GBDC Common Stock or any outstanding preferred stock. GBDC's ability to service its debt depends largely on its financial performance and is subject to prevailing economic conditions and competitive pressures. GBDC's common stockholders bear the burden of any increase in GBDC's expenses as a result of its use of leverage, including interest expenses and any increase in the base management fee payable to GC Advisors.

On September 13, 2011, GBDC received exemptive relief from the SEC allowing GBDC to modify the asset coverage requirement to exclude the SBA debentures from this calculation. As such, GBDC's ratio of total consolidated assets to outstanding indebtedness may be less than 200% even if GBDC does not receive approval for the modified asset coverage requirement permitted by Section 61(a)(2) of the 1940 Act or less than 150% if GBDC receives approval for the reduced asset coverage requirement permitted by Section 61(a)(2) of the 1940 Act at the annual meeting of GBDC stockholders currently scheduled to be held on February 5, 2019. This exemptive relief provides GBDC with increased investment flexibility but also increases GBDC's risks related to leverage.

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GBDC has filed a definitive proxy statement for the annual meeting of GBDC stockholders currently scheduled to be held on February 5, 2019, which includes a proposal to approve GBDC becoming subject to the minimum asset coverage ratio under the SBCAA of at least 150%. If approved at the annual meeting of GBDC stockholders in February 2019 and, subject to GBDC's compliance with certain disclosure requirements, the reduced asset coverage requirement would permit GBDC to double the maximum amount of leverage that it is currently permitted to incur, which would provide GBDC with increased investment flexibility but also increase GBDC's risks related to leverage.

The following tables illustrate the effect of leverage on returns from an investment in GBDC Common Stock assuming that GBDC employs leverage such that its asset coverage equals its actual asset coverage ratio as of September 30, 2018 and hypothetical asset coverage ratios of both 200% and 150%, at various annual returns on GBDC's portfolio as of September 30, 2018, net of expenses. The purpose of these tables is to assist investors in understanding the effects of leverage. The calculations in the table below are hypothetical and actual returns may be higher or lower than those appearing in the table below.

Selected Consolidated Financial Statement Data (Unaudited)		Hypothetical Amounts as of September 30, 2018 Assuming That GBDC H Incurred the Maximum Amount of Borrowings That Could Be Incurred by GBDC	
(dollar amounts in millions)	**Actual Amounts As of September 30, 2018(1)**	**Under the Currently Applicable 200% Minimum Asset Coverage Ratio(2)**	**Under the Proposed 150% Minimum Asset Coverage Ratio(3)**
Total Assets	$ 1,853.6	$ 2,232.9	$ 3,201.6
Total Debt Outstanding	$ 845.7	$ 1,243.0	$ 2,211.7
Net Assets	$ 968.9	$ 968.9	$ 968.9
Asset Coverage Ratio	270 %	200 %	150 %

(1) As of September 30, 2018, GBDC's total outstanding indebtedness represented 46.1% of GBDC's total assets.

(2) Based on GBDC's total outstanding indebtedness of $845.7 million as of September 30, 2018 and applying the currently applicable 200% minimum asset coverage ratio, GBDC could have incurred up to an additional $397.3 million of borrowings, bringing GBDC's total indebtedness and total assets to $1,243.0 million and $2,232.9 million, respectively.

(3) Assuming GBDC had incurred the maximum amount of borrowings that could be incurred by GBDC under the currently applicable 200% minimum asset coverage ratio of $1,243.0 million and applying the proposed 150% minimum asset coverage ratio, GBDC could have incurred up to an additional $968.7 million of borrowings, bringing GBDC's total indebtedness and total assets to $2,211.7 million and $3,201.6 million, respectively.

Assumed Return on GBDC's Portfolio (Net of Expenses)	**-10.00%**	**-5.00%**	**0.00%**	**5.00%**	**10.00%**
Corresponding return to common stockholder assuming actual asset coverage as of September 30, 2018 (270%)[(1)]	-22.66 %	-13.19 %	-3.72 %	5.75 %	15.23 %
Corresponding return to common stockholder assuming 200% asset coverage[(1)]	-28.57 %	-16.99 %	-5.47 %	6.06 %	17.58 %
Corresponding return to common stockholder assuming 150% asset coverage[(1)]	-42.77 %	-26.25 %	-9.72 %	6.80 %	23.32 %

(1) Assumes $1,853.6 million in total assets, $845.7 million in debt outstanding and $968.9 million in net assets as of September 30, 2018, and an average cost of funds of 4.3%, which is GBDC's annualized average borrowing cost, including all interest and amortization of debt issuance costs on GBDC's term debt securitization, for the three months ended September 30, 2018.

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(2) Assumes $2,232.9 million in total assets, $1,243.0 million in debt outstanding and $968.9 million in net assets as of September 30, 2018, and an average cost of funds of 4.3%, which was GBDC's annualized average borrowing cost, including all interest and amortization of debt issuance costs on GBDC's term debt securitization, for the three months ended September 30, 2018. Actual interest payments may be different.

(3) Assumes $3,201.6 million in total assets, $2,211.7 million in debt outstanding and $968.9 million in net assets as of September 30, 2018, and an average cost of funds of 4.3%, which was GBDC's annualized average borrowing cost, including all interest and amortization of debt issuance costs on the GBDC's term debt securitization, for the three months ended September 30, 2018. Actual interest payments may be different.

Based on GBDC's outstanding indebtedness of $845.7 million as of September 30, 2018 and hypothetical amounts of indebtedness of $1,243.0 million and $2,211.7 million at 200% asset coverage and 150% asset coverage, respectively, and an assumed effective annual interest rate of 4.3% as of that date, GBDC's investment portfolio would have been required to experience an annual return of at least 1.96%, 2.37% and 2.94%, respectively, to cover annual interest payments on the outstanding debt.

New legislation may permit GBDC to incur additional leverage.

Business development companies are generally able to issue senior securities such that their asset coverage, as defined in the 1940 Act, equals at least 200% of gross assets less all liabilities and indebtedness not represented by senior securities, after each issuance of senior securities. In March 2018, the Small Business Credit Availability Act ("SBCAA") amended Section 61(a) of the 1940 Act to add a new Section 61(a)(2) that reduces the asset coverage requirement applicable to business development companies from 200% to 150% so long as the business development company meets certain disclosure requirements and obtains certain approvals. The reduced asset coverage requirement would permit a business development company to have a ratio of total consolidated assets to outstanding indebtedness of 2:1 as compared to a maximum of 1:1 under the 200% asset coverage requirement. Effectiveness of the reduced asset coverage requirement to a business development company requires approval by either (1) a "required majority," as defined in Section 57(o) of the 1940 Act, of such business development company's board of directors with effectiveness one year after the date of such approval or (2) a majority of votes cast at a special or annual meeting of such business development company's stockholders at which a quorum is present, which is effective the date after such stockholder approval. On November 27, 2018, the GBDC Board recommended that GBDC seek shareholder approval to reduce its asset coverage requirement to 150.0% at GBDC's annual meeting of stockholders currently scheduled for February 5, 2019. To the extent stockholder approval is received, GBDC currently intends to target a U.S. generally accepted accounting principles ("GAAP") debt-to-equity ratio of about 1.0x. If GBDC were to receive either the requisite stockholder or board approval and comply with the applicable disclosure requirements, GBDC would be able to incur additional indebtedness, which may increase its risks related to leverage. In addition, GBDC's management fee is based on its average adjusted gross assets, which includes leverage and, as a result, if GBDC were to incur additional leverage, management fees paid to GC Advisors would increase.

GBDC is subject to risks associated with the 2014 Debt Securitization and 2018 Debt Securitization.

As a result of the 2014 Debt Securitization and the 2018 Debt Securitization, GBDC is subject to a variety of risks, including those set forth below. GBDC uses the term "debt securitization" in this joint proxy statement/prospectus to describe a form of secured borrowing under which an operating company (sometimes referred to as an "originator" or "sponsor") acquires or originates mortgages, receivables, loans or other assets that earn income, whether on a one-time or recurring basis (collectively, "income producing assets"), and borrows money on a non-recourse basis against a legally separate pool of loans or other income producing assets. In a typical debt securitization, the originator transfers the loans or income producing assets to a single-purpose, bankruptcy-remote subsidiary (also referred to as a "special purpose entity"), which is established solely for the purpose of holding loans and income producing assets and issuing debt secured by these income producing assets. The special purpose entity completes the borrowing through the issuance of notes secured by the loans or other assets. The special purpose entity may issue the notes in the capital markets to a variety of investors, including banks, non-bank financial institutions and other investors. In each of the 2014 Debt Securitization and 2018 Debt Securitization, institutional investors purchased certain of the 2014 Notes and the 2018 Notes, respectively, in private placements.

GBDC is subject to certain risks as a result of its direct interests in the junior notes and membership interests of the 2014 Issuer and its indirect interests in the junior notes and membership interests of the 2018 Debt Securitization.

Under the terms of the loan sale agreement governing the 2014 Debt Securitization, GBDC sold and/or contributed to the 2014 Issuer all of its ownership interest in GBDC's portfolio loans and participations for the purchase price and other consideration set forth in such loan sale agreement. Following this transfer, the 2014 Issuer held all of the ownership interest in such portfolio loans and participations. As a result of the 2014 Debt Securitization and as of September 30, 2018, GBDC held the Class C-R 2014 Notes as well as all of the membership interests of the 2014 Issuer. As a result, GBDC consolidates the financial statements of the 2014 Issuer, as well as its other subsidiaries, in its consolidated financial statements.

Two loan sale agreements govern the 2018 Debt Securitization. Under the terms of the loan sale agreement entered into upon closing on November 16, 2018 (the "Loan Closing Date") of the 2018 Debt Securitization (the "Closing Date Loan Sale Agreement"), which provides for the sale of assets on the Loan Closing Date to satisfy risk retention requirements, (1) GBDC transferred to GC Advisors a portion of its ownership interest in the portfolio company investments securing the 2018 Debt Securitization for the purchase price and other consideration set forth in the Closing Date Loan Sale Agreement and (2) immediately thereafter, GC Advisors sold to the 2018 Issuer all of its ownership interest in such portfolio loans for the purchase price and other consideration set forth in the Closing Date Loan Sale Agreement. Under the terms of the other loan sale agreement governing the 2018 Debt Securitization (the "Depositor Loan Sale Agreement"), which provides for the sale of assets on the Loan Closing Date as well as future sales from GBDC to the 2018 Issuer through Golub Capital BDC CLO III Depositor LLC (the "CLO Depositor"), (1) GBDC sold and/or contributed to the CLO Depositor the remainder of its ownership interest in the portfolio company investments securing the 2018 Debt Securitization and participations for the purchase price and other consideration set forth in the Depositor Loan Sale Agreement and (2) CLO Depositor, in turn, sold to the 2018 Issuer all of its ownership interest in such portfolio loans and participations for the purchase price and other consideration set forth in one of the loan sale agreements. Following these transfers, the 2018 Issuer, and not GC Advisors, CLO Depositor or GBDC, held all of the ownership interest in such portfolio company investments and participations. As a result of the 2018 Debt Securitization, GBDC held indirectly through the CLO Depositor, as of November 16, 2018, the Class C-2 2018 Notes, the Class D 2018 Notes and the Subordinated 2018 Notes as well as 100% of the membership interests in the 2018 Issuer. As a result, GBDC consolidates the financial statements of the 2018 Issuer, as well as its other subsidiaries, in its consolidated financial statements.

Because each of the 2014 Issuer, the CLO Depositor and the 2018 Issuer is disregarded as an entity separate from its owner for U.S. federal income tax purposes, the sale or contribution by GBDC to the 2014 Issuer and the sale and contribution by GBDC to the CLO Depositor and the CLO Depositor to the 2018 Issuer did not constitute a taxable event for U.S. federal income tax purposes. If the U.S. Internal Revenue Service were to take a contrary position, there could be a material adverse effect on GBDC's business, financial condition, results of operations or cash flows. GBDC may, from time to time, hold asset-backed securities, or the economic equivalent thereof, issued by a securitization vehicle sponsored by another business development company to the extent permitted under the 1940 Act.

The Class C-R 2014 Notes are subordinated obligations of the 2014 Issuer and the Class C-2 2018 Notes, the Class D 2018 Notes, Subordinated 2018 Notes, and membership interests are subordinated obligations of the 2018 Issuer and GBDC may not receive cash from the 2014 Issuer or the 2018 Issuer.

The Class C-R 2014 Notes are the most junior class of notes issued by the 2014 Issuer, are subordinated in priority of payment to the Class A-R 2014 Notes and the Class B-R 2014 Notes and are subject to certain payment restrictions set forth in the indenture governing the 2014 Notes. Therefore, GBDC only receives cash distributions on the Class C-R 2014 Notes if the 2014 Issuer has made all cash interest payments to all other notes it has issued. Consequently, to the extent that the value of the 2014 Issuer's portfolio of loan investments has been reduced as a result of conditions in the credit markets, or as a result of defaulted loans or individual fund assets, the value of the Class C-R 2014 Notes at their redemption could be reduced. If the 2014 Issuer does not meet the asset coverage tests or the interest coverage test set forth in the documents governing the 2014 Debt Securitization, cash would be diverted from the Class C-R 2014 Notes to first pay the Class A-R 2014 Notes and Class B-R 2014 Notes in amounts sufficient to cause such tests to be satisfied.

The 2014 Issuer is the residual claimant on funds, if any, remaining after holders of all classes of 2014 Notes have been paid in full on each payment date or upon maturity of such notes under the 2014 Debt Securitization documents. The membership interests in the 2014 Issuer represent all of the equity interest in the 2014 Issuer. As the holder of the membership interests, GBDC may receive distributions, if any, only to the extent that the 2014 Issuer makes distributions out of funds remaining after holders of all classes of 2014 Notes have been paid in full on each payment date any amounts due and owing on such payment date or upon maturity of such 2014 Notes. In the event that GBDC fails to receive cash directly from the 2014 Issuer, GBDC could be unable to make such distributions in amounts sufficient to maintain its ability to be subject to tax as a RIC, or at all.

The Class C-2 2018 Notes are subordinated in priority of payment to the each of the Class A 2018 Notes and the Class B 2018 Notes issued by the 2018 Issuer, generally receive payments pro-rata with the Class C-1 2018 Notes and are subject to certain payment restrictions set forth in the indenture governing the 2018 Notes. Therefore, the CLO Depositor only receives cash distributions on the Class C-2 2018 Notes if the 2018 Issuer has made all cash interest payments in respect of the issued Class A 2018 Notes and Class B 2018 Notes, and GBDC only receives cash distributions in respect of its indirect ownership of the Class C-2 2018 Notes to the extent that the CLO Depositor receives any cash distributions in respect of its direct ownership of the Class C-2 2018 Notes. Consequently, to the extent that the value of the 2018 Issuer's portfolio of loan investments has been reduced as a result of conditions in the credit markets, or as a result of defaulted loans or individual fund assets, the value of the Class C-2 2018 Notes at their redemption could be reduced. In addition, if the 2018 Issuer does not meet the asset coverage tests or the interest coverage test set forth in the documents governing the 2018 Debt Securitization, cash would be diverted from the Class C-2 2018 Notes to first pay the Class A 2018 Notes and the Class B 2018 Notes in amounts sufficient to cause such tests to be satisfied.

The Class D 2018 Notes are subordinated in priority of payment to the each of the Class A 2018 Notes, the Class B 2018 Notes, the Class C-1 2018 Notes and the Class C-2 2018 Notes issued by the 2018 Issuer and are subject to certain payment restrictions set forth in the indenture governing the 2018 Notes. Therefore, the CLO Depositor only receives cash distributions on the Class D 2018 Notes if the 2018 Issuer has made all cash interest payments in respect of the issued Class A 2018 Notes, Class B 2018 Notes, Class C-1 2018 Notes and Class C-2 2018 Notes, and GBDC only receives cash distributions in respect of its indirect ownership of the Class D 2018 Notes to the extent that the CLO Depositor receives any cash distributions in respect of its direct ownership of the Class D 2018 Notes. Consequently, to the extent that the value of the 2018 Issuer's portfolio of loan investments has been reduced as a result of conditions in the credit markets, or as a result of defaulted loans or individual fund assets, the value of the Class D 2018 Notes at their redemption could be reduced. In addition, if the 2018 Issuer does not meet the asset coverage tests or the interest coverage test set forth in the documents governing the 2018 Debt Securitization, cash would be diverted from the Class D 2018 Notes to first pay the Class A 2018 Notes, the Class B 2018 Notes, Class C-1 2018 Notes and the Class C-2 2018 Notes in amounts sufficient to cause such tests to be satisfied.

The Subordinated 2018 Notes are the most junior class of notes issued by the 2018 Issuer, are subordinated in priority of payment to every other class of notes issued by the 2018 Issuer and are subject to certain payment restrictions set forth in the indenture governing the 2018 Notes. Therefore, the CLO Depositor only receives cash distributions on the Subordinated 2018 Notes if the 2018 Issuer has made all cash interest payments to all other notes it has issued. GBDC only receives cash distributions in respect of its indirect ownership of the Subordinated 2018 Notes to the extent that the CLO Depositor receives any cash distributions in respect of its direct ownership of the Subordinated 2018 Notes. The Subordinated 2018 Notes are also unsecured and rank behind all of the secured creditors, known or unknown, of the 2018 Issuer, including the holders of the senior notes it has issued. Consequently, to the extent that the value of the 2018 Issuer's portfolio of loan investments has been reduced as a result of conditions in the credit markets, or as a result of defaulted loans or individual fund assets, the value of the Subordinated 2018 Notes at their redemption could be reduced. In addition, if the 2018 Issuer does not meet the asset coverage tests or the interest coverage test set forth in the documents governing the 2018 Debt Securitization, cash would be diverted from the Subordinated 2018 Notes to first pay the Class A 2018 Notes, Class B 2018 Notes, Class C-1 2018 Notes, the Class C-2 2018 Notes and the Class D 2018 Notes in amounts sufficient to cause such tests to be satisfied.

For so long as they are outstanding, the Subordinated 2018 Notes represent the residual interest payee under the documents governing the 2018 Debt Securitization. As such, the holder of the Subordinated 2018 Notes is the residual claimant on distributions, if any, made by the 2018 Issuer after holders of all other 2018 Notes have been paid in full on each payment date or upon maturity of such notes under the 2018 Debt Securitization documents. Such payments may be made by the 2018 Issuer only to the extent permitted under the 2018 Debt Securitization documents on any payment date or upon payment in full of the notes issued by the 2018 Issuer.

The interests of holders of the senior classes of securities issued by the 2014 Issuer and 2018 Issuer may not be aligned with GBDC's interests.

The Class A-R 2014 Notes are the debt obligations ranking senior in right of payment to other securities issued by the 2014 Issuer in the 2014 Debt Securitization. As such, there are circumstances in which the interests of holders of the Class A-R 2014 Notes may not be aligned with the interests of holders of the other classes of notes issued by, and membership interests of, the 2014 Issuer. For example, under the terms of the Class A-R 2014 Notes, holders of the Class A-R 2014 Notes have the right to receive payments of principal and interest prior to holders of the Class B-R 2014 Notes, the Class C-R 2014 Notes and the 2014 Issuer.

The Class A 2018 Notes are the debt obligations ranking senior in right of payment to other securities issued by the 2018 Issuer in the 2018 Debt Securitization. As such, there are circumstances in which the interests of holders of the Class A 2018 Notes may not be aligned with the interests of holders of the other classes of notes issued by, and membership interests of, the 2018 Issuer. For example, under the terms of the Class A 2018 Notes, holders of the Class A 2018 Notes have the right to receive payments of principal and interest prior to holders of the Class B 2018 Notes, the Class C-1 2018 Notes, the Class C-2 2018 Notes, the Class D 2018 Notes, the Subordinated 2018 Notes and the 2018 Issuer.

For as long as the Class A-R 2014 Notes remain outstanding, holders of the Class A-R 2014 Notes the Controlling Class under the 2014 Debt Securitization. As used herein, "Controlling Class" refers to the most senior class of notes then outstanding of the 2014 Issuer or the 2018 Issuer, as applicable. If the Class A-R 2014 Notes are paid in full, the Class B-R 2014 Notes would comprise the Controlling Class under the 2014 Debt Securitization. For as long as the Class A 2018 Notes remain outstanding, holders of the Class A 2018 Notes comprise the Controlling Class under the 2018 Debt Securitization. If the Class A 2018 Notes are paid in full, the Class B 2018 Notes would comprise the Controlling Class under the 2018 Debt Securitization. Holders of the Controlling Class under the 2014 Debt Securitization and 2018 Debt Securitization have the right to act in certain circumstances with respect to the portfolio loans in ways that may benefit their interests but not the interests of holders of more junior classes of notes and membership interests, including by exercising remedies under the indenture in the 2014 Debt Securitization and the 2018 Debt Securitization, as applicable.

If an event of default has occurred and acceleration occurs in accordance with the terms of the indenture for either the 2014 Debt Securitization or the 2018 Debt Securitization, the Controlling Class of such debt securitization, as the most senior class of notes then outstanding in such debt securitization will be paid in full before any further payment or distribution on the more junior classes of notes and membership interests. In addition, if an event of default under the 2014 Debt Securitization or the 2018 Debt Securitization, as applicable, occurs, holders of a majority of the Controlling Class of the applicable debt securitization may be entitled to determine the remedies to be exercised under the applicable indenture, subject to the terms of such indenture. For example, upon the occurrence of an event of default with respect to the notes issued by the 2014 Issuer, the trustee or holders of a majority of the Controlling Class may declare the principal, together with any accrued interest, of all the notes of such class and any junior classes to be immediately due and payable. This would have the effect of accelerating the principal on such notes, triggering a repayment obligation on the part of the 2014 Issuer. If at such time the portfolio loans were not performing well, the 2014 Issuer may not have sufficient proceeds available to enable the trustee under the indenture to repay the obligations of holders of the Class C-R 2014 Notes, or to pay a dividend to holders of the membership interests.

Remedies pursued by the Controlling Class could be adverse to the interests of the holders of the notes that are subordinated to the Controlling Class (which would include the Class C-R 2014 Notes to the extent the Class A-R 2014 Notes or Class B-R 2014 Notes constitute the Controlling Class and the Class C-2 2018 Notes, Class D 2018 Notes and Subordinated 2018 Notes to the extent the Class A 2018 Notes, Class B 2018 Notes, Class C-1 2018 Notes and Class C-2 2018 Notes, or Class D 2018 Notes constitute the Controlling Class), and the Controlling Class will have no obligation to consider any possible adverse effect on such other interests. Thus, GBDC cannot assure you that any remedies pursued by the Controlling Class will be in the best interests of the CLO Depositor or GBDC, or that the CLO Depositor or GBDC will receive any payments or distributions upon an acceleration of the notes. In a liquidation under the 2014 Debt Securitization, the Class C-R 2014 Notes will be subordinated to payment of the Class A-R 2014 Notes and Class B-R 2014 Notes and may not be paid in full to the extent funds remaining after payment of the Class A-R 2014 Notes and Class B-R 2014 Notes are insufficient. In addition, under the 2014 Debt Securitization, after the Class A-R 2014 Notes and Class B-R 2014 Notes are paid in full, the holder of the Class C-R 2014 Notes will be the only remaining noteholder and may amend the applicable indenture to, among other things, direct the assignment of any remaining assets to other wholly-owned subsidiaries for a price less than the fair market value of such assets with the difference in price to be considered an equity contribution to such subsidiaries. In a liquidation under the 2018 Debt Securitization, the Class C-2 2018 Notes, Class D 2018 Notes and Subordinated 2018 Notes will be subordinated to payment of the Class A 2018 Notes, Class B 2018 Notes and, in the case of the Class D 2018 Notes and Subordinated 2018 Notes only, the Class C-1 2018 Notes, and may not be paid in full to the extent funds remaining after payment of the Class A 2018 Notes, Class B 2018 Notes and, in the case of the Class D 2018 Notes and Subordinated 2018 Notes only, the Class C-1 2018 Notes are insufficient. In addition, under the 2018 Debt Securitization, after the Class A 2018 Notes, Class B 2018 Notes and Class C-1 2018 Notes are paid in full, the CLO Depositor will be the only remaining noteholder and may amend the applicable indenture to, among other things, direct the assignment of any remaining assets to other wholly-owned subsidiaries for a price less than the fair market value of such assets with the difference in price to be considered an equity contribution to such subsidiaries. Any failure of the 2014 Issuer or the 2018 Issuer to make distributions on the notes GBDC indirectly or directly holds, whether as a result of an event of default, liquidation or otherwise, could have a material adverse effect on GBDC’s business, financial condition, results of operations and cash flows and may result in an inability of GBDC to make distributions sufficient to maintain its ability to be subject to tax as a RIC, or at all.

The 2014 Issuer and 2018 Issuer may fail to meet certain asset coverage tests.

Under the documents governing the 2014 Debt Securitization, there are two asset coverage tests applicable to the Class A-R 2014 Notes, the Class B-R 2014 Notes and the Class C-R 2014 Notes, and the documents governing the 2018 Debt Securitization provide for the same two asset coverage tests applicable to the Class A 2018 Notes, the Class B 2018 Notes, the Class C-1 2018 Notes, the Class C-2 2018 Notes and the Class D 2018 Notes.

The first such test compares the amount of interest received on the portfolio loans held by the 2014 Issuer or the 2018 Issuer, as applicable, to the amount of interest payable in respect of the Class A-R 2014 Notes, the Class B-R 2014 Notes and the Class C-R 2014 Notes, with respect to the 2014 Issuer, and the Class A 2018 Notes, the Class B 2018 Notes, the Class C-1 2018 Notes, the Class C-2 2018 Notes and the Class D 2018 Notes, with respect to the 2018 Issuer. To meet this first test, in the case of the 2014 Debt Securitization, interest received on the portfolio loans must equal at least 120% of the interest payable in respect of the Class A-R 2014 Notes and Class B-R 2014 Notes, taken together, and at least 110% of the interest payable in respect of the Class C-R 2014 Notes, and, in the case of the 2018 Debt Securitization, interest received on the portfolio loans must equal at least 120% of the interest payable in respect of the Class A 2018 Notes and Class B 2018 Notes, taken together, at least 110% of the interest payable in respect of the Class C-1 2018 Notes and the Class C-2 2018 Notes, taken together, and at least 105% of the interest payable in respect of the Class D 2018 Notes.

The second such test compares the principal amount of the portfolio loans of the applicable debt securitization to the aggregate outstanding principal amount of the Class A-R 2014 Notes, the Class B-R 2014 Notes and the Class C-R 2014 Notes, with respect to the 2014 Debt Securitization, and the Class A 2018 Notes, the Class B 2018 Notes, the Class C-1 2018 Notes, the Class C-2 2018 Notes and the Class D 2018 Notes, with respect to the 2018 Debt Securitization. To meet this second test at any time in the case of the 2014 Debt Securitization, the aggregate principal amount of the portfolio loans must equal at least 153.6% of the Class A-R 2014 Notes and the Class B-R 2014 Notes, taken together, and 136.1% of the Class C-R 2014 Notes. To meet this second test at any time in the case of the 2018 Debt Securitization, the aggregate principal amount of the portfolio loans must equal at least 145.6% of the Class A 2018 Notes and Class B 2018 Notes, taken together, at least 126.7% of the Class C-1 2018 Notes and Class C-2 2018 Notes, taken together, and at least 116.7% of the Class D 2018 Notes.

If any asset coverage test with respect to the Class A-R 2014 Notes, the Class B-R 2014 Notes or Class C-R 2014 Notes is not met, proceeds from the portfolio of loan investments that otherwise would have been distributed to the holders of the Class C-R 2014 Notes and the 2014 Issuer will instead be used to redeem first the Class A-R 2014 Notes and then the Class B-R 2014 Notes, to the extent necessary to satisfy the applicable asset coverage tests on a pro forma basis after giving effect to all payments made in respect of the notes, which GBDC refers to as a mandatory redemption, or to obtain the necessary ratings confirmation. If any asset coverage test with respect to the Class A 2018 Notes, the Class B 2018 Notes, Class C-1 2018 Notes, Class C-2 2018 Notes or Class D 2018 Notes is not met, proceeds from the portfolio of loan investments that otherwise would have been distributed to the holders of the Class C-1 2018 Notes, Class C-2 2018 Notes, Class D 2018 Notes or Subordinated 2018 Notes and the 2018 Issuer will instead be used to redeem first the Class A 2018 Notes, then the Class B 2018 Notes and then the Class C-1 2018 Notes and Class C-2 2018 Notes, to the extent necessary to satisfy the applicable asset coverage tests on a pro forma basis after giving effect to all payments made in respect of the notes, which GBDC refers to as a mandatory redemption, or to obtain the necessary ratings confirmation.

The value of the Class B-R 2014 Notes, Class C-2 2018 Notes, Class D 2018 Notes, or Subordinated 2018 Notes could be adversely affected by a mandatory redemption because such redemption could result in the applicable notes being redeemed at par at a time when they are trading in the secondary market at a premium to their stated principal amount and when other investments bearing the same rate of interest may be difficult or expensive to acquire. A mandatory redemption could also result in a shorter investment duration than a holder of such notes may have wanted or anticipated, which could, in turn, result in such a holder incurring breakage costs on related hedging transactions. In addition, the reinvestment period under the 2018 Debt Securitization may extend through as late as January 15, 2023. During this reinvestment period, market conditions and restrictions on investment under the indenture governing the 2018 Debt Securitization could result in periods of time in which the 2018 Issuer is not able to fully invest its available collateral or during which collateral available is not of comparable quality or yield, which could affect the value of the collateral securing the Class C-2 2018 Notes, Class D 2018 Notes, or Subordinated 2018 Notes.

GBDC may be required to assume liabilities of the 2014 Issuer and 2018 Issuer and is indirectly liable for certain representations and warranties in connection with the 2014 Debt Securitization and 2018 Debt Securitization.

The structure of the 2014 Debt Securitization is intended to prevent, in the event of the 2014 Issuer's bankruptcy, the consolidation of the 2014 Issuer with GBDC's operations. The structure of the 2018 Debt Securitization is intended to prevent, in the event of GBDC's bankruptcy or the bankruptcy of the CLO Depositor, the consolidation of the 2018 Issuer with GBDC's operations or those of the CLO Depositor. If the true sale of the assets in the 2014 Debt Securitization and the 2018 Debt Securitization, as applicable, were not respected in the event of GBDC's insolvency, a trustee or debtor-in-possession might reclaim the assets of the 2014 Issuer and 2018 Issuer for GBDC's estate. However, in doing so, GBDC would become directly liable for all of the indebtedness then outstanding under the 2014 Debt Securitization and 2018 Debt Securitization, which would equal the full amount of debt of the 2014 Issuer and 2018 Issuer reflected on GBDC's consolidated balance sheet. In addition, GBDC cannot assure you that the recovery in the event GBDC were consolidated with the 2014 Issuer or the 2018 Issuer for purposes of any bankruptcy proceeding would exceed the amount to which GBDC would otherwise be entitled as the holder of the Class C-R 2014

Notes, and the indirect holder of the Class C-2 2018 Notes and Class D 2018 Notes had GBDC not been consolidated with the 2014 Issuer and 2018 Issuer.

In addition, in connection with each of the 2014 Debt Securitization and 2018 Debt Securitization, GBDC indirectly gave the trustee for the benefit of investors certain customary representations with respect to the legal structure of the 2014 Issuer and 2018 Issuer, respectively, and the quality of the assets transferred to each entity. GBDC remains indirectly liable for any breach of such representations for the life of the 2014 Debt Securitization and 2018 Debt Securitization, respectively.

The 2018 Issuer may issue additional Subordinated 2018 Notes.

Under the terms of the 2018 Debt Securitization documents, the 2018 Issuer could issue additional Subordinated 2018 Notes and use the net proceeds of such issuance to purchase additional portfolio loans. Any such additional issuance, however, would require the consent of the collateral manager to the 2018 Debt Securitization, the CLO Depositor and a supermajority of the Subordinated 2018 Notes. Among the other conditions that must be satisfied in connection with an additional issuance of Subordinated 2018 Notes, the aggregate principal amount of all additional issuances of Subordinated 2018 Notes may not exceed 100% of the respective original outstanding principal amount of the Subordinated 2018 Notes; the 2018 Issuer must notify each rating agency of such issuance prior to the issuance date; and the terms of the Subordinated 2018 Notes to be issued must be identical to the terms of previously issued Subordinated 2018 Notes. GBDC does not expect to cause the 2018 Issuer to issue any additional Subordinated 2018 Notes at this time. GBDC may amend the 2018 Debt Securitization documents from time to time, and without amendment, the 2018 Debt Securitization documents do not provide for additional issuances of Class A 2018 Notes. The total purchase price for any additional Subordinated 2018 Notes that may be issued may not always equal 100% of the par value of such 2018 Notes, depending on several factors, including fees and closing expenses.

GBDC is subject to risks associated with the Revolving Credit Facilities.

As a result of the Revolving Credit Facilities, GBDC is subject to a variety of risks, including those set forth below.

GBDC’s interests in GBDC Funding and the 2010 Issuer are subordinated, and GBDC may not receive cash on its equity interests from GBDC Funding and the 2010 Issuer.

GBDC owns directly or indirectly 100% of the equity interests in GBDC Funding and 2010 Issuer. GBDC consolidates the financial statements of GBDC Funding and 2010 Issuer in its consolidated financial statements and treats the indebtedness under the Revolving Credit Facilities as GBDC’s leverage. GBDC’s interests in GBDC Funding and 2010 Issuer are subordinated in priority of payment to every other obligation of GBDC Funding and 2010 Issuer and are subject to certain payment restrictions set forth in each Revolving Credit Facility. GBDC receives cash distributions on its equity interests in GBDC Funding and 2010 Issuer only if GBDC Funding and 2010 Issuer have made all required cash interest payments to the respective lenders and no default exists under the respective Revolving Credit Facility. GBDC cannot assure you that distributions on the assets held by GBDC Funding or 2010 Issuer will be sufficient to make any distributions to GBDC or that such distributions will meet GBDC’s expectations.

GBDC receives cash from GBDC Funding or 2010 Issuer only to the extent that GBDC receives distributions on its equity interests in GBDC Funding and 2010 Issuer. GBDC Funding and 2010 Issuer each may make distributions on their equity interests only to the extent permitted by the payment priority provisions of the applicable Revolving Credit Facility. Each of the Revolving Credit Facilities generally provides that payments on the respective interests may not be made on any payment date unless all amounts owing to the lenders and other secured parties are paid in full. In addition, if GBDC Funding or the 2010 Issuer do not meet the borrowing base tests set forth in the documents of the applicable Revolving Credit Facility, a default would occur. In the event of a default under either Revolving Credit Facility document, cash would be diverted from GBDC to pay the applicable lender and other secured parties in amounts sufficient to cause such tests to be satisfied. In the event that GBDC fails to receive cash from GBDC Funding and/or 2010 Issuer, GBDC could be unable to make distributions to GBDC Stockholders in amounts sufficient to maintain its status as a RIC, or at all. GBDC also could be forced to sell investments in portfolio companies at less than their fair value in order to continue making such distributions.

GBDC’s equity interests in GBDC Funding and 2010 Issuer rank behind all of the secured and unsecured creditors, known or unknown, of GBDC Funding and 2010 Issuer, as applicable, including the lenders in the respective Revolving Credit Facility. Consequently, to the extent that the value of GBDC Funding’s or 2010 Issuer's portfolio of loan investments has been reduced as a result of conditions in the credit markets, defaulted loans, capital gains and losses on the underlying assets, prepayment or changes in interest rates, the returns on GBDC’s investments in GBDC Funding or 2010 Issuer could be reduced. Accordingly, GBDC’s investments in each of GBDC Funding and 2010 Issuer may be subject to up to 100% loss.

The ability to sell investments held by GBDC Funding, the 2010 Issuer, the 2014 Issuer and the 2018 Issuer is limited.

Each of the Revolving Credit Facilities, the 2014 Debt Securitization and the 2018 Debt Securitization place significant restrictions on GBDC’s ability, as servicer or collateral manager, as applicable, to sell investments. As a result, there may be times or circumstances during which GBDC is unable to sell investments or take other actions that might be in its best interests.

GBDC is subject to risks associated with its SBIC Funds.

As a result of GBDC's consolidated subsidiaries, GC SBIC IV, L.P. ("SBIC IV"), GC SBIC V, L.P. ("SBIC V") and GC SBIC VI, L.P. ("SBIC VI", and collectively with SBIC IV and SBIC V, the "SBIC Funds"), GBDC is subject to a variety of risks, including those set forth below.

GBDC's interests in the SBIC Funds are subordinated, and GBDC may not receive cash on its equity interests from either of the SBIC Funds.

GBDC owns 100% of the equity interests in SBIC IV, SBIC V and SBIC VI. GBDC consolidates the financial statements of each of the SBIC Funds in its consolidated financial statements. GBDC's interests in the SBIC Funds are subordinated in priority of payment to the SBA-guaranteed debentures issued by the respective SBIC Fund. GBDC receives cash from SBIC IV, SBIC V and SBIC VI only to the extent that GBDC receives distributions on its equity interests in each such SBIC Fund. GBDC's SBIC Funds may be limited by SBA regulations governing SBICs from making certain distributions to GBDC unless GBDC requests a waiver of the SBA restrictions. GBDC cannot assure you that the SBA would grant any such waiver. In the event that GBDC fails to receive cash from its SBIC Funds, GBDC could be unable to make distributions to GBDC Stockholders in amounts sufficient to maintain its status as a RIC, or at all. GBDC also could be forced to sell investments in portfolio companies at less than their fair value in order to continue making such distributions.

GBDC's SBIC Funds are licensed by the SBA and are subject to SBA regulations which limit the scope of investments available to the SBIC Funds.

GBDC's wholly-owned subsidiaries, SBIC IV, SBIC V and SBIC VI, received licenses to operate as SBICs under the Small Business Act of 1958, as amended (the "1958 Act"), and are regulated by the SBA. The SBA places certain limitations on the financing terms of investments by SBICs in portfolio companies and regulates the types of financings and prohibits investing in certain industries. Compliance with SBIC requirements may cause GBDC's SBIC Funds to invest at less competitive rates in order to qualify investments under the SBA regulations.

Further, SBA regulations require that a licensed SBIC be periodically examined and audited by the SBA to determine its compliance with the relevant regulations. If GBDC's SBIC Funds fail to comply with applicable regulations, the SBA could, depending on the severity of the violation, limit or prohibit their use of debentures, declare outstanding debentures immediately due and payable, and/or limit them from making new investments. In addition, the SBA could revoke or suspend GBDC's SBIC Funds' licenses for willful or repeated violation of, or willful or repeated failure to observe, any provision of the 1958 Act or any rule or regulation promulgated thereunder. These actions by the SBA could have a material adverse effect on GBDC's business, financial condition and results of operations.

GBDC's ability to invest in public companies may be limited in certain circumstances.

To maintain its status as a business development company, GBDC is not permitted to acquire any assets other than "qualifying assets" specified in the 1940 Act unless, at the time the acquisition is made, at least 70% of GBDC's total assets are qualifying assets (with certain limited exceptions). Subject to certain exceptions for follow-on investments and investments in distressed companies, an investment in an issuer that has outstanding securities listed on a national securities exchange may be treated as qualifying assets only if such issuer has a common equity market capitalization that is less than $250.0 million at the time of such investment.

GBDC may enter into reverse repurchase agreements, which are another form of leverage.

GBDC may enter into reverse repurchase agreements as part of its management of its temporary investment portfolio. Under a reverse repurchase agreement, GBDC will effectively pledge its assets as collateral to secure a short-term loan. Generally, the other party to the agreement makes the loan in an amount equal to a percentage of the fair value of the pledged collateral. At the maturity of the reverse repurchase agreement, GBDC would be required to repay the loan and correspondingly receive back its collateral. While used as collateral, the assets continue to pay principal and interest which are for the benefit of GBDC.

GBDC’s use of reverse repurchase agreements, if any, involves many of the same risks involved in its use of leverage, as the proceeds from reverse repurchase agreements generally will be invested in additional securities. There is a risk that the market value of the securities acquired in the reverse repurchase agreement may decline below the price of the securities that GBDC has sold but remain obligated to purchase. In addition, there is a risk that the market value of the securities retained by GBDC may decline. If a buyer of securities under a reverse repurchase agreement were to file for bankruptcy or experience insolvency, GBDC may be adversely affected. Also, in entering into reverse repurchase agreements, GBDC would bear the risk of loss to the extent that the proceeds of such agreements at settlement are less than the fair value of the underlying securities being pledged. In addition, due to the interest costs associated with reverse repurchase agreements, GBDC’s net asset value would decline, and, in some cases, GBDC may be worse off than if it had not used such agreements.

Adverse developments in the credit markets may impair GBDC’s ability to enter into new debt financing arrangements.

During the economic downturn in the United States that began in mid-2007, many commercial banks and other financial institutions stopped lending or significantly curtailed their lending activity. In addition, in an effort to stem losses and reduce their exposure to segments of the economy deemed to be high risk, some financial institutions limited routine refinancing and loan modification transactions and even reviewed the terms of existing facilities to identify bases for accelerating the maturity of existing lending facilities. To the extent these circumstances arise again in the future, it may be difficult for GBDC to finance the growth of its investments on acceptable economic terms, or at all, and one or more of GBDC’s leverage facilities could be accelerated by the lenders.

If GBDC does not invest a sufficient portion of its assets in qualifying assets, GBDC could fail to qualify as a business development company or be precluded from investing according to its current business strategy.

As a business development company, GBDC may not acquire any assets other than “qualifying assets” unless, at the time of and after giving effect to such acquisition, at least 70% of its total assets are qualifying assets. In the future, GBDC believes that most of its investments will constitute qualifying assets. However, GBDC may be precluded from investing in what GBDC believes are attractive investments if such investments are not qualifying assets for purposes of the 1940 Act. If GBDC does not invest a sufficient portion of its assets in qualifying assets, GBDC could violate the 1940 Act provisions applicable to business development companies. As a result of such violation, specific rules under the 1940 Act could prevent GBDC, for example, from making follow-on investments in existing portfolio companies (which could result in the dilution of its position) or could require GBDC to dispose of investments at inappropriate times in order to come into compliance with the 1940 Act. If GBDC needs to dispose of such investments quickly, it could be difficult to dispose of such investments on favorable terms. GBDC may not be able to find a buyer for such investments and, even if GBDC does find a buyer, GBDC may have to sell the investments at a substantial loss. Any such outcomes would have a material adverse effect on GBDC’s business, financial condition, results of operations and cash flows.

Failure to qualify as a business development company would decrease GBDC's operating flexibility

If GBDC does not maintain its status as a business development company, GBDC would be subject to regulation as a registered closed-end investment company under the 1940 Act. As a registered closed-end investment company, GBDC would be subject to substantially more regulatory restrictions under the 1940 Act which would significantly decrease its operating flexibility.

The majority of GBDC's portfolio investments are recorded at fair value as determined in good faith by the GBDC Board and, as a result, there may be uncertainty as to the value of GBDC's portfolio investments.

The majority of GBDC's portfolio investments take the form of securities that are not publicly traded. The fair value of securities and other investments that are not publicly traded may not be readily determinable, and GBDC values these securities at fair value as determined in good faith by the GBDC Board, including to reflect significant events affecting the value of GBDC's securities. As discussed in more detail under "Management's Discussion and Analysis of Financial Condition and Results of Operations of Golub Capital BDC, Inc.—Critical Accounting Policies," most, if not all, of GBDC's investments (other than cash and cash equivalents) are classified as Level 3 under Accounting Standards Codification ("ASC") Topic 820, Fair Value Measurement and Disclosure, as amended ("ASC Topic 820"). This means that GBDC's portfolio valuations are based on unobservable inputs and GBDC's own assumptions about how market participants would price the asset or liability in question. Inputs into the determination of fair value of GBDC's portfolio investments require significant management judgment or estimation. Even if observable market data are available, such information may be the result of consensus pricing information or broker quotes, which may include a disclaimer that the broker would not be held to such a price in an actual transaction. The non-binding nature of consensus pricing and/or quotes accompanied by disclaimers materially reduces the reliability of such information.

GBDC has retained the services of several independent service providers to review the valuation of these securities. At least once annually, the valuation for each portfolio investment for which a market quote is not readily available is reviewed by an independent valuation firm. The types of factors that the GBDC Board may take into account in determining the fair value of GBDC's investments generally include, as appropriate, comparison to publicly traded securities, including such factors as yield, maturity and measures of credit quality, the enterprise value of a portfolio company, the nature and realizable value of any collateral, the portfolio company's ability to make payments and its earnings and discounted cash flow, the markets in which the portfolio company does business and other relevant factors. Because such valuations, and particularly valuations of private securities and private companies, are inherently uncertain, may fluctuate over short periods of time and may be based on estimates, GBDC's determinations of fair value may differ materially from the values that would have been used if a ready market for these securities existed. GBDC's net asset value could be adversely affected if its determinations regarding the fair value of its investments were materially higher than the values that GBDC ultimately realizes upon the disposal of such securities.

GBDC adjusts quarterly the valuation of its portfolio to reflect the GBDC Board's determination of the fair value of each investment in its portfolio. Any changes in fair value are recorded in GBDC's consolidated statement of operations as net change in unrealized appreciation or depreciation.

GBDC may experience fluctuations in its quarterly operating results.

GBDC could experience fluctuations in its quarterly operating results due to a number of factors, including the interest rate payable on the debt securities GBDC acquires, the default rate on such securities, the number and size of investments GBDC originates or acquires, the level of GBDC's expenses, variations in and the timing of the recognition of realized and unrealized gains or losses, the degree to which GBDC encounters competition in its markets and general economic conditions. In light of these factors, results for any period should not be relied upon as being indicative of GBDC's performance in future periods.

New or modified laws or regulations governing GBDC's operations may adversely affect its business.

GBDC and its portfolio companies are subject to regulation by laws at the U.S. federal, state and local levels. These laws and regulations, as well as their interpretation, may change from time to time, including as the result of interpretive guidance or other directives from the U.S. President and others in the executive branch, and new laws, regulations and interpretations may also come into effect. Any such new or changed laws or regulations could have a material adverse effect on GBDC's business.

In particular the Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank") impacts many aspects of the financial services industry, and it requires the development and adoption of many implementing regulations over the next several years. The effects of Dodd-Frank on the financial services industry will depend, in large part, upon the extent to which regulators exercise the authority granted to them and the approaches taken in implementing regulations. President Trump and certain members of Congress have indicated that they will seek to amend or repeal portions of Dodd-Frank and to overhaul the Code, among other federal laws, which may create regulatory uncertainty in the near term, and in March 2018 the U.S. Senate passed a bill that eased financial regulations and reduced oversight for certain entities. While the impact of Dodd-Frank and any federal tax reform legislation on GBDC and its portfolio companies may not be known for an extended period of time, Dodd-Frank and any tax reform enacted as law, including future rules implementing its provisions and the interpretation of those rules, along with other legislative and regulatory proposals directed at the financial services industry or affecting taxation that are proposed or pending in the U.S. Congress, may negatively impact the operations, cash flows or financial condition of GBDC or its portfolio companies, impose additional costs on GBDC or its portfolio companies, intensify the regulatory supervision of GBDC or its portfolio companies or otherwise adversely affect GBDC's business or the business of its portfolio companies. In addition, if GBDC does not comply with applicable laws and regulations, GBDC could lose any licenses that it then holds for the conduct of its business and may be subject to civil fines and criminal penalties.

Additionally, changes to the laws and regulations governing GBDC's operations, including those associated with RICs, may cause GBDC to alter its investment strategy in order to avail itself of new or different opportunities or result in the imposition of corporate-level taxes on GBDC. Such changes could result in material differences to GBDC's strategies and plans and may shift GBDC's investment focus from the areas of expertise of GC Advisors to other types of investments in which GC Advisors may have little or no expertise or experience. Any such changes, if they occur, could have a material adverse effect on GBDC's results of operations and the value of your investment. If GBDC invests in commodity interests in the future, GC Advisors may determine not to use investment strategies that trigger additional regulation by the U.S. Commodity Futures Trading Commission ("CFTC") or may determine to operate subject to CFTC regulation, if applicable. If GBDC or GC Advisors were to operate subject to CFTC regulation, GBDC may incur additional expenses and would be subject to additional regulation.

On October 21, 2014, U.S. risk retention rules adopted pursuant to Section 941 of Dodd-Frank (the "U.S. Risk Retention Rules") were issued and became effective with respect to collateralized loan obligation ("CLOs") on December 24, 2016. The U.S. Risk Retention Rules require the sponsor (directly or through a majority-owned affiliate) of a debt securitization subject to such rules, such as CLOs, in the absence of an exemption, to retain an economic interest (the "Retention Interest") in the credit risk of the assets being securitized in the form of an eligible horizontal residual interest, an eligible vertical interest, or a combination thereof, in accordance with the requirements of the U.S. Risk Retention Rules. Due to the interplay of the 1940 Act restrictions on principal and joint transactions and the U.S. Risk Retention Rules, GBDC sought no-action relief to ensure that GBDC could engage in CLO financing under the 1940 Act and the risk retention rules mandated by Section 941 of Dodd-Frank. On September 7, 2018 GBDC received a no-action letter from the staff (the "Staff") of the Division of Investment Management of the SEC that states that the Staff would not recommend that the SEC take any enforcement action under Section 57(a) of the1940 Act, or Rule 17d-1 under the 1940 Act against GBDC or GC Advisors if GBDC were to acquire CLO equity as a Retention Interest in the manner described in a letter submitted to the Staff on behalf of GBDC.

However, the no-action relief GBDC received did not address whether or not the CLO transactions described therein would satisfy the requirements of the U.S. Risk Retention Rules. As a general matter, available interpretive authority to date addressing the U.S. Risk Retention Rules applicable to CLOs is limited, and there is limited judicial decisional authority or applicable agency interpretation that has directly addressed any of the risk retention approaches taken with respect to CLOs. Accordingly, there can be no assurance that the applicable federal agencies will agree that any CLO transaction GBDC undertakes, or the manner in which GBDC holds any retention interests, complies with the U.S. Risk Retention Rules. If GBDC ever determined that undertaking CLO transactions would subject it or any of its affiliates to unacceptable regulatory risk, GBDC's ability to execute CLOs may be limited or otherwise curtailed. Given the more attractive financing costs associated with these types of debt securitization as opposed to other types of financing available (such as traditional senior secured facilities), this would, in turn, increase GBDC's financing costs. Any associated increase in financing costs would ultimately be borne by GBDC's common stockholders.

On February 3, 2017, President Trump signed Executive Order 13772 (the "Executive Order") announcing the Administration's policy to regulate the U.S. financial system in a manner consistent with certain "Core Principles," including regulation that is efficient, effective and appropriately tailored. The Executive Order directed the Secretary of the Treasury, in consultation with the heads of the member agencies of the Financial Stability Oversight Council, to report to the President on the extent to which existing laws, regulations and other government policies promote the Core Principles and to identify any laws, regulations or other government policies that inhibit federal regulation of the U.S. financial system. On June 12, 2017, the U.S. Department of the Treasury published the first of several reports in response to the Executive Order on the depository system covering banks and other savings institutions. On October 6, 2017, the Treasury released a second report outlining ways to streamline and reform the U.S. regulatory system for capital markets, followed by a third report, on October 26, 2017, examining the current regulatory framework for the asset management and insurance industries. Subsequent reports are expected to address: retail and institutional investment products and vehicles; non-bank financial institutions; financial technology; and financial innovation.

On December 22, 2017, the Tax Cuts and Jobs Act was enacted into law. The Tax Cuts and Jobs Act makes significant changes to the U.S. income tax rules applicable to both individuals and entities, including corporations. The Tax Cuts and Jobs Act includes provisions that, among other things, reduce the U.S. corporate tax rate from 35 percent to 21 percent, introduce a capital investment deduction, limit the interest deduction, limit the use of net operating losses to offset future taxable income, repeal the corporate alternative minimum tax and make extensive changes to the U.S. international tax system. The Tax Cuts and Jobs Act is complex and far-reaching, and GBDC cannot predict the impact its enactment will have on it, its subsidiaries, its portfolio companies and the holders of its securities.

On May 24, 2018, President Trump signed into law the Economic Growth, Regulatory Relief, and Consumer Protection Act, which increased from $50 billion to $250 billion the asset threshold for designation of “systemically important financial institutions” (“SIFIs”) subject to enhanced prudential standards set by the Federal Reserve Board, staggering application of this change based on the size and risk of the covered bank holding company. On May 30, 2018, the Federal Reserve Board voted to consider changes to the Volcker Rule that would loosen compliance requirements for all banks. The effect of this change and any further rules or regulations are and could be complex and far-reaching, and the change and any future laws or regulations or changes thereto could negatively impact GBDC’s operations, cash flows or financial condition, impose additional costs on GBDC, intensify the regulatory supervision of GBDC or otherwise adversely affect GBDC’s business, financial condition and results of operations.

Over the last several years, there also has been an increase in regulatory attention to the extension of credit outside of the traditional banking sector, raising the possibility that some portion of the non-bank financial sector will be subject to new regulation. While it cannot be known at this time whether any regulation will be implemented or what form it will take, increased regulation of non-bank credit extension could negatively impact GBDC’s operations, cash flows or financial condition, impose additional costs on GBDC, intensify the regulatory supervision of GBDC or otherwise adversely affect GBDC’s business, financial condition and results of operations.

Changes to U.S. tariff and import/export regulations may have a negative effect on GBDC’s portfolio companies and, in turn, harm GBDC.

There has been ongoing discussion and commentary regarding potential significant changes to U.S. trade policies, treaties and tariffs. The current U.S. presidential administration, along with the U.S. Congress, has created significant uncertainty about the future relationship between the United States and other countries with respect to trade policies, treaties and tariffs. These developments, or the perception that any of them could occur, may have a material adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global trade and, in particular, trade between the impacted nations and the United States. Any of these factors could depress economic activity and restrict GBDC’s portfolio companies’ access to suppliers or customers and have a material adverse effect on their business, financial condition and results of operations, which in turn would negatively impact GBDC.

The GBDC Board may change GBDC’s investment objective, operating policies and strategies without prior notice or stockholder approval.

The GBDC Board has the authority, except as otherwise provided in the 1940 Act, to modify or waive GBDC’s investment objective and certain of GBDC’s operating policies and strategies without prior notice and without stockholder approval. However, absent stockholder approval, GBDC may not change the nature of its business so as to cease to be, or withdraw its election as, a business development company. Under Delaware law, GBDC also cannot be dissolved without prior stockholder approval. GBDC cannot predict the effect any changes to its current investment objective, operating policies and strategies would have on its business, operating results and the price of GBDC Common Stock. Nevertheless, any such changes could adversely affect GBDC's business and impair its ability to make distributions.

Provisions of the DGCL and GBDC's certificate of incorporation and bylaws could deter takeover attempts and have an adverse effect on the price of GBDC Common Stock.

The DGCL contains provisions that may discourage, delay or make more difficult a change in control of GBDC or the removal of GBDC's directors. GBDC's certificate of incorporation and bylaws contain provisions that limit liability and provide for indemnification of its directors and officers. These provisions and others also may have the effect of deterring hostile takeovers or delaying changes in control or management. GBDC is subject to Section 203 of the DGCL, the application of which is subject to any applicable requirements of the 1940 Act. This section generally prohibits GBDC from engaging in mergers and other business combinations with stockholders that beneficially own 15% or more of its voting stock, or with their affiliates, unless GBDC's directors or stockholders approve the business combination in the prescribed manner. If the GBDC Board does not approve a business combination, Section 203 of the DGCL may discourage third parties from trying to acquire control of GBDC and increase the difficulty of consummating such an offer.

GBDC has also adopted measures that may make it difficult for a third party to obtain control of GBDC, including provisions of its certificate of incorporation classifying the GBDC Board into three classes serving staggered three-year terms, and provisions of GBDC's certificate of incorporation authorizing the GBDC Board to classify or reclassify shares of its preferred stock in one or more classes or series, to cause the issuance of additional shares of its stock, and to amend its certificate of incorporation, without stockholder approval, in certain instances. These provisions, as well as other provisions of GBDC's certificate of incorporation and bylaws, may delay, defer or prevent a transaction or a change in control that might otherwise be in the best interests of its securityholders.

GC Advisors can resign on 60 days' notice, and GBDC may not be able to find a suitable replacement within that time, resulting in a disruption in GBDC's operations that could adversely affect its financial condition, business and results of operations.

GC Advisors has the right to resign under the Current GBDC Investment Advisory Agreement at any time upon not less than 60 days' written notice, whether GBDC has found a replacement or not. If GC Advisors resigns, GBDC may not be able to find a new investment adviser or hire internal management with similar expertise and ability to provide the same or equivalent services on acceptable terms within 60 days, or at all. If GBDC is unable to do so quickly, GBDC's operations are likely to experience a disruption, its business, financial condition, results of operations and cash flows as well as its ability to pay distributions are likely to be adversely affected and the market price of its shares may decline. In addition, the coordination of GBDC's internal management and investment activities is likely to suffer if it is unable to identify and reach an agreement with a single institution or group of executives having the expertise possessed by GC Advisors and its affiliates. Even if GBDC is able to retain comparable management, whether internal or external, the integration of such management and their lack of familiarity with GBDC's investment objective may result in additional costs and time delays that may adversely affect its business, financial condition, results of operations and cash flows.

The Administrator can resign on 60 days' notice, and GBDC may not be able to find a suitable replacement, resulting in a disruption in its operations that could adversely affect its financial condition, business and results of operations.

The Administrator has the right to resign under the Administration Agreement at any time upon not less than 60 days' written notice, whether GBDC has found a replacement or not. If the Administrator resigns, GBDC may not be able to find a new administrator or hire internal management with similar expertise and ability to provide the same or equivalent services on acceptable terms, or at all. If GBDC is unable to do so quickly, its operations are likely to experience a disruption, its financial condition, business and results of operations as well as its ability to pay distributions are likely to be adversely affected and the market price of its shares may decline. In addition, the coordination of GBDC's internal management and administrative activities is likely to suffer if GBDC is unable to identify and reach an agreement with a service provider or individuals with the expertise possessed by the Administrator. Even if GBDC is able to retain a comparable service provider or individuals to perform such services, whether internal or external, their integration into GBDC's business and lack of familiarity with GBDC's investment objective may result in additional costs and time delays that may adversely affect GBDC’s business, financial condition, results of operations and cash flows.

GBDC incurs significant costs as a result of being a publicly traded company.

As a publicly traded company, GBDC incurs legal, accounting and other expenses, including costs associated with the periodic reporting requirements applicable to a company whose securities are registered under the Exchange Act, as well as additional corporate governance requirements, including requirements under the Sarbanes-Oxley Act of 2002, as amended (the “Sarbanes-Oxley Act”) and other rules implemented by the SEC.

GBDC's compliance with Section 404 of the Sarbanes-Oxley Act involves significant expenditures, and non-compliance with Section 404 of the Sarbanes-Oxley Act would adversely affect GBDC and the market price of GBDC Common Stock.

GBDC is required to report on its internal control over financial reporting pursuant to Section 404 of the Sarbanes-Oxley Act and related rules and regulations of the SEC. As a result, GBDC incurs expenses that may negatively impact its financial performance and its ability to make distributions. This process also results in a diversion of management's time and attention. GBDC cannot ensure that its evaluation, testing and remediation process is effective or that its internal control over financial reporting will be effective. In the event that GBDC is unable to maintain compliance with Section 404 of the Sarbanes-Oxley Act and related rules, GBDC and the market price of its securities would be adversely affected.

GBDC is highly dependent on information systems and systems failures or cyberattacks could significantly disrupt GBDC's business, which may, in turn, negatively affect the market price of GBDC Common Stock and GBDC's ability to pay dividends and other distributions.

GBDC's business depends on the communications and information systems of GC Advisors and its affiliates. These systems are subject to potential attacks, including through adverse events that threaten the confidentiality, integrity or availability of GBDC's information resources (i.e., cyber incidents). These attacks could involve gaining unauthorized access to GBDC's information systems for purposes of misappropriating assets, stealing confidential information, corrupting data or causing operational disruption and result in disrupted operations, misstated or unreliable financial data, liability for stolen assets or information, increased cybersecurity protection and insurance costs, litigation and damage to GBDC's business relationships, any of which could, in turn, have a material adverse effect on GBDC's operating results and negatively affect the market price of its securities and its ability to pay dividends and other distributions to its securityholders. As GBDC's reliance on technology has increased, so have the risks posed to its information systems, both internal and those provided by GC Advisors and third-party service providers.

GBDC's business and operations could be negatively affected if GBDC becomes subject to stockholder activism, which could cause GBDC to incur significant expense, hinder the execution of its investment strategy or impact its stock price.

Stockholder activism, which could take many forms, including making public demands that GBDC consider certain strategic alternatives, engaging in public campaigns to attempt to influence GBDC's corporate governance and/or its management, and commencing proxy contests to attempt to elect the activists' representatives or others to the GBDC Board, or arise in a variety of situations, has been increasing in the business development company space recently. While GBDC is currently not subject to any stockholder activism, due to the potential volatility of GBDC's stock price and for a variety of other reasons, GBDC may in the future become the target of stockholder activism. Stockholder activism could result in substantial costs and divert management's and the GBDC Board's attention and resources from GBDC's business. Additionally, such stockholder activism could give rise to perceived uncertainties as to GBDC's future and adversely affect GBDC's relationships with service providers and its portfolio companies. Also, GBDC may be required to incur significant legal and other expenses related to any activist stockholder matters. Further, GBDC's stock price could be subject to significant fluctuation or otherwise be adversely affected by the events, risks and uncertainties of any stockholder activism.

Risks Relating to GBDC's Investments

Economic recessions or downturns could impair GBDC's portfolio companies and defaults by GBDC's portfolio companies will harm its operating results.

Many of GBDC's portfolio companies are susceptible to economic slowdowns or recessions and may be unable to repay GBDC's loans during these periods. Therefore, GBDC's non-performing assets are likely to increase and the value of its portfolio is likely to decrease during these periods. Adverse economic conditions may decrease the value of collateral securing some of GBDC's loans and the value of its equity investments. Economic slowdowns or recessions could lead to financial losses in GBDC's portfolio and a decrease in revenues, net income and assets. Unfavorable economic conditions also could increase GBDC's funding costs, limit its access to the capital markets or result in a decision by lenders not to extend credit to GBDC. These events could prevent GBDC from increasing its investments and harm its operating results.

A portfolio company’s failure to satisfy financial or operating covenants imposed by GBDC or other lenders could lead to defaults and, potentially, termination of GBDC’s loans and foreclosure on its assets, which could trigger cross-defaults under other agreements and jeopardize GBDC’s portfolio company’s ability to meet its obligations under the debt securities that GBDC holds. GBDC may incur expenses to the extent necessary to seek recovery upon default or to negotiate new terms with a defaulting portfolio company. In addition, lenders in certain cases can be subject to lender liability claims for actions taken by them when they become too involved in the borrower’s business or exercise control over a borrower. It is possible that GBDC could become subject to a lender’s liability claim, including as a result of actions taken if it renders managerial assistance to the borrower.

GBDC’s debt investments may be risky and GBDC could lose all or part of its investments.

The debt that GBDC invests in is typically not initially rated by any rating agency, but GBDC believes that if such investments were rated, they would be below investment grade (rated lower than “Baa3” by Moody’s Investors Service, lower than “BBB-” by Fitch Ratings or lower than “BBB-” by Standard & Poor’s Ratings Services), which under the guidelines established by these entities is an indication of having predominantly speculative characteristics with respect to the issuer’s capacity to pay interest and repay principal. Bonds that are rated below investment grade are sometimes referred to as “high yield bonds” or “junk bonds.” Therefore, GBDC’s investments may result in an above average amount of risk and volatility or loss of principal.

GBDC’s investments in leveraged portfolio companies may be risky, and you could lose all or part of your investment.

Investment in leveraged companies involves a number of significant risks. Leveraged companies in which GBDC invests may have limited financial resources and may be unable to meet their obligations under their debt securities that GBDC holds. Such developments may be accompanied by a deterioration in the value of any collateral and a reduction in the likelihood of GBDC’s realizing any guarantees that it may have obtained in connection with its investment. Smaller leveraged companies also may have less predictable operating results and may require substantial additional capital to support their operations, finance their expansion or maintain their competitive position.

GBDC’s investments in private and middle-market portfolio companies are risky, and you could lose all or part of your investment.

Investment in private and middle-market companies involves a number of significant risks. Generally, little public information exists about these companies, and GBDC relies on the ability of GC Advisors’ investment professionals to obtain adequate information to evaluate the potential returns from investing in these companies. If GC Advisors is unable to uncover all material information about these companies, GBDC may not make a fully informed investment decision, and it may lose money on its investments. Middle-market companies generally have less predictable operating results and may require substantial additional capital to support their operations, finance expansion or maintain their competitive position. Middle-market companies may have limited financial resources, may have difficulty accessing the capital markets to meet future capital needs and may be unable to meet their obligations under their debt securities that GBDC holds, which may be accompanied by a deterioration in the value of any collateral and a reduction in the likelihood of GBDC’s realizing any guarantees it may have obtained in connection with its investment. In addition, such companies typically have shorter operating histories, narrower product lines and smaller market shares than larger businesses, which tend to render them more vulnerable to competitors’ actions and market conditions, as well as general economic downturns. Additionally, middle-market companies are more likely to depend on the management talents and efforts of a small group of persons. Therefore, the death, disability, resignation or termination of one or more of these persons could have a material adverse impact on GBDC’s portfolio company and, in turn, on GBDC. Middle-market companies also may be parties to litigation and may be engaged in rapidly changing businesses with products subject to a substantial risk of obsolescence. In addition, GBDC’s executive officers, directors and GC Advisors may, in the ordinary course of business, be named as defendants in litigation arising from GBDC’s investments in the portfolio companies.

The lack of liquidity in GBDC’s investments may adversely affect its business.

GBDC may invest all of its assets in illiquid securities, and a substantial portion of its investments in leveraged companies are and will be subject to legal and other restrictions on resale or will otherwise be less liquid than more broadly traded public securities. The illiquidity of these investments may make it difficult for GBDC to sell such investments if the need arises. In addition, if GBDC is required to liquidate all or a portion of its portfolio quickly, it may realize significantly less than the value at which it has previously recorded its investments. GBDC may also face other restrictions on its ability to liquidate an investment in a portfolio company to the extent that GBDC, GC Advisors, Golub Capital or any of GBDC’s affiliates have material nonpublic information regarding such portfolio company.

Price declines and illiquidity in the corporate debt markets may adversely affect the fair value of GBDC's portfolio investments, reducing its net asset value through increased net unrealized depreciation.

As a business development company, GBDC is required to carry its investments at market value or, if no market value is ascertainable, at fair value as determined in good faith by the GBDC Board. As part of the valuation process, GBDC may take into account the following types of factors, if relevant, in determining the fair value of its investments:

- a comparison of the portfolio company's securities to publicly traded securities;
- the enterprise value of the portfolio company;
- the nature and realizable value of any collateral;
- the portfolio company's ability to make payments and its earnings and discounted cash flow;
- the markets in which the portfolio company does business; and
- changes in the interest rate environment and the credit markets generally that may affect the price at which similar investments may be made in the future and other relevant factors.

When an external event such as a purchase transaction, public offering or subsequent equity sale occurs, GBDC uses the pricing indicated by the external event to corroborate its valuation. GBDC records decreases in the market values or fair values of its investments as unrealized depreciation. Declines in prices and liquidity in the corporate debt markets may result in significant net unrealized depreciation in its portfolio. The effect of all of these factors on GBDC's portfolio may reduce GBDC's net asset value by increasing net unrealized depreciation in its portfolio. Depending on market conditions, GBDC could incur substantial realized losses and may suffer additional unrealized losses in future periods, which could have a material adverse effect on its business, financial condition, results of operations and cash flows.

GBDC's portfolio companies may prepay loans, which may reduce its yields if capital returned cannot be invested in transactions with equal or greater expected yields.

The loans in GBDC's investment portfolio may be prepaid at any time, generally with little advance notice. Whether a loan is prepaid will depend both on the continued positive performance of the portfolio company and the existence of favorable financing market conditions that allow such company the ability to replace existing financing with less expensive capital. As market conditions change, GBDC does not know when, and if, prepayment may be possible for each portfolio company. In some cases, the prepayment of a loan may reduce GBDC's achievable yield if the capital returned cannot be invested in transactions with equal or greater expected yields, which could have a material adverse effect on its business, financial condition and results of operations.

GBDC's portfolio companies may be unable to repay or refinance outstanding principal on their loans at or prior to maturity, and rising interests rates may make it more difficult for portfolio companies to make periodic payments on their loans.

GBDC's portfolio companies may be unable to repay or refinance outstanding principal on their loans at or prior to maturity. This risk and the risk of default is increased to the extent that the loan documents do not require the portfolio companies to pay down the outstanding principal of such debt prior to maturity. In addition, if general interest rates rise, there is a risk that GBDC's portfolio companies will be unable to pay escalating interest amounts, which could result in a default under their loan documents with GBDC. Rising interest rates could also cause portfolio companies to shift cash from other productive uses to the payment of interest, which may have a material adverse effect on their business and operations and could, over time, lead to increased defaults. Any failure of one or more portfolio companies to repay or refinance its debt at or prior to maturity or the inability of one or more portfolio companies to make ongoing payments following an increase in contractual interest rates could have a material adverse effect on GBDC's business, financial condition, results of operations and cash flows.

GBDC has not yet identified the portfolio company investments GBDC will acquire.

While GBDC currently holds a portfolio of investments, GBDC has not yet identified additional potential investments for its portfolio that GBDC will acquire with the proceeds of any offering of securities or repayments of investments currently in its portfolio. Privately negotiated investments in illiquid securities or private middle-market companies require substantial due diligence and structuring, and GBDC cannot assure you that it will achieve its anticipated investment pace. As a result, you will be unable to evaluate any future portfolio company investments prior to purchasing its shares of common stock. Additionally, GC Advisors selects all of its investments, and its stockholders will have no input with respect to such investment decisions. These factors increase the uncertainty, and thus the risk, of investing in its securities. GBDC anticipates that it will use substantially all of the net proceeds of any offering of its securities within approximately six months following the completion of any offering of its securities, depending on the availability of appropriate investment opportunities consistent with its investment objectives and market conditions. Until such appropriate investment opportunities can be found, GBDC may also invest the net proceeds 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. GBDC expects these temporary investments to earn yields substantially lower than the income that it expects to receive in respect of its targeted investment types. As a result, any distributions GBDC makes during this period may be substantially smaller than the distributions that it expects to pay when its portfolio is fully invested.

GBDC is a non-diversified investment company within the meaning of the 1940 Act, and therefore GBDC is not limited with respect to the proportion of its assets that may be invested in securities of a single issuer.

GBDC is classified as a non-diversified investment company within the meaning of the 1940 Act, which means that GBDC is not limited by the 1940 Act with respect to the proportion of its assets that it may invest in securities of a single issuer. To the extent that GBDC assumes large positions in the securities of a small number of issuers, its net asset value may fluctuate to a greater extent than that of a diversified investment company as a result of changes in the financial condition or the market's assessment of the issuer. GBDC may also be more susceptible to any single economic or regulatory occurrence than a diversified investment company. Beyond its asset diversification requirements as a RIC under the Code, GBDC does not have fixed guidelines for diversification, and its investments could be concentrated in relatively few portfolio companies. Although GBDC is classified as a non-diversified investment company within the meaning of the 1940 Act, it maintains the flexibility to operate as a diversified investment company and has done so for an extended period of time. To the extent that GBDC operates as a non-diversified investment company in the future, it may be subject to greater risk.

GBDC's portfolio may be concentrated in a limited number of portfolio companies and industries, which will subject GBDC to a risk of significant loss if any of these companies defaults on its obligations under any of its debt instruments or if there is a downturn in a particular industry.

GBDC's portfolio may be concentrated in a limited number of portfolio companies and industries. As a result, the aggregate returns GBDC realizes may be significantly and adversely affected if a small number of investments perform poorly or if GBDC needs to write down the value of any one investment. Additionally, while GBDC is not targeting any specific industries, its investments may be concentrated in relatively few industries. For example, although GBDC classifies the industries of its portfolio companies by end-market (such as healthcare or business services) and not by the products or services (such as software) directed to those end-markets, many of its portfolio companies principally provide software products or services, which exposes GBDC to downturns in that sector. As a result, a downturn in any particular industry in which GBDC is invested could also significantly impact the aggregate returns it realizes.

GBDC may hold the debt securities of leveraged companies that may, due to the significant volatility of such companies, enter into bankruptcy proceedings.

Leveraged companies may experience bankruptcy or similar financial distress. The bankruptcy process has a number of significant inherent risks. Many events in a bankruptcy proceeding are the product of contested matters and adversary proceedings and are beyond the control of the creditors. A bankruptcy filing by an issuer may adversely and permanently affect the issuer. If the proceeding is converted to a liquidation, the value of the issuer may not equal the liquidation value that was believed to exist at the time of the investment. The duration of a bankruptcy proceeding is also difficult to predict, and a creditor's return on investment can be adversely affected by delays until the plan of reorganization or liquidation ultimately becomes effective. The administrative costs of a bankruptcy proceeding are frequently high and would be paid out of the debtor's estate prior to any return to creditors. Because the standards for classification of claims under bankruptcy law are vague, GBDC's influence with respect to the class of securities or other obligations it owns may be lost by increases in the number and amount of claims in the same class or by different classification and treatment. In the early stages of the bankruptcy process, it is often difficult to estimate the extent of, or even to identify, any contingent claims that might be made. In addition, certain claims that have priority by law (for example, claims for taxes) may be substantial.

Depending on the facts and circumstances of its investments and the extent of GBDC's involvement in the management of a portfolio company, upon the bankruptcy of a portfolio company, a bankruptcy court may recharacterize GBDC's debt investments as equity interests and subordinate all or a portion of its claim to that of other creditors. This could occur even though GBDC may have structured its investment as senior debt.

GBDC's failure to make follow-on investments in its portfolio companies could impair the value of its portfolio.

Following an initial investment in a portfolio company, GBDC may make additional investments in that portfolio company as "follow-on" investments, in seeking to:

- increase or maintain in whole or in part its position as a creditor or equity ownership percentage in a portfolio company;
- exercise warrants, options or convertible securities that were acquired in the original or subsequent financing; or
- preserve or enhance the value of its investment.

GBDC has discretion to make follow-on investments, subject to the availability of capital resources. Failure on GBDC's part to make follow-on investments may, in some circumstances, jeopardize the continued viability of a portfolio company and GBDC's initial investment, or may result in a missed opportunity for GBDC to increase its participation in a successful portfolio company. Even if GBDC has sufficient capital to make a desired follow-on investment, it may elect not to make a follow-on investment because it may not want to increase its level of risk, because it prefers other opportunities or because of regulatory or other considerations. GBDC's ability to make follow-on investments may also be limited by GC Advisors' allocation policy.

Because GBDC generally does not hold controlling equity interests in its portfolio companies, GBDC may not be able to exercise control over its portfolio companies or to prevent decisions by management of its portfolio companies that could decrease the value of its investments.

To the extent GBDC does not hold controlling equity positions in its portfolio companies, it is subject to the risk that a portfolio company may make business decisions with which GBDC disagrees, and that the management and/or stockholders of a portfolio company may take risks or otherwise act in ways that are adverse to GBDC's interests. Due to the lack of liquidity of the debt and equity investments that GBDC typically holds in its portfolio companies, GBDC may not be able to dispose of its investments in the event it disagrees with the actions of a portfolio company and may therefore suffer a decrease in the value of its investments.

GBDC's portfolio companies may incur debt that ranks equally with, or senior to, its investments in such companies and such portfolio companies may not generate sufficient cash flow to service their debt obligations to GBDC.

GBDC has invested a portion of its capital in second lien and subordinated loans issued by its portfolio companies and intends to continue to do so in the future. GBDC's portfolio companies may have, or be permitted to incur, other debt that ranks equally with, or senior to, the debt securities in which GBDC invests. Such subordinated investments are subject to greater risk of default than senior obligations as a result of adverse changes in the financial condition of the obligor or in general economic conditions. If GBDC makes a subordinated investment in a portfolio company, the portfolio company may be highly leveraged, and its relatively high debt-to-equity ratio may create increased risks that its operations might not generate sufficient cash flow to service all of its debt obligations. By their terms, such debt instruments may provide that the holders are entitled to receive payment of interest or principal on or before the dates on which GBDC is entitled to receive payments in respect of the securities in which it invests. These debt instruments would usually prohibit the portfolio companies from paying interest on or repaying its investments in the event of and during the continuance of a default under such debt. Also, in the event of insolvency, liquidation, dissolution, reorganization or bankruptcy of a portfolio company, holders of securities ranking senior to GBDC's investment in that portfolio company would typically be entitled to receive payment in full before GBDC receives any distribution in respect of its investment. After repaying senior creditors, the portfolio company may not have any remaining assets to use for repaying its obligation to GBDC where GBDC is junior creditor. In the case of debt ranking equally with debt securities in which GBDC invests, GBDC would have to share any distributions on an equal and ratable basis with other creditors holding such debt in the event of an insolvency, liquidation, dissolution, reorganization or bankruptcy of the relevant portfolio company.

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Additionally, certain loans that GBDC makes to portfolio companies may be secured on a second priority basis by the same collateral securing senior secured debt of such companies. The first priority liens on the collateral will secure the portfolio company's obligations under any outstanding senior debt and may secure certain other future debt that may be permitted to be incurred by the portfolio company under the agreements governing the loans. The holders of obligations secured by first priority liens on the collateral will generally control the liquidation of, and be entitled to receive proceeds from, any realization of the collateral to repay their obligations in full before GBDC. In addition, the value of the collateral in the event of liquidation will depend on market and economic conditions, the availability of buyers and other factors. There can be no assurance that the proceeds, if any, from sales of all of the collateral would be sufficient to satisfy the loan obligations secured by the second priority liens after payment in full of all obligations secured by the first priority liens on the collateral. If such proceeds were not sufficient to repay amounts outstanding under the loan obligations secured by the second priority liens, then GBDC, to the extent not repaid from the proceeds of the sale of the collateral, will only have an unsecured claim against the portfolio company's remaining assets, if any.

GBDC has made in the past, and may make in the future, unsecured loans to portfolio companies, meaning that such loans will not benefit from any interest in collateral of such companies. Liens on a portfolio company's collateral, if any, will secure the portfolio company's obligations under its outstanding secured debt and may secure certain future debt that is permitted to be incurred by the portfolio company under its secured loan agreements. The holders of obligations secured by such liens will generally control the liquidation of, and be entitled to receive proceeds from, any realization of such collateral to repay their obligations in full before GBDC. In addition, the value of such collateral in the event of liquidation will depend on market and economic conditions, the availability of buyers and other factors. There can be no assurance that the proceeds, if any, from sales of such collateral would be sufficient to satisfy its unsecured loan obligations after payment in full of all loans secured by collateral. If such proceeds were not sufficient to repay the outstanding secured loan obligations, then its unsecured claims would rank equally with the unpaid portion of such secured creditors' claims against the portfolio company's remaining assets, if any.

The rights GBDC may have with respect to the collateral securing any junior priority loans GBDC makes to its portfolio companies may also be limited pursuant to the terms of one or more intercreditor agreements that it enters into with the holders of senior debt. Under a typical intercreditor agreement, at any time that obligations that have the benefit of the first priority liens are outstanding, any of the following actions that may be taken in respect of the collateral will be at the direction of the holders of the obligations secured by the first priority liens:

- the ability to cause the commencement of enforcement proceedings against the collateral;
- the ability to control the conduct of such proceedings;
- the approval of amendments to collateral documents;
- releases of liens on the collateral; and

- waivers of past defaults under collateral documents.

GBDC may not have the ability to control or direct such actions, even if its rights as junior lenders are adversely affected.

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The disposition of GBDC's investments may result in contingent liabilities.

A significant portion of GBDC's investments involve private securities. In connection with the disposition of an investment in private securities, GBDC may be required to make representations about the business and financial affairs of the portfolio company typical of those made in connection with the sale of a business. GBDC may also be required to indemnify the purchasers of such investment to the extent that any such representations turn out to be inaccurate or with respect to potential liabilities. These arrangements may result in contingent liabilities that ultimately result in funding obligations that GBDC must satisfy through its return of distributions previously made to GBDC.

GC Advisors' liability is limited, and GBDC has agreed to indemnify GC Advisors against certain liabilities, which may lead GC Advisors to act in a riskier manner on GBDC's behalf than it would when acting for its own account.

Under the Current GBDC Investment Advisory Agreement and the collateral management agreements for each of the 2014 Debt Securitization and 2018 Debt Securitization, GC Advisors does not assume any responsibility to GBDC other than to render the services called for under those agreements, and GBDC is not responsible for any action of its board of directors in following or declining to follow GC Advisors' advice or recommendations. Under the terms of the Current GBDC Investment Advisory Agreement and each of the collateral management agreements GC Advisors, its officers, members, personnel, and any person controlling or controlled by GC Advisors are not liable to GBDC, any subsidiary of GBDC, GBDC's directors, GBDC's stockholders or any subsidiary's stockholders or partners for acts or omissions performed in accordance with and pursuant to the Current GBDC Investment Advisory Agreement and the collateral management agreements, except those resulting from acts constituting gross negligence, willful misconduct, bad faith or, under the Current GBDC Investment Advisory Agreement, reckless disregard of GC Advisors' duties under the Current GBDC Investment Advisory Agreement and the collateral management agreements. In addition, GBDC has agreed to indemnify GC Advisors and each of its officers, directors, members, managers and employees from and against any claims or liabilities, including reasonable legal fees and other expenses reasonably incurred, arising out of or in connection with its business and operations or any action taken or omitted on its behalf pursuant to authority granted by the Current GBDC Investment Advisory Agreement and the collateral management agreements, except where attributable to gross negligence, willful misconduct, bad faith or, under the Current GBDC Investment Advisory Agreement, reckless disregard of such person's duties under the Current GBDC Investment Advisory Agreement and the collateral management agreements. These protections may lead GC Advisors to act in a riskier manner when acting on GBDC's behalf than it would when acting for its own account.

GBDC's investments in foreign companies may involve significant risks in addition to the risks inherent in U.S. investments.

GBDC's investment strategy contemplates potential investments in foreign companies. Investing in foreign companies may expose GBDC to additional risks not typically associated with investing in U.S. companies. These risks include changes in exchange control regulations, political and social instability, expropriation, imposition of foreign taxes (potentially at confiscatory levels), less liquid markets, less available information than is generally the case in the United States, higher transaction costs, less government supervision of exchanges, brokers and issuers, less developed bankruptcy laws, difficulty in enforcing contractual obligations, lack of uniform accounting and auditing standards and greater price volatility. Although GBDC expects most of its investments will be U.S. dollar denominated, its investments that are denominated in a foreign currency will be subject to the risk that the value of a particular currency will change in relation to one or more other currencies. Among the factors that may affect currency values are trade balances, the level of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation and political developments. GBDC may employ hedging techniques to minimize these risks, but GBDC cannot assure you that such strategies will be effective or without risk to GBDC. As of September 30, 2018, GBDC was invested in securities of four non-U.S. companies. Securities issued by non-U.S. companies are not "qualifying assets" under the 1940 Act, and GBDC may invest in non-U.S. companies, including emerging market issuers, to the limited extent such investments are permitted under the 1940 Act.

GBDC may expose itself to risks if GBDC engages in hedging transactions.

GBDC has and may in the future enter into hedging transactions, which may expose it to risks associated with such transactions. GBDC may utilize instruments such as forward contracts, currency options and interest rate swaps, caps, collars and floors to seek to hedge against fluctuations in the relative values of its portfolio positions from changes in currency exchange rates and market interest rates. Use of these hedging instruments may include counter-party credit risk. Hedging against a decline in the values of GBDC’s portfolio positions does not eliminate the possibility of fluctuations in the values of such positions or prevent losses if the values of such positions decline. However, such hedging can establish other positions designed to gain from those same developments, thereby offsetting the decline in the value of such portfolio positions. Such hedging transactions may also limit the opportunity for gain if the values of the underlying portfolio positions should increase. Moreover, it may not be possible to hedge against an exchange rate or interest rate fluctuation that is so generally anticipated that GBDC is not able to enter into a hedging transaction at an acceptable price.

The success of GBDC’s hedging transactions will depend on its ability to correctly predict movements in currencies and interest rates. Therefore, while GBDC may enter into such transactions to seek to reduce currency exchange rate and interest rate risks, unanticipated changes in currency exchange rates or interest rates may result in poorer overall investment performance than if GBDC had not engaged in any such hedging transactions. In addition, the degree of correlation between price movements of the instruments used in a hedging strategy and price movements in the portfolio positions being hedged may vary. Moreover, for a variety of reasons, GBDC may not seek to (or be able to) establish a perfect correlation between such hedging instruments and the portfolio holdings being hedged. Any such imperfect correlation may prevent GBDC from achieving the intended hedge and expose GBDC to risk of loss. In addition, it may not be possible to hedge fully or perfectly against currency fluctuations affecting the value of securities denominated in non-U.S. currencies because the value of those securities is likely to fluctuate as a result of factors not related to currency fluctuations. GBDC’s ability to engage in hedging transactions may also be adversely affected by rules adopted by the CFTC.

GBDC may not realize gains from its equity investments.

When GBDC invests in one stop, second lien and subordinated loans, it may acquire warrants or other equity securities of portfolio companies as well. GBDC may also invest in equity securities directly. To the extent GBDC holds equity investments, it will attempt to dispose of them and realize gains upon its disposition of them. However, the equity interests GBDC receives may not appreciate in value and may decline in value. As a result, GBDC may not be able to realize gains from its equity interests, and any gains that GBDC does realize on the disposition of any equity interests may not be sufficient to offset any other losses it experiences.

Risks Relating to GBDC Common Stock

Investing in GBDC Common Stock may involve an above average degree of risk.

The investments GBDC makes in accordance with its investment objective may result in a higher amount of risk than alternative investment options and a higher risk of volatility or loss of principal. GBDC's investments in portfolio companies involve higher levels of risk, and therefore, an investment in its shares may not be suitable for someone with lower risk tolerance.

Shares of closed-end investment companies, including business development companies, often trade at a discount to their net asset value.

Shares of closed-end investment companies, including business development companies, may trade at a discount from net asset value. This characteristic of closed-end investment companies and business development companies is separate and distinct from the risk that its net asset value per share may decline. GBDC cannot predict whether GBDC Common Stock will trade at, above or below net asset value.

There is a risk that investors in its equity securities may not receive distributions or that its distributions may not grow over time and a portion of its distributions may be a return of capital.

GBDC intends to make distributions on a quarterly basis to its stockholders out of assets legally available for distribution. GBDC cannot assure you that it will achieve investment results that will allow it to make a specified level of cash distributions or year-to-year increases in cash distributions. GBDC's ability to pay distributions might be adversely affected by the impact of one or more of the risk factors described in this joint proxy statement/prospectus. Due to the asset coverage test applicable to GBDC under the 1940 Act as a business development company, GBDC may be limited in its ability to make distributions. If GBDC declares a distribution and if more stockholders opt to receive cash distributions rather than participate in its dividend reinvestment plan, GBDC may be forced to sell some of its investments in order to make cash distribution payments. To the extent GBDC makes distributions to stockholders that include a return of capital, such portion of the distribution essentially constitutes a return of the stockholder's investment. Although such return of capital may not be taxable, such distributions would generally decrease a stockholder's basis in GBDC Common Stock and may therefore increase such stockholder's tax liability for capital gains upon the future sale of such stock. A return of capital distribution may cause a stockholder to recognize a capital gain from the sale of GBDC Common Stock even if the stockholder sells its shares for less than the original purchase price.

The market price of GBDC Common Stock may fluctuate significantly.

The market price and liquidity of the market for GBDC’s securities may be significantly affected by numerous factors, some of which are beyond GBDC’s control and may not be directly related to its operating performance. These factors include:

- significant volatility in the market price and trading volume of securities of business development companies or other companies in its sector, which are not necessarily related to the operating performance of the companies;
- changes in regulatory policies, accounting pronouncements or tax guidelines, particularly with respect to RICs and business development companies;
- loss of its qualification as a RIC or business development company;
- changes in market interest rates and decline in the prices of debt,
- changes in earnings or variations in operating results;
- changes in the value of GBDC’s portfolio investments;
- changes in accounting guidelines governing valuation of GBDC’s investments;
- any shortfall in revenue or net income or any increase in losses from levels expected by investors or securities analysts;
- departure of GC Advisors’ or any of its affiliates’ key personnel;
- operating performance of companies comparable to GBDC;
- general economic trends and other external factors; and
- loss of a major funding source.

GBDC's stockholders will experience dilution in their ownership percentage if they do not participate in GBDC's dividend reinvestment plan.

All distributions declared in cash payable to stockholders that are participants in GBDC's dividend reinvestment plan are automatically reinvested in shares of GBDC Common Stock. As a result, GBDC's stockholders that do not participate in its dividend reinvestment plan will experience dilution in their ownership percentage of GBDC Common Stock over time.

GBDC's stockholders may receive shares of GBDC Common Stock as dividends, which could result in adverse tax consequences to them.

In order to satisfy the annual distribution requirement applicable to RICs, GBDC has the ability to declare a large portion of a dividend in shares of GBDC Common Stock instead of in cash. As long as a portion of such dividend is paid in cash (which portion may be as low as 20% of such dividend) and certain requirements are met, the entire distribution will be treated as a dividend for U.S. federal income tax purposes. As a result, a stockholder generally would be subject to tax on 100% of the fair market value of the dividend on the date the dividend is received by the stockholder in the same manner as a cash dividend, even though most of the dividend was paid in shares of GBDC Common Stock. GBDC currently does not intend to pay dividends in shares of GBDC Common Stock.

Sales of substantial amounts of GBDC Common Stock in the public market may have an adverse effect on the market price of GBDC Common Stock.

Sales of substantial amounts of GBDC Common Stock, or the availability of such common stock for sale, could adversely affect the prevailing market prices for GBDC Common Stock. If this occurs and continues, it could impair GBDC's ability to raise additional capital through the sale of securities should GBDC desire to do so.

COMPARATIVE FEES AND EXPENSES

Comparative Fees and Expenses Relating to the Merger

The following tables are intended to assist you in understanding the costs and expenses that an investor in the common stock of GBDC or GCIC bears directly or indirectly, and, based on the assumptions set forth below, the pro forma costs and expenses estimated to be incurred by the combined company in the first year following the Merger. GBDC and GCIC caution you that some of the percentages indicated in the table below are estimates and may vary. Except where the context suggests otherwise, whenever this document refers to fees or expenses paid or to be paid by "you," "GBDC" or "GCIC," stockholders will indirectly bear such fees or expenses as investors in GBDC or GCIC, as applicable.

Stockholder transaction expenses	Actual GBDC	GCIC	Pro Forma
Sales load (as a percentage of offering price)	None(1)	None(1)	None(1)
Offering expenses (as a percentage of offering price)	None(1)	None(1)	None(1)
Dividend reinvestment plan expenses	None(2)	None(2)	None(1)
Total stockholder transaction expenses (as a percentage of offering price)	None	None	None

Estimated annual expenses **(as a percentage of net assets attributable to common stock):(3)**	**Actual GBDC**	**GCIC**	**Pro Fo**
Base management fees(4)	2.57%	1.79%	2.52%
Incentive fees(5)	2.08%	1.59%	2.07%
Interest payments on borrowed funds(6)	3.71%	3.72%	3.64%
Other expenses(7)	0.53%	0.51%	0.50%
Acquired fund fees and expenses(8)	0.03%	0.03%	0.03%
Total annual expenses(9)	8.92%	7.64%	8.76%

(1) Purchases of shares of GBDC Common Stock on the secondary market are not subject to sales charges, but may be subject to brokerage commissions or other charges. The table does not include any sales load (underwriting discount or commission) that stockholders may have paid in connection with their purchase of shares of GBDC Common Stock. Purchases of shares of GCIC Common Stock in its private placement are not subject to sales charges.

(2) The estimated expenses associated with the respective dividend reinvestment plans are included in "Other expenses."

(3) "Net assets attributable to common stock" equals net assets as of September 30, 2018. For the pro forma columns, the net assets of GBDC on a pro forma basis as of September 30, 2018 were used. See "Unaudited Selected Pro Forma Consolidated Financial Data" for more information.

(4) GBDC's management fee is calculated at an annual rate equal to 1.375% and is based on GBDC's 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 "Golub Capital BDC, Inc. Management Agreements—Current GBDC Investment Advisory Agreement—Management Fee." The GBDC management fee referenced in the table above is annualized and based on actual amounts incurred by GBDC during the three months ended September 30, 2018. The estimate of GBDC's annualized base management fees based on actual expenses for the quarter ended September 30, 2018 assumes net assets of $968.9 million and leverage of $845.7 million, which reflects GBDC's net assets and leverage as of September 30, 2018.

GCIC's management fee is calculated at an annual rate equal to the lesser of (a) 1.50% or (b) the base management fee of GBDC (currently 1.375%), in either case on the fair value of GCIC's average adjusted gross assets at the end of the two most recently completed calendar quarters (excluding cash and cash equivalents but including assets purchased with borrowed funds and leverage) and is payable quarterly in arrears. For periods prior to the closing of a Liquidity Event, GC Advisors has irrevocably agreed to waive any base management fee in excess of 1.00% of the fair value of GCIC's average adjusted gross assets as calculated in accordance with the GCIC Investment Advisory Agreement. See "Golub Capital Investment Corporation Management Agreements—GCIC Investment Advisory Agreement—Management Fee." The GCIC management fee referenced in the table above is annualized and based on actual amounts incurred by GCIC during the three months ended September 30, 2018, net of waivers. The estimate of GCIC's annualized base management fees based on actual expenses for the quarter ended September 30, 2018 assumes net assets of $932.2 million and leverage of $762.3 million, which reflects GCIC's net assets and leverage as of September 30, 2018.

The pro forma base management fee has been calculated in accordance with the terms of the New Investment Advisory Agreement and assuming that the Advisory Agreement Amendment Proposal is approved by GBDC stockholders. The base management fee under the New Investment Advisory Agreement is calculated in the same manner and at the same annual rate (1.375%) as the Current GBDC Investment Advisory Agreement described above. See “GBDC Proposal 3: Approval of Advisory Agreement Amendment Proposal—Base Management Fee.” The pro forma base management fee referenced in the table above is annualized and based on actual amounts incurred by GBDC and GCIC during the three months ended September 30, 2018. The estimate of the pro forma annualized base management fees based on actual expenses for the quarter ended September 30, 2018 assumes net assets of $1,897 million and leverage of $1,605 million, which reflects net assets and leverage of GBDC and GCIC on a pro forma basis as of September 30, 2018.

GC Advisors, as collateral manager for the 2018 Issuer, under a collateral management agreement (the “2018 GBDC 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 2018 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 Current GBDC Investment Advisory Agreement, is paid directly by the 2018 Issuer to GC Advisors and offset against such management fee. Accordingly, the 1.375% base management fee paid by GBDC to GC Advisors under the Current GBDC Investment Advisory Agreement and under the New Investment Advisory Agreement on all of GBDC’s assets, including those indirectly held through the 2018 Issuer, is reduced, on a dollar-for-dollar basis, by an amount equal to such 0.35% fee paid to GC Advisors by the GBDC 2018 Issuer. Under the 2018 GBDC Collateral Management Agreement, the term “collection period” refers to the quarterly period running from 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 2018 GBDC Collateral Management Agreement does not include any incentive fee payable to GC Advisors.

GC Advisors, as collateral manager for the GCIC 2016 Issuer, under a collateral management agreement (the “2016 GCIC 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 GCIC 2016 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 either the GCIC Investment Advisory Agreement and, after closing of the Merger, the New Investment Advisory Agreement, is paid directly by the GCIC 2016 Issuer to GC Advisors and offset against such management fee. Accordingly, the base management fee paid to GC Advisors under the GCIC Investment Advisory Agreement and, after closing of the Merger, under the New Investment Advisory Agreement on all of GCIC’s or GBDC’s assets, as applicable, including those indirectly held through the GCIC 2016 Issuer, is and will be reduced, on a dollar-for-dollar basis, by an amount equal to such 0.25% fee paid to GC Advisors by the GCIC 2016 Issuer. Under the 2016 GCIC 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 2016 GCIC 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 (the “2014 GBDC 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 GBDC 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 Current GBDC Investment Advisory Agreement and the New Investment Advisory Agreement, is paid directly by the 2014 Issuer to GC Advisors and offset against such management fee. Accordingly, the 1.375% base management fee paid by GBDC to GC Advisors under the Current GBDC Investment Advisory Agreement and the New Investment Advisory Agreement on all of GBDC’s assets, including those indirectly held through the GBDC 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 GBDC 2014 Issuer. Under the 2014 GBDC 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 GBDC Collateral Management Agreement does not include any incentive fee payable to GC Advisors.

For purposes of this table, the SEC requires that the “Base 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 total assets, GBDC’s, GCIC’s and the pro forma base management fee portion of the “Base management fees” percentage would be approximately 1.36%, 0.97% and 1.35% of total assets, respectively.

(5) The incentive fee referenced in the table above for each of GBDC and GCIC is based on actual amounts of the income component of the incentive fee incurred during the three months ended September 30, 2018, annualized for a full year, and the amount payable under the Current GBDC Investment Advisory Agreement and the GCIC Investment Advisory Agreement, respectively, for the capital gains component as of September 30, 2018. The pro forma incentive fee referenced in the table above is calculated under the New Investment Advisory Agreement based on actual amounts of the income component of the incentive fee for GBDC and GCIC on a pro forma bases for the three months ended September 30, 2018, annualized for a full year and calculated under the New Investment Advisory Agreement and the amount payable under the New Investment Advisory Agreement for the capital gains component as of September 30, 2018, assuming that the Merger closed on September 30, 2017.

Incentive Fees under the Current GBDC Investment Advisory Agreement: GBDC has structured the calculation of the incentive fee under the Current GBDC Investment Advisory Agreement 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 GBDC’s election to become a business development company would be greater than 20.0% of GBDC’s Cumulative Pre-Incentive Fee Net Income (as defined below).

GBDC accomplishes this limitation by subjecting each quarterly incentive fee payable under the Current GBDC Income and Capital Gains Incentive Fee Calculation (as defined below) to a cap (the “Current GBDC Incentive Fee Cap”). The Current GBDC 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 GBDC since April 13, 2010, the effective date of its election to become a business development company. To the extent the Current GBDC 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” under the Current GBDC Investment Advisory Agreement 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” under each of the Current GBDC Investment Advisory Agreement and the GCIC Investment Advisory Agreement means for each quarter (or portion thereof) 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 GBDC or GCIC, as applicable, receives from portfolio companies, but excluding fees for providing managerial assistance) accrued during the period, minus operating expenses for the calendar quarter (including the base management fee, taxes, any expenses payable under the Current GBDC Investment Advisory Agreement or the GCIC Investment Advisory Agreement, as applicable, and the Administration Agreement or GCIC Administration Agreement, as applicable, any expenses of securitizations and any interest expense and dividends paid on any outstanding preferred stock, but excluding the applicable incentive fees). Pre-Incentive Fee Net Investment Income includes, in the case of investments with a deferred interest feature such as market discount, debt instruments with PIK interest, preferred stock with PIK dividends and zero coupon securities, accrued income that GBDC or GCIC, as applicable, has not yet received in cash. Under each of the Current GBDC Investment Advisory Agreement, the GCIC Investment Advisory Agreement and the New Investment Advisory Agreement, GC Advisors does not return amounts paid to it on accrued income that GBDC or GCIC, as applicable, has not yet received in cash if such income is not ultimately received by GBDC or GCIC, as applicable, in cash. If GBDC or GCIC, as applicable, does not ultimately receive income, a loss would be recognized, reducing future fees.

The income and capital gains incentive fee calculation under the Current GBDC Investment Advisory Agreement (the “Current GBDC Income and Capital Gains Incentive Fee Calculation”) has two parts. The income component is calculated quarterly in arrears based on GBDC’s Pre-Incentive Fee Net Investment Income for the immediately preceding calendar quarter, calculated as described above. 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 GBDC has incurred a loss. For example, if GBDC receives 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 subject to the Current GBDC Incentive Fee Cap.

Pre-Incentive Fee Net Investment Income, expressed as a rate of return on the value of GBDC’s 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, GBDC may be able to invest its funds in debt instruments that provide for a higher return, which would increase GBDC's 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. GBDC's Pre-Incentive Fee Net Investment Income used to calculate this part of the incentive fee is also included in the amount of GBDC's 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, which fee is payable on all of GBDC's assets managed by GC Advisors.

GBDC calculates the income component of the Current GBDC Income and Capital Gains Incentive Fee Calculation with respect to its 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 GBDC's 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. GBDC refers to this portion of its 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 GBDC's Pre-Incentive Fee Net Investment Income, if any, that exceeds 2.5% in any calendar quarter.

The sum of these calculations yields the "GBDC Income Incentive Fee." This amount is appropriately adjusted for any share issuances or repurchases during the quarter.

The second part of the GBDC Income and Capital Gain Incentive Fee Calculation equals (a) 20.0% of GBDC's Capital Gain Incentive Fee Base, if any, calculated in arrears as of the end of each calendar year (or upon termination of the Current GBDC 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. GBDC's "Capital Gain Incentive Fee Base" under the Current GBDC Investment Advisory Agreement equals (1) the sum of (i) GBDC's 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 GBDC's 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 GBDC's 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 GBDC's portfolio as of the applicable Capital Gain Incentive Fee calculation date and (b) the accreted or amortized cost basis of such investment.

Incentive Fees under the GCIC Investment Advisory Agreement: The incentive fee in the GCIC Investment Advisory Agreement (the “GCIC Incentive Fee”) is comprised of three parts: the “GCIC Income Incentive Fee” component, the “GCIC Capital Gain Incentive Fee” component, and the “GCIC Subordinated Liquidation Incentive Fee” component. The GCIC Income Incentive Fee component is calculated quarterly in arrears based on GCIC’s Pre-Incentive Fee Net Investment Income (calculated as described above) 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 GCIC Income Incentive Fee component, it is possible that a GCIC Incentive Fee may be calculated under this formula with respect to a period in which GCIC has incurred a loss. For example, if GCIC receives Pre-Incentive Fee Net Investment Income in excess of its hurdle rate (as defined below) for a calendar quarter, the income component will result in a positive value and a GCIC Incentive Fee will be paid even if GCIC has incurred a loss in that quarter due to realized and/or unrealized capital losses unless the payment of such GCIC Incentive Fee would be subject to the GCIC Incentive Fee Cap defined below.

Pre-Incentive Fee Net Investment Income, expressed as a rate of return on the value of GCIC’s 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 1.5% quarterly. If market interest rates rise, GCIC may be able to invest its funds in debt instruments that provide for a higher return, which would increase its Pre-Incentive Fee Net Investment Income and make it easier for GC Advisors to surpass the fixed hurdle rate and receive an Income Incentive Fee. GCIC’s Pre-Incentive Fee Net Investment Income used to calculate this part of the Incentive Fee is also included in the amount of GCIC’s total assets (excluding cash and cash equivalents but including assets purchased with borrowed funds and leverage) used to calculate its base management fee.

GCIC calculates the GCIC Income Incentive Fee component of the “GCIC Income and Capital Gains Incentive Fee Calculation” with respect to its 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;
- 50.0% of GCIC’s 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 the percentage at which amounts payable to GC Advisors pursuant to the Income Incentive Fee equals 20.0% of GCIC’s Pre-Incentive Fee Net Investment Income as if a hurdle rate did not apply. GCIC refers to this portion of its Pre-Incentive Fee Net Investment Income as the “catch-up” provision; and
- 20.0% of the amount of GCIC’s Pre-Incentive Fee Net Investment Income, if any, that exceeds the catch-up provision in any calendar quarter.

The sum of these calculations yields the GCIC Income Incentive Fee. This amount is appropriately adjusted for any share issuances or repurchases during the quarter. For periods prior to the closing of a Liquidity Event (as defined below), GC Advisors agreed to waive that portion of the Income Incentive Fee calculated in excess of the GCIC Income Incentive Fee calculated with respect to GCIC's 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;
- 50.0% of GCIC's 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 the percentage at which amounts payable to GC Advisors pursuant to the Income Incentive Fee equals 15.0% of GCIC's Pre-Incentive Fee Net Investment Income as if a hurdle rate did not apply. GCIC refers to this portion of its Pre-Incentive Fee Net Investment Income as the "catch-up" provision; and
- 15.0% of the amount of GCIC's Pre-Incentive Fee Net Investment Income, if any, that exceeds the catch-up provision in any calendar quarter.

GCIC defined a "Liquidity Event" as any of the following: (1) an initial public offering of GCIC Common Stock or the listing of GCIC Common Stock on a national securities exchange, (2) a distribution to GCIC stockholders of either (a) cash proceeds from an orderly liquidation of GCIC's investments or (b) securities or other assets of GCIC's as a distribution-in-kind, or (3) a sale of some or all of GCIC's assets to, or other liquidity event with, an entity for consideration of either cash and/or publicly listed securities of the acquirer, which potential acquirers may include other business development companies, including business development companies affiliated with GC Advisors, and entities that are not business development companies.

The GCIC Capital Gain Incentive Fee equals (a) 20.0% of GCIC's Capital Gain Incentive Fee Base, if any, calculated in arrears as of the end of each calendar year (or upon termination of the GCIC Investment Advisory Agreement, as of the termination date), commencing with the calendar year ending December 31, 2015, less (b) the aggregate amount of any previously paid GCIC Capital Gain Incentive Fees. GCIC's "Capital Gain Incentive Fee Base" equals (1) the sum of (A) GCIC's realized capital gains, if any, on a cumulative positive basis from December 31, 2014 through the end of each calendar year, (B) all realized capital losses on a cumulative basis and (C) all unrealized capital depreciation on a cumulative basis, less (2) GCIC's unamortized deferred debt issuance costs as of the date of calculation, 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 GCIC's 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 GCIC's 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 GCIC's portfolio as of the applicable GCIC Capital Gain Incentive Fee calculation

date and (b) the accreted or amortized cost basis of such investment.

Prior to the closing a Liquidity Event, GC Advisors has agreed to waive that portion of the GCIC Capital Gain Incentive Fee, calculated as described above, in excess of 15.0% of the Capital Gain Incentive Fee Base, provided that any amounts so waived shall be deemed to have been paid to GC Advisors for purposes of determining the Capital Gain Incentive fee payable after the closing of a Liquidity Event.

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Pursuant to the terms of the Merger Agreement, the GCIC Investment Advisory Agreement will terminate immediately following the Initial Merger and prior to the Subsequent Combination, and, as a result, GCIC will incur a GCIC Capital Gain Incentive Fee to the extent payable under the terms of the GCIC Investment Advisory Agreement as of such termination. Assuming the Initial Merger and Subsequent Combination had been completed on September 30, 2018 and based on financial statements as of such date for GCIC, GCIC would owe a payment to GC Advisors for a Capital Gain Incentive Fee of $2.3 million pursuant to the terms of the GCIC Investment Advisory Agreement upon the termination of the GCIC Investment Advisory Agreement immediately following the closing of the Initial Merger. See "Accounting Treatment of the Merger."

GCIC has structured the calculation of the GCIC Income Incentive Fee and GCIC Capital Gain Incentive Fee to include a fee limitation such that a GCIC Incentive Fee for any quarter can only be paid to GC Advisors if, after such payment, the cumulative GCIC Incentive Fees paid to GC Advisors since December 31, 2014, would be less than or equal to 20.0% of GCIC's Cumulative Pre-Incentive Fee Net Income (the "GCIC Incentive Fee Cap"). GCIC's Cumulative Pre-Incentive Fee Net Income is equal to the sum of (a) Pre-Incentive Fee Net Investment Income for each period from December 31, 2014 and (b) cumulative aggregate realized capital gains, cumulative aggregate realized capital losses, cumulative aggregate unrealized capital depreciation and cumulative aggregate unrealized capital appreciation from December 31, 2014. For periods prior to a Liquidity Event, GC Advisors has agreed to irrevocably waive any GCIC Incentive Fee payable in excess of 15.0% of GCIC Cumulative Pre-Incentive Fee Net Income; provided that any amounts so waived shall be deemed to have been paid to GC Advisors for purposes of the GCIC Incentive Fee Cap after the closing of such Liquidity Event.

The third part of the Incentive Fee, the GCIC Subordinated Liquidation Incentive Fee, equals 20.0% of the net proceeds from a liquidation of GCIC in excess of adjusted capital, as calculated immediately prior to a liquidation. For purposes of this calculation, "liquidation" includes any merger of GCIC with another entity or the acquisition of all or substantially all of the shares of GCIC Common Stock in a single or series of related transactions. The GCIC Investment Advisory Agreement provides that no Subordinated Liquidation Incentive Fee shall be payable for any liquidation that occurs more than six months after the date of a Liquidity Event. For periods prior to the closing of a Liquidity Event, GC Advisors has agreed to waive that portion of the Subordinated Liquidation Incentive Fee in excess of 10.0% of the net proceeds from a liquidation in excess of adjusted capital, as calculated immediately prior to liquidation. Assuming the Initial Merger and Subsequent Combination had been completed on September 30, 2018 and based on financial statements as of such date for each of GBDC and GCIC and the closing market price of GBDC Common Stock on the Nasdaq of $18.57 on November 26, 2018, the last trading day prior to execution of the Merger Agreement, the Exchange Ratio would result in a purchase premium of 7.05% per share of GCIC Common Stock. Based on these assumptions, GCIC would pay to GC Advisors a Subordinated Liquidation Incentive Fee in the amount of $6.6 million as a result of this purchase premium.

GCIC deposits one-third of each GCIC Incentive Fee payment into an escrow account (the "Escrow Account") administered by The Bank of New York Mellon (the "Escrow Agent"). Assets in the Escrow Account will be held by the Escrow Agent until the closing of a Liquidity Event, including the Merger, and upon closing of the Merger, the Escrow Agent will release the assets to GC Advisors. If no Liquidity Event occurs prior to December 31, 2020, the Escrow Agent will return all assets in the Escrow Account to GCIC for the benefit of GCIC's stockholders. For the years ended September 30, 2018, 2017 and 2016, GCIC deposited approximately $4.0 million, $2.8 million and $1.2 million, respectively, into the Escrow Account. As of September 30, 2018, GCIC has made deposits totaling $8.2 million in the Escrow Account.

Incentive Fees under the New Investment Advisory Agreement: Following completion of the Merger, the combined company will be externally managed by GC Advisors. The pro forma incentive fees have been calculated in a manner consistent with the terms and conditions of the New Investment Advisory Agreement and assuming that the Advisory Agreement Amendment Proposal is approved by GBDC stockholders.

The incentive fee in the New Investment Advisory Agreement (the "Pro Forma Incentive Fee") will be comprised of two parts: the "New Income Incentive Fee" component and the "New Capital Gain Incentive Fee" component. The calculation of the Pro Forma Incentive Fees (the "New Income and Capital Gains Incentive Fee Calculation") will have two parts. The New Income Incentive Fee will be calculated in the same manner as the Income Incentive Fee under the Current GBDC Investment Advisory Agreement described above, provided that Pre-Incentive Fee Net Investment Income under the New Investment Advisory Agreement will be determined in the same manner as described above for the GBDC Investment Advisory Agreement with the following adjustment: Pre-Incentive Fee Net Investment Income under the New Investment Advisory Agreement will not include any amortization or accretion of any purchase premium or purchase discount to interest income resulting solely from the purchase accounting for any premium or discount paid for the acquisition of assets in a merger, such as the Merger.

The second part of the New Income and Capital Gains Incentive Fee Calculation, the New Capital Gain Incentive Fee, equals (a) 20.0% of GBDC's New Capital Gain Incentive Fee Base, if any, calculated in arrears as of the end of each calendar year (or upon termination of the New GBDC 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. The "New Capital Gain Incentive Fee Base" under the New Investment Advisory Agreement equals (1) the sum of (i) GBDC's 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 GBDC's portfolio when sold is less than (b) the adjusted cost basis (as defined below) 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 GBDC's portfolio when sold and (b) the adjusted cost basis of such investment.

The adjusted cost basis of any investment under the New Investment Advisory Agreement equals the accreted or amortized cost basis of such investment adjusted to exclude amounts, if any, recognized solely from the purchase accounting for any premium or discount paid for the acquisition of assets in a merger, such as the Merger.

The New GBDC Investment Advisory Agreement includes a fee limitation such that no incentive fee will be paid to GC Advisors for any quarter if, after such payment, cumulative incentive fees paid to GC Advisors, calculated on a per share basis as described below, since the effective date of GBDC's election to become a business development company would be greater than 20.0% of GBDC's Cumulative Pre-Incentive Fee Net Income Per Share (as defined below).

Each quarterly incentive fee payable under the New Income and Capital Gains Incentive Fee Calculation (as defined below) is subject to a cap (the "New GBDC Incentive Fee Cap"). The New GBDC Incentive Fee Cap in any quarter is equal to the difference between (a) 20.0% of Cumulative Pre-Incentive Fee Net Income Per Share and (b) Cumulative Incentive Fees Paid Per Share (as defined below). To the extent the New GBDC 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 Per Share" under the New Investment Advisory Agreement is equal to the sum of Pre-Incentive Fee Net Income Per Share (as defined below) for each quarter since April 13, 2010. "Pre-Incentive Fee Net Income Per Share" for any quarter is equal to (a) the sum of (i) Pre-Incentive Fee Net Investment Income and (ii) Adjusted Capital Returns (as defined below) for the quarter divided by (b) the weighted average number of shares of GBDC Common Stock outstanding during such quarter. "Adjusted Capital Returns" for any quarter shall be the sum of the realized aggregate capital gains, realized aggregate capital losses, aggregate unrealized capital depreciation and aggregate unrealized capital appreciation for such quarter; provided that the calculation of realized aggregate capital gains, realized aggregate capital losses, aggregate unrealized capital depreciation and aggregate unrealized capital appreciation shall be calculated based on the adjusted cost basis (as defined below) of each investment of the Corporation. "Cumulative Incentive Fees Paid Per Share" is equal to the sum of Incentive Fees Paid Per Share for each quarter (or portion thereof) since April 13, 2010. "Incentive Fees Paid Per Share" for any quarter is equal to the incentive fees accrued and/or payable by GBDC for such period divided by the weighted average number of shares of common stock of GBDC outstanding during such period.

(6) Interest payments on borrowed funds for GBDC is based on the annualized cost of funds on its outstanding indebtedness for the three months ended September 30, 2018, which consisted of $370.7 million of indebtedness outstanding under revolving credit facilities, $277.5 million of debentures issued through its SBIC subsidiaries, and $197.5 million in notes issued through a term debt securitization. For the three months ended September 30, 2018, the annualized cost of funds for GBDC's total debt outstanding, which includes all interest and amortization of debt issuance costs on its term debt securitization, debt was 4.3%. Debt issuance costs represent fees and other direct incremental costs incurred in connection with GBDC's 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 of the 2014 Debt Securitization of $1.81 million, certain fees in an aggregate amount of $0.35 million paid to J.P. Morgan Securities Inc. in connection with subsequent amendments and legal fees, accounting fees, rating agency fees and all other costs associated with the 2014 Debt Securitization.

Interest payments on borrowed funds for GCIC represents GCIC's the annualized cost of funds on its outstanding indebtedness for the three months ended September 30, 2018, which consisted of $509.8 million of indebtedness outstanding under revolving credit facilities and $252.5 million in notes issued through a term debt securitization. For the three months ended September 30, 2018, the annualized cost of funds for GCIC's total debt outstanding, which includes all interest and amortization of debt issuance costs on its term debt securitization, debt was 4.6%. Debt issuance costs represent fees and other direct incremental costs incurred in connection with GCIC's 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 of the GCIC 2016 Debt Securitization of $2.2 million and legal fees, accounting fees, rating agency fees and all other costs associated with the GCIC 2016 Debt Securitization.

Interest payments on borrowed funds for the Pro Forma column are based on the estimates for GBDC and GCIC described above for the combined company following the Merger.

(7) Includes overhead expenses for each of GBDC and GCIC, including payments under Administration Agreement and GCIC Administration Agreement based on each of GBDC and GCIC's allocable portion of overhead and other expenses incurred by the Administrator under the applicable administration agreement and any acquired fund fees and expenses that are not required to be disclosed. "Other expenses" are estimated based on the annualized amounts incurred for the three months ended September 30, 2018 for GBDC, GCIC, and the sum of amounts for GBDC and GCIC for the combined company following the Merger, as applicable.

(8) GBDC and GCIC stockholders indirectly bear the expenses of their respective investments in GBDC Senior Loan Fund LLC (the "GBDC SLF") and GCIC Senior Loan Fund LLC (the "GCIC SLF") and following the Merger, stockholders of the combined company will indirectly bear the expenses of its investments in GBDC SLF and GCIC SLF. No management fee is charged by the Administrator in connection with the administrative services it provides to each of GBDC SLF and GCIC SLF. However, each of GBDC SLF and GCIC SLF does reimburse the Administrator for its costs related to providing accounting, bookkeeping, treasury, loan operations, reporting and administrative services for the applicable entity. Future expenses for each of GBDC SLF and GCIC SLF may be substantially higher or lower because certain expenses may fluctuate over time. The acquired fund fees and expenses assumes that the fees and expenses for GBDC SLF and GCIC SLF each remain consistent with those incurred for the three months ended September 30, 2018.

(9) "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. GBDC and GCIC borrow money to leverage and increase their 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 before 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 common stockholders of GBDC, GCIC or the combined company after the Merger, as applicable, bear all of such fees and expenses.

Example

The following example demonstrates the projected dollar amount of total cumulative expenses over various periods with respect to a hypothetical investment in GBDC, GCIC or the combined company following the Merger on a pro forma basis. In calculating the following expense amounts, each of GBDC and GCIC has assumed that it would have no additional leverage and that its annual operating expenses would remain at the levels set forth in the tables above. Calculations for the pro forma combined company following the Merger assume that the Merger closed on September 30, 2017 and that the leverage and operating expenses of GBDC and GCIC remain at the levels set forth in the tables above Transaction expenses related to the Merger are not included in the following examples.

	1 year	3 years	5 years	10 years
You would pay the following expenses on a $1,000 investment:				
GBDC, assuming a 5% annual return (assumes no return from net realized capital gains or net unrealized capital appreciation)	$ 68	$ 201	$ 330	$ 630
GCIC, assuming a 5% annual return (assumes no return from net realized capital gains or net unrealized capital appreciation)	$ 61	$ 180	$ 296	$ 577
GBDC, assuming a 5% annual return (assumes return entirely from realized capital gains and thus subject to the capital gain incentive fee)	$ 78	$ 229	$ 370	$ 691
GCIC, assuming a 5% annual return (assumes return entirely from realized capital gains and thus subject to the capital gain incentive fee)	$ 71	$ 207	$ 338	$ 643

Pro forma combined company following the Merger	1 year	3 years	5 years	10 years
You would pay the following expenses on a $1,000 investment:				
Assuming a 5% annual return (assumes no return from net realized capital gains or net unrealized capital appreciation)	$ 67	$ 197	$ 323	$ 620
Assuming a 5% annual return (assumes return entirely from realized capital gains and thus subject to the capital gain incentive fee)	$ 77	$ 225	$ 364	$ 682

The foregoing tables are intended to assist you in understanding the various costs and expenses that an investor in GBDC, GCIC or, following the Merger, the combined company will bear directly or indirectly. While the example assumes, as required by the SEC, a 5% annual return, performance of GBDC, GCIC, and the combined company will vary and may result in a return greater or less than 5%. The incentive fee under each of the Current GBDC Investment Advisory Agreement, the GCIC Investment Advisory Agreement and the New 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 each of the Current GBDC Investment Advisory Agreement, the GCIC Investment Advisory Agreement and the New Investment Advisory Agreement, no incentive fee would be payable if GBDC, GCIC or the combined company, as applicable, has a 5% annual return. If sufficient returns are achieved on investments, including through the realization of capital gains, to trigger an incentive fee of a material amount, expenses, and returns to 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 the relevant dividend reinvestment plan may occur at a price per share that differs from net asset value. See “Golub Capital BDC, Inc. Dividend Reinvestment Plan” and “Golub Capital Investment Corporation Dividend Reinvestment Plan” for additional information regarding GBDC’s and GCIC’s dividend reinvestment plan, respectively.

The example and the expenses in the table above should not be considered a representation of GBDC’s, GCIC’s, or, following the Merger, the combined company’s, future expenses, and actual expenses may be greater or less than those shown.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This joint proxy statement/prospectus contains statements that constitute forward-looking statements, which relate to GBDC, GCIC or, following the Merger, the combined company, regarding future events or the future performance or future financial condition of GBDC, GCIC or, following the Merger, the combined company. These forward-looking statements are not historical facts, but rather are based on current expectations, estimates and projections about GBDC, GCIC or, following the Merger, the combined company, their industry and their respective beliefs and assumptions. The forward-looking statements contained in this joint proxy statement/prospectus involve risks and uncertainties. Actual results may differ materially from those in the forward-looking statements as a result of a number of factors, including:

- the ability of the parties to consummate the Merger described in this joint proxy statement/prospectus on the expected timeline, or at all;
- the failure of the GBDC stockholders to approve the Certificate of Incorporation Amendment Proposal, the Merger Stock Issuance Proposal or the Advisory Agreement Amendment Proposal;
- the failure of GCIC stockholders to approve the Merger Proposal;
- the ability to realize the anticipated benefits of the proposed Merger;
- the effects of disruption on the business of GBDC and GCIC from the proposed Merger;
- the effect that the announcement or consummation of the Merger may have on the trading price of GBDC Common Stock;
- the combined company's plans, expectations, objectives and intentions, as a result of the Merger;
- any decision by GCIC to pursue continued operations;
- any potential termination of the Merger Agreement or action of GCIC stockholders with respect to any proposed transaction;
- the pursuit by GCIC of a liquidation or an alternative transaction upon the termination of the Merger Agreement;

- changes in GBDC's and/or GCIC's NAV in the future;
- GBDC's and GCIC's future operating results;
- GBDC's and GCIC's business prospects and the prospects of their portfolio companies;
- the effect of investments that GBDC and GCIC expect to make and the competition for those investments;
- GBDC's and GCIC's 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 GBDC's and GCIC's future success on the general economy and its effect on the industries in which they invest;
- the ability of GBDC's and GCIC's portfolio companies to achieve their objectives;
- the use of borrowed money to finance a portion of GBDC's and GCIC's investments;

- the adequacy of financing sources and working capital;
- the timing of cash flows, if any, from the operations of GBDC’s and GCIC’s portfolio companies;
- general economic and political trends and other external factors;
- the ability of GC Advisors to locate suitable investments for GBDC and GCIC and to monitor and administer their respective investments;
- the ability of GC Advisors or its affiliates to attract and retain highly talented professionals;
- GBDC’s and GCIC’s ability to qualify and maintain their respective qualifications as a RIC and as a business development company;
- general price and volume fluctuations in the stock markets;
- the impact on GBDC’s and GCIC’s business of Dodd-Frank and the rules and regulations issued thereunder and any actions toward repeal thereof; and
- the effect of changes to tax legislation and GBDC’s and GCIC’s respective 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,” “anticipate,” “pred or similar words. The forward-looking statements contained in this joint proxy statement/prospectus involve risks and uncertainties. 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” and elsewhere in this joint proxy statement/prospectus.

The forward-looking statements included in this joint proxy statement/prospectus are based on information available on the date of this joint proxy statement/prospectus. Actual results could differ materially from those anticipated in any forward-looking statements and future results could differ materially from historical performance. You are advised to consult any additional disclosures that GBDC or GCIC may make directly to you or through reports that each has filed or in the future may file with the SEC, including annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K. This joint proxy statement/prospectus contains statistics and other data that have been obtained from or compiled from information made available by third-party service providers. GBDC and GCIC have not independently verified such statistics or data.

You should understand that, under Sections 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 statements made in connection with any offering of securities pursuant to this joint proxy statement/prospectus, any prospectus supplement or in periodic reports GBDC files under the Exchange Act.

SELECTED CONSOLIDATED FINANCIAL DATA OF GOLUB CAPITAL BDC, INC.

The following selected consolidated financial data of GBDC as of and for the years ended September 30, 2018, 2017, 2016, 2015 and 2014 is derived from the audited consolidated financial statements of GBDC. The financial data should be read in conjunction with GBDC's consolidated financial statements and related notes thereto and "Management's Discussion and Analysis of Financial Condition and Results of Operations of Golub Capital BDC, Inc." included elsewhere in this joint proxy statement/prospectus.

	As of and for the years ended September 30,				
	2018	**2017**	**2016**	**2015**	**2014**
	(In thousands, except per share data)				
Statement of Operations Data:					
Total investment income	$152,171	$137,764	$127,871	$119,968	$109,526
Base management fee	24,214	23,815	22,020	20,330	17,053
Incentive fee	13,110	7,560	7,266	10,226	10,128
Interest and other debt financing expenses	33,174	31,534	27,724	24,510	20,227
All other expenses	5,652	5,309	5,881	5,905	5,583
Net investment income	76,021	69,546 (1)	64,980 (1)	58,997	56,535
Net realized gain (loss) on investments and derivative instruments	17,536	9,402	6,254	9,354	5,384
Net change in unrealized appreciation (depreciation) on investments, derivative instruments and secured borrowings	(11,587)	3,340	(2,030)	2,440	3,469
Net increase (decrease) in net assets resulting from operations	81,970	82,288	69,204	70,791	65,388
Per share data:					
Net asset value	$16.10	$16.08	$15.96	$15.80	$15.55
Net investment income	1.27	1.23 (1)	1.25 (1)	1.20	1.26
Net realized gain (loss) on investments and derivative instruments	0.29	0.16	0.12	0.19	0.11
Net change in unrealized appreciation (depreciation) on investments, derivative instruments and secured borrowings	(0.19)	0.06	(0.04)	0.05	0.07
Net increase (decrease) in net assets resulting from operations	1.37	1.45	1.33	1.44	1.44
Per share distributions declared	1.36	1.53	1.28	1.28	1.28
From net investment income	1.31	1.51	1.04	1.18	1.28
From capital gains	0.05	0.02	0.24	0.10	-
From return of capital	-	-	-	-	-
Dollar amount of distributions declared	81,307	86,443	66,879	62,969	57,823
From net investment income	78,328	85,304	54,461	58,152	57,823
From capital gains	2,979	1,139	12,418	4,817	-
From return of capital	-	-	-	-	-

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	As of and for the years ended September 30,						
	2018	2017	2016	2015		2014	
	(In thousands, except per share data)						
Balance Sheet data at period end:							
Investments, at fair value	$1,782,841	$1,685,015	$1,660,612	$1,529,784		$1,347,612	
Cash, restricted cash and cash equivalents	45,705	62,558	89,540	97,484		79,943	
Other assets	7,006	6,603	6,357	6,158	(2)	6,318	(2)
Total assets	1,835,552	1,754,176	1,756,509	1,633,426	(2)	1,433,873	(2)
Total debt	845,683	781,100	865,175	813,605		697,539	
Total liabilities	866,698	796,230	877,684	822,556	(2)	701,134	(2)
Total net assets	968,854	957,946	878,825	810,870		732,739	
Other data:							
Number of portfolio companies at period end	199	185	183	164		145	

(1) Net investment income for the years ended September 30, 2017 and 2016 is shown after a net expense of $17 and $333, respectively, for U.S. federal excise tax.

(2) On October 1, 2015, GBDC adopted ASU 2015-03 which requires that debt issuance costs related to a recognized debt liability to be presented on the balance sheet as a direct deduction from the carrying amount of the debt liability rather than as an asset. Adoption of ASU 2015-03 requires the changes to be applied retrospectively.

SELECTED CONSOLIDATED FINANCIAL DATA OF GOLUB CAPITAL INVESTMENT CORPORATION

The following selected consolidated financial data of GCIC as of and for the years ended September 30, 2018, 2017, 2016 and 2015 and for the period from September 22, 2014 (inception) to September 30, 2014 is derived from the audited consolidated financial statements of GCIC. The financial data should be read in conjunction with GCIC's consolidated financial statements and related notes thereto and "Management's Discussion and Analysis of Financial Condition and Results of Operations of Golub Capital Investment Corporation" included elsewhere in this joint proxy statement/prospectus.

	Golub Capital Investment Corporation				
	As of and for the year ended September 30,				**Period from September 22, 2014 (Inception) to September 30, 2014**
	2018	**2017**	**2016**	**2015**	**2014**
	(In thousands, except per share data)				
Statement of Operations Data:					
Total investment income	$139,381	$98,478	$57,379	$19,401	$ —
Base management fee	21,548	16,674	10,195	3,820	—
Incentive fee	18,312	11,057	5,715	1,239	—
Interest and other debt financing expenses	31,333	22,535	11,932	3,731	—
All other expenses	4,343	3,574	2,140	1,147	—
Base management fee waiver	(5,877)	(4,547)	(2,780)	(1,042)	—
Incentive fee waiver	(4,463)	(1,119)	(179)	—	—
Net investment income	74,185	50,304	30,356	10,506	—
Net realized gain (loss) on investments	3,716	1,419	856	42	—
Net change in unrealized appreciation (depreciation) on investments	(132)	3,158	5,855	2,479	—
Net increase (decrease) in net assets resulting from operations	77,769	54,881	37,067	13,027	—
Per share data:					
Net asset value	$15.00	$15.00	$15.00	$15.00	$ 15.00
Net investment income	1.31	1.13	1.06	0.76	—
Net realized gain (loss) on investments	0.07	0.03	0.03	—	—
Net change in unrealized appreciation (depreciation) on investments	(0.00)*	0.08	0.20	0.18	—
Net increase (decrease) in net assets resulting from operations	1.38	1.24	1.29	0.94	—
Per share distributions declared[(1)]	1.38	1.24	1.26	0.89	—
From net investment income	(1.38)	(1.24)	(1.26)	(0.89)	—
From capital gains	—	(0.00)*	—	—	—
Other[(2)]	—	—	(0.03)	(0.05)	—

Dollar amount of distributions declared[1]	77,769	54,881	37,067	13,027	—
From net investment income	65,929	46,642	27,198	8,155	—
Distributions declared and payable	11,840	8,239	9,869	4,872	—

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	Golub Capital Investment Corporation				
	As of and for the year ended September 30,				Period from September 22, 2014 (Inception) to September 30, 2014
	2018	2017	2016	2015	
	(In thousands, except per share data)				
Balance Sheet data at period end:					
Investments, at fair value	$1,674,438	$1,397,701	$1,069,710	$551,878	$ —
Cash, restricted cash and cash equivalents	38,516	51,131	75,731	12,892	10
Other assets(3)	105	178	249	426	—
Total assets(3)	1,719,061	1,455,095	1,148,998	567,239	10
Total debt	762,330	670,200	520,600	249,700	—
Total liabilities(3)	786,852	686,875	532,691	254,592	—
Total net assets	932,209	768,220	616,307	312,647	10
Other data:					
Number of portfolio companies at period end	186	167	158	141	N/A

*Represents an amount less than $0.01 per share.

(1) The per share data and dollar amount for distributions declared reflect the amount of distributions paid or payable with a record date during the applicable period.

(2) Includes the impact of different share amounts as a result of calculating certain per share data based on weighted average shares outstanding during the period and certain per share data based on the shares outstanding as of the period end.

(3) On October 1, 2015, GCIC adopted Accounting Standards Update, or ASU, 2015-03 which requires that debt issuance costs related to a recognized debt liability be presented on the balance sheet as a direct deduction from the carrying amount of the debt liability rather than as an asset. Adoption of ASU 2015-03 requires the changes to be applied retrospectively.

UNAUDITED SELECTED PRO FORMA CONSOLIDATED FINANCIAL DATA

	For the Year Ended September 30, 2018
Total investment income	$ 291,552
Total expenses	147,263
Net investment income before taxes	144,289
Excise tax	-
Net investment after taxes	144,289
Net realized gain (loss) on investments and foreign currency	9,533
Net increase (decrease) in net assets resulting from operations	$ 153,822

	As of September 30, 2018
Total assets	$ 3,545,692
Total debt (at carrying value)	1,605,079
Net assets	$ 1,649,050

UNAUDITED PRO FORMA PER SHARE DATA

	As of and For the Year Ended September 30, 2018			
	Golub Capital BDC, Inc.	**Golub Capital Investment Corporation** (3)	Pro-Forma Consolidated Golub Capital BDC, Inc.	Per Equivalent Golub Capital Investment Corporation
Net increase (decrease) in net assets resulting from operations	$1.37	$ 1.38	$ 1.35	$ 1.17
Basic	1.27	1.31	1.27	$ 1.10
Diluted	1.27	1.31	1.27	1.10
Cash dividends declared (1)	1.36	1.31	1.40	1.10
Net asset value per share (2)	$16.10	$ 15.00	$ 16.65	$ 14.40

(1) - The cash dividends declared per share represent the actual dividends declared per share for the period presented. The pro-forma consolidated cash dividends declared are the dividends per share as declared by Golub Capital BDC, Inc.

(2) - The pro forma consolidated net asset value per share is computed by dividing the pro forma consolidated net assets as of September 30, 2018 by the pro forma consolidated number of shares outstanding as measured without considering the market value to a Golub Capital Investment Corporation shareholder of the exchanged shares in Golub Capital BDC, Inc.

(3) - The Golub Capital Investment Corporation equivalent pro forma per share amount is calculated by multiplying the pro forma consolidated consolidated Golub Captal BDC, Inc. per share amounts by an exchange ratio of 0.865.

THE GBDC SPECIAL MEETING

Date, Time and Place of the GBDC Special Meeting

The GBDC Special Meeting will be held at [   ], Eastern Time, on [   ], 2019, at 666 Fifth Avenue, New York, New York. This joint proxy statement/prospectus will be sent to GBDC stockholders of record as of [   ], 2019 on or about [   ], 2019.

Purpose of the GBDC Special Meeting

At the GBDC Special Meeting, GBDC stockholders will be asked to approve each of (i) the Certificate of Incorporation Amendment Proposal, (ii) the Merger Stock Issuance Proposal and (iii) the Advisory Agreement Amendment Proposal.

The GBDC Board, including, after separate meetings and discussion, all of the GBDC Independent Directors, has unanimously approved the Merger Agreement, including the Merger and the related transactions, and the New Investment Advisory Agreement. The GBDC Board, including each of the GBDC Independent Directors, has unanimously approved the amendment to the GBDC certificate of incorporation to increase the authorized capital stock of GBDC, declared such amendment to be advisable and directed that the amendment be submitted to the stockholders of GBDC for approval at the GBDC Special Meeting. The GBDC Board, including each of the GBDC Independent Directors, unanimously recommends that GBDC stockholders vote "FOR" each of the Certificate of Incorporation Proposal, the Merger Stock Issuance Proposal and the Advisory Agreement Amendment Proposal.

Record Date

GBDC stockholders may vote their shares at the GBDC Special Meeting only if they were a stockholder of record at the close of business on [   ], 2019. There were [   ] shares of the GBDC Common Stock outstanding on the GBDC Record Date. Each share of common stock is entitled to one vote.

Quorum and Adjournments

A quorum must be present at the GBDC Special Meeting for any business to be conducted. The presence at the GBDC Special Meeting, in person or by proxy, of the holders of a majority of the shares of common stock outstanding on the GBDC Record Date will constitute a quorum. Shares held by a broker or other nominee for which the nominee has not received voting instructions from the record holder and does not have discretionary authority to vote the shares on non-routine proposals (which are considered “broker non-votes” with respect to such proposals) will be treated as shares present for quorum purposes. If there are not enough votes for a quorum, the presiding officer or GBDC stockholders who are represented in person or by proxy may vote to adjourn the GBDC Special Meeting to permit the further solicitation of proxies.

If there appears not to be enough votes for a quorum or to approve the Certificate of Incorporation Amendment Proposal, the Merger Stock Issuance Proposal or the Advisory Agreement Amendment Proposal at the GBDC Special Meeting, the presiding officer or holders of a majority of the votes entitled to be cast by the GBDC stockholders entitled to vote thereat, present in person or represented by proxy, shall have the power to adjourn the GBDC Special Meeting from time to time without notice other than announcement at the GBDC Special Meeting.

A GBDC stockholder vote may be taken on any of the proposals in this joint proxy statement/prospectus prior to any such adjournment if there are sufficient votes for approval of such proposal.

Broker Non-Votes

Broker non-votes are described as votes cast by a broker or other nominee on behalf of a beneficial holder who does not provide explicit voting instructions to such broker or nominee and who does not attend the meeting. Each of the Certificate of Incorporation Amendment Proposal, the Merger Stock Issuance Proposal and the Advisory Agreement Amendment Proposal is a non-routine matter for GBDC. As a result, if a GBDC stockholder holds shares in “street name” through a broker, bank or other nominee, such broker, bank or nominee will not be permitted to exercise voting discretion with respect to either the Certificate of Incorporation Amendment Proposal, the Merger Stock Issuance Proposal or the Advisory Agreement Amendment Proposal. Abstentions and broker non-votes will not count as affirmative votes cast and will therefore have the same effect as votes “against” the Certificate of Incorporation Amendment Proposal and the Advisory Agreement Amendment Proposal. Abstentions and broker non-votes will have no effect on the outcome of the Merger Stock Issuance Proposal.

Vote Required

Each share of GBDC Common Stock held by a holder of record as of the GBDC Record Date has one vote on each matter considered at the GBDC Special Meeting.

The Certificate of Incorporation Amendment Proposal

The affirmative vote of the holders of a majority of the outstanding shares of GBDC Common Stock entitled to vote at the GBDC Special Meeting is required for approval of the Certificate of Incorporation Amendment Proposal. Abstentions and broker non-votes will not count as affirmative votes cast and will therefore have the same effect as votes against the Certificate of Incorporation Amendment Proposal. Proxies received will be voted “FOR” the Certificate of Incorporation Amendment Proposal, unless GBDC stockholders designate otherwise.

The Merger Stock Issuance Proposal

The approval of the Merger Stock Issuance Proposal requires the affirmative vote of at least a majority of the votes cast by holders of GBDC Common Stock at a meeting at which a quorum is present. Abstentions and broker non-votes will have no effect on the outcome of the Merger Stock Issuance Proposal. Proxies received will be voted “FOR” the Merger Stock Issuance Proposal, unless GBDC stockholders designate otherwise.

Under the terms of the Merger Agreement, each GCIC stockholder will have the right to receive, for each share of GCIC Common Stock, 0.865 shares of GBDC Common Stock. The number of shares of GBDC Common Stock to be received will be subject to adjustment if, between the date of the Merger Agreement and the effective time of the Merger, the respective outstanding shares of GBDC Common Stock or GCIC Common Stock have increased or decreased or changed into or been exchanged for a different number or kind of shares or securities, in each case, as a result of any reclassification, recapitalization, stock split, reverse stock split, split-up, combination or exchange of shares, or if a stock dividend or dividend payable in any other securities is declared with a record date within such period.

The Advisory Agreement Amendment Proposal

The approval of the Advisory Agreement Amendment Proposal requires the approval of “a majority of the outstanding voting securities” of GBDC. Under the 1940 Act, a “majority of the outstanding voting securities” of GBDC is the lesser of: (1) 67% of the GBDC Common Stock at the GBDC Special Meeting if the holders of more than 50% of the outstanding shares of GBDC Common Stock are present or represented by proxy or (2) more than 50% of the outstanding shares of GBDC Common Stock. Abstentions and broker non-votes will not count as affirmative votes cast and will therefore have the same effect as votes against the Advisory Agreement Amendment Proposal. Proxies received will be voted “FOR” the Advisory Agreement Amendment Proposal unless GBDC stockholders designate otherwise.

Voting of Management

On the GBDC Record Date, GBDC’s officers and directors owned and were entitled to vote [ ] shares of GBDC Common Stock, representing less than [ ] of the outstanding shares of GBDC Common Stock on the GBDC Record Date. None of GBDC’s officers or directors has entered into any voting agreement relating to the Merger.

Voting of Proxies

GBDC encourages GBDC stockholders to vote their shares, either by voting in person at the GBDC Special Meeting or by voting by proxy, which means that the GBDC stockholders authorize someone else to vote their shares. Shares represented by duly executed proxies will be voted in accordance with the GBDC stockholder’s instructions. If GBDC stockholders execute a proxy without specifying their voting instructions, such GBDC stockholders’ shares will be voted in accordance with the GBDC Board’s recommendation. If any other business is brought before the GBDC Special Meeting, GBDC stockholders’ shares will be voted at the GBDC Board’s discretion unless the GBDC stockholders specifically state otherwise on their proxies.

GBDC stockholders may revoke a proxy at any time before it is exercised by notifying GBDC's Secretary in writing, by submitting a properly executed, later-dated proxy, or by voting in person at the GBDC Special Meeting. Any GBDC stockholder entitled to vote at the GBDC Special Meeting may attend the GBDC Special Meeting and vote in person, whether or not such GBDC stockholder has previously voted his or her shares via proxy or wishes to change a previous vote.

A GBDC stockholder may vote in person at the GBDC Special Meeting or by proxy in accordance with the instructions provided below. A GBDC stockholder may also authorize a proxy by telephone or through the Internet using the toll-free telephone numbers or web address printed on your proxy card. Authorizing a proxy by telephone or through the Internet requires you to input the control number located on your proxy card. After inputting the control number, you will be prompted to direct your proxy to vote on each proposal. You will have an opportunity to review your directions and make any necessary changes before submitting your directions and terminating the telephone call or Internet link.

- *By Internet*: [www.proxyonline.com]

- *By telephone*: [(888) 227-9349] to reach a toll-free, automated touchtone voting line, or [(866) 416-0565] Monday through Friday 9:00 a.m. until 10:00 p.m. Eastern Time to reach a toll-free, live operator line.

- *By mail*: You may vote by following the directions and indicating your instructions on the enclosed proxy card, dating and signing the proxy card, and promptly returning the proxy card in the envelope provided, which requires no postage if mailed in the United States. Please allow sufficient time for your proxy card to be received on or prior to 5:00 p.m., Eastern Time, on [ ], 2019.

- *In person*: You may vote in person at the GBDC Special Meeting by requesting a ballot when you arrive. If your shares of GBDC Common Stock are held through a broker and you attend the GBDC Special Meeting in person, please bring a letter from your broker identifying you as the beneficial owner of the shares and authorizing you to vote your shares at the GBDC Special Meeting.

Important notice regarding the availability of proxy materials for the GBDC Special Meeting. GBDC's joint proxy statement/prospectus and the proxy card are available at [www.proxyonline.com].

Revocability of Proxies

Any proxy authorized pursuant to this solicitation may be revoked by notice from the person giving the proxy at any time before it is exercised. A revocation may be effected by resubmitting voting instructions via the Internet voting site, by telephone, by obtaining and properly completing another proxy card that is dated later than the original proxy card and returning it, by mail, in time to be received before the GBDC Special Meeting, by attending the GBDC Special Meeting and voting in person, or by a notice, provided in writing and signed by the GBDC Stockholder, delivered to GBDC's Secretary on any business day before the date of the GBDC Special Meeting.

Solicitation of Proxies

GBDC and GCIC will equally bear the cost of preparing, printing and mailing this joint proxy statement/prospectus and the applicable accompanying Notice of Special Meeting of Stockholders and proxy card. GBDC and GCIC intend to use the services of GC Advisors to aid in the distribution and collection of proxy votes. GBDC and GCIC expect to pay market rates for such services. No additional compensation will be paid to directors, officers or regular employees for such services.

For more information regarding expenses related to the Merger, see "Questions and Answers about the Merger—Who is responsible for paying the expenses relating to completing the Merger?"

Appraisal Rights

GBDC stockholders do not have the right to exercise appraisal rights with respect to any matter to be voted upon at the GBDC Special Meeting.

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THE GCIC SPECIAL MEETING

Date, Time and Place of the GCIC Special Meeting

The GCIC Special Meeting will be held at [ ], Eastern Time, on [ ], 2019, at 666 Fifth Avenue, New York, New York. This joint proxy statement/prospectus will be sent to GCIC stockholders of record as of [ ], 2019 on or about [ ], 2019

Purpose of the GCIC Special Meeting

At the GCIC Special Meeting, GCIC stockholders will be asked to approve the Merger Proposal.

The GCIC Board, including, after separate meetings and discussion, the GCIC Independent Directors, has unanimously approved the Initial Merger and the Merger Agreement and recommends that GCIC stockholders vote "FOR" the Merger Proposal.

Record Date

GCIC stockholders may vote their shares at the GCIC Special Meeting only if they were a stockholder of record at the close of business on [ ], 2019. There were [ ] shares of GCIC Common Stock outstanding on the GCIC Record Date. Each share of GCIC Common Stock is entitled to one vote.

Quorum and Adjournments

A quorum must be present at the GCIC Special Meeting for any business to be conducted. The presence at the GCIC Special Meeting, in person or by proxy, of stockholders entitled to cast a majority of votes entitled to be cast at the GCIC Special Meeting will constitute a quorum. If there are not enough votes for a quorum, the chairman of the meeting may adjourn the GCIC Special Meeting to permit the further solicitation of proxies.

If there appear not to be enough votes to approve the Merger Proposal at the GCIC Special Meeting, the chairman of the GCIC Special Meeting shall have the power to conclude or adjourn the GCIC Special Meeting from time to time to a date not more than 120 days after the original record date without notice other than announcement at the GCIC Special Meeting.

A GCIC stockholder vote may be taken on any of the proposals in this joint proxy statement/prospectus prior to any such adjournment if there are sufficient votes for approval of such proposal.

Broker Non-Votes

Broker non-votes are described as votes cast by a broker or other nominee on behalf of a beneficial holder who does not provide explicit voting instructions to such broker or nominee and who does not attend the meeting. The Merger Proposal is a non-routine matter for GCIC. As a result, if a GCIC stockholder holds shares in “street name” through a broker, bank or other nominee, such broker, bank or nominee will not be permitted to exercise voting discretion with respect to the Merger Proposal. Abstentions and broker non-votes will not count as affirmative votes cast and will therefore have the same effect as votes “against” the Merger Proposal.

Vote Required

Each share of GCIC Common Stock held by a holder of record as of the GCIC Record Date has one vote on each matter considered at the GCIC Special Meeting.

The Merger Proposal

The affirmative vote of the holders of outstanding shares of GCIC Common Stock entitled to cast a majority of votes entitled to be cast at the GCIC Special Meeting is required to approve the Merger Proposal.

Under the terms of the Merger Agreement, each GCIC Stockholder will have the right to receive, for each share of GCIC Common Stock, 0.865 shares of GBDC Common Stock. The number of shares of GBDC Common Stock to be received will be subject to adjustment if, between the date of the Merger Agreement and the effective time of the Initial Merger, the respective outstanding shares of GBDC Common Stock or GCIC Common Stock have increased or decreased or changed into or been exchanged for a different number or kind of shares or securities, in each case, as a result of any reclassification, recapitalization, stock split, reverse stock split, split-up, combination or exchange of shares, or if a stock dividend or dividend payable in any other securities is declared with a record date within such period.

Abstentions and broker non-votes will not count as affirmative votes cast and will therefore have the same effect as votes against the Merger Proposal. Proxies received will be voted "FOR" the Merger Proposal, unless GCIC stockholders designate otherwise.

Voting of Proxies

GCIC encourages GCIC stockholders to vote their shares, either by voting in person at the GCIC Special Meeting or by voting by proxy, which means that the GCIC stockholders authorize someone else to vote their shares. Shares represented by duly executed proxies will be voted in accordance with the GCIC stockholders' instructions. If GCIC stockholders execute a proxy without specifying their voting instructions, such GCIC stockholders' shares will be voted in accordance with the GCIC Board's recommendation. If any other business is brought before the GCIC Special Meeting, the GCIC stockholders' shares will be voted at the GCIC Board's discretion unless the GCIC stockholders specifically state otherwise on their proxy.

GCIC stockholders may revoke a proxy at any time before it is exercised by notifying GCIC's Secretary in writing, by submitting a properly executed, later-dated proxy, or by voting in person at the GCIC Special Meeting. Any GCIC stockholder entitled to vote at the GCIC Special Meeting may attend the GCIC Special Meeting and vote in person, whether or not he or she has previously voted his or her shares via proxy or wishes to change a previous vote.

A GCIC stockholder may vote in person at the GCIC Special Meeting or by proxy in accordance with the instructions provided below. A GCIC stockholder may also authorize a proxy by telephone or through the Internet using the toll-free telephone numbers or web address printed on your proxy card. Authorizing a proxy by telephone or through the Internet requires you to input the control number located on your proxy card. After inputting the control number, you will be prompted to direct your proxy to vote on each proposal. You will have an opportunity to review your directions and make any necessary changes before submitting your directions and terminating the telephone call or Internet link.

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- *By telephone*: [(888) 227-9349] to reach a toll-free, automated touchtone voting line, or [(866) 416-0565] Monday through Friday 9:00 a.m. until 10:00 p.m. Eastern Time to reach a toll-free, live operator line.

- *By mail*: You may authorize a proxy by following the directions and indicating your instructions on the enclosed proxy card, dating and signing the proxy card, and promptly returning the proxy card in the envelope provided, which requires no postage if mailed in the United States. Please allow sufficient time for your proxy card to be received on or prior to 5:00 p.m., Eastern Time, on [ ], 2019.

- *In person*: You may vote in person at the GCIC Special Meeting by requesting a ballot when you arrive. If your shares of GCIC Common Stock are held through a broker and you attend the GCIC Special Meeting in person, please bring a letter from your broker identifying you as the beneficial owner of the shares and authorizing you to vote your shares at the GCIC Special Meeting.

Important notice regarding the availability of proxy materials for the GCIC Special Meeting. GCIC's joint proxy statement/prospectus and the proxy card are available at [www.proxyonline.com].

Revocability of Proxies

Any proxy authorized pursuant to this solicitation may be revoked by notice from the person giving the proxy at any time before it is exercised. A revocation may be effected by resubmitting voting instructions via the Internet voting site, by telephone, by obtaining and properly completing another proxy card that is dated later than the original proxy card and returning it, by mail, in time to be received before the GCIC Special Meeting, by attending the GCIC Special Meeting and voting in person, or by a notice, provided in writing and signed by the GCIC stockholder, delivered to GCIC's Secretary on any business day before the date of the GCIC Special Meeting.

Solicitation of Proxies

GCIC and GBDC will equally bear the cost of preparing, printing and mailing this joint proxy statement/prospectus and the applicable accompanying Notice of Special Meeting of Stockholders and proxy card. GCIC and GBDC intend to use the services of GC Advisors to aid in the distribution and collection of proxy votes. GCIC and GBDC expect to pay market rates for such services. No additional compensation will be paid to directors, officers or regular employees for such services.

For more information regarding expenses related to the Merger, see "Questions and Answers about the Merger—Who is responsible for paying the expenses relating to completing the Merger?"

Appraisal Rights

GCIC stockholders do not have the right to exercise rights of objecting stockholders with respect to any matter to be voted upon at the GCIC Special Meeting.

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The Merger Agreement provides that the holders of GCIC Common Stock will be entitled to receive, for each share of GCIC Common Stock, 0.865 shares of GBDC Common Stock, subject to adjustment only in the event of reclassification, recapitalization or similar transaction by either company. The unaudited pro forma condensed consolidated financial information has been derived from and should be read in conjunction with the historical consolidated financial statements and the related notes of both GBDC and GCIC, which are included elsewhere in this joint proxy statement/prospectus.

The following unaudited pro forma condensed consolidated financial information and explanatory notes illustrate the effect of the Merger on GBDC's financial position and results of operations based upon the companies' respective historical financial positions and results of operations under the asset acquisition method of accounting with GBDC treated as the acquirer.

Generally, under asset acquisition accounting, acquiring assets in groups not only requires ascertaining the cost of the asset (or net assets), but also allocating that cost to the individual assets (or individual assets and liabilities) that make up the group. The cost of the group of assets acquired in an asset acquisition is allocated to the individual assets acquired or liabilities assumed based on their relative fair values of net identifiable assets acquired other than certain "non-qualifying" assets (for example cash) and does not give rise to goodwill. GBDC believes that the acquisition of GCIC should be accounted for as an asset acquisition based on the nature of its pre-acquisition operations and other factors outlined in ASC 805-50—*Business Combinations–Related Issues.*

The unaudited pro forma condensed consolidated financial information includes the unaudited pro forma condensed consolidated balance sheet as of September 30, 2018 assuming the Merger and Subsequent Combination had been completed on September 30, 2018. The unaudited pro forma condensed consolidated income statement for the year ended September 30, 2018 was prepared assuming the Merger and Subsequent Combination had been completed on September 30, 2017.

The unaudited pro forma condensed consolidated financial information is presented for illustrative purposes only and does not necessarily indicate the results of operations or the combined financial position that would have resulted had the Merger been completed at the beginning of the applicable period presented, nor the impact of expense efficiencies, asset dispositions, share repurchases and other factors. In addition, as explained in more detail in the accompanying notes to the unaudited pro forma condensed consolidated financial information, the allocation of the pro forma purchase price reflected in the unaudited pro forma condensed consolidated financial information involves estimates, is subject to adjustment and may vary significantly from the actual purchase price allocation that will be recorded upon completion of the Merger.

See notes to pro forma condensed consolidated financial statements.

Golub Capital BDC, Inc. and Subsidiaries

Pro Forma Condensed Consolidated Statement of Financial Condition
As of September 30, 2018

Unaudited

(In thousands, except share and per share data)

	Actual Golub Capital BDC, Inc.	Actual Golub Capital Investment Corporation	Pro Forma Adjustments		Pro Forma Golub Capital BDC, Inc. Combined
Assets and Liabilities Data:					
Investments, at fair value	$ 1,782,841	$ 1,674,438	$ —	(A)	$ 3,457,279
Cash and cash equivalents	6,037	14,659	(8,921	)(B)	11,775
Other assets	46,674	29,964	—		76,638
Total assets	1,835,552	1,719,061	(8,921	)	3,545,692
Debt	842,749	760,409	1,921	(A)	1,605,079
Other liabilities	23,949	26,443	(6,421	)(B)(C)	43,971
Total liabilities	866,698	786,852	(4,500	)	1,648,800
Net assets	968,854	932,209	(4,421	)(C)	1,649,050
Total liabilities and net assets	$ 1,835,552	$ 1,719,061	$ (8,921	)	$ 3,545,442
Total shares outstanding	60,165,454	62,147,237	(8,389,877	)(C)	113,922,814
Net assets per share	$ 16.10	$ 15.00			$ 16.65

See notes to pro forma condensed consolidated financial statements.

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Golub Capital BDC, Inc. and Subsidiaries

Pro Forma Condensed Consolidated Statement of Operations

For the Year Ended September 30, 2018

Unaudited

(In thousands, except share and per share data)

	Actual Golub Capital BDC, Inc.	Actual Golub Capital Investment Corporation	Pro Forma Adjustments		Pro Forma Golub Capital BDC, Inc.
Performance Data:					
Interest and dividend income	$ 149,657	$ 136,123	$—		$ 285,780
Fees and other income	2,514	3,258	—		5,772
Total investment income	152,171	139,381	—		291,552
Interest and other debt financing expenses	33,174	31,333	(2,002)	(A)	62,505
Base management fee	24,214	21,548	—		45,762
Incentive fee	13,110	18,312	(1,553)	(D)	29,869
Other expenses	5,652	4,343	(868)	(E)	9,127
Operating expenses	76,150	75,536	(4,423)		147,263
Management fee waiver	—	(5,877)	5,877	(D)	—
Incentive fee waiver	—	(4,463)	4,463	(D)	—
Net expenses	76,150	65,196	5,917		147,263
Net investment income before taxes	76,021	74,185	(5,917)		144,289
Excise tax	—	—	—		—
Net investment income after taxes	76,021	74,185	(5,917)		144,289
Net realized gain (loss) on investments and foreign currency transactions	17,536	3,716	—		21,252
Net change in unrealized appreciation (depreciation) on investments and foreign currency translation	(11,587)	(132)	—		(11,719)
Total net realized and unrealized gains (losses)	5,949	3,584	—		9,533
Net increase (decrease) in net assets resulting from operations	81,970	77,769	(5,917)		153,822
Per Common Share Data					
Basic and diluted earnings per common share	$ 1.37	$ 1.38			$ 1.35
Net investment income per common share	$ 1.27	$ 1.32			$ 1.27
Basic and diluted weighted average common shares outstanding [(1)]	59,803,208	56,328,125	(2,570,765)		113,560,568

(1) Basic and diluted weighted average common shares outstanding for Pro Forma Golub Capital BDC, Inc. is estimated by adding estimated share issuance to GCIC shareholders of 53,757,360 shares to average common shares outstanding for GBDC for the year ended September 30, 2018.

See notes to pro forma condensed consolidated financial statements.

Golub Capital BDC, Inc. and Subsidiaries

Notes to Pro Forma Condensed Consolidated Financial Statements

Unaudited

(In thousands, except share and per share data)

1. BASIS OF PRO FORMA PRESENTATION

The unaudited pro forma condensed consolidated financial information related to the Merger and Subsequent Combination is included as of and for the year ended September 30, 2018. On November 27, 2018, GBDC and GCIC entered into the Merger Agreement. For the purposes of the pro forma condensed consolidated financial statements, the purchase price is approximately $998.3 million in stock consideration which is based upon a price of $18.57 per share of GBDC Common Stock as of November 26, 2018 (the day before the merger agreement was executed) and an implied value per share of GCIC Common Stock of $16.06. The pro forma adjustments included herein reflect the conversion of GCIC Common Stock into GBDC Common Stock using an exchange ratio of 0.865 of a share of GBDC Common Stock, for each of the approximately 62.1 million shares of GCIC Common Stock outstanding as of September 30, 2018.

The merger of Merger Sub with and into GCIC will be accounted for as an asset acquisition of GCIC by GBDC in accordance with the asset acquisition method of accounting as detailed in ASC 805-50, *Business Combinations—Related Issues*. In applying the asset acquisition method of accounting, GBDC uses a cost approach to allocate the cost of the assets purchased against the assets being acquired. The cost of the acquisition is determined to be the fair value of the consideration given or the fair value of the assets acquired, whichever is more clearly evident. GBDC has determined that the fair value of the shares of GBDC Common Stock to be issued pursuant to the Merger Agreement based on GBDC’s close price to be most evident of fair value. On a pro forma basis, GBDC's share price on the NASDAQ as of the day before Merger announcement, November 26, 2018, as well as the addition of estimated transaction costs expected to be incurred by GBDC, was used as a preliminary estimate of purchase price. The fair value of the merger consideration paid by GBDC is allocated to assets acquired and liabilities assumed based on their relative fair values as of the date of acquisition and will not give rise to goodwill. Preliminary purchase accounting allocations are detailed in Note 2.

GBDC’s financial statements include its accounts and the accounts of all its consolidated subsidiaries. All intercompany balances and transactions have been eliminated in consolidation.

Use of Estimates: The preparation of the unaudited pro forma condensed consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Many of the amounts have been rounded, and all amounts are in thousands, except share and per share amounts.

Valuation of Portfolio Investments: The valuation processes and oversight are identical for GBDC and GCIC. Each quarter, GBDC and GCIC determine the net asset value of its investment portfolio. Securities are valued at fair value as determined in good faith by the Board pursuant to GBDC's and GCIC's valuation policies. In connection with that determination, the Advisor provides the Board with portfolio company valuations which are based on relevant inputs, including, but not limited to, indicative dealer quotes, values of like securities, recent portfolio company financial statements and forecasts, and valuations prepared by independent third-party valuation services. The Board has delegated day-to-day responsibility for implementing its valuation policies to the Advisor's management team, and has authorized the Advisor's management team to utilize independent third-party valuation and pricing services that have been approved by the Board. The valuation committee of the Board is responsible for overseeing the Advisor's implementation of the valuation process.

ASC Topic 820 issued by the Financial Accounting Standards Board, or the FASB, clarifies the definition of fair value and requires companies to expand their disclosure about the use of fair value to measure assets and liabilities in interim and annual periods subsequent to initial recognition. ASC Topic 820 defines fair value as the price that would be received from the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. ASC Topic 820 also establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. These tiers include: Level 1, defined as observable inputs such as quoted prices in active markets; Level 2, which includes inputs such as quoted prices for similar securities in active markets and quoted prices for identical securities where there is little or no activity in the market; and Level 3, defined as unobservable inputs for which little or no market data exists, therefore requiring an entity to develop its own assumptions.

See notes to pro forma condensed consolidated financial statements.

Golub Capital BDC, Inc. and Subsidiaries

Notes to Pro Forma Condensed Consolidated Financial Statements

Unaudited

(In thousands, except share and per share data)

Income Taxes: GBDC has elected to be treated for U.S. federal income tax purposes, and intends to qualify annually, as a RIC under Subchapter M of the Code. To qualify for and maintain qualification as a RIC, GBDC must, among other things, meet certain source-of-income and asset diversification requirements, as well as distribute to its stockholders, for each tax year, at least 90% of its "investment company taxable income," which is generally GBDC's net ordinary income plus the excess, if any, of realized net short-term capital gains over realized net long-term capital losses, determined without regard to any deduction for distributions paid. As a RIC, GBDC will not have to pay corporate-level U.S. federal income taxes on any income that it distributes to its stockholders. GBDC intends to make distributions in an amount sufficient to qualify for and maintain its RIC tax status each tax year and to not pay any U.S. federal income taxes on income so distributed. GBDC is also subject to nondeductible federal excise taxes if it does not distribute in respect of each calendar year an amount at least equal to the sum of 98% of net ordinary income, 98.2% of any capital gain net income, if any, and any recognized and undistributed income from prior years for which it paid no U.S. federal income taxes.

Transaction Costs: Both GBDC and GCIC incur direct transaction costs resulting from the Merger. GBDC, as the acquirer in an asset acquisition, will capitalize its transaction costs and such costs will be reflected as an adjustment to the purchase price of GCIC. GCIC will expense its transaction costs as incurred.

GBDC expects to incur $2.5 million in estimated transaction costs, which will be capitalized for the purposes of the purchase price allocation and will be reflected in the premium to the price of the assets purchased. GCIC expects to incur $2.5 million in estimated transaction costs. For the year ended September 30, 2018, GCIC incurred $0.1 million in transaction costs, reflected in the Consolidated Statement of Operations. GBDC did not recognize any transaction costs for the year ended September 30, 2018.

2. PRELIMINARY PURCHASE ACCOUNTING ALLOCATIONS

The unaudited pro forma condensed consolidated financial information includes the unaudited pro forma condensed consolidated statement of financial condition as of September 30, 2018 assuming the Merger and Subsequent Combination had been completed on September 30, 2018. The unaudited pro forma condensed consolidated income statement for the year ended September 30, 2018 was prepared assuming the Merger and Subsequent Combination had been completed on September 30, 2017.

The table below reflects the calculation of purchase price for purposes of the pro forma condensed consolidated statement of financial condition. To estimate pro forma purchase price, the fair value or price of each share of GBDC stock issued is based on the closing price on November 26, 2018, the day before the merger agreement was executed of $18.57. As the Merger is likely to occur in the first half of 2019, changes in the price of GBDC Common Stock used to determine total purchase price are expected and the pro forma purchase price is likely to change. Additionally, the amount of shares of GCIC outstanding as of merger close date could be more than the shares outstanding as of September 30, 2018, used below in the calculation of purchase price. The unaudited pro forma condensed consolidated statement of financial condition reflects the issuance of approximately 53,757,360 shares of GBDC Common Stock pursuant to the Merger Agreement.

Shares of GBDC Common Stock to be issued to GCIC shareholders	53,757,360
Price of GBDC Common Stock at time of merger	$18.57
Total pro forma purchase price before transaction costs	$998,274
Estimated transaction costs	2,500
Total pro forma purchase price	$1,000,774

If the price of GBDC Common Stock was to increase or decrease by 5% from the November 26, 2018 price of $18.57, the total pro forma purchase price would be $1.1 billion and $950.9 million, respectively.

The merger of Merger Sub with and into GCIC will be accounted for using the asset acquisition method of accounting. Accordingly, the purchase price paid by GBDC in connection with the Merger will be allocated to the acquired assets and assumed liabilities of GCIC at their relative fair values estimated by GBDC as of the effective date. GBDC intends to assign all acquired assets and assumed liabilities the same carrying value as GCIC before the Merger. The investments held by GCIC are substantially identical to GBDC's investments, therefore the fair value ascribed to investments by GCIC will be in agreement with GBDC's prices on already held investments. Further, the valuation methodology and processes of GBDC as described above in the "Valuation of Portfolio Investments" note are identical to the valuation methodology and processes of GCIC. In regards to the debt assumed, as of September 30, 2018, the fair value of GCIC's debt approximated carrying value. It is expected other assets and other liabilities are short term in nature and therefore it can be assumed that fair value approximates carrying value. The excess fair value of the merger consideration paid by GBDC over the fair value of GCIC's net assets acquired (henceforth referred to as the "purchase premium") is further allocated to the cost of the investments acquired from GCIC, resulting in unrealized depreciation as of the first day of operations after the Merger. As the former GCIC investments held by GBDC pay off or are sold, the initial unrealized depreciation will become a realized loss. This amount has not been included in the pro forma condensed statement of operations as the unrealized depreciation and subsequent realized loss is non-recurring.

See notes to pro forma condensed consolidated financial statements.

Golub Capital BDC, Inc. and Subsidiaries

Notes to Pro Forma Condensed Consolidated Financial Statements

Unaudited

(In thousands, except share and per share data)

The following table summarizes calculation of pro forma purchase price and adjustments to assets acquired and the liabilities assumed based on GBDC's estimate of relative fair values:

	Golub Capital Investment Corporation September 30, 2018	**Pro Forma Adjustments** [1]	Pro Forma September 30, 2018
Common stock issued			$ 998,274
Transaction costs			2,500
Total purchase price			$ 1,000,774
Investments, at fair value	$ 1,674,438	$ —	$ 1,674,438
Cash and cash equivalents	14,659	(8,921)	5,738
Other assets	29,964	—	29,964
Total assets acquired	1,719,061	(8,921)	1,710,140
Debt	760,409	1,921	762,330
Other liabilities assumed	26,443	(8,921)	17,522
Total liabilities	786,852	(7,000)	779,852
Net assets acquired	$ 932,209	$ (1,921)	$ 930,288
Purchase premium [2]			$ 70,486

[1] Pro forma adjustments are detailed in Note 3 - Preliminary Pro Forma Adjustments.

[2] Purchase premium is allocated to cost of investments acquired after initial recognition of cost at fair value of assets acquired, illustrated in the table below.

	Pro Forma Adjustments			
	Golub Capital Investment Corporation September 30, 2018	Recognition of Cost at Fair Value of Assets Acquired	Purchase Premium	Pro Forma September 30, 2018

Investments, at fair value:				
Amortized cost	$1,663,122	$ 11,316	$70,486	$ 1,744,924
Unrealized appreciation (depreciation) on investments	11,316	(11,316)	(70,486)	(70,486)
	$1,674,438			$ 1,674,438

3. PRELIMINARY PRO FORMA ADJUSTMENTS

(A) The adjustment of $1.9 million on the pro forma condensed consolidated statement of financial condition to Debt relates to the elimination of unamortized deferred debt issuance costs associated with GCIC's debt facilities that will not be acquired as part of the Merger. Correspondingly, interest expense and other debt financing costs on the pro forma condensed statement of operations reflects a reduction of $2.0 million that represents the absence of deferred debt issuance costs to amortize if the merger were to occur as of September 30, 2017. The adjustment to investments, at fair value, is detailed in a table in Note 2, which demonstrates the initial recognition by GBDC of GCIC investments at fair value, an increase in cost of investments equal to the calculated pro forma purchase premium and a corresponding reduction to unrealized appreciation (depreciation) on investments, resulting in no change in fair value of investments.

See notes to pro forma condensed consolidated financial statements.

Golub Capital BDC, Inc. and Subsidiaries

Notes to Pro Forma Condensed Consolidated Financial Statements

Unaudited

(In thousands, except share and per share data)

(B) The pro forma adjustment to cash reflects the payment of the Capital Gains Incentive Fee and Subordinated Liquidation Fee to GCIC's Investment Advisor as of the Closing Date. To reflect the payment of the Capital Gains Incentive Fee, other liabilities has been reduced by the capital gains incentive fee payable as of September 30, 2018 of $2.3 million with a corresponding reduction to cash acquired. This item is included on GCIC's Consolidated Statement of Financial Condition as of September 30, 2018 in the line item "Management and incentive fees payable." The payable for the Subordinated Liquidation Fee was not included in GCIC's actual Consolidated Statement of Financial Condition as of September 30, 2018. Concurrently with the closing of the merger, it is expected the Subordinated Liquidation fee will become payable, which is estimated to be $6.6 million. This estimate is preliminary and will vary based on the calculation of purchase price. The payment of the Subordinated Liquidation Fee will reduce distributions payable by a corresponding amount. As of September 30, 2018 GCIC has distributions payable of $11.8 million on its Consolidated Statement of Financial Condition. This pro forma adjustment reduces distributions payable to $5.2 million, which is assumed as a liability by GBDC and will be paid to GCIC former shareholders in the period following the Merger. The payment of the estimated Subordinated Liquidation Fee is reflected in cash and cash equivalents.

(C) This pro forma adjustment reflects shares of GBDC Common Stock issued to GCIC stockholders based on an exchange ratio of 0.865 of a share of GBDC Common Stock for each share of GCIC Common Stock held as of September 30, 2018 resulting in a reduction in total combined shares outstanding of 8.4 million. As detailed in Note 2, total pro forma purchase price of the transaction is estimated to be $1.0 billion. Adjustments to net assets include the removal of historical GCIC net assets, the addition of new equity equal to estimated common share issuance of $998.3 million, and the addition of unrealized depreciation as described in Note 2, to be included as a component of net assets as of the day of merger closing. Estimated transaction costs have been capitalized as part of the purchase premium into cost of investments acquired. As transaction costs were not incurred by GBDC for the year ended September 30, 2018, a liability equal to the estimated transaction costs of $2.5 million was added to the pro forma condensed statement of financial condition.

(D) After the merger, GCIC's assets will be subject to GBDC's Investment Advisory Agreement. The adjustments included in the pro forma condensed statement of operations are to account for differences in calculation of management and incentive fees between GCIC's current contract and GBDC's contract. Prior to the merger, GCIC is subject to a 1.375% management fee that is irrevocably waived by the Investment Advisor to 1.00%. As GBDC does not have a voluntary waiver for management fees, the waiver incurred for the year ended September 30, 2018 was eliminated as part of this pro forma adjustment and added to the management fees incurred for the year. For incentive fees, prior to the merger, GCIC incurred a 20% incentive fee on net investment income with a 5% waiver from the

Investment Advisor. GBDC does not have a waiver agreement with the Investment Advisor, therefore the waiver for incentives fees is removed as a pro forma adjustment. The calculation of incentive fees for purposes of the pro forma adjustment has been estimated by calculating net investment income after the pro forma adjustments for management fees, deferred debt issuance cost amortization (as included in A above) and estimated cost savings (as included in E below). In total, including the elimination of voluntary waivers, it is estimated that there will be an increase of incentive fees incurred of $2.9 million for the pro forma year ended September 30, 2018.

(E) Pro forma adjustment reflects impact of the Merger on professional fees and general and administrative expenses representing cost savings and synergies attributable to the Merger. $0.1 million represents transaction costs paid by GCIC that have been removed from the pro forma condensed statement of operations as this is a non-recurring expense.

See notes to pro forma condensed consolidated financial statements.

Golub Capital BDC, Inc. and Subsidiaries

Pro Forma Condensed Schedule of Investments

Unaudited

As of September 30, 2018

(Dollar Amounts in Thousands)

Portfolio Company	Industry	**Investment Type**	**Spread Above Index**	**Interest Rate**	**Maturity Date**	Actual Golub Capital BDC Inc. Amortized Cost	Actual Golub Capital BDC Inc. Fair Value	Actual Golub Capital Investment Corporation Amortized Cost	Actual Golub Capital Investment Corporation Fair Value
1A Smart Start LLC	Home and Office Furnishings, Housewares, and Durable Consumer	Senior loan	L + 4.50%	6.74 %	02/2022	$547	$550	$353	$355
Abita Brewing Co., L.L.C.	Beverage, Food and Tobacco	One stop	L + 5.75%	7.99 %	04/2021	6,926	6,998	3,357	3,37
Abita Brewing Co., L.L.C.	Beverage, Food and Tobacco	One stop	L + 5.75%	N/A	04/2021	—	—	—	—
Accela, Inc.	Diversified/Conglomerate Service	One stop	L + 6.00%	8.39 %	09/2023	5,193	5,261	6,579	6,66
Accela, Inc.	Diversified/Conglomerate Service	LLC units	N/A	N/A	N/A	296	325	374	411
Accela, Inc.[1]	Diversified/Conglomerate Service	One stop	L + 6.00%	N/A	09/2023	(1)	—	(1)	—
Active Day, Inc.	Healthcare, Education and Childcare	One stop	L + 6.00%	8.24 %	12/2021	13,071	13,000	11,300	11,1
Active Day, Inc.	Healthcare, Education and Childcare	One stop	L + 6.00%	8.24 %	12/2021	1,014	1,003	876	863
Active Day, Inc.	Healthcare, Education and Childcare	One stop	L + 6.00%	8.24 %	12/2021	655	646	565	556
Active Day, Inc.	Healthcare, Education and Childcare	LLC interest	N/A	N/A	N/A	614	446	529	384
Active Day, Inc.	Healthcare, Education and Childcare	One stop	L + 6.00%	8.24 %	12/2021	451	447	390	384
Active Day, Inc.	Healthcare, Education and Childcare	One stop	P + 5.00%	10.25 %	12/2021	21	20	21	20
		One stop		9.01 %	03/2022	2,519	2,538	3,385	3,39

Acuity Eyecare Holdings, LLC	Healthcare, Education and Childcare		L + 6.75%						
Acuity Eyecare Holdings, LLC	Healthcare, Education and Childcare	One stop	L + 6.75%	9.02 %	03/2022	148	148	3,156	3,15
Acuity Eyecare Holdings, LLC	Healthcare, Education and Childcare	LLC interest	N/A	N/A	N/A	198	196	419	416
Acuity Eyecare Holdings, LLC	Healthcare, Education and Childcare	One stop	L + 6.75%	9.04 %	03/2022	180	185	398	393
Acuity Eyecare Holdings, LLC	Healthcare, Education and Childcare	One stop	P + 5.75%	11.00%	03/2022	10	9	10	9
ADCS Clinics Intermediate Holdings, LLC	Healthcare, Education and Childcare	One stop	L + 5.75%	8.04 %	05/2022	20,641	20,644	21,375	21,2
ADCS Clinics Intermediate Holdings, LLC	Healthcare, Education and Childcare	Preferred stock	N/A	N/A	N/A	579	363	596	374
ADCS Clinics Intermediate Holdings, LLC	Healthcare, Education and Childcare	One stop	L + 5.75%	8.04 %	05/2022	106	105	106	105
ADCS Clinics Intermediate Holdings, LLC	Healthcare, Education and Childcare	One stop	L + 5.75%	8.04 %	05/2022	82	81	83	81
ADCS Clinics Intermediate Holdings, LLC	Healthcare, Education and Childcare	One stop	L + 5.75%	8.04 %	05/2022	49	48	49	48
ADCS Clinics Intermediate Holdings, LLC	Healthcare, Education and Childcare	One stop	L + 5.75%	8.04 %	05/2022	31	31	31	31
ADCS Clinics Intermediate Holdings, LLC	Healthcare, Education and Childcare	Common stock	N/A	N/A	N/A	6	—	6	—
Advanced Pain Management Holdings, Inc.(2)	Healthcare, Education and Childcare	Senior loan	L + 5.00%	7.24 %	11/2018	—	—	5,593	3,07
Advanced Pain Management Holdings, Inc.(2)	Healthcare, Education and Childcare	Senior loan	L + 5.00%	7.24 %	11/2018	—	—	382	210
Advanced Pain Management Holdings, Inc.(2)	Healthcare, Education and Childcare	Senior loan	L + 5.00%	N/A	11/2018	—	—	—	—
Advanced Pain Management Holdings, Inc.(2)	Healthcare, Education and Childcare	Preferred stock	N/A	N/A	N/A	829	—	—	—
Advanced Pain Management Holdings, Inc.(2)	Healthcare, Education and Childcare	Common stock	N/A	N/A	N/A	67	—	—	—
Advanced Pain Management Holdings, Inc.(2)	Healthcare, Education and Childcare	Preferred stock	N/A	N/A	N/A	64	—	—	—
Agilitas USA, Inc.	Healthcare, Education and Childcare	One stop	L + 6.00%	8.34 %	04/2022	8,295	8,187	1,942	1,91

Agilitas USA, Inc.	Healthcare, Education and Childcare	One stop	L + 6.00%	8.34	%	04/2022	9		8	10		8
Agilitas USA, Inc.[1]	Healthcare, Education and Childcare	One stop	L + 6.00%	N/A		04/2022	(1	)	—	(12	)	—
Agility Recovery Solutions Inc.	Diversified/Conglomerate Service	One stop	L + 6.50%	8.74	%	03/2020	13,750		13,809	6,127		6,15

See notes to pro forma condensed consolidated financial statements.

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Golub Capital BDC, Inc. and Subsidiaries

Pro Forma Condensed Schedule of Investments (continued)

Unaudited

As of September 30, 2018

(Dollar Amounts in Thousands)

							Actual Golub Capital BDC Inc.	
Portfolio Company	Industry	**Investment Type**	**Spread Above Index**	**Interest Rate**		**Maturity Date**	Amortized Cost	Fair Value
Agility Recovery Solutions Inc.	Diversified/Conglomerate Service	Preferred stock	N/A	N/A		N/A	$ 341	$ 424
Agility Recovery Solutions Inc.(1)	Diversified/Conglomerate Service	One stop	L + 6.50%	N/A		03/2020	(3)	—
Aimbridge Hospitality, LLC	Hotels, Motels, Inns, and Gaming	One stop	L + 5.00%	7.24	%	06/2022	4,764	4,830
Aimbridge Hospitality, LLC	Hotels, Motels, Inns, and Gaming	One stop	L + 5.00%	7.24	%	06/2022	9,811	9,941
Aimbridge Hospitality, LLC	Hotels, Motels, Inns, and Gaming	One stop	L + 5.00%	7.24	%	06/2022	794	805
Aimbridge Hospitality, LLC	Hotels, Motels, Inns, and Gaming	One stop	L + 5.00%	7.24	%	06/2022	15	16
Aimbridge Hospitality, LLC(1)	Hotels, Motels, Inns, and Gaming	One stop	L + 5.00%	N/A		06/2022	(1)	—
Anaqua, Inc.	Diversified/Conglomerate Service	One stop	L + 6.50%	8.85	%	07/2022	6,867	6,948
Anaqua, Inc.(1)	Diversified/Conglomerate Service	One stop	L + 6.50%	N/A		07/2022	(1)	—
Apothecary Products, LLC	Healthcare, Education and Childcare	Senior loan	L + 4.25%	6.77	%	07/2023	—	—
Apothecary Products, LLC(1)	Healthcare, Education and Childcare	Senior loan	L + 4.25%	N/A		07/2023	—	—
Appriss Holdings, Inc.	Electronics	One stop	L + 6.25%	8.64	%	05/2022	36,016	36,034
Appriss Holdings, Inc.(1)	Electronics	One stop	L + 6.25%	N/A		05/2022	(33)	(29)

Apttus Corporation	Diversified/Conglomerate Service	One stop	L + 7.85%	10.06	%	01/2023	3,969	4,312
Apttus Corporation	Diversified/Conglomerate Service	Preferred stock	N/A	N/A		N/A	263	354
Apttus Corporation	Diversified/Conglomerate Service	Warrant	N/A	N/A		N/A	194	185
Arcos, LLC	Utilities	One stop	L + 6.00%	8.39	%	02/2021	3,519	3,553
Arcos, LLC	Utilities	One stop	L + 6.00%	N/A		02/2021	—	—
Aris Teleradiology Company, LLC(2)	Healthcare, Education and Childcare	Senior loan	L + 5.50%	8.00	%	03/2021	2,678	1,236
Aris Teleradiology Company, LLC(2)	Healthcare, Education and Childcare	Senior loan	L + 5.50%	8.01	%	03/2021	140	47
Avalign Technologies, Inc.	Healthcare, Education and Childcare	Senior loan	L + 4.50%	6.75	%	07/2021	1,340	1,343
Batteries Plus Holding Corporation	Retail Stores	One stop	L + 6.75%	8.99	%	07/2022	11,739	11,933
Batteries Plus Holding Corporation	Retail Stores	LP interest	N/A	N/A		N/A	529	816
Batteries Plus Holding Corporation(1)	Retail Stores	One stop	L + 6.75%	N/A		07/2022	(1)	—
Bazaarvoice, Inc.	Diversified/Conglomerate Service	One stop	L + 8.00%	10.24	%	02/2024	8,799	8,958
Bazaarvoice, Inc.	Diversified/Conglomerate Service	One stop	P + 7.00%	12.25	%	02/2024	28	30
Benetech, Inc.(3)	Mining, Steel, Iron and Non-Precious Metals	One stop	L + 10.00%	10.24% cash/2.00% PIK		05/2019	4,255	4,257
Benetech, Inc.(3)	Mining, Steel, Iron and Non-Precious Metals	One stop	P + 8.75%	11.77% cash/2.00% PIK		05/2019	223	223
Benetech, Inc.(3)	Mining, Steel, Iron and Non-Precious Metals	LLC interest	N/A	N/A		N/A	—	—
Benetech, Inc.(3)	Mining, Steel, Iron and Non-Precious Metals	LLC interest	N/A	N/A		N/A	—	16
Benihana, Inc.	Beverage, Food and Tobacco	LLC units	N/A	N/A		N/A	699	856
BIORECLAMATIONIVT, LLC	Healthcare, Education and Childcare	One stop	L + 6.25%	8.49	%	01/2021	16,718	16,852
BIORECLAMATIONIVT, LLC	Healthcare, Education and Childcare	LLC units	N/A	N/A		N/A	407	666
BIORECLAMATIONIVT, LLC	Healthcare, Education and Childcare	One stop	P + 5.25%	10.50	%	01/2021	99	100
Brandmuscle, Inc.	Printing and Publishing	Senior loan	L + 5.00%	7.39	%	12/2021	614	622
Brandmuscle, Inc.	Printing and Publishing	LLC interest	N/A	N/A		N/A	240	166
Brooks Equipment Company, LLC	Buildings and Real Estate	One stop	L + 5.00%	7.31	%	08/2020	20,996	21,096
	Buildings and Real Estate	One stop		7.28	%	08/2020	2,623	2,634

Brooks Equipment Company, LLC	L + 5.00%

See notes to pro forma condensed consolidated financial statements.

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Golub Capital BDC, Inc. and Subsidiaries

Pro Forma Condensed Schedule of Investments (continued)

Unaudited

As of September 30, 2018

(Dollar Amounts in Thousands)

Portfolio Company	Industry	**Investment Type**	**Spread Above Index**	**Interest Rate**		**Maturity Date**	Actual Golub Capital BDC Inc. Amortized Cost	Actual Golub Capital BDC Inc. Fair Value	Actual Golub C Investm Corpora Amortiz Cost
Brooks Equipment Company, LLC[(1)]	Buildings and Real Estate	One stop	L + 5.00%	N/A		08/2020	$ (6)	$ —	$ —
Brooks Equipment Company, LLC	Buildings and Real Estate	Common stock	N/A	N/A		N/A	1,021	2,369	—
Browz LLC	Diversified/Conglomerate Service	One stop	L + 9.50%	10.17% cash/1.50% PIK		03/2023	1,473	1,503	1,816
Browz LLC	Diversified/Conglomerate Service	One stop	L + 9.50%	N/A		03/2023	—	—	—
C. J. Foods, Inc.	Beverage, Food and Tobacco	One stop	L + 6.25%	8.64	%	05/2020	8,528	8,582	20,778
C. J. Foods, Inc.	Beverage, Food and Tobacco	One stop	L + 6.25%	8.64	%	05/2020	647	649	1,579
C. J. Foods, Inc.	Beverage, Food and Tobacco	One stop	L + 6.25%	8.58	%	05/2020	514	517	1,258
C. J. Foods, Inc.	Beverage, Food and Tobacco	Preferred stock	N/A	N/A		N/A	75	505	—
Cafe Rio Holding, Inc.	Beverage, Food and Tobacco	One stop	L + 5.75%	7.99	%	09/2023	10,220	10,370	8,499
Cafe Rio Holding, Inc.	Beverage, Food and Tobacco	One stop	L + 5.75%	7.99	%	09/2023	79	80	1,365
Cafe Rio Holding, Inc.	Beverage, Food and Tobacco	One stop	L + 5.75%	7.99	%	09/2023	37	40	631
Cafe Rio Holding, Inc.	Beverage, Food and Tobacco	Common stock	N/A	N/A		N/A	224	265	283
		One stop		10.00	%	09/2023	8	10	8

Cafe Rio Holding, Inc.	Beverage, Food and Tobacco		P + 4.75%							
Captain D's, LLC	Personal, Food and Miscellaneous Services	Senior loan	L + 4.50%	6.71	%	12/2023	3,913		3,965	2,199
Captain D's, LLC	Personal, Food and Miscellaneous Services	LLC interest	N/A	N/A		N/A	70		64	88
Captain D's, LLC	Personal, Food and Miscellaneous Services	Senior loan	P + 3.50%	7.86	%	12/2023	19		20	9
Captive Resources Midco, LLC	Insurance	One stop	L + 5.75%	7.99	%	12/2021	33,908		34,313	12,359
Captive Resources Midco, LLC	Insurance	LLC units	N/A	N/A		N/A	—		393	—
Captive Resources Midco, LLC[(1)]	Insurance	One stop	L + 5.75%	N/A		12/2021	(18	)	—	(4
Captive Resources Midco, LLC[(1)]	Insurance	One stop	L + 5.75%	N/A		12/2021	(23	)	—	(12
Centrify Corporation	Diversified/Conglomerate Service	One stop	L + 6.25%	8.59	%	08/2024	10,813		10,864	12,452
Centrify Corporation	Diversified/Conglomerate Service	LP interest	N/A	N/A		N/A	348		348	400
Centrify Corporation	Diversified/Conglomerate Service	LP interest	N/A	N/A		N/A	—		—	—
Centrify Corporation[(1)]	Diversified/Conglomerate Service	One stop	L + 6.25%	N/A		08/2024	(2	)	(2)	(2
Chase Industries, Inc.	Diversified/Conglomerate Manufacturing	Senior loan	L + 4.00%	6.34	%	05/2025	6,756		6,870	5,314
Chase Industries, Inc.	Diversified/Conglomerate Manufacturing	Senior loan	L + 4.00%	6.38	%	05/2025	8		12	114
Chase Industries, Inc.	Diversified/Conglomerate Manufacturing	Senior loan	L + 4.00%	6.34	%	05/2023	14		16	14
Clarkson Eyecare LLC	Personal, Food and Miscellaneous Services	One stop	L + 6.25%	8.64	%	04/2021	—		—	16,846
Clarkson Eyecare LLC	Personal, Food and Miscellaneous Services	One stop	L + 6.25%	8.64	%	04/2021	—		—	8,382
Clarkson Eyecare LLC	Personal, Food and Miscellaneous Services	One stop	L + 6.25%	8.43	%	04/2021	—		—	4,639
Clarkson Eyecare LLC	Personal, Food and Miscellaneous Services	One stop	L + 6.25%	8.58	%	04/2021	—		—	4,006
Clarkson Eyecare LLC	Personal, Food and Miscellaneous Services	One stop	L + 6.25%	8.64	%	04/2021	—		—	2,905
Clarkson Eyecare LLC	Personal, Food and Miscellaneous Services	One stop	L + 6.25%	8.64	%	04/2021	—		—	2,474
Clarkson Eyecare LLC	Personal, Food and Miscellaneous Services	One stop	L + 6.25%	8.64	%	04/2021	—		—	1,392
Clarkson Eyecare LLC	Personal, Food and Miscellaneous Services	One stop	L + 6.25%	8.64	%	04/2021	—		—	672
Clarkson Eyecare LLC	Personal, Food and Miscellaneous Services	One stop	L + 6.25%	8.64	%	04/2021	—		—	655

See notes to pro forma condensed consolidated financial statements.

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Golub Capital BDC, Inc. and Subsidiaries

Pro Forma Condensed Schedule of Investments (continued)

Unaudited

As of September 30, 2018

(Dollar Amounts in Thousands)

							Actual Golub Capital BDC Inc.		Actual Golub C Investme Corporat
Portfolio Company	Industry	**Investment Type**	**Spread Above Index**	**Interest Rate**		**Maturity Date**	Amortized Cost	Fair Value	Amortize Cost
Clarkson Eyecare LLC	Personal, Food and Miscellaneous Services	One stop	L + 6.25%	8.64	%	04/2021	$ —	$ —	$ 477
Clarkson Eyecare LLC	Personal, Food and Miscellaneous Services	One stop	L + 6.25%	8.63	%	04/2021	—	—	253
Clarkson Eyecare LLC	Personal, Food and Miscellaneous Services	LLC units	N/A	N/A		N/A	—	—	86
Clarkson Eyecare LLC(1)	Personal, Food and Miscellaneous Services	One stop	L + 6.25%	N/A		04/2021	—	—	(16
Clearwater Analytics, LLC	Diversified/Conglomerate Service	One stop	L + 5.00%	7.24	%	09/2022	8,319	8,532	7,739
Clearwater Analytics, LLC(1)	Diversified/Conglomerate Service	One stop	L + 5.00%	N/A		09/2022	(2)	—	(2
Cloudbees, Inc.	Diversified/Conglomerate Service	One stop	L + 9.00%	10.61% cash/0.50% PIK		05/2023	1,841	1,870	2,218
Cloudbees, Inc.	Diversified/Conglomerate Service	Preferred stock	N/A	N/A		N/A	207	207	247
Cloudbees, Inc.	Diversified/Conglomerate Service	Warrant	N/A	N/A		N/A	39	39	46
Cloudbees, Inc.	Diversified/Conglomerate Service	One stop	L + 9.00%	N/A		05/2023	—	—	—
CLP Healthcare Services, Inc.	Healthcare, Education and Childcare	Senior loan	L + 5.50%	7.89	%	12/2020	3,858	3,807	920
Community Veterinary Partners, LLC	Personal, Food and Miscellaneous Services	One stop	L + 5.50%	7.89	%	10/2021	280	282	1,940

Community Veterinary Partners, LLC	Personal, Food and Miscellaneous Services	One stop	L + 5.50%	7.89	%	10/2021	75	75	516
Community Veterinary Partners, LLC	Personal, Food and Miscellaneous Services	Common stock	N/A	N/A		N/A	244	310	210
Community Veterinary Partners, LLC	Personal, Food and Miscellaneous Services	One stop	L + 5.50%	7.89	%	10/2021	97	99	97
Community Veterinary Partners, LLC[1]	Personal, Food and Miscellaneous Services	One stop	L + 5.50%	N/A		10/2021	(3)	—	(30
Compusearch Software Holdings, Inc.	Electronics	Senior loan	L + 4.25%	6.64	%	05/2021	2,065	2,067	996
Confluence Technologies, Inc.	Diversified/Conglomerate Service	One stop	L + 7.50%	9.65	%	03/2024	6,889	7,033	8,496
Confluence Technologies, Inc.	Diversified/Conglomerate Service	LLC interest	N/A	N/A		N/A	87	100	106
Confluence Technologies, Inc.	Diversified/Conglomerate Service	One stop	P + 6.50%	10.96	%	03/2024	15	16	15
Connexin Software, Inc.	Diversified/Conglomerate Service	One stop	L + 8.50%	10.74	%	02/2024	2,348	2,401	2,881
Connexin Software, Inc.	Diversified/Conglomerate Service	LLC interest	N/A	N/A		N/A	69	91	84
Connexin Software, Inc.	Diversified/Conglomerate Service	One stop	L + 8.50%	N/A		02/2024	—	—	—
CST Buyer Company	Home and Office Furnishings, Housewares, and Durable Consumer	One stop	L + 5.00%	7.24	%	03/2023	2,378	2,433	3,016
CST Buyer Company[1]	Home and Office Furnishings, Housewares, and Durable Consumer	One stop	L + 5.00%	N/A		03/2023	(1)	—	(1
Cycle Gear, Inc.	Retail Stores	One stop	L + 6.50%	8.84	%	01/2020	10,263	10,321	7,461
Cycle Gear, Inc.	Retail Stores	One stop	L + 6.50%	8.84	%	01/2020	600	603	701
Cycle Gear, Inc.	Retail Stores	LLC units	N/A	N/A		N/A	248	463	111
Cycle Gear, Inc.[1]	Retail Stores	One stop	L + 6.50%	N/A		01/2020	(7)	—	(4
Datto, Inc.	Diversified/Conglomerate Service	One stop	L + 8.00%	10.15	%	12/2022	10,969	11,156	13,857
Datto, Inc.[1]	Diversified/Conglomerate Service	One stop	L + 8.00%	N/A		12/2022	(1)	—	(1
Daxko Acquisition Corporation	Diversified/Conglomerate Service	One stop	L + 5.25%	7.54	%	09/2023	11,014	11,246	10,921
Daxko Acquisition Corporation[1]	Diversified/Conglomerate Service	One stop	L + 5.25%	N/A		09/2023	(1)	—	(1
DCA Investment Holding, LLC	Healthcare, Education and Childcare	One stop	L + 5.25%	7.64	%	07/2021	13,249	13,329	14,363
		One stop		7.64	%	07/2021	18,393	18,584	13,375

DCA Investment Holding, LLC	Healthcare, Education and Childcare	L + 5.25%

See notes to pro forma condensed consolidated financial statements.

Golub Capital BDC, Inc. and Subsidiaries

Pro Forma Condensed Schedule of Investments (continued)

Unaudited

As of September 30, 2018

(Dollar Amounts in Thousands)

Portfolio Company	Industry	**Investment Type**	**Spread Above Index**	**Interest Rate**	**Maturity Date**	Actual Golub Capital BDC Inc. Amortized Cost	Actual Golub Capital BDC Inc. Fair Value	Actual Golub C Investm Corpor Amorti Cost
DCA Investment Holding, LLC	Healthcare, Education and Childcare	One stop	L + 5.25%	7.64%	07/2021	$ 2,422	$ 2,450	$ 5,971
DCA Investment Holding, LLC	Healthcare, Education and Childcare	One stop	L + 5.25%	7.64%	07/2021	147	149	2,381
DCA Investment Holding, LLC	Healthcare, Education and Childcare	LLC units	N/A	N/A	N/A	864	1,073	525
DCA Investment Holding, LLC	Healthcare, Education and Childcare	One stop	L + 5.25%	7.64%	07/2021	150	151	150
DCA Investment Holding, LLC	Healthcare, Education and Childcare	One stop	L + 5.25%	7.64%	07/2021	47	47	47
DCA Investment Holding, LLC	Healthcare, Education and Childcare	LLC units	N/A	N/A	N/A	9	—	5
DCA Investment Holding, LLC[(1)]	Healthcare, Education and Childcare	One stop	L + 5.25%	N/A	07/2021	(9)	—	(9
DCA Investment Holding, LLC[(1)]	Healthcare, Education and Childcare	One stop	L + 5.25%	N/A	07/2021	(7)	—	(120
Deca Dental Management LLC	Healthcare, Education and Childcare	One stop	L + 6.25%	8.64%	07/2020	4,040	4,062	7,402
Deca Dental Management LLC	Healthcare, Education and Childcare	One stop	L + 6.25%	8.57%	07/2020	492	494	902
Deca Dental Management LLC	Healthcare, Education and Childcare	LLC units	N/A	N/A	N/A	357	428	651
Deca Dental Management LLC	Healthcare, Education and Childcare	One stop	L + 6.25%	8.49%	07/2020	50	50	50
Deca Dental Management	Healthcare, Education and Childcare	One stop	L + 6.25%	N/A	07/2020	(1)	—	(4

LLC[1]								
Dent Wizard International Corporation	Automobile	Senior loan	L + 4.00%	6.23%	04/2020	4,463	4,477	2,154
Dental Holdings Corporation	Healthcare, Education and Childcare	One stop	L + 5.50%	8.02%	02/2020	7,081	7,142	3,164
Dental Holdings Corporation	Healthcare, Education and Childcare	One stop	L + 5.50%	8.02%	02/2020	1,126	1,133	502
Dental Holdings Corporation	Healthcare, Education and Childcare	LLC units	N/A	N/A	N/A	831	733	370
Dental Holdings Corporation	Healthcare, Education and Childcare	One stop	L + 5.50%	7.67%	02/2020	214	220	95
Digital Guardian, Inc.	Diversified/Conglomerate Service	One stop	L + 9.00%	10.33% cash/1.00% PIK	06/2023	3,952	3,999	4,320
Digital Guardian, Inc.	Diversified/Conglomerate Service	Subordinated debt	N/A	8.00% PIK	01/2019	184	184	218
Digital Guardian, Inc.	Diversified/Conglomerate Service	Warrant	N/A	N/A	N/A	10	10	11
Digital Guardian, Inc.(1)	Diversified/Conglomerate Service	One stop	L + 6.00%	N/A	06/2023	—	(2)	—
Digital Guardian, Inc.(1)	Diversified/Conglomerate Service	One stop	L + 9.00%	N/A	06/2023	—	—	(2
Diligent Corporation	Electronics	One stop	L + 5.50%	8.09%	04/2022	4,700	4,790	30,78
Diligent Corporation	Electronics	One stop	L + 5.50%	8.09%	04/2022	2,586	2,622	8,679
Diligent Corporation	Electronics	One stop	L + 5.50%	8.09%	04/2022	4,816	4,879	7,687
Diligent Corporation	Electronics	Preferred stock	N/A	N/A	N/A	1	206	4
Diligent Corporation	Electronics	One stop	L + 5.50%	8.09%	04/2022	25,856	26,132	—
Diligent Corporation	Electronics	One stop	L + 5.50%	7.98%	04/2022	101	102	—
Diligent Corporation	Electronics	One stop	L + 5.50%	8.03%	04/2022	80	81	—
Diligent Corporation	Electronics	One stop	L + 5.50%	8.03%	04/2022	35	36	—
Diligent Corporation(1)	Electronics	One stop	L + 5.50%	N/A	04/2022	(1)	—	—
Diligent Corporation(1)	Electronics	One stop	L + 5.50%	N/A	04/2022	(2)	—	(2
DISA Holdings Acquisition Subsidiary Corp.	Diversified/Conglomerate Service	Senior loan	L + 4.00%	6.10%	06/2022	1,997	2,006	2,039
DISA Holdings Acquisition Subsidiary Corp.	Diversified/Conglomerate Service	Senior loan	L + 4.00%	6.10%	06/2022	2	2	21
DISA Holdings Acquisition	Diversified/Conglomerate Service	Common stock	N/A	N/A	N/A	154	248	—

Subsidiary Corp.									
DISA Holdings Acquisition Subsidiary Corp.(1)	Diversified/Conglomerate Service	Senior loan	L + 4.00%	N/A		06/2022	(1)	—	(3
Drilling Info Holdings, Inc.	Oil and Gas	Senior loan	L + 4.25%	6.54	%	07/2025	14,217	14,341	13,78

See notes to pro forma condensed consolidated financial statements.

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Golub Capital BDC, Inc. and Subsidiaries

Pro Forma Condensed Schedule of Investments (continued)

Unaudited

As of September 30, 2018

(Dollar Amounts in Thousands)

Portfolio Company	Industry	**Investment Type**	**Spread Above Index**	**Interest Rate**	**Maturity Date**	Actual Golub Capital BDC Inc. Amortized Cost	Fair Value	Actual Golub Capital Investment Corporation Amortized Cost	Fair Valu
Drilling Info Holdings, Inc.[(1)]	Oil and Gas	Senior loan	L + 4.25%	N/A	07/2023	$ (2)	$ —	$ (2)	$ —
Drilling Info Holdings, Inc.[(1)]	Oil and Gas	Senior loan	L + 4.25%	N/A	07/2025	(4)	(1)	(48)	(14
DTLR, Inc.	Retail Stores	One stop	L + 6.50%	8.68 %	08/2022	22,466	22,732	19,280	19,
DTLR, Inc.	Retail Stores	LLC interest	N/A	N/A	N/A	411	734	—	—
EGD Security Systems, LLC	Diversified/Conglomerate Service	One stop	L + 6.25%	8.58 %	06/2022	10,960	11,114	10,291	10,
EGD Security Systems, LLC	Diversified/Conglomerate Service	One stop	L + 6.25%	8.56 %	06/2022	97	98	97	98
EGD Security Systems, LLC	Diversified/Conglomerate Service	One stop	L + 6.25%	8.58 %	06/2022	74	75	74	75
EGD Security Systems, LLC	Diversified/Conglomerate Service	One stop	L + 6.25%	8.59 %	06/2022	52	52	51	52
Elite Dental Partners LLC	Healthcare, Education and Childcare	One stop	L + 5.25%	7.49 %	06/2023	12,101	12,274	1,986	2,0
Elite Dental Partners LLC	Healthcare, Education and Childcare	One stop	L + 5.25%	7.49 %	06/2023	101	115	1,384	1,5
Elite Dental Partners LLC	Healthcare, Education and Childcare	Common stock	N/A	N/A	N/A	360	360	426	42
Elite Dental Partners LLC[(1)]	Healthcare, Education and Childcare	One stop	L + 5.25%	N/A	06/2023	(1)	—	(1)	—
Elite Sportswear, L.P.	Retail Stores	LLC interest	N/A	N/A	N/A	165	36	74	16

Elite Sportswear, L.P.	Retail Stores	Senior loan	L + 5.75%	8.14%	06/2020	6,815	6,872	—	—
Elite Sportswear, L.P.	Retail Stores	Senior loan	L + 5.75%	8.14%	06/2020	2,740	2,763	—	—
Elite Sportswear, L.P.	Retail Stores	Senior loan	L + 5.75%	8.14%	06/2020	1,413	1,422	—	—
Elite Sportswear, L.P.	Retail Stores	Senior loan	L + 5.75%	8.14%	06/2020	464	466	—	—
Elite Sportswear, L.P.	Retail Stores	Senior loan	L + 5.75%	8.14%	06/2020	214	216	—	—
Elite Sportswear, L.P.	Retail Stores	Senior loan	L + 5.75%	8.14%	06/2020	205	206	—	—
Elite Sportswear, L.P.	Retail Stores	Senior loan	L + 5.75%	N/A	06/2020	—	—	—	—
Elite Sportswear, L.P.(1)	Retail Stores	Senior loan	L + 5.75%	N/A	06/2020	(3)	—	—	—
Encore GC Acquisition, LLC	Healthcare, Education and Childcare	LLC units	N/A	N/A	N/A	182	239	81	10
Encore GC Acquisition, LLC	Healthcare, Education and Childcare	LLC units	N/A	N/A	N/A	—	19	—	9
ERG Buyer, LLC	Healthcare, Education and Childcare	One stop	L + 5.50%	7.89%	05/2024	12,996	13,183	6,252	6,3
ERG Buyer, LLC	Healthcare, Education and Childcare	LLC units	N/A	N/A	N/A	349	349	418	41
ERG Buyer, LLC	Healthcare, Education and Childcare	LLC units	N/A	N/A	N/A	4	4	4	4
ERG Buyer, LLC(1)	Healthcare, Education and Childcare	One stop	L + 5.50%	N/A	05/2024	(2)	—	(2)	—
ERG Buyer, LLC(1)	Healthcare, Education and Childcare	One stop	L + 5.50%	N/A	05/2024	(11)	—	(146)	—
eSolutions, Inc.	Healthcare, Education and Childcare	One stop	L + 6.50%	8.74%	03/2022	31,340	31,484	29,180	29,
eSolutions, Inc.(1)	Healthcare, Education and Childcare	One stop	L + 6.50%	N/A	03/2022	(1)	(1)	(1)	(1
Excelligence Learning Corporation	Healthcare, Education and Childcare	One stop	L + 6.00%	8.24%	04/2023	4,768	4,517	6,189	5,8
Eyecare Services Partners Holdings LLC	Healthcare, Education and Childcare	One stop	L + 6.25%	8.64%	05/2023	7,758	7,926	10,247	10,
Eyecare Services Partners Holdings LLC	Healthcare, Education and Childcare	One stop	L + 6.25%	8.64%	05/2023	566	576	7,317	7,4
Eyecare Services Partners Holdings LLC	Healthcare, Education and Childcare	One stop	L + 6.25%	8.64%	05/2023	353	355	6,679	6,6
Eyecare Services Partners Holdings LLC	Healthcare, Education and Childcare	One stop	L + 6.25%	8.64%	05/2023	171	172	2,230	2,2
Eyecare Services Partners Holdings	Healthcare, Education and Childcare	One stop	L + 6.25%	8.59%	05/2023	100	100	1,441	1,4

LLC									
Eyecare Services Partners Holdings LLC	Healthcare, Education and Childcare	One stop	L + 6.25%	8.64%	05/2023	57	58	1,082	1,0
Eyecare Services Partners Holdings LLC	Healthcare, Education and Childcare	One stop	L + 6.25%	8.64%	05/2023	50	51	953	95

See notes to pro forma condensed consolidated financial statements.

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Golub Capital BDC, Inc. and Subsidiaries

Pro Forma Condensed Schedule of Investments (continued)

Unaudited

As of September 30, 2018

(Dollar Amounts in Thousands)

Portfolio Company	Industry	**Investment Type**	**Spread Above Index**	**Interest Rate**		**Maturity Date**	Actual Golub Capital BDC Inc. Amortized Cost	Fair Value	Actual Golub Capital Investment Corporation Amortized Cost	Fair Value
Eyecare Services Partners Holdings LLC	Healthcare, Education and Childcare	One stop	L + 6.25%	8.64	%	05/2023	$ 28	$ 33	$ 472	$ 616
Eyecare Services Partners Holdings LLC	Healthcare, Education and Childcare	One stop	L + 6.25%	8.64	%	05/2023	25	32	361	460
Eyecare Services Partners Holdings LLC	Healthcare, Education and Childcare	LLC units	N/A	N/A		N/A	133	147	304	338
Eyecare Services Partners Holdings LLC	Healthcare, Education and Childcare	One stop	L + 6.25%	8.63	%	05/2023	22	25	22	25
Eyecare Services Partners Holdings LLC	Healthcare, Education and Childcare	LLC units	N/A	N/A		N/A	1	5	3	11
Feeders Supply Company, LLC	Retail Stores	One stop	L + 5.75%	8.01	%	04/2021	4,769	4,826	4,461	4,491
Feeders Supply Company, LLC	Retail Stores	Preferred stock	N/A	N/A		N/A	192	241	179	224
Feeders Supply Company, LLC	Retail Stores	Subordinated debt	N/A	12.50% cash/7.00%		04/2021	67	67	62	62

				PIK					
Feeders Supply Company, LLC	Retail Stores	One stop	L + 5.75%	N/A	04/2021	—	—	—	—
Feeders Supply Company, LLC	Retail Stores	Common stock	N/A	N/A	N/A	—	52	—	49
Fintech Midco, LLC	Beverage, Food and Tobacco	One stop	L + 6.00%	8.25 %	08/2024	12,868	12,865	11,799	11,796
Fintech Midco, LLC(1)	Beverage, Food and Tobacco	One stop	L + 6.00%	N/A	08/2024	(1)	(1)	(1)	(1)
Fintech Midco, LLC(1)	Beverage, Food and Tobacco	One stop	L + 6.00%	N/A	08/2024	(2)	(3)	(33)	(33)
Firebirds International, LLC	Beverage, Food and Tobacco	One stop	L + 5.75%	7.89 %	12/2018	1,048	1,049	3,251	3,252
Firebirds International, LLC	Beverage, Food and Tobacco	One stop	L + 5.75%	7.89 %	12/2018	295	295	916	916
Firebirds International, LLC	Beverage, Food and Tobacco	One stop	L + 5.75%	7.89 %	12/2018	95	95	294	294
Firebirds International, LLC	Beverage, Food and Tobacco	One stop	L + 5.75%	7.99 %	12/2018	41	41	128	129
Firebirds International, LLC(1)	Beverage, Food and Tobacco	One stop	L + 5.75%	N/A	12/2018	—	—	(1)	—
Flavor Producers, LLC	Beverage, Food and Tobacco	Senior loan	L + 4.75%	7.13 %	12/2023	2,127	2,155	2,688	2,723
Flavor Producers, LLC(1)	Beverage, Food and Tobacco	Senior loan	L + 4.75%	N/A	12/2022	(1)	—	(1)	—
Flexan, LLC	Chemicals, Plastics and Rubber	One stop	L + 5.75%	8.14 %	02/2020	2,296	2,310	1,024	1,031
Flexan, LLC	Chemicals, Plastics and Rubber	One stop	L + 5.75%	8.14 %	02/2020	1,081	1,086	484	486
Flexan, LLC	Chemicals, Plastics and Rubber	Preferred stock	N/A	N/A	N/A	90	71	40	32
Flexan, LLC	Chemicals, Plastics and Rubber	One stop	P + 4.50%	9.75 %	02/2020	11	11	11	11

Flexan, LLC	Chemicals, Plastics and Rubber	Common stock	N/A	N/A		N/A	—	—	—	—
FWR Holding Corporation	Beverage, Food and Tobacco	One stop	L + 5.75%	7.99	%	08/2023	5,194	5,259	3,989	4,038
FWR Holding Corporation	Beverage, Food and Tobacco	One stop	L + 5.75%	7.99	%	08/2023	64	65	1,101	1,110
FWR Holding Corporation	Beverage, Food and Tobacco	One stop	L + 5.75%	8.8	%	08/2023	41	42	41	42
FWR Holding Corporation[1]	Beverage, Food and Tobacco	One stop	L + 5.75%	N/A		08/2023	(1)	—	(26)	—
G & H Wire Company, Inc.	Healthcare, Education and Childcare	One stop	L + 5.75%	7.99	%	09/2023	5,367	5,425	1,095	1,104
G & H Wire Company, Inc.	Healthcare, Education and Childcare	LLC interest	N/A	N/A		N/A	148	122	188	154
G & H Wire Company, Inc.[1]	Healthcare, Education and Childcare	One stop	L + 5.75%	N/A		09/2022	(1)	—	(1)	—
Gamma Technologies, LLC	Electronics	One stop	L + 5.50%	7.74	%	06/2024	21,297	21,478	12,175	12,272
Gamma Technologies, LLC[1]	Electronics	One stop	L + 5.50%	N/A		06/2024	(1)	—	(1)	—
GCIC Senior Loan Fund LLC[4]	Investment Funds and Vehicles	LLC interest	N/A	N/A		N/A	—	—	48,356	49,939

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Golub Capital BDC, Inc. and Subsidiaries

Pro Forma Condensed Schedule of Investments (continued)

Unaudited

As of September 30, 2018

(Dollar Amounts in Thousands)

							Actual Golub Capital BDC Inc.		Actual Golub Cap Investmen Corporatio
Portfolio Company	Industry	**Investment Type**	**Spread Above Index**	**Interest Rate**		**Maturity Date**	Amortized Cost	Fair Value	Amortized Cost
Georgica Pine Clothiers, LLC	Personal and Non Durable Consumer Products (Mfg. Only)	One stop	L + 5.50%	7.89	%	11/2021	$ 5,562	$ 5,620	$ 4,798
Georgica Pine Clothiers, LLC	Personal and Non Durable Consumer Products (Mfg. Only)	One stop	L + 5.50%	7.89	%	11/2021	487	490	419
Georgica Pine Clothiers, LLC	Personal and Non Durable Consumer Products (Mfg. Only)	One stop	L + 5.50%	7.89	%	11/2021	341	344	294
Georgica Pine Clothiers, LLC	Personal and Non Durable Consumer Products (Mfg. Only)	LLC units	N/A	N/A		N/A	106	176	91
Georgica Pine Clothiers, LLC	Personal and Non Durable Consumer Products (Mfg. Only)	One stop	L + 5.50%	8.42	%	11/2021	45	46	45
Global Franchise Group, LLC	Beverage, Food and Tobacco	Senior loan	L + 5.75%	7.99	%	12/2019	3,203	3,220	4,058
Global Franchise Group, LLC	Beverage, Food and Tobacco	Senior loan	L + 5.75%	N/A		12/2019	—	—	—
Global ID Corporation	Beverage, Food and Tobacco	One stop	L + 6.50%	8.84	%	11/2021	5,104	5,144	5,062
Global ID Corporation	Beverage, Food and Tobacco	One stop	L + 6.50%	8.84	%	11/2021	71	72	752
Global ID Corporation	Beverage, Food and Tobacco	LLC interest	N/A	N/A		N/A	242	346	240
		One stop		N/A		11/2021	—	—	—

Global ID Corporation	Beverage, Food and Tobacco		L + 6.50%					
Global ID Corporation[1]	Beverage, Food and Tobacco	One stop	L + 6.50%	N/A	11/2021	(1)	—	(10)
Grease Monkey International, LLC	Automobile	Senior loan	L + 5.00%	7.24 %	11/2022	4,813	4,808	3,020
Grease Monkey International, LLC	Automobile	Senior loan	L + 5.00%	7.24 %	11/2022	75	75	1,147
Grease Monkey International, LLC	Automobile	LLC units	N/A	N/A	N/A	354	512	448
Grease Monkey International, LLC	Automobile	Senior loan	L + 5.00%	7.24 %	11/2022	25	25	383
Grease Monkey International, LLC	Automobile	Senior loan	L + 5.00%	7.24 %	11/2022	20	20	20
Grease Monkey International, LLC[1]	Automobile	Senior loan	L + 5.00%	N/A	11/2022	(2)	(2)	(21)
GS Acquisitionco, Inc.	Diversified/Conglomerate Service	One stop	L + 5.00%	7.25 %	05/2024	22,620	22,611	13,333
GS Acquisitionco, Inc.	Diversified/Conglomerate Service	One stop	L + 5.00%	7.25 %	05/2024	870	869	12,025
GS Acquisitionco, Inc.	Diversified/Conglomerate Service	LP interest	N/A	N/A	N/A	98	127	117
GS Acquisitionco, Inc.[1]	Diversified/Conglomerate Service	One stop	L + 4.75%	N/A	05/2024	(1)	(1)	(1)
GS Acquisitionco, Inc.[1]	Diversified/Conglomerate Service	One stop	L + 4.75%	N/A	05/2024	(5)	(5)	(76)
HealthcareSource HR, Inc.	Diversified/Conglomerate Service	One stop	L + 6.75%	9.14 %	05/2020	23,203	23,389	10,987
HealthcareSource HR, Inc.	Diversified/Conglomerate Service	LLC interest	N/A	N/A	N/A	348	413	165
HealthcareSource HR, Inc.[1]	Diversified/Conglomerate Service	One stop	L + 6.75%	N/A	05/2020	(1)	—	(1)
Hopdoddy Holdings, LLC	Beverage, Food and Tobacco	One stop	L + 9.50%	10.31% cash/1.50% PIK	08/2020	1,301	1,307	841
Hopdoddy Holdings, LLC	Beverage, Food and Tobacco	One stop	L + 9.50%	10.34% cash/1.50% PIK	08/2020	47	47	447
Hopdoddy Holdings, LLC	Beverage, Food and Tobacco	LLC units	N/A	N/A	N/A	130	122	84

Hopdoddy Holdings, LLC	Beverage, Food and Tobacco	LLC units	N/A	N/A	N/A	36	35	24
Hopdoddy Holdings, LLC	Beverage, Food and Tobacco	One stop	L + 9.50%	10.32% cash/1.50% PIK	08/2020	2	3	2
Host Analytics, Inc.	Diversified/Conglomerate Service	One stop	N/A	8.50% cash/2.25% PIK	08/2021	3,131	3,169	1,401
Host Analytics, Inc.	Diversified/Conglomerate Service	One stop	N/A	8.50% cash/2.25% PIK	08/2021	2,557	2,656	1,140
Host Analytics, Inc.	Diversified/Conglomerate Service	One stop	N/A	8.50% cash/2.25% PIK	08/2021	733	741	327
Host Analytics, Inc.	Diversified/Conglomerate Service	Warrant	N/A	N/A	N/A	134	384	60

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Golub Capital BDC, Inc. and Subsidiaries

Pro Forma Condensed Schedule of Investments (continued)

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(Dollar Amounts in Thousands)

							Actual Golub Capital BDC Inc.		Actual Golub C Investm Corpora
Portfolio Company	Industry	**Investment Type**	**Spread Above Index**	**Interest Rate**		**Maturity Date**	Amortized Cost	Fair Value	Amortiz Cost
Host Analytics, Inc.(1)	Diversified/Conglomerate Service	One stop	N/A	N/A		08/2021	$ (6)	$ —	$ (3
ICIMS, Inc.	Diversified/Conglomerate Service	One stop	L + 6.50%	8.64	%	09/2024	5,305	5,304	6,061
ICIMS, Inc.(1)	Diversified/Conglomerate Service	One stop	L + 6.50%	N/A		09/2024	(1)	(1)	(1
III US Holdings, LLC	Diversified/Conglomerate Service	One stop	L + 6.50%	N/A		09/2022	—	—	—
ILC Dover, LP	Aerospace and Defense	Senior loan	L + 4.75%	7.14	%	12/2023	9,841	9,928	1,315
Immucor, Inc.	Healthcare, Education and Childcare	Senior loan	L + 5.00%	7.39	%	06/2021	1,597	1,626	2,034
Imperial Optical Midco Inc.	Personal, Food and Miscellaneous Services	One stop	L + 4.75%	6.96	%	08/2023	39	39	532
Imperial Optical Midco Inc.	Personal, Food and Miscellaneous Services	One stop	L + 4.75%	7.04	%	08/2023	2,685	2,684	148
Imperial Optical Midco Inc.	Personal, Food and Miscellaneous Services	One stop	L + 4.75%	N/A		08/2023	—	—	—
IMPLUS Footwear, LLC	Personal and Non Durable Consumer Products (Mfg. Only)	One stop	L + 6.75%	9.14	%	04/2021	9,913	10,013	13,04
IMPLUS Footwear, LLC	Personal and Non Durable Consumer Products (Mfg. Only)	One stop	L + 6.75%	9.09	%	04/2021	1,745	1,763	2,296
IMPLUS Footcare, LLC	Personal and Non Durable Consumer	One stop	L + 6.75%	9.14	%	04/2021	57	57	690

	Products (Mfg. Only)								
Imprivata, Inc.	Diversified/Conglomerate Service	Senior loan	L + 4.00%	6.39	%	10/2023	12,907	13,045	16,35
Imprivata, Inc.(1)	Diversified/Conglomerate Service	Senior loan	L + 4.00%	N/A		10/2023	(2)	—	(2
Infogix, Inc.	Diversified/Conglomerate Service	One stop	L + 6.00%	8.39	%	04/2024	3,315	3,330	3,977
Infogix, Inc.	Diversified/Conglomerate Service	One stop	P + 5.00%	10.25	%	04/2024	9	9	9
Inhance Technologies Holdings LLC	Chemicals, Plastics and Rubber	One stop	L + 5.25%	7.43	%	07/2024	6,731	6,811	5,976
Inhance Technologies Holdings LLC	Chemicals, Plastics and Rubber	LLC units	N/A	N/A		N/A	70	70	80
Inhance Technologies Holdings LLC(1)	Chemicals, Plastics and Rubber	One stop	L + 5.25%	N/A		07/2024	(1)	(1)	(1
Inhance Technologies Holdings LLC(1)	Chemicals, Plastics and Rubber	One stop	L + 5.25%	N/A		07/2024	(1)	(2)	(19
Integral Ad Science, Inc.	Diversified/Conglomerate Service	One stop	L + 7.25%	8.25% cash/1.25% PIK		07/2024	4,904	4,900	5,629
Integral Ad Science, Inc.(1)	Diversified/Conglomerate Service	One stop	L + 6.00%	N/A		07/2023	(1)	(1)	(1
IntegraMed America, Inc.	Healthcare, Education and Childcare	LLC interest	N/A	N/A		N/A	417	172	—
Integration Appliance, Inc.	Diversified/Conglomerate Service	One stop	L + 7.25%	9.36	%	08/2023	34,381	34,415	27,01
Integration Appliance, Inc.(1)	Diversified/Conglomerate Service	One stop	L + 7.25%	N/A		08/2023	(7)	(9)	—
Internet Pipeline, Inc.	Insurance	One stop	L + 4.75%	7.00	%	08/2022	4,715	4,809	10,10
Internet Pipeline, Inc.	Insurance	One stop	L + 4.75%	7.00	%	08/2022	2,056	2,077	4,362
Internet Pipeline, Inc.	Insurance	One stop	L + 4.75%	7.00	%	08/2022	—	—	3,495
Internet Pipeline, Inc.	Insurance	One stop	L + 4.75%	7.00	%	08/2022	778	786	1,651
Internet Pipeline, Inc.	Insurance	Preferred stock	N/A	N/A		N/A	72	100	154
Internet Pipeline, Inc.	Insurance	Common stock	N/A	N/A		N/A	1	174	2
Internet Pipeline, Inc.(1)	Insurance	One stop	L + 4.75%	N/A		08/2021	(1)	—	(1
Inventus Power, Inc.	Diversified/Conglomerate Manufacturing	One stop	L + 6.50%	8.74	%	04/2020	7,266	6,557	9,047
Inventus Power, Inc.	Diversified/Conglomerate Manufacturing	One stop	L + 6.50%	8.78	%	04/2020	270	236	336
			N/A	N/A		N/A	370	—	259

Inventus Power, Inc.	Diversified/Conglomerate Manufacturing	Preferred stock

See notes to pro forma condensed consolidated financial statements.

Golub Capital BDC, Inc. and Subsidiaries

Pro Forma Condensed Schedule of Investments (continued)

Unaudited

As of September 30, 2018

(Dollar Amounts in Thousands)

Portfolio Company	Industry	**Investment Type**	**Spread Above Index**	**Interest Rate**	**Maturity Date**	Actual Golub Capital BDC Inc. Amortized Cost	Fair Value	Actual Golub Capital Investment Corporation Amortized Cost	Fair Valu
Inventus Power, Inc.	Diversified/Conglomerate Manufacturing	LLC units	N/A	N/A	N/A	$ 54	$ 48	$ 38	$ 33
Inventus Power, Inc.	Diversified/Conglomerate Manufacturing	Common stock	N/A	N/A	N/A	—	—	—	—
JAMF Holdings, Inc.	Diversified/Conglomerate Service	One stop	L + 8.00%	10.32 %	11/2022	4,475	4,550	5,670	5,7
JAMF Holdings, Inc.(1)	Diversified/Conglomerate Service	One stop	L + 8.00%	N/A	11/2022	(1)	—	(1)	—
Jensen Hughes, Inc.	Buildings and Real Estate	Senior loan	L + 4.50%	6.71 %	03/2024	498	500	428	43
Jensen Hughes, Inc.	Buildings and Real Estate	Senior loan	L + 4.50%	6.65 %	03/2024	29	29	371	37
Jensen Hughes, Inc.	Buildings and Real Estate	Senior loan	L + 4.50%	6.74 %	03/2024	151	153	130	13
Jobvite, Inc.	Diversified/Conglomerate Service	One stop	L + 8.00%	10.15 %	07/2023	1,979	1,968	1,352	1,3
Jobvite, Inc.	Diversified/Conglomerate Service	Warrant	N/A	N/A	N/A	47	47	56	56
Jobvite, Inc.	Diversified/Conglomerate Service	One stop	L + 8.00%	N/A	07/2023	—	—	—	—
Jobvite, Inc.(1)	Diversified/Conglomerate Service	One stop	L + 8.00%	N/A	07/2023	—	(1)	(7)	(7
Joerns Healthcare, LLC	Healthcare, Education and Childcare	One stop	L + 6.00%	8.31 %	05/2020	3,476	3,253	—	—
Kareo, Inc.	Diversified/Conglomerate Service	One stop	L + 9.00%	11.24 %	06/2022	4,348	4,518	5,560	5,7

Kareo, Inc.	Diversified/Conglomerate Service	One stop	L + 9.00%	11.24 %	06/2022	327	332	417	42
Kareo, Inc.	Diversified/Conglomerate Service	Warrant	N/A	N/A	N/A	160	2	203	2
Kareo, Inc.	Diversified/Conglomerate Service	Preferred stock	N/A	N/A	N/A	4	5	5	6
Kareo, Inc.	Diversified/Conglomerate Service	One stop	L + 9.00%	N/A	06/2022	—	—	—	—
Katena Holdings, Inc.	Healthcare, Education and Childcare	One stop	L + 6.00%	8.39 %	06/2021	8,466	8,352	4,444	4,3
Katena Holdings, Inc.	Healthcare, Education and Childcare	One stop	L + 6.00%	8.39 %	06/2021	827	816	434	42
Katena Holdings, Inc.	Healthcare, Education and Childcare	One stop	L + 6.00%	8.39 %	06/2021	562	557	298	29
Katena Holdings, Inc.	Healthcare, Education and Childcare	LLC units	N/A	N/A	N/A	387	293	205	15
Katena Holdings, Inc.[1]	Healthcare, Education and Childcare	One stop	L + 6.00%	N/A	06/2021	(1)	(2)	(1)	(2
LMP TR Holdings, LLC	Leisure, Amusement, Motion Pictures, Entertainment	LLC units	N/A	N/A	N/A	712	1,151	—	—
Lombart Brothers, Inc.	Healthcare, Education and Childcare	One stop	L + 6.75%	9.14 %	04/2022	4,938	4,966	4,615	4,6
Lombart Brothers, Inc.	Healthcare, Education and Childcare	One stop	L + 6.75%	9.14 %	04/2022	1,620	1,623	1,509	1,5
Lombart Brothers, Inc.	Healthcare, Education and Childcare	Common stock	N/A	N/A	N/A	157	177	146	16
Lombart Brothers, Inc.	Healthcare, Education and Childcare	One stop	P + 5.50%	10.75 %	04/2022	28	28	28	28
Lombart Brothers, Inc.	Healthcare, Education and Childcare	One stop	P + 5.50%	10.75 %	04/2022	8	8	8	8
Marshall Retail Group LLC, The	Retail Stores	One stop	L + 6.00%	8.34 %	08/2020	11,874	11,922	3,124	3,1
Marshall Retail Group LLC, The[1]	Retail Stores	One stop	L + 6.00%	N/A	08/2019	(9)	—	—	—
Marshall Retail Group LLC, The	Retail Stores	LLC units	N/A	N/A	N/A	154	95	—	—
Massage Envy, LLC	Personal and Non Durable Consumer Products (Mfg. Only)	One stop	L + 6.75%	9.06 %	09/2020	34,631	34,835	3,107	3,1
Massage Envy, LLC	Personal and Non Durable Consumer Products (Mfg. Only)	One stop	L + 6.75%	9.09 %	09/2020	64	64	151	15
Massage Envy, LLC	Personal and Non Durable Consumer Products (Mfg. Only)	One stop	L + 6.75%	9.07 %	09/2020	48	48	112	11
Massage Envy, LLC	Personal and Non Durable Consumer Products (Mfg. Only)	One stop	L + 6.75%	9.06 %	09/2020	98	99	98	99

See notes to pro forma condensed consolidated financial statements.

Golub Capital BDC, Inc. and Subsidiaries

Pro Forma Condensed Schedule of Investments (continued)

Unaudited

As of September 30, 2018

(Dollar Amounts in Thousands)

Portfolio Company	Industry	**Investment Type**	**Spread Above Index**	**Interest Rate**		**Maturity Date**	Actual Golub Capital BDC Inc. Amortized Cost	Fair Value	Actual Golub C Investm Corpora Amortiz Cost
Massage Envy, LLC	Personal and Non Durable Consumer Products (Mfg. Only)	One stop	L + 6.75%	9.09	%	09/2020	$ 41	$ 42	$ 98
Massage Envy, LLC	Personal and Non Durable Consumer Products (Mfg. Only)	One stop	L + 6.75%	9.08	%	09/2020	40	40	93
Massage Envy, LLC	Personal and Non Durable Consumer Products (Mfg. Only)	One stop	L + 6.75%	9.12	%	09/2020	38	38	90
Massage Envy, LLC	Personal and Non Durable Consumer Products (Mfg. Only)	One stop	L + 6.75%	9.07	%	09/2020	34	35	70
Massage Envy, LLC	Personal and Non Durable Consumer Products (Mfg. Only)	One stop	L + 6.75%	9.08	%	09/2020	19	19	45
Massage Envy, LLC	Personal and Non Durable Consumer Products (Mfg. Only)	One stop	L + 6.75%	9.13	%	09/2020	15	15	30
Massage Envy, LLC	Personal and Non Durable Consumer Products (Mfg. Only)	One stop	L + 6.75%	9.09	%	09/2020	9	10	21
Massage Envy, LLC[(1)]	Personal and Non Durable Consumer Products (Mfg. Only)	One stop	L + 6.75%	N/A		09/2020	(7)	—	—
Massage Envy, LLC	Personal and Non Durable Consumer	LLC interest	N/A	N/A		N/A	210	1,490	—

	Products (Mfg. Only)								
Maverick Bidco Inc.	Diversified/Conglomerate Service	One stop	L + 6.25%	8.64	%	04/2023	17,195	17,468	22,456
Maverick Bidco Inc.	Diversified/Conglomerate Service	One stop	L + 6.25%	8.59	%	04/2023	166	167	3,081
Maverick Bidco Inc.	Diversified/Conglomerate Service	LLC units	N/A	N/A		N/A	369	437	597
Maverick Bidco Inc.	Diversified/Conglomerate Service	One stop	L + 6.25%	8.60	%	04/2023	32	34	32
Maverick Bidco Inc.(1)	Diversified/Conglomerate Service	One stop	L + 6.25%	N/A		04/2023	(3)	—	(67
Maverick Healthcare Group, LLC	Healthcare, Education and Childcare	Senior loan	L + 7.50%	7.89% cash/2.00% PIK		04/2017	1,316	1,316	432
MD Now Holdings, Inc.	Healthcare, Education and Childcare	One stop	L + 5.25%	7.64	%	08/2024	7,619	7,692	7,001
MD Now Holdings, Inc.	Healthcare, Education and Childcare	LLC units	N/A	N/A		N/A	68	68	78
MD Now Holdings, Inc.(1)	Healthcare, Education and Childcare	One stop	L + 5.25%	N/A		08/2024	(1)	(2)	(1
MD Now Holdings, Inc.(1)	Healthcare, Education and Childcare	One stop	L + 5.25%	N/A		08/2024	(1)	(2)	(20
Mendocino Farms, LLC	Beverage, Food and Tobacco	Common stock	N/A	N/A		N/A	50	50	690
Mendocino Farms, LLC(1)	Beverage, Food and Tobacco	One stop	L + 8.50%	N/A		06/2023	(2)	—	(23
Messenger, LLC	Printing and Publishing	One stop	L + 6.00%	8.23	%	08/2023	3,343	3,376	3,888
Messenger, LLC	Printing and Publishing	One stop	P + 5.00%	10.25	%	08/2023	3	3	3
Mid-America Pet Food, L.L.C.	Beverage, Food and Tobacco	One stop	L + 6.00%	8.39	%	12/2021	10,664	10,752	12,085
Mid-America Pet Food, L.L.C.(1)	Beverage, Food and Tobacco	One stop	L + 6.00%	N/A		12/2021	(1)	—	(1
Mills Fleet Farm Group LLC	Retail Stores	One stop	L + 5.50%	7.74	%	02/2022	1,743	1,815	5,471
Ministry Brands, LLC	Diversified/Conglomerate Service	Senior loan	L + 4.00%	6.24	%	12/2022	862	866	606
Ministry Brands, LLC	Diversified/Conglomerate Service	Senior loan	L + 4.00%	6.24	%	12/2022	493	496	347
Ministry Brands, LLC	Diversified/Conglomerate Service	Senior loan	L + 4.00%	6.24	%	12/2022	9	9	118
MMan Acquisition Co.	Diversified/Conglomerate Service	One stop	L + 6.00%	8.34	%	08/2023	9,608	9,531	12,237
MMan Acquisition Co.	Diversified/Conglomerate Service	LP interest	N/A	N/A		N/A	263	206	334
MMan Acquisition Co.	Diversified/Conglomerate Service	One stop	L + 6.00%	8.34	%	08/2023	99	98	99

See notes to pro forma condensed consolidated financial statements.

Golub Capital BDC, Inc. and Subsidiaries

Pro Forma Condensed Schedule of Investments (continued)

Unaudited

As of September 30, 2018

(Dollar Amounts in Thousands)

Portfolio Company	Industry	**Investment Type**	**Spread Above Index**	**Interest Rate**	**Maturity Date**	Actual Golub Capital BDC Inc. Amortized Cost	Actual Golub Capital BDC Inc. Fair Value	Actual Golub Capital Investment Corporation Amortized Cost	Actual Golub Capital Investment Corporation Fair Valu
MRI Software LLC	Buildings and Real Estate	One stop	L + 5.50%	7.89 %	06/2023	$ 23,156	$ 23,684	$ 18,359	$ 18,
MRI Software LLC	Buildings and Real Estate	One stop	L + 5.50%	7.89 %	06/2023	13,614	13,744	17,098	17,
MRI Software LLC	Buildings and Real Estate	One stop	L + 5.50%	7.65 %	06/2023	163	165	3,083	3,0
MRI Software LLC	Buildings and Real Estate	One stop	L + 5.50%	7.89 %	06/2023	354	357	342	345
MRI Software LLC	Buildings and Real Estate	One stop	L + 5.50%	7.67 %	06/2023	32	35	32	35
MRI Software LLC	Buildings and Real Estate	One stop	L + 5.50%	7.89 %	06/2023	292	295	—	—
MRI Software LLC	Buildings and Real Estate	One stop	L + 5.50%	7.89 %	06/2023	192	194	—	—
MRI Software LLC(1)	Buildings and Real Estate	One stop	L + 5.50%	N/A	06/2023	(6)	—	(135)	—
MWD Management, LLC & MWD Services, Inc.	Healthcare, Education and Childcare	One stop	L + 5.25%	7.64 %	06/2023	228	229	4,381	4,3
MWD Management, LLC & MWD Services, Inc.	Healthcare, Education and Childcare	One stop	L + 5.25%	7.64 %	06/2023	5,808	5,866	1,282	1,2
MWD Management, LLC	Healthcare, Education and Childcare	LLC interest	N/A	N/A	N/A	182	122	230	155

& MWD Services, Inc.									
MWD Management, LLC & MWD Services, Inc.[(1)]	Healthcare, Education and Childcare	One stop	L + 5.25%	N/A	06/2022	(1)	—	(1)	—
MWD Management, LLC & MWD Services, Inc.[(1)]	Healthcare, Education and Childcare	One stop	L + 5.25%	N/A	06/2023	(3)	—	(72)	—
MyWebGrocer, Inc.	Grocery	One stop	L + 5.00%	7.52%	09/2018	14,271	14,271	—	—
MyWebGrocer, Inc.	Grocery	LLC units	N/A	N/A	N/A	1,446	—	—	—
MyWebGrocer, Inc.	Grocery	Preferred stock	N/A	N/A	N/A	165	41	—	—
NBC Intermediate, LLC	Beverage, Food and Tobacco	Senior loan	L + 4.25%	6.50%	09/2023	1,086	1,086	1,373	1,3
NBC Intermediate, LLC	Beverage, Food and Tobacco	Senior loan	L + 4.25%	6.50%	09/2023	2,061	2,058	—	—
NBC Intermediate, LLC	Beverage, Food and Tobacco	Senior loan	P + 3.25%	8.50%	09/2023	4	4	—	—
Net Health Acquisition Corp.	Diversified/Conglomerate Service	One stop	L + 5.50%	7.74%	12/2023	3,823	3,857	4,830	4,8
Net Health Acquisition Corp.	Diversified/Conglomerate Service	One stop	L + 5.50%	7.74%	12/2023	536	540	675	680
Net Health Acquisition Corp.	Diversified/Conglomerate Service	LP interest	N/A	N/A	N/A	346	388	436	489
Net Health Acquisition Corp.[(1)]	Diversified/Conglomerate Service	One stop	L + 5.50%	N/A	12/2023	(1)	—	(1)	—
NetMotion Wireless Holdings, Inc.	Telecommunications	One stop	L + 6.25%	8.64%	10/2021	6,311	6,393	6,260	6,3
NetMotion Wireless Holdings, Inc.[(1)]	Telecommunications	One stop	L + 6.25%	N/A	10/2021	(1)	—	(1)	—
Netsmart Technologies, Inc.	Diversified/Conglomerate Service	Senior loan	L + 3.75%	5.99%	06/2025	1,725	1,750	1,606	1,6
Netsmart Technologies, Inc.[(1)]	Diversified/Conglomerate Service	Senior loan	L + 4.75%	N/A	04/2023	(6)	—	(6)	—
Nextech Systems, LLC	Diversified/Conglomerate Service	One stop	L + 6.00%	8.24%	03/2024	10,322	10,357	12,613	12,
Nextech Systems, LLC	Diversified/Conglomerate Service	One stop	L + 6.00%	N/A	03/2024	—	—	—	—
Nexus Brands Group, Inc.	Diversified/Conglomerate Service	One stop	L + 6.00%	8.33%	11/2023	5,689	5,750	3,780	3,8
Nexus Brands Group, Inc.	Diversified/Conglomerate Service	One stop	L + 6.00%	8.39%	11/2023	90	91	1,370	1,3
		LP interest	N/A	N/A	N/A	136	155	172	195

Nexus Brands Group, Inc.	Diversified/Conglomerate Service								
Nexus Brands Group, Inc.[1]	Diversified/Conglomerate Service	One stop	L + 6.00%	N/A	11/2023	(1)	—	(1)	—
Nexus Brands Group, Inc.[1]	Diversified/Conglomerate Service	One stop	L + 6.00%	N/A	11/2023	(1)	—	(14)	—
NFD Operating, LLC	Leisure, Amusement, Motion Pictures, Entertainment	One stop	L + 7.00%	9.11%	06/2021	2,283	2,302	2,130	2,1
NFD Operating, LLC	Leisure, Amusement, Motion Pictures, Entertainment	One stop	L + 7.00%	N/A	06/2021	—	—	—	—
NTS Technical Systems	Aerospace and Defense	One stop	L + 6.25%	8.36%	06/2021	21,508	21,718	3,209	3,2
NTS Technical Systems	Aerospace and Defense	Common stock	N/A	N/A	N/A	1,506	616	—	—

See notes to pro forma condensed consolidated financial statements.

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Golub Capital BDC, Inc. and Subsidiaries

Pro Forma Condensed Schedule of Investments (continued)

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(Dollar Amounts in Thousands)

Portfolio Company	Industry	**Investment Type**	**Spread Above Index**	**Interest Rate**	**Maturity Date**	Actual Golub Capital BDC Inc. Amortized Cost	Fair Value	Actual Golub Capital Investment Corporation Amortized Cost	Fair Valu
NTS Technical Systems	Aerospace and Defense	Preferred stock	N/A	N/A	N/A	$ 256	$ 323	$ —	$ —
NTS Technical Systems	Aerospace and Defense	Preferred stock	N/A	N/A	N/A	128	177	—	—
NTS Technical Systems[(1)]	Aerospace and Defense	One stop	L + 6.25%	N/A	06/2021	(53)	—	(8)	—
Oliver Street Dermatology Holdings, LLC	Healthcare, Education and Childcare	One stop	L + 6.00%	8.39%	05/2022	9,156	9,338	8,600	8,7
Oliver Street Dermatology Holdings, LLC	Healthcare, Education and Childcare	One stop	L + 6.00%	8.39%	05/2022	208	210	1,867	1,8
Oliver Street Dermatology Holdings, LLC	Healthcare, Education and Childcare	One stop	L + 6.00%	8.39%	05/2022	149	151	1,338	1,3
Oliver Street Dermatology Holdings, LLC	Healthcare, Education and Childcare	One stop	L + 6.00%	8.39%	05/2022	132	133	1,184	1,1
Oliver Street Dermatology Holdings, LLC	Healthcare, Education and Childcare	One stop	L + 6.00%	8.39%	05/2022	929	942	1,033	1,0
Oliver Street Dermatology Holdings, LLC	Healthcare, Education and Childcare	One stop	L + 6.00%	8.39%	05/2022	115	116	1,031	1,0
Oliver Street Dermatology	Healthcare, Education and Childcare	One stop	L + 6.00%	8.39%	05/2022	89	90	802	810

Holdings, LLC									
Oliver Street Dermatology Holdings, LLC	Healthcare, Education and Childcare	One stop	L + 6.00%	8.39 %	05/2022	78	78	696	70
Oliver Street Dermatology Holdings, LLC	Healthcare, Education and Childcare	LLC units	N/A	N/A	N/A	234	346	218	32
Oliver Street Dermatology Holdings, LLC	Healthcare, Education and Childcare	One stop	L + 6.00%	8.85 %	05/2022	80	81	80	81
Oliver Street Dermatology Holdings, LLC	Healthcare, Education and Childcare	One stop	L + 6.00%	8.39 %	05/2022	45	46	45	46
Oliver Street Dermatology Holdings, LLC	Healthcare, Education and Childcare	One stop	L + 6.00%	8.39 %	05/2022	41	41	41	41
Oliver Street Dermatology Holdings, LLC	Healthcare, Education and Childcare	One stop	L + 6.00%	8.39 %	05/2022	32	32	32	32
Oliver Street Dermatology Holdings, LLC	Healthcare, Education and Childcare	One stop	L + 6.00%	8.39 %	05/2022	29	30	30	30
Oliver Street Dermatology Holdings, LLC(1)	Healthcare, Education and Childcare	One stop	L + 6.00%	N/A	05/2022	(1)	—	(10)	—
Onicon Incorporated	Diversified/Conglomerate Manufacturing	One stop	L + 5.50%	7.88 %	04/2022	17,784	17,916	244	24
Onicon Incorporated(1)	Diversified/Conglomerate Manufacturing	One stop	L + 5.50%	N/A	04/2022	(3)	—	—	—
ONsite Mammography, LLC	Healthcare, Education and Childcare	One stop	L + 6.75%	8.99 %	11/2023	3,005	3,064	2,807	2,8
ONsite Mammography, LLC	Healthcare, Education and Childcare	One stop	L + 6.75%	9.15 %	11/2023	21	22	323	33
ONsite Mammography, LLC(1)	Healthcare, Education and Childcare	One stop	L + 6.75%	N/A	11/2023	(1)	—	(1)	—
Orthotics Holdings, Inc.	Personal and Non Durable Consumer Products (Mfg. Only)	One stop	L + 5.50%	7.74 %	02/2020	8,166	8,040	3,639	3,5
Orthotics Holdings, Inc.	Personal and Non Durable Consumer Products (Mfg. Only)	One stop	L + 5.50%	7.74 %	02/2020	1,338	1,318	597	58
Orthotics Holdings, Inc.(1)	Personal and Non Durable Consumer Products (Mfg. Only)	One stop	L + 5.50%	N/A	02/2020	(1)	—	—	—
Orthotics Holdings, Inc.(1)	Personal and Non Durable Consumer Products (Mfg. Only)	One stop	L + 5.50%	N/A	02/2020	(6)	(4)	(3)	(2
	Ecological	One stop		8.49 %	09/2022	14,912	15,190	14,889	15,

Pace Analytical Services, LLC			L + 6.25%						
Pace Analytical Services, LLC	Ecological	One stop	L + 6.25%	8.49%	09/2022	1,396	1,412	1,385	1,4
Pace Analytical Services, LLC	Ecological	One stop	L + 6.25%	8.47%	09/2022	117	118	1,120	1,1
Pace Analytical Services, LLC	Ecological	One stop	L + 6.25%	8.48%	09/2022	709	716	825	83
Pace Analytical Services, LLC	Ecological	One stop	L + 6.25%	8.49%	09/2022	342	346	341	34
Pace Analytical Services, LLC	Ecological	Common stock	N/A	N/A	N/A	304	280	302	27
Pace Analytical Services, LLC	Ecological	One stop	L + 6.25%	8.49%	09/2022	8	10	8	10
Pace Analytical Services, LLC[1]	Ecological	One stop	L + 6.25%	N/A	09/2022	(3)	—	(29)	—

See notes to pro forma condensed consolidated financial statements.

Golub Capital BDC, Inc. and Subsidiaries

Pro Forma Condensed Schedule of Investments (continued)

Unaudited

As of September 30, 2018

(Dollar Amounts in Thousands)

Portfolio Company	Industry	**Investment Type**	**Spread Above Index**	**Interest Rate**	**Maturity Date**	Actual Golub Capital BDC Inc. Amortized Cost	Actual Golub Capital BDC Inc. Fair Value	Actual Golub Capital Investment Corporation Amortized Cost	Actual Golub Capital Investment Corporation Fai Val
PADI Holdco, Inc.	Leisure, Amusement, Motion Pictures, Entertainment	One stop	E + 5.75%	5.75 %	04/2023	$ 9,591	$ 9,313	$ 12,505	$ 1
PADI Holdco, Inc.	Leisure, Amusement, Motion Pictures, Entertainment	One stop	L + 5.75%	8.14 %	04/2023	9,465	9,677	12,478	1
PADI Holdco, Inc.	Leisure, Amusement, Motion Pictures, Entertainment	LLC units	N/A	N/A	N/A	414	454	539	5
PADI Holdco, Inc.	Leisure, Amusement, Motion Pictures, Entertainment	One stop	L + 5.75%	8.14 %	04/2022	123	125	123	1
Paper Source, Inc.	Retail Stores	One stop	L + 6.25%	8.64 %	09/2019	12,224	12,255	—	–
Paper Source, Inc.	Retail Stores	One stop	L + 6.25%	8.64 %	09/2019	1,621	1,628	—	–
Paper Source, Inc.	Retail Stores	One stop	P + 5.00%	10.25 %	09/2019	960	965	—	–
Paper Source, Inc.	Retail Stores	Common stock	N/A	N/A	N/A	1,387	606	—	–
Paradigm DKD Group, LLC	Buildings and Real Estate	Senior loan	L + 6.25%	8.49 %	05/2020	—	—	2,114	1
Paradigm DKD Group, LLC	Buildings and Real Estate	Senior loan	L + 6.25%	8.49 %	05/2020	—	—	754	5
Pasternack Enterprises, Inc.	Diversified/Conglomerate Manufacturing	Senior loan	L + 4.00%	6.24 %	07/2025	5,607	5,606	5,233	5

and Fairview Microwave, Inc									
Pasternack Enterprises, Inc. and Fairview Microwave, Inc	Diversified/Conglomerate Manufacturing	Senior loan	L + 4.00%	N/A	07/2023	—	—	—	–
Pentec Acquisition Sub, Inc.	Healthcare, Education and Childcare	Preferred stock	N/A	N/A	N/A	116	178	—	–
Personify, Inc.	Diversified/Conglomerate Service	One stop	L + 5.75%	8.14 %	09/2024	5,296	5,295	6,099	6
Personify, Inc.	Diversified/Conglomerate Service	LLC units	N/A	N/A	N/A	297	297	342	3
Personify, Inc.[1]	Diversified/Conglomerate Service	One stop	L + 5.75%	N/A	09/2024	(1)	(1)	(1)	(
Pet Holdings ULC	Retail Stores	One stop	L + 5.50%	7.84 %	07/2022	14,575	14,764	32,434	3
Pet Holdings ULC	Retail Stores	LP interest	N/A	N/A	N/A	386	537	188	2
Pet Holdings ULC	Retail Stores	One stop	L + 5.50%	7.84 %	07/2022	99	100	128	1
Pet Holdings ULC[1]	Retail Stores	One stop	L + 5.50%	N/A	07/2022	(2)	—	(2)	–
PetPeople Enterprises, LLC	Retail Stores	One stop	L + 5.00%	7.25 %	09/2023	3,082	3,114	2,325	2
PetPeople Enterprises, LLC	Retail Stores	One stop	N/A	8.25% PIK	01/2019	168	168	—	–
PetPeople Enterprises, LLC[1]	Retail Stores	One stop	L + 5.00%	N/A	09/2023	(1)	—	(1)	–
PetPeople Enterprises, LLC[1]	Retail Stores	One stop	L + 5.00%	N/A	09/2023	—	—	(2)	–
PetroChoice Holdings, Inc.	Diversified/Conglomerate Manufacturing	Senior loan	L + 5.00%	7.20 %	08/2022	1,700	1,732	1,581	1
Pinnacle Treatment Centers, Inc.	Healthcare, Education and Childcare	One stop	L + 6.25%	8.59 %	08/2021	9,724	9,879	9,552	9
Pinnacle Treatment Centers, Inc.	Healthcare, Education and Childcare	Preferred stock	N/A	N/A	N/A	231	268	226	2
Pinnacle Treatment Centers, Inc.	Healthcare, Education and Childcare	One stop	L + 6.25%	8.52 %	08/2021	57	58	57	5
Pinnacle Treatment Centers, Inc.	Healthcare, Education and Childcare	One stop	L + 6.25%	8.59 %	08/2021	54	55	54	5
Pinnacle Treatment Centers, Inc.	Healthcare, Education and Childcare	One stop	L + 6.25%	8.46 %	08/2021	42	43	41	4
Pinnacle Treatment Centers, Inc.	Healthcare, Education and Childcare	Common stock	N/A	N/A	N/A	2	6	2	6
Plano Molding Company, LLC	Home and Office Furnishings, Housewares, and Durable Consumer	One stop	L + 7.50%	9.67 %	05/2021	9,937	9,848	4,801	4
Plex Systems, Inc.	Diversified/Conglomerate Manufacturing	One stop	L + 7.50%	9.82 %	06/2020	18,635	18,797	—	–
Plex Systems, Inc.[1]	Diversified/Conglomerate Manufacturing	One stop	L + 7.50%	N/A	06/2020	(14)	—	—	–
	Automobile	Senior loan		7.24 %	06/2022	—	—	4,740	4

Polk Acquisition Corp.			L + 5.00%							
Polk Acquisition Corp.	Automobile	LP interest	N/A	N/A		N/A	144	95	401	2
PPT Management Holdings, LLC	Healthcare, Education and Childcare	One stop	L + 7.50%	9.69	%	12/2022	10,443	8,758	12,089	1
PPT Management Holdings, LLC	Healthcare, Education and Childcare	One stop	L + 7.50%	9.69	%	12/2022	140	114	141	1

See notes to pro forma condensed consolidated financial statements.

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Golub Capital BDC, Inc. and Subsidiaries

Pro Forma Condensed Schedule of Investments (continued)

Unaudited

As of September 30, 2018

(Dollar Amounts in Thousands)

						Actual Golub Capital BDC Inc.		Actual Golub Capital Investment Corporation	
Portfolio Company	Industry	**Investment Type**	**Spread Above Index**	**Interest Rate**	**Maturity Date**	Amortized Cost	Fair Value	Amortized Cost	Fair Valu
PPT Management Holdings, LLC	Healthcare, Education and Childcare	One stop	L + 7.50%	9.69 %	12/2022	$ 84	$ 68	$ 84	$ 68
PPT Management Holdings, LLC	Healthcare, Education and Childcare	One stop	L + 7.50%	9.69 %	12/2022	31	32	31	32
PPT Management Holdings, LLC(1)	Healthcare, Education and Childcare	One stop	L + 7.50%	9.69 %	12/2022	4	(30)	4	(3
PPV Intermediate Holdings II, LLC	Personal, Food and Miscellaneous Services	LLC interest	N/A	N/A	N/A	13	13	160	16
PPV Intermediate Holdings II, LLC	Personal, Food and Miscellaneous Services	One stop	N/A	7.90% PIK	05/2023	2	2	19	19
PPV Intermediate Holdings II, LLC(1)	Personal, Food and Miscellaneous Services	One stop	L + 5.00%	N/A	05/2023	(1)	—	(1)	—
PPV Intermediate Holdings II, LLC(1)	Personal, Food and Miscellaneous Services	One stop	L + 5.00%	N/A	05/2020	(6)	—	(77)	—
Project Alpha Intermediate Holding, Inc.	Diversified/Conglomerate Service	Common stock	N/A	N/A	N/A	417	500	399	47
Project Alpha Intermediate Holding, Inc.	Diversified/Conglomerate Service	Common stock	N/A	N/A	N/A	4	51	4	49
Project Silverback Holdings Corp.	Electronics	Preferred stock	N/A	N/A	N/A	6	—	—	—
Property Brands, Inc.	Diversified/Conglomerate Service	One stop	L + 6.00%	8.24 %	01/2024	10,655	10,872	9,277	9,3
Property Brands, Inc.	Diversified/Conglomerate Service	One stop	L + 6.00%	8.24 %	01/2024	216	219	3,063	3,0

Property Brands, Inc.	Diversified/Conglomerate Service	Preferred stock	N/A	N/A	N/A	284	307	345	37
Property Brands, Inc.[1]	Diversified/Conglomerate Service	One stop	L + 6.00%	N/A	01/2024	(1)	—	(10)	—
Property Brands, Inc.[1]	Diversified/Conglomerate Service	One stop	L + 6.00%	N/A	01/2024	(1)	—	(10)	—
Purfoods, LLC	Beverage, Food and Tobacco	One stop	L + 6.00%	8.31%	05/2021	8,270	8,379	7,735	7,7
Purfoods, LLC	Beverage, Food and Tobacco	LLC interest	N/A	N/A	N/A	381	527	355	49
Purfoods, LLC	Beverage, Food and Tobacco	One stop	L + 6.00%	8.39%	05/2021	39	39	349	35
Purfoods, LLC	Beverage, Food and Tobacco	One stop	L + 6.00%	8.39%	05/2021	30	30	266	26
Purfoods, LLC	Beverage, Food and Tobacco	One stop	L + 6.00%	8.39%	05/2021	30	30	266	26
Purfoods, LLC	Beverage, Food and Tobacco	One stop	L + 6.00%	8.33%	05/2021	30	30	266	26
Purfoods, LLC	Beverage, Food and Tobacco	One stop	N/A	7.00% PIK	05/2026	116	116	108	10
Purfoods, LLC	Beverage, Food and Tobacco	One stop	L + 6.00%	8.15%	05/2021	64	65	64	65
Purfoods, LLC	Beverage, Food and Tobacco	One stop	L + 6.00%	8.39%	05/2021	23	24	23	24
Purfoods, LLC	Beverage, Food and Tobacco	One stop	L + 6.00%	8.39%	05/2021	15	15	15	15
Purfoods, LLC	Beverage, Food and Tobacco	One stop	L + 6.00%	8.39%	05/2021	15	15	15	15
Purfoods, LLC	Beverage, Food and Tobacco	One stop	L + 6.00%	8.39%	05/2021	14	14	14	14
Purfoods, LLC	Beverage, Food and Tobacco	One stop	L + 6.00%	8.39%	05/2021	11	11	11	11
Purfoods, LLC	Beverage, Food and Tobacco	One stop	L + 6.00%	8.39%	05/2021	11	11	11	11
Purfoods, LLC	Beverage, Food and Tobacco	One stop	L + 6.00%	8.39%	05/2021	10	10	10	10
Purfoods, LLC[1]	Beverage, Food and Tobacco	One stop	L + 6.00%	N/A	05/2021	(1)	—	(5)	—
Quick Quack Car Wash Holdings, LLC	Automobile	One stop	L + 6.50%	8.74%	04/2023	8,652	8,751	4,548	4,6
Quick Quack Car Wash Holdings, LLC	Automobile	One stop	L + 6.50%	8.67%	04/2023	148	150	1,936	1,9
Quick Quack Car Wash Holdings, LLC	Automobile	LLC units	N/A	N/A	N/A	207	207	248	24
Quick Quack Car Wash Holdings, LLC	Automobile	One stop	L + 6.50%	8.70%	04/2023	39	40	39	40
	Automobile	One stop		N/A	04/2023	(4)	—	(56)	—

Quick Quack Car Wash Holdings, LLC(1)	L + 6.50%

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Golub Capital BDC, Inc. and Subsidiaries

Pro Forma Condensed Schedule of Investments (continued)

Unaudited

As of September 30, 2018

(Dollar Amounts in Thousands)

Portfolio Company	Industry	**Investment Type**	**Spread Above Index**	**Interest Rate**	**Maturity Date**	Actual Golub Capital BDC Inc. Amortized Cost	Fair Value	Actual Golub Capital Investment Corporation Amortized Cost	Fair Valu
Quickbase, Inc.	Diversified/Conglomerate Service	One stop	L + 5.00%	7.39%	04/2022	$ —	$ —	$ 37,172	$37,7
Quickbase, Inc.	Diversified/Conglomerate Service	Common stock	N/A	N/A	N/A	—	—	—	1,05
Quickbase, Inc. [1]	Diversified/Conglomerate Service	One stop	L + 5.00%	N/A	04/2022	—	—	(2)	—
R.G. Barry Corporation	Personal, Food and Miscellaneous Services	Preferred stock	N/A	N/A	N/A	161	176	—	—
Radiology Partners, Inc.	Healthcare, Education and Childcare	LLC units	N/A	N/A	N/A	85	191	—	—
Radiology Partners, Inc.	Healthcare, Education and Childcare	LLC units	N/A	N/A	N/A	76	48	—	—
Reladyne, Inc.	Diversified/Conglomerate Manufacturing	Senior loan	L + 5.00%	7.34%	07/2022	16,691	16,878	10,609	10,6
Reladyne, Inc.	Diversified/Conglomerate Manufacturing	Senior loan	L + 5.00%	7.34%	07/2022	171	173	1,110	1,12
Reladyne, Inc.	Diversified/Conglomerate Manufacturing	Senior loan	L + 5.00%	7.34%	07/2022	141	142	965	973
Reladyne, Inc.	Diversified/Conglomerate Manufacturing	LP interest	N/A	N/A	N/A	249	498	242	484
Reladyne, Inc.[1]	Diversified/Conglomerate Manufacturing	Senior loan	L + 5.00%	N/A	07/2022	(3)	—	(19)	—
Riverchase MSO, LLC	Healthcare, Education and Childcare	Senior loan	L + 5.25%	7.64%	10/2022	4,880	4,930	4,840	4,89
Riverchase MSO, LLC	Healthcare, Education and Childcare	Senior loan	L + 5.25%	7.63%	10/2022	53	54	53	54

RSC Acquisition, Inc.	Insurance	Senior loan	L + 4.25%	6.72%	11/2022	4,358	4,369	26,712	26,7
RSC Acquisition, Inc.	Insurance	Senior loan	L + 4.25%	6.76%	11/2021	21	21	21	21
RSC Acquisition, Inc.[1]	Insurance	Senior loan	L + 4.25%	N/A	11/2022	(2)	(1)	(32)	(13
Rubio's Restaurants, Inc.	Beverage, Food and Tobacco	Senior loan	L + 5.25%	7.64%	10/2019	11,000	11,173	282	295
Rubio's Restaurants, Inc.	Beverage, Food and Tobacco	Preferred stock	N/A	N/A	N/A	945	1,236	—	—
Ruby Slipper Cafe LLC, The	Personal, Food and Miscellaneous Services	LLC units	N/A	N/A	N/A	123	151	186	227
Ruby Slipper Cafe LLC, The	Personal, Food and Miscellaneous Services	One stop	L + 7.50%	9.85%	01/2023	1,026	1,035	59	60
Ruby Slipper Cafe LLC, The	Personal, Food and Miscellaneous Services	One stop	L + 7.50%	9.84%	01/2023	4	5	56	70
Ruby Slipper Cafe LLC, The	Personal, Food and Miscellaneous Services	One stop	L + 7.50%	9.82%	01/2023	5	5	5	5
RXH Buyer Corporation	Healthcare, Education and Childcare	One stop	L + 5.75%	8.14%	09/2021	16,914	17,083	10,912	11,(
RXH Buyer Corporation	Healthcare, Education and Childcare	One stop	L + 5.75%	8.14%	09/2021	1,915	1,933	1,241	1,24
RXH Buyer Corporation	Healthcare, Education and Childcare	LP interest	N/A	N/A	N/A	683	290	443	188
RXH Buyer Corporation	Healthcare, Education and Childcare	One stop	P + 4.75%	9.19%	09/2021	90	92	90	92
Saba Software, Inc.	Diversified/Conglomerate Service	Senior loan	L + 4.50%	6.74%	05/2023	22,217	22,515	29,009	29,3
Saba Software, Inc.[1]	Diversified/Conglomerate Service	Senior loan	L + 4.50%	N/A	05/2023	(2)	—	(2)	—
Sage Dental Management, LLC	Healthcare, Education and Childcare	LLC units	N/A	N/A	N/A	249	28	—	—
Sage Dental Management, LLC	Healthcare, Education and Childcare	LLC units	N/A	N/A	N/A	3	—	—	—
Saldon Holdings, Inc.	Diversified/Conglomerate Service	Senior loan	L + 4.25%	6.41%	09/2022	741	746	598	601
Saldon Holdings, Inc.	Diversified/Conglomerate Service	Senior loan	L + 4.25%	6.41%	09/2022	713	713	575	575
SEI, Inc.	Electronics	Senior loan	L + 5.25%	7.49%	07/2023	5,428	5,477	6,398	6,45
SEI, Inc.	Electronics	LLC units	N/A	N/A	N/A	265	643	161	391
Self Esteem Brands, LLC	Leisure, Amusement, Motion Pictures, Entertainment	Senior loan	L + 4.75%	6.99%	02/2020	16,069	16,120	8,646	8,68

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Golub Capital BDC, Inc. and Subsidiaries

Pro Forma Condensed Schedule of Investments (continued)

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(Dollar Amounts in Thousands)

Portfolio Company	Industry	**Investment Type**	**Spread Above Index**	**Interest Rate**		**Maturity Date**	Actual Golub Capital BDC Inc. Amortized Cost	Actual Golub Capital BDC Inc. Fair Value	Actual Golub C Investm Corpora Amortiz Cost
Self Esteem Brands, LLC[1]	Leisure, Amusement, Motion Pictures, Entertainment	Senior loan	L + 4.75%	N/A		02/2020	$ (3)	$ —	$ —
Senior Loan Fund LLC[4]	Investment Funds and Vehicles	LLC interest	N/A	N/A		N/A	75,407	71,084	—
SHO Holding I Corporation	Textiles and Leather	Senior loan	L + 5.00%	7.34	%	10/2022	2,181	2,122	1,870
SHO Holding I Corporation	Textiles and Leather	Senior loan	L + 4.00%	6.14	%	10/2021	15	12	15
SLMP, LLC	Healthcare, Education and Childcare	One stop	L + 6.00%	8.24	%	05/2023	294	298	5,528
SLMP, LLC	Healthcare, Education and Childcare	One stop	L + 6.00%	8.24	%	05/2023	7,406	7,544	4,644
SLMP, LLC	Healthcare, Education and Childcare	LLC interest	N/A	N/A		N/A	289	308	378
SLMP, LLC	Healthcare, Education and Childcare	One stop	N/A	7.50% PIK		05/2027	90	90	117
SLMP, LLC[1]	Healthcare, Education and Childcare	One stop	L + 6.00%	N/A		05/2023	(1)	—	(1
SLMP, LLC[1]	Healthcare, Education and Childcare	One stop	L + 6.00%	N/A		05/2023	(1)	—	(9
Sloan Company, Inc., The	Electronics	One stop	L + 13.00%	10.89% cash/4.50% PIK		04/2020	6,426	5,173	3,101
Sloan Company, Inc., The	Electronics	One stop	L + 13.00%	10.89% cash/4.50%		04/2020	432	346	210

				PIK					
Sloan Company, Inc., The	Electronics	LLC units	N/A	N/A		N/A	152	—	74
Sloan Company, Inc., The	Electronics	One stop	L + 13.00%	10.89% cash/4.50% PIK		04/2020	50	40	50
Sloan Company, Inc., The	Electronics	LLC units	N/A	N/A		N/A	14	—	7
Source Refrigeration & HVAC, Inc.	Diversified/Conglomerate Manufacturing	Senior loan	L + 4.75%	7.14	%	04/2023	9,352	9,453	7,161
Source Refrigeration & HVAC, Inc.	Diversified/Conglomerate Manufacturing	Senior loan	L + 4.75%	7.10	%	04/2023	110	111	1,425
Source Refrigeration & HVAC, Inc.	Diversified/Conglomerate Manufacturing	Senior loan	L + 4.75%	7.09	%	04/2023	56	57	732
Source Refrigeration & HVAC, Inc.	Diversified/Conglomerate Manufacturing	Senior loan	P + 3.75%	9.00	%	04/2023	86	89	86
Source Refrigeration & HVAC, Inc.[(1)]	Diversified/Conglomerate Manufacturing	Senior loan	L + 4.75%	N/A		04/2023	(2)	—	(28
Southern Veterinary Partners, LLC	Personal, Food and Miscellaneous Services	One stop	L + 5.50%	7.74	%	05/2025	228	231	3,573
Southern Veterinary Partners, LLC	Personal, Food and Miscellaneous Services	One stop	L + 5.50%	7.74	%	05/2025	203	205	2,156
Southern Veterinary Partners, LLC	Personal, Food and Miscellaneous Services	One stop	L + 5.50%	7.74	%	05/2025	170	173	1,898
Southern Veterinary Partners, LLC	Personal, Food and Miscellaneous Services	One stop	L + 5.50%	7.74	%	05/2025	3,812	3,870	1,549
Southern Veterinary Partners, LLC	Personal, Food and Miscellaneous Services	One stop	L + 5.50%	7.74	%	05/2025	97	100	1,071
Southern Veterinary Partners, LLC	Personal, Food and Miscellaneous Services	One stop	L + 5.50%	7.74	%	05/2025	66	67	1,029
Southern Veterinary Partners, LLC	Personal, Food and Miscellaneous Services	One stop	L + 5.50%	7.74	%	05/2025	76	77	845
Southern Veterinary Partners, LLC	Personal, Food and Miscellaneous Services	One stop	L + 5.50%	7.74	%	05/2025	48	50	737
Southern Veterinary Partners, LLC	Personal, Food and Miscellaneous Services	LLC units	N/A	N/A		N/A	216	333	282
		LLC units	N/A	N/A		N/A	2	24	3

Southern Veterinary Partners, LLC	Personal, Food and Miscellaneous Services									
Southern Veterinary Partners, LLC(1)	Personal, Food and Miscellaneous Services	One stop	L + 5.50%	N/A		05/2023	(2	)	—	(2
Southern Veterinary Partners, LLC(1)	Personal, Food and Miscellaneous Services	One stop	L + 5.50%	N/A		05/2025	(7	)	—	(79
Sovos Compliance	Electronics	One stop	L + 6.00%	8.24	%	03/2022	9,125		9,234	31,72
Sovos Compliance	Electronics	One stop	L + 6.00%	8.24	%	03/2022	1,536		1,553	5,312
Sovos Compliance	Electronics	One stop	L + 6.00%	8.24	%	03/2022	172		173	2,559
Sovos Compliance(1)	Electronics	One stop	L + 6.00%	N/A		03/2022	(1	)	—	(1
Sovos Compliance(1)	Electronics	One stop	L + 6.00%	N/A		03/2022	(2	)	—	(36

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Golub Capital BDC, Inc. and Subsidiaries

Pro Forma Condensed Schedule of Investments (continued)

Unaudited

As of September 30, 2018

(Dollar Amounts in Thousands)

						Actual Golub Capital BDC Inc.		Actual Golub Capital Investment Corporation	
Portfolio Company	Industry	**Investment Type**	**Spread Above Index**	**Interest Rate**	**Maturity Date**	Amortized Cost	Fair Value	Amortized Cost	Fair Value
Spear Education, LLC	Healthcare, Education and Childcare	One stop	L + 6.25%	8.75%	08/2019	$ 4,586	$ 4,597	$ 3,463	$ 3,46
Spear Education, LLC	Healthcare, Education and Childcare	One stop	L + 6.25%	8.59%	08/2019	74	74	178	178
Spear Education, LLC	Healthcare, Education and Childcare	One stop	L + 6.25%	8.56%	08/2019	26	26	61	62
Spear Education, LLC	Healthcare, Education and Childcare	LLC units	N/A	N/A	N/A	62	75	—	—
Spear Education, LLC	Healthcare, Education and Childcare	LLC units	N/A	N/A	N/A	1	28	—	—
SSH Corporation	Healthcare, Education and Childcare	Common stock	N/A	N/A	N/A	40	187	—	—
Summit Behavioral Healthcare, LLC	Healthcare, Education and Childcare	Senior loan	L + 4.75%	7.06%	10/2023	8,666	8,777	2,380	2,40
Summit Behavioral Healthcare, LLC	Healthcare, Education and Childcare	Senior loan	L + 4.75%	7.07%	10/2023	24	27	111	118
Summit Behavioral Healthcare, LLC	Healthcare, Education and Childcare	LLC interest	N/A	N/A	N/A	68	73	86	93
Summit Behavioral Healthcare, LLC	Healthcare, Education and Childcare	Senior loan	L + 4.75%	7.07%	10/2023	63	65	18	19
Summit Behavioral Healthcare, LLC	Healthcare, Education and Childcare	LLC interest	N/A	N/A	N/A	—	3	—	3
Sunless Merger Sub, Inc.	Diversified/Conglomerate Manufacturing	Senior loan	L + 5.00%	7.28%	07/2019	1,384	1,381	261	274
Sunless Merger Sub, Inc.	Diversified/Conglomerate Manufacturing	Senior loan	P + 3.75%	8.75%	07/2019	256	256	55	56

Sunless Merger Sub, Inc.	Diversified/Conglomerate Manufacturing	LP interest	N/A	N/A	N/A	160	—	—	—
Sunshine Sub, LLC	Leisure, Amusement, Motion Pictures, Entertainment	One stop	L + 4.75%	6.99%	05/2024	7,575	7,720	5,366	5,46
Sunshine Sub, LLC[1]	Leisure, Amusement, Motion Pictures, Entertainment	One stop	L + 4.75%	N/A	05/2024	(1)	—	(1)	—
Sunshine Sub, LLC[1]	Leisure, Amusement, Motion Pictures, Entertainment	One stop	L + 4.75%	N/A	05/2024	(3)	—	(39)	—
Surgical Information Systems, LLC	Healthcare, Education and Childcare	Common stock	N/A	N/A	N/A	414	535	—	—
Switchfly LLC[3]	Diversified/Conglomerate Service	One stop	P + 2.00%	7.25%	04/2020	2,258	2,066	3,025	2,76
Switchfly LLC[3]	Diversified/Conglomerate Service	LLC units	N/A	N/A	N/A	408	534	542	710
Switchfly LLC[3]	Diversified/Conglomerate Service	One stop	P + 2.00%	7.25%	06/2018	192	173	255	230
Switchfly LLC[3]	Diversified/Conglomerate Service	One stop	P + 2.00%	7.25%	04/2020	17	15	17	15
Teaching Company, The	Leisure, Amusement, Motion Pictures, Entertainment	One stop	L + 4.75%	7.09%	07/2023	10,757	10,855	6,990	7,02
Teaching Company, The[1]	Leisure, Amusement, Motion Pictures, Entertainment	One stop	L + 4.75%	N/A	07/2023	(1)	—	(1)	—
Team Technologies Acquisition Company	Personal and Non Durable Consumer Products (Mfg. Only)	Senior loan	L + 5.00%	7.35%	12/2018	4,241	4,231	258	257
Team Technologies Acquisition Company	Personal and Non Durable Consumer Products (Mfg. Only)	Senior loan	L + 5.50%	7.85%	12/2018	781	792	48	48
Team Technologies Acquisition Company[1]	Personal and Non Durable Consumer Products (Mfg. Only)	Senior loan	L + 5.00%	N/A	12/2018	—	(1)	—	—
Team Technologies Acquisition Company	Personal and Non Durable Consumer Products (Mfg. Only)	Common stock	N/A	N/A	N/A	114	292	—	—
Teasdale Quality Foods, Inc.	Grocery	Senior loan	L + 4.75%	6.92%	10/2020	—	—	116	115
Teasdale Quality Foods, Inc.	Grocery	Senior loan	L + 4.75%	6.92%	10/2020	321	317	77	76
Telesoft, LLC	Diversified/Conglomerate Service	One stop	L + 5.00%	7.34%	07/2022	4,129	4,160	5,259	5,29
Telesoft, LLC[1]		One stop		N/A	07/2022	(1)	—	(1)	—

Diversified/Conglomerate Service	L + 5.00%

See notes to pro forma condensed consolidated financial statements.

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Golub Capital BDC, Inc. and Subsidiaries

Pro Forma Condensed Schedule of Investments (continued)

Unaudited

As of September 30, 2018

(Dollar Amounts in Thousands)

Portfolio Company	Industry	**Investment Type**	**Spread Above Index**	**Interest Rate**	**Maturity Date**	Actual Golub Capital BDC Inc. Amortized Cost	Actual Golub Capital BDC Inc. Fair Value	Actual Golub Capital Investment Corporation Amortized Cost	Actual Golub Capital Investment Corporation Fair Val
Titan Fitness, LLC	Leisure, Amusement, Motion Pictures, Entertainment	One stop	L + 6.50%	8.61 %	06/2021	$ 12,846	$ 12,952	$ 1,933	$ 1,
Titan Fitness, LLC	Leisure, Amusement, Motion Pictures, Entertainment	One stop	L + 6.50%	8.61 %	06/2021	1,949	1,954	291	29
Titan Fitness, LLC	Leisure, Amusement, Motion Pictures, Entertainment	One stop	L + 6.50%	8.61 %	06/2021	1,712	1,716	256	25
Titan Fitness, LLC	Leisure, Amusement, Motion Pictures, Entertainment	One stop	L + 6.50%	8.61 %	06/2021	920	927	137	13
Titan Fitness, LLC[(1)]	Leisure, Amusement, Motion Pictures, Entertainment	One stop	L + 6.50%	N/A	06/2021	(9)	—	—	—
Titan Fitness, LLC	Leisure, Amusement, Motion Pictures, Entertainment	LLC units	N/A	N/A	N/A	712	1,403	—	—
Togetherwork Holdings, LLC	Diversified/Conglomerate Manufacturing	One stop	L + 6.50%	8.74 %	03/2025	9,031	9,066	6,632	6,
Togetherwork Holdings, LLC	Diversified/Conglomerate Manufacturing	One stop	L + 6.50%	8.74 %	03/2025	114	114	1,610	1,
Togetherwork Holdings, LLC	Diversified/Conglomerate Manufacturing	One stop	L + 6.50%	8.74 %	03/2025	106	107	1,499	1,
Togetherwork Holdings, LLC	Diversified/Conglomerate Manufacturing	One stop	L + 6.50%	8.74 %	03/2025	549	552	670	67

Togetherwork Holdings, LLC[(1)]	Diversified/Conglomerate Manufacturing	One stop	L + 6.50%	N/A	03/2024	(1)	(1)	(1)	(1
Togetherwork Holdings, LLC[(1)]	Diversified/Conglomerate Manufacturing	One stop	L + 6.50%	N/A	03/2025	(3)	(2)	(30)	(2
Togetherwork Holdings, LLC[(1)]	Diversified/Conglomerate Manufacturing	One stop	L + 6.50%	N/A	03/2025	(2)	(1)	(39)	(1
TouchTunes Interactive Networks, Inc.	Broadcasting and Entertainment	Senior loan	L + 4.75%	6.99 %	05/2021	1,444	1,447	682	68
Transaction Data Systems, Inc.	Diversified/Conglomerate Service	One stop	L + 5.25%	7.50 %	06/2021	38,889	39,051	45,942	46
Transaction Data Systems, Inc.	Diversified/Conglomerate Service	One stop	L + 5.25%	7.64 %	06/2021	14	15	14	15
Tresys Technology Holdings, Inc.[(2)]	Aerospace and Defense	One stop	L + 6.75%	8.99 %	12/2018	3,845	780	28	11
Tresys Technology Holdings, Inc.[(2)]	Aerospace and Defense	One stop	L + 6.75%	8.99 %	12/2018	658	659	9	9
Tresys Technology Holdings, Inc.	Aerospace and Defense	Common stock	N/A	N/A	N/A	295	—	—	—
Trintech, Inc.	Diversified/Conglomerate Service	One stop	L + 6.00%	8.20 %	12/2023	10,756	10,875	11,853	11
Trintech, Inc.	Diversified/Conglomerate Service	One stop	L + 6.00%	8.20 %	12/2023	3,375	3,412	5,999	6,
Trintech, Inc.	Diversified/Conglomerate Service	One stop	L + 6.00%	8.20 %	12/2023	28	30	28	30
Tronair Parent, Inc.	Aerospace and Defense	Senior loan	L + 4.75%	7.56 %	09/2023	363	366	363	36
Tronair Parent, Inc.	Aerospace and Defense	Senior loan	L + 4.50%	7.03 %	09/2021	79	80	79	80
True Commerce, Inc.	Diversified/Conglomerate Service	One stop	L + 5.75%	8.14 %	11/2023	5,550	5,610	7,032	7,
True Commerce, Inc.	Diversified/Conglomerate Service	One stop	L + 5.75%	8.14 %	11/2023	—	—	2,760	2,
True Commerce, Inc.	Diversified/Conglomerate Service	One stop	L + 5.75%	8.14 %	11/2023	—	—	918	92
True Commerce, Inc.[(1)]	Diversified/Conglomerate Service	One stop	L + 5.75%	N/A	11/2023	(1)	—	(1)	—
U.S. Renal Care, Inc.	Healthcare, Education and Childcare	LP interest	N/A	N/A	N/A	2,665	1,796	—	—
Uinta Brewing Company[(2)]	Beverage, Food and Tobacco	One stop	L + 8.50%	10.74 %	08/2019	3,716	2,459	898	59
Uinta Brewing Company[(2)]	Beverage, Food and Tobacco	One stop	L + 8.50%	10.74 %	08/2019	691	444	167	10
Uinta Brewing Company	Beverage, Food and Tobacco	LP interest	N/A	N/A	N/A	462	—	—	—
Upserve, Inc.	Diversified/Conglomerate Service	One stop	L + 5.50%	7.65 %	07/2023	2,948	2,947	2,156	2,

See notes to pro forma condensed consolidated financial statements.

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Golub Capital BDC, Inc. and Subsidiaries

Pro Forma Condensed Schedule of Investments (continued)

Unaudited

As of September 30, 2018

(Dollar Amounts in Thousands)

Portfolio Company	Industry	**Investment Type**	**Spread Above Index**	**Interest Rate**		**Maturity Date**	Actual Golub Capital BDC Inc. Amortized Cost		Actual Golub Capital BDC Inc. Fair Value		Actual Golub C Investm Corpora Amortiz Cost
Upserve, Inc.	Diversified/Conglomerate Service	One stop	L + 5.50%	N/A		07/2023	$ —		$ —		$ —
Upserve, Inc.(1)	Diversified/Conglomerate Service	One stop	L + 5.50%	N/A		07/2023	(1	)	(1	)	(10
Valant Medical Solutions, Inc.	Diversified/Conglomerate Service	One stop	L + 11.00%	10.88% cash/2.25% PIK		10/2020	775		828		985
Valant Medical Solutions, Inc.	Diversified/Conglomerate Service	One stop	N/A	6.00% PIK		02/2020	149		184		189
Valant Medical Solutions, Inc.	Diversified/Conglomerate Service	Warrant	N/A	N/A		N/A	68		51		86
Valant Medical Solutions, Inc.	Diversified/Conglomerate Service	One stop	L + 11.00%	10.88% cash/2.25% PIK		10/2020	10		10		10
Velocity Technology Solutions, Inc.	Diversified/Conglomerate Service	One stop	L + 6.00%	8.39	%	12/2023	8,103		8,228		10,26
Velocity Technology Solutions, Inc.(1)	Diversified/Conglomerate Service	One stop	L + 6.00%	N/A		12/2023	(1	)	—		(1
Vendavo, Inc.	Diversified/Conglomerate Service	One stop	L + 8.50%	10.81	%	10/2022	28,441		28,936		6,876
Vendavo, Inc.	Diversified/Conglomerate Service	Preferred stock	N/A	N/A		N/A	1,017		1,332		—
Vendavo, Inc.(1)	Diversified/Conglomerate Service	One stop	L + 8.50%	N/A		10/2022	(9	)	—		(5

Vendor Credentialing Service LLC	Diversified/Conglomerate Service	One stop	L + 5.75%	7.99	%	11/2021	11,949	12,115	7,490
Vendor Credentialing Service LLC	Diversified/Conglomerate Service	One stop	L + 5.75%	N/A		11/2021	—	—	—
Verisys Corporation	Diversified/Conglomerate Service	One stop	L + 7.75%	10.14	%	01/2023	3,844	3,886	4,705
Verisys Corporation	Diversified/Conglomerate Service	LLC interest	N/A	N/A		N/A	261	239	318
Verisys Corporation[(1)]	Diversified/Conglomerate Service	One stop	L + 7.75%	N/A		01/2023	(1)	—	(1
Veterinary Specialists of North America, LLC	Personal, Food and Miscellaneous Services	One stop	L + 5.50%	7.69	%	07/2021	7,278	7,331	3,785
Veterinary Specialists of North America, LLC	Personal, Food and Miscellaneous Services	One stop	L + 5.50%	7.74	%	07/2021	122	123	460
Veterinary Specialists of North America, LLC	Personal, Food and Miscellaneous Services	One stop	L + 5.50%	7.74	%	07/2021	755	764	416
Veterinary Specialists of North America, LLC	Personal, Food and Miscellaneous Services	One stop	L + 5.50%	7.74	%	07/2021	413	415	227
Veterinary Specialists of North America, LLC	Personal, Food and Miscellaneous Services	One stop	L + 5.50%	7.74	%	07/2021	160	160	88
Veterinary Specialists of North America, LLC	Personal, Food and Miscellaneous Services	LLC units	N/A	N/A		N/A	106	185	56
Veterinary Specialists of North America, LLC	Personal, Food and Miscellaneous Services	One stop	L + 5.50%	7.74	%	07/2021	10	12	37
Veterinary Specialists of North America, LLC	Personal, Food and Miscellaneous Services	One stop	L + 5.50%	7.74	%	07/2021	62	62	33
Veterinary Specialists of North America, LLC[(1)]	Personal, Food and Miscellaneous Services	One stop	L + 5.50%	N/A		07/2021	(2)	—	(1
Vitalyst, LLC	Diversified/Conglomerate Service	Preferred stock	N/A	N/A		N/A	61	88	—
Vitalyst, LLC			N/A	N/A		N/A	7	—	—

	Diversified/Conglomerate Service	Common stock							
Watchfire Enterprises, Inc.	Electronics	Second lien	L + 8.00%	10.39	%	10/2021	9,338	9,435	—
WBZ Investment LLC	Leisure, Amusement, Motion Pictures, Entertainment	One stop	L + 5.50%	7.64	%	09/2020	5,049	5,097	3,429
WBZ Investment LLC	Leisure, Amusement, Motion Pictures, Entertainment	LLC interest	N/A	N/A		N/A	49	49	56
WBZ Investment LLC	Leisure, Amusement, Motion Pictures, Entertainment	LLC interest	N/A	N/A		N/A	33	33	38
WBZ Investment LLC	Leisure, Amusement, Motion Pictures, Entertainment	LLC interest	N/A	N/A		N/A	27	27	31
WBZ Investment LLC	Leisure, Amusement, Motion Pictures, Entertainment	LLC interest	N/A	N/A		N/A	24	24	27

See notes to pro forma condensed consolidated financial statements.

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Golub Capital BDC, Inc. and Subsidiaries

Pro Forma Condensed Schedule of Investments (continued)

Unaudited

As of September 30, 2018

(Dollar Amounts in Thousands)

Portfolio Company	Industry	**Investment Type**	**Spread Above Index**	**Interest Rate**	**Maturity Date**	Actual Golub Capital BDC Inc. Amortized Cost	Actual Golub Capital BDC Inc. Fair Value	Actual Golub Ca[p] Corporati[on] Amortize[d] Cost
WBZ Investment LLC	Leisure, Amusement, Motion Pictures, Entertainment	LLC interest	N/A	N/A	N/A	$ 10	$ 10	$ 12
WBZ Investment LLC	Leisure, Amusement, Motion Pictures, Entertainment	LLC interest	N/A	N/A	N/A	1	1	1
WBZ Investment LLC(1)	Leisure, Amusement, Motion Pictures, Entertainment	One stop	L + 5.50%	N/A	09/2024	—	(1)	—
WBZ Investment LLC(1)	Leisure, Amusement, Motion Pictures, Entertainment	One stop	L + 5.50%	N/A	09/2024	(2)	(2)	(27
Wetzel's Pretzels, LLC	Personal, Food and Miscellaneous Services	One stop	L + 6.75%	8.99%	09/2021	8,805	8,922	8,212
Wetzel's Pretzels, LLC	Personal, Food and Miscellaneous Services	Common stock	N/A	N/A	N/A	160	221	149
Wetzel's Pretzels, LLC	Personal, Food and Miscellaneous Services	One stop	L + 6.75%	8.86%	09/2021	2	3	2
WHCG Management, LLC	Healthcare, Education and Childcare	Senior loan	L + 5.00%	7.39%	03/2023	2,348	2,370	3,913
WHCG Management, LLC	Healthcare, Education and Childcare	LLC interest	N/A	N/A	N/A	246	135	314
WHCG Management, LLC	Healthcare, Education and Childcare	Senior loan	L + 5.00%	7.35%	03/2023	99	100	99
WHCG Management, LLC(1)	Healthcare, Education and Childcare	Senior loan	L + 5.00%	N/A	03/2023	(2)	—	(20

Whitcraft LLC	Aerospace and Defense	One stop	L + 6.25%	8.64%	04/2023	12,298	12,439	15,961
Whitcraft LLC	Aerospace and Defense	One stop	L + 6.25%	8.64%	04/2023	192	194	4,114
Whitcraft LLC	Aerospace and Defense	Common stock	N/A	N/A	N/A	375	611	688
Whitcraft LLC[(1)]	Aerospace and Defense	One stop	L + 6.25%	N/A	04/2023	(1)	—	(1
Whitcraft LLC[(1)]	Aerospace and Defense	One stop	L + 6.25%	N/A	04/2023	(2)	—	(53
WIRB-Copernicus Group, Inc.	Healthcare, Education and Childcare	Senior loan	L + 4.25%	6.49%	08/2022	10,834	10,901	10,364
WIRB-Copernicus Group, Inc.[(1)]	Healthcare, Education and Childcare	Senior loan	L + 4.25%	N/A	08/2022	(1)	—	(1
WIRB-Copernicus Group, Inc.[(1)]	Healthcare, Education and Childcare	Senior loan	L + 4.25%	N/A	08/2022	(2)	—	(22
Workforce Software, LLC	Diversified/Conglomerate Service	One stop	L + 6.50%	8.83%	06/2021	5,756	5,790	24,677
Workforce Software, LLC	Diversified/Conglomerate Service	One stop	L + 6.50%	8.81%	06/2021	571	577	2,431
Workforce Software, LLC	Diversified/Conglomerate Service	LLC units	N/A	N/A	N/A	323	371	1,373
Workforce Software, LLC[(1)]	Diversified/Conglomerate Service	One stop	L + 6.50%	N/A	06/2021	(1)	—	(1
WRE Holding Corp.	Ecological	Senior loan	L + 4.75%	6.99%	01/2023	999	1,008	1,297
WRE Holding Corp.	Ecological	Senior loan	L + 4.75%	6.99%	01/2023	42	42	904
WRE Holding Corp.	Ecological	Senior loan	L + 4.75%	6.99%	01/2023	5	5	108
WRE Holding Corp.	Ecological	Senior loan	L + 4.75%	6.99%	01/2023	21	21	21
Xmatters, Inc. and Alarmpoint, Inc.	Diversified/Conglomerate Service	Preferred stock	N/A	N/A	N/A	221	211	212
Xmatters, Inc. and Alarmpoint, Inc.	Diversified/Conglomerate Service	Warrant	N/A	N/A	N/A	34	16	33
Xmatters, Inc. and Alarmpoint, Inc.	Diversified/Conglomerate Service	Preferred stock	N/A	N/A	N/A	10	12	10
Total investments before Pro Forma Adjustments						$ 1,780,652	$ 1,782,841	$ 1,663,1
Pro Forma Adjustments								
Estimated Purchase Price Allocation Adjustment Before Purchase Premium [(5)]						—	—	—
Estimated Purchase Premium Adjustment [(5)]						—	—	—
Total investments						$ 1,780,652	$ 1,782,841	$ 1,663,1

(1) The negative fair value is the result of the capitalized discount on the loan or the unfunded commitment being valued below par. The negative amortized cost is the result of the capitalized discount being greater than the principal amount outstanding on the loan.

See notes to pro forma condensed consolidated financial statements.

Golub Capital BDC, Inc. and Subsidiaries

Pro Forma Condensed Schedule of Investments (continued)

Unaudited

As of September 30, 2018

(Dollar Amounts in Thousands)

(2) Asset is on non-accrual status.

(3) The combined company is deemed to be an "affiliated person" of the portfolio company. Under the 1940 Act, the combined company generally is deemed to be an "affiliated person" of a portfolio company if it owns 5% or more of the portfolio company's voting securities and generally is deemed to "control" a portfolio company if it owns more than 25% of the portfolio company's voting securities or it has the power to exercise control over the management or policies of such portfolio company.

(4) The combined company is deemed to be an "affiliated person" of and deemed to control the portfolio company. Under the 1940 Act, the combined company generally is deemed to "control" a portfolio company if it owns more than 25% of the portfolio company's voting securities or it has the power to exercise control over the management or policies of such portfolio company.

(5) Upon consummation of the Merger and in accordance with ASC 805-50, *Business Combinations—Related Issues*, GBDC will be required to allocate the purchase price of GCIC's assets based on GBDC's estimate of fair value and record such fair value as the initial fair value of each such investment in GBDC's financial statements. GBDC determined that the fair value of GCIC's investments approximates historical fair value, therefore GBDC will recognize the cost of GCIC's investments at fair value plus the purchase premium. A final determination of the fair value of GCIC's investments will be made after the Merger is completed and, as a result, the actual amount of this adjustment may vary from the preliminary amount set forth herein. Thus, the information set forth in the columns reflect historical amounts and have not been individually adjusted to reflect the Estimated Purchase Price Allocation Adjustment Before Purchase Premium and the Estimated Purchase Premium Adjustment.

See notes to pro forma condensed consolidated financial statements.

CAPITALIZATION

The following table sets forth (1) GBDC's and GCIC's actual capitalization at September 30, 2018 and (2) GBDC's capitalization as adjusted to reflect the effects of the Merger. You should read this table together with GBDC's and GCIC's condensed consolidated financial data and the pro forma financial information included elsewhere in this joint proxy statement/prospectus.

	As of September 30, 2018 (unaudited, dollar amounts in thousands, except share and per share data)			
	Actual Golub Capital BDC, Inc.	Actual Golub Capital Investment Corporation	**Pro Forma Adjustments [1]**	Pro Forma Golub Capital BDC, Inc. Combined
Cash and cash equivalents	$ 6,037	$ 14,659	$ (8,921)	$ 11,775
Debt	842,749	760,409	1,921	1,605,079
Stockholders' equity	968,854	932,209	(4,421)	1,896,642
Total Capitalization	$ 1,817,640	$ 1,707,277	$ (11,421)	$ 3,513,496
Total shares outstanding	60,165,454	62,147,237	(8,389,877)	113,922,814
Net assets per share	$ 16.10	$ 15.00		$ 16.65

(1) See notes to pro forma financial statements for explanations of Pro Forma Adjustments.

See notes to pro forma condensed consolidated financial statements.

THE MERGER

The discussion in this joint proxy statement/prospectus, which includes the material terms of the Merger and the principal terms of the Merger Agreement, is subject to, and is qualified in its entirety by reference to, the Merger Agreement, a copy of which is attached as Annex B to this joint proxy statement/prospectus.

General Description of the Merger

Pursuant to the terms of the Merger Agreement, at the Effective Time, Merger Sub will be merged with and into GCIC. GCIC will be the surviving company and will continue its existence as a corporation under the laws of the State of Maryland. As of the Effective Time, the separate corporate existence of Merger Sub will cease. Immediately after the occurrence of the Effective Time, in the Subsequent Combination, the surviving company will merge with and into GBDC in accordance with the MGCL and the DGCL, with GBDC as the surviving entity.

If the Merger is consummated, each GCIC stockholder will be entitled to receive 0.865 shares of GBDC Common Stock (the "Exchange Ratio") for each share of GCIC Common Stock. The number of shares of GBDC Common Stock to be received will be subject to adjustment only if, between the date of the Merger Agreement and the effective time of the Merger, the respective outstanding shares of GBDC Common Stock or GCIC Common Stock have increased or decreased or changed into or been exchanged for a different number or kind of shares or securities, in each case, as a result of any reclassification, recapitalization, stock split, reverse stock split, split-up, combination or exchange of shares, or if a stock dividend or dividend payable in any other securities is declared with a record date within such period.

Following the Merger, GBDC intends to continue its operations as conducted before the Merger.

Background of the Merger

In connection with the private placement of its securities, GCIC disclosed to its investors that it intended to seek a Liquidity Event (as defined below) within three to four years of the commencement of its operations on December 31, 2014 and that if it had not consummated a Liquidity Event within six years of the commencement of operations, the GCIC Board (to the extent consistent with its fiduciary duties and subject to any necessary stockholder approvals and applicable requirements of the 1940 Act) would use its commercially reasonable efforts to wind down or liquidate and dissolve GCIC or to consummate a strategic sale to a third party.

GCIC defined a "Liquidity Event" as any of the following: (1) an initial public offering of GCIC Common Stock or the listing of GCIC Common Stock on a national securities exchange, (2) a distribution to GCIC stockholders of either (a) cash proceeds from an orderly liquidation of GCIC's investments or (b) securities or other assets of GCIC's as a distribution-in-kind, or (3) a sale of some or all of GCIC's assets to, or other liquidity event with, an entity for consideration of either cash and/or publicly listed securities of the acquirer, which potential acquirers may include other business development companies, including business development companies affiliated with GC Advisors, and entities that are not business development companies.

The GBDC Board regularly reviews the long-term strategic plan of GBDC with the goal of maximizing stockholder value. As part of that review and the GBDC Board's regular ongoing evaluation of business opportunities, from time to time, the GBDC Board has considered and engaged in discussions concerning possible strategic transactions available to GBDC, such as mergers, acquisitions, joint ventures and other similar transactions.

On May 4, 2018, the GCIC Board held a regularly scheduled meeting at which management of GCIC discussed the various alternatives for a Liquidity Event as well as the approvals required for each type of Liquidity Event. Representatives from Dechert LLP ("Dechert"), counsel to GCIC, GBDC, and GC Advisors, and Blank Rome LLP ("Blank Rome"), independent counsel to the GCIC Independent Directors and the GBDC Independent Directors, were present at the meeting and responded to questions raised. The GCIC Board discussed the various alternatives available for a Liquidity Event. Following the May 4, 2018 meeting, management of GCIC, on behalf of the GCIC Independent Directors, engaged in discussions with various investment banks, including UBS Securities LLC ("UBS"), to potentially serve as a financial advisor to the GCIC Independent Directors in connection with the evaluation of the various alternatives for a Liquidity Event.

On August 7, 2018, the GCIC Board held a regularly scheduled meeting. At the meeting, representatives of UBS presented to the GCIC Independent Directors regarding its credentials in advisory work and discussed the various alternatives available for a Liquidity Event for GCIC, including considerations of the advantages and disadvantages of each alternative. Representatives of Dechert and Blank Rome were present at the meeting and, along with the representatives from UBS, discussed the Liquidity Event alternatives with the GCIC directors and responded to questions. After evaluating the qualifications of UBS, including its relationships with relevant parties, the GCIC Independent Directors authorized the officers of GCIC as well as the personnel of GC Advisors to negotiate the engagement of UBS as a financial advisor to the GCIC Independent Directors. Subsequent to the meeting, UBS was retained to act as the financial advisor to the GCIC Independent Directors.

On October 18, 2018, the GCIC Board and GBDC Board each held a special meeting. Representatives of GC Advisors, Dechert, and Blank Rome were also in attendance. At its meeting, the GCIC Independent Directors received a presentation from representatives of UBS regarding various alternatives for a Liquidity Event, including a merger with GBDC. Following the presentation, the GCIC Independent Directors met in executive session with Blank Rome to discuss the information presented. At the meeting, the GCIC Independent Directors directed the representatives of UBS to provide further analysis and guidance regarding a Liquidity Event consisting of a merger with GBDC. Following this determination by the GCIC Independent Directors, the GBDC Board and the GBDC Independent Directors discussed a merger with GCIC as well as the engagement of a financial advisor to the GBDC Independent Directors. A representative of KBW reviewed KBW’s experience regarding advisory work to business development companies. After evaluating the qualifications of KBW, including whether KBW had relationships with relevant parties, the GBDC Independent Directors authorized the officers of GBDC as well as the personnel of GC Advisors to negotiate the engagement of KBW as a financial advisor to the GBDC Independent Directors (in their collective capacity as such). Subsequent to the meeting, KBW was retained to act as the financial advisor to the GBDC Independent Directors (in their collective capacity as such). At the meeting, the GBDC Board and the GCIC Board identified and discussed potential conflicts of interests related to a merger of GCIC and GBDC. In addition, representatives of Dechert reviewed with the members of the GBDC Board and the GCIC Board the fiduciary duties and statutory standards of conduct applicable to them as directors, as well as regulatory, tax and corporate matters relevant to a merger of GCIC and GBDC.

On November 16, 2018, the GCIC Board and GBDC Board each held a special meeting. In addition, the GCIC Independent Directors and GBDC Independent Directors each met separately. Representatives of GC Advisors, Dechert, and Blank Rome were also in attendance, along with representatives from UBS and KBW, at various times.

At its meeting, the GCIC Independent Directors and representatives of UBS reviewed, among other things, the various Liquidity Event alternatives and discussed recent market developments that provided further information regarding the potential benefits and considerations of the Liquidity Event alternatives. Representatives of UBS reviewed with the GCIC Independent Directors its preliminary transaction analysis of the Initial Merger. Representatives of UBS discussed various ranges of exchange ratios at which a transaction could provide a premium to GCIC stockholders. In its analysis, UBS noted that the proposed premiums to GCIC stockholders at the various ratios within the ranges presented a higher premium as compared to other possible Liquidity Event alternatives while also providing the potential for future value creation for GCIC stockholders based on the potential trading price and liquidity of the combined company. A potential special distribution by GBDC to its stockholders prior to the closing of the Merger was also discussed, including, among other things, the impact the special distribution would have on the analysis of the transaction. Representatives of UBS discussed with the GCIC Independent Directors the use of a fixed or a floating exchange ratio and the various benefits and considerations of each, noting, among other things, that one possible benefit of a fixed exchange ratio would be to permit GCIC stockholders to benefit from any possible share price appreciation of GBDC Common Stock between announcement and closing of the Merger. Representatives of UBS also discussed potential synergies of the combined company. Representatives of UBS, along with representatives of GC Advisors, Dechert, and Blank Rome responded to questions raised by the GCIC Independent Directors. Following the presentation by UBS, the representatives of UBS left the meeting.

Also at the meeting, the GBDC Board and the GBDC Independent Directors reviewed with KBW information regarding, among other things, the transaction rationale and investment highlights for the potential merger with GCIC, considerations regarding the exchange ratio, considerations regarding transaction structure and process and liquidity considerations. KBW discussed the potential that a merger with GCIC could provide NAV accretion to GBDC at a range of exchange ratios and, given the trading history of GBDC Common Stock, could potentially provide additional value to GBDC stockholders. Various advantages that could accrue to GBDC were also discussed, including the potential for improved trading liquidity, broader analyst coverage and additional institutional investor interest in a larger company following closing of the Merger. KBW discussed the overlap in investments between the GCIC portfolio and the GBDC portfolio and the advantages to GBDC from the acquisition of a known, diversified portfolio of assets. KBW compared the acquisition of assets in a merger with GCIC to other alternatives, including a follow-on public offering of GBDC Common Stock similar to GBDC’s prior practice. KBW noted, among other things, that such a public offering would likely be effected at a discount to the current trading price of GBDC Common Stock and that the cash received in a public offering would need to be invested in new portfolio company investments which would not be known at the time of closing of the offering. On the other hand, a merger with GCIC would provide for the immediate acquisition of a known portfolio of investments, providing immediate investment returns as opposed to the lower yields that would be expected from temporary investments made by GBDC following a follow-on public offering until longer-term investments could be found. KBW then reviewed various potential exchange ratios and also discussed potential benefits and other considerations of a fixed exchange ratio as compared to a floating exchange ratio, noting that a fixed exchange ratio could help establish a fixed accretion to GBDC NAV upon closing of a Merger. The KBW representatives discussed the potential impact of any special distributions declared by GBDC prior to consummation of the Merger on the combined company. KBW, along with representatives of GC Advisors, Dechert and Blank Rome, responded to questions from the GBDC Independent Directors regarding the information presented.

In advance of the November 16, 2018 board meetings, a draft of the Merger Agreement had been circulated to the GBDC Board and the GCIC Board, which draft agreement included input from Blank Rome with respect to its structure and content. At the meetings, representatives of Dechert reviewed material provisions of the draft Merger Agreement with the GBDC Board and the GCIC Board and responded to questions from the GBDC Independent Directors and the GCIC Independent Directors. The GCIC Independent Directors met in executive session with Blank Rome to discuss the draft Merger Agreement.

In addition, the GBDC Board discussed with management the accounting treatment that would be applicable to the Merger and the consequences of the asset acquisition method of accounting on both the financial statements of GBDC after closing of the Merger as well as the incentive fees payable to GC Advisors under the Current GBDC Investment Advisory Agreement. It was noted that the asset acquisition method of accounting was not expected to have any tax consequences for the GBDC stockholders or GCIC stockholders as the Merger would still be considered a “reorganization” under the Code. However, the GBDC Independent Directors discussed with management that a premium paid for the acquisition of another BDC in a merger, such as the Merger would, immediately following closing of the Merger, create unrealized depreciation for GBDC because GBDC would be required write down the former GCIC assets to their fair value. The effects of this unrealized depreciation and subsequent realized loss upon the disposition of the GCIC assets acquired, with a corresponding reversal of the unrealized depreciation, resulting from the asset acquisition method of accounting on GBDC were discussed. In addition, GC Advisors presented to the GBDC Board regarding a potential revision to the Current GBDC Investment Advisory Agreement. The proposed amendments would not change the management or incentive fee rates but would seek to (i) exclude any amounts resulting solely from the purchase accounting for any premium or discount paid for the acquisition of assets in a merger, including the Merger, from amounts subject to the incentive fees and incentive fee cap and (ii) convert the cumulative incentive fee cap to a per share calculation to adjust the calculation for the much larger combined company. At the request of the GBDC Board, GC Advisors agreed to present the proposed amendment and provide additional information to be requested by the GBDC Board at the next meeting of the GBDC Board. GC Advisors responded to questions from the GBDC Independent Directors regarding the information presented.

Subsequent to the November 16, 2018 meetings, the GBDC Independent Directors and the GCIC Independent Directors communicated separately with Blank Rome regarding various matters related to the Merger, including the potential exchange ratio and provisions of the Merger Agreement. The GBDC Independent Directors and GCIC Independent Directors considered a range of exchange ratios that they believe would be acceptable with respect to each of GBDC and GCIC, respectively. The overlap of these acceptable ranges in terms of premium to GCIC’s NAV as of September 30, 2018 ranged from a 5% premium to a 7.5% premium. The GBDC Independent Directors and the GCIC Independent Directors considered the benefits of the transaction to each of GBDC and GCIC and determined to instruct their respective financial advisors to consider an exchange ratio corresponding to a 6.25% premium to GCIC’s NAV as of September 30, 2018, with the premium adjusted to 7.05% to reflect a potential $0.12 per share special distribution to be declared by GBDC’s Board but not paid until after establishing the exchange ratio.

Based on these conversations, each of the GBDC Independent Directors and the GCIC Independent Directors provided instructions to their respective financial advisors regarding a proposed exchange ratio corresponding to a 7.05% premium to GCIC's NAV as of September 30, 2018 for purposes of the opinions to be rendered by the financial advisors. In addition, Blank Rome provided additional comments from the GCIC Independent Directors and the GBDC Independent Directors to Dechert to be incorporated into a revised draft of the Merger Agreement. Venable LLP provided comments with respect to Maryland law matters as well. The comments received were incorporated into a revised draft of the Merger Agreement and circulated to all of the members of the GBDC Board and GCIC Board in advance of the meetings on November 27, 2018.

On November 27, 2018, each of the GCIC Board and the GBDC Board held a regularly scheduled meeting. In addition, the GCIC Independent Directors and the GBDC Independent Directors each met separately. Representatives of GC Advisors, Dechert, and Blank Rome were also in attendance, along with representatives from UBS for the GCIC Board meeting and representatives of KBW for the GBDC meeting. At the various meetings, representatives of Dechert reviewed with the GCIC Independent Directors and the GBDC Independent Directors the revised draft of the Merger Agreement that had been circulated prior to the meeting and its material provisions and also reviewed with the directors their fiduciary duties and statutory standards of conduct as directors, the requirements of Rule 17a-8 of the 1940 Act, and tax, regulatory, and corporate matters.

The GBDC Board received a presentation from GC Advisors regarding the materials provided prior to the meeting with respect to the New Investment Advisory Agreement. The GBDC Board, including each of the GBDC Independent Directors, voted unanimously to approve the New Investment Advisory Agreement to take effect, subject to receipt of GBDC stockholder approval, upon the closing of the Merger. See “GBDC Proposal 3: Approval of Advisory Agreement Amendment Proposal—GBDC Board Approval of the New Investment Advisory Agreement” for a description of the information considered by the GBDC Board in approving the New Investment Advisory Agreement.

Representatives of UBS joined the meeting of the GCIC Board and the GCIC Independent Directors to review certain financial aspects of the potential merger with the GCIC Independent Directors. The GCIC Independent Directors met in executive session with representatives of UBS and Blank Rome to discuss UBS’ analyses and the proposed exchange ratio. Following the executive session, UBS rendered an oral opinion to the GCIC Independent Directors and the GCIC Board (in their capacity as such) as to the fairness of the Exchange Ratio from a financial point of view, to the holders of GCIC Common Stock (other than any shares held by GBDC or any of its consolidated subsidiaries) subsequently confirmed by delivery of a written opinion, as more fully described in the section entitled “—Opinion of the Financial Advisor to the GCIC Independent Directors” beginning on page 127. Following a discussion of the foregoing matters and other matters presented, the GCIC Independent Directors determined that the Merger Agreement, the Initial Merger and the other transactions contemplated by the Merger Agreement are advisable and in the best interests of GCIC and recommended the Initial Merger to the GCIC Board. Thereafter, based in part upon the unanimous recommendations of the GCIC Independent Directors, the GCIC Board, including the GCIC Independent Directors, unanimously (1) determined that the Merger Agreement, the Initial Merger and the other transactions contemplated by the Merger Agreement are advisable and in the best interests of GCIC, (2) approved and adopted the Merger Agreement, (3) approved the Initial Merger and the other transactions contemplated by the Merger Agreement and

(4) determined that the Merger would satisfy the requirements of Rule 17a-8 under the 1940 Act. The GCIC Board then directed that such matters be submitted to GCIC stockholders for approval and recommended that GCIC stockholders vote to approve the same.

Also at the November 27, 2018 meeting, after the representatives of UBS left the meeting, KBW joined the meeting of the GBDC Board and the GBDC Independent Directors to review certain financial aspects of the potential merger with the GBDC Independent Directors. The GBDC Independent Directors met in executive session with KBW and Blank Rome to discuss KBW's analyses and the proposed Exchange Ratio, and KBW rendered an opinion to the GBDC Independent Directors, acting collectively, and, at the request of the GBDC Independent Directors, the GBDC Board (in its capacity as such), which opinion was initially rendered orally and subsequently confirmed by delivery of a written opinion, to the effect that, as of such date and subject to the procedures followed, assumptions made, matters considered, and qualifications and limitations on the review undertaken by KBW as set forth in such opinion, the Exchange Ratio was fair, from a financial point of view, to GBDC, as more fully described in the section entitled "—Opinion of the Financial Advisor to the GBDC Independent Directors" beginning on page 119. Following a discussion of the foregoing matters, the GBDC Independent Directors determined that the Merger Agreement, the Merger and the other transactions contemplated by the Merger Agreement are advisable and in the best interests of GBDC and recommended the Merger to the GBDC Board. Thereafter, based in part upon the unanimous recommendation of the GBDC Independent Directors, the GBDC Board unanimously (1) approved and adopted the Merger Agreement, (2) approved the Merger upon the terms and subject to the conditions set forth in the Merger Agreement, (3) determined that the Merger would satisfy the requirements of Rule 17a-8 under the 1940 Act, and (4) approved the issuance by GBDC of shares of GBDC Common Stock in connection with the Merger. The GBDC Board then directed that such matters be submitted to GBDC stockholders for approval and recommended that GBDC stockholders vote to approve them.

Following the November 27, 2018 meetings of the GBDC Board and the GCIC Board, GBDC, GCIC, Merger Sub, GC Advisors and Golub Capital LLC executed and delivered the Merger Agreement. GBDC and GCIC issued a press release announcing the execution of the Merger Agreement on Wednesday, November 28, 2018.

Reasons for the Merger

GBDC

At various telephonic and in-person Board meetings, the GBDC Board, including each of the GBDC Independent Directors, considered the approval of the Merger with GCIC, including the Merger Agreement and the New Investment Advisory Agreement. In connection with its consideration, the GBDC Independent Directors requested and GC Advisors provided information regarding the proposed Merger, GCIC, and the anticipated effects of the Merger on GBDC and its stockholders, both immediately after the Merger and over the longer-term assuming that some portion of the anticipated benefits of the Merger are realized. The GBDC Board also considered the effect of the New Investment Advisory Agreement on the combined company following the closing of the Merger as well as the effect of the Merger on the Current GBDC Investment Advisory Agreement if no changes were approved. Over the course of its review of the materials and information provided and its consideration of the Merger and the New Investment Advisory Agreement, the GBDC Board, including each of the GBDC Independent Directors, consulted with GBDC’s management, GC Advisors and GBDC’s legal advisors. In addition, the GBDC Independent Directors were advised by Blank Rome, their independent legal counsel under the 1940 Act, and by KBW, their financial advisor. The GBDC Board considered the nature and adequacy of the information provided, including the terms of the Merger Agreement and their duties under state and federal law in approving the Merger and conflicts of interest present in the transactions provided for in the Merger Agreement. The GBDC Board considered numerous factors, including the ones described below, in connection with its consideration and approval of the Merger. On November 27, 2018, the GBDC Board, including all of the GBDC Independent Directors, unanimously determined that (i) the Merger is in the best interests of GBDC and in the best interests of GBDC’s stockholders, and that GBDC stockholders will not suffer any dilution for purposes of Rule 17a-8 of the 1940 Act as a result of the Merger and (ii) that the New Investment Advisory Agreement should be approved and submitted to the GBDC stockholders for approval.

In considering the Merger, the GBDC Board, with the participation throughout of the GBDC Independent Directors, reviewed comparative information about GBDC and GCIC including, among other items: (1) their investment goals, strategies, policies and restrictions; (2) their individual holdings and the quality of such holdings, including, in particular, the holdings of GCIC that were not currently held by GBDC; (3) their valuation policies and procedures; (4) their existing leverage facilities; (5) their short-term and long-term investment performance history and financial results; (6) the amount of past dividends and distributions and the anticipated effect of the Merger on future GBDC earnings and distributions; (7) the current and historical premium at which GBDC trades; and (8) their respective investment advisory agreements and expense ratios. In addition, the GBDC Board, including each of the GBDC Independent Directors, reviewed comprehensive information regarding the anticipated immediate benefits and possible risks to GBDC as a result of the Merger, and the anticipated investment, market and financial synergies to be experienced by the combined company over the shorter and longer-term. The GBDC Board also considered the impact of the changes to the calculation of incentive fees and the incentive fee cap under the New Investment Advisory Agreement on the combined company. See "GBDC Proposal 3: Approval of Advisory Agreement Amendment Proposal—GBDC Board Approval of the New Investment Advisory Agreement" for a description of the information considered by the GBDC Board in approving the New Investment Advisory Agreement. With respect to the potential financial impacts to GBDC as a result of the Merger, the GBDC Board also considered information and analysis from KBW, the financial advisor engaged by the GBDC Independent Directors to provide financial advisory and investment banking services to the GBDC Independent Directors, including an opinion to the GBDC Independent Directors and, at the request of the GBDC Independent Directors, the GBDC Board regarding the fairness, from a financial point of view, to GBDC of the Exchange Ratio.

The GBDC Board and all of the GBDC Independent Directors, separately as a group, weighed various benefits and risks in considering the Merger, both with respect to the immediate effects of the Merger on GBDC and its stockholders and with respect to the potential benefits that could be experienced by the combined company after the Merger. Some of the material factors considered by the GBDC Board, including the GBDC Independent Directors, that assisted it in concluding that the Merger is in the best interests of GBDC and its stockholders included, among others:

Accretive to GBDC NAV per share at Closing. The GBDC Board and all of the GBDC Independent Directors, separately as a group, considered that the Merger would be accretive to stand-alone NAV of GBDC under a range of premiums due to the fact that GBDC shares would be issued at a premium to its NAV based on its current trading price and NAV per share as of September 30, 2018. The GBDC Board noted that the NAV accretion would be locked in under a fixed exchange ratio structure. The GBDC Board and the GBDC Independent Directors considered that the Merger Agreement included a condition to closing that, as of a determination date that is within 48 hours (excluding Sundays and holidays) prior to the closing of the Merger, both (a) the value of the consideration paid by GBDC, measured as the product of the Exchange Ratio and the greater of the closing market price and the NAV per share of GBDC Common Stock, is greater than or equal to the NAV per share of GCIC Common Stock and (b) the product of the Exchange Ratio and the NAV per share of the GBDC Common Stock is less than or equal to the NAV per share of the GCIC Common Stock.

Value Creation from GBDC NAV per share accretion. The GBDC Board and all of the GBDC Independent Directors, separately as a group, considered GBDC's historical trading history noting that it had consistently traded at an average premium to NAV of 15% over the preceding three years. As a result, given the NAV accretion expected at closing, the GBDC Board considered the potential for future share price accretion resulting from GBDC continuing to trade at a premium similar to its historical trading performance at an increased NAV per share.

Increased Scale and Liquidity. The GBDC Board and all of the GBDC Independent Directors, separately as a group, considered advantages expected to accrue to the combined company as a result of its larger size. The GBDC Board noted that the combined company would be the fourth largest externally managed, publicly traded BDC based on the NAV of GBDC and GCIC as of September 30, 2018. The GBDC Board reviewed analysis that suggests that larger BDCs tend to have higher average daily trading volumes, which would give existing GBDC stockholders more flexibility to manage their investments and would be expected to attract new investors seeking a more liquid vehicle than stand-alone GBDC. The GBDC Board also considered that larger BDCs generally have broader coverage by equity research. This coverage is also expected to expand the potential stockholder base of the combined company, potentially resulting in a higher trading valuation and greater flexibility to raise opportunistic capital on attractive terms.

Acquisition of a Known, Diversified Portfolio of Assets. The GBDC Board and all of the GBDC Independent Directors, separately as a group, noted that over 95% of GCIC's investments overlap with those of GBDC. Given this overlap, the pro forma portfolio would remain similar to GBDC's stand-alone portfolio and the acquisition of GCIC at a discount to GBDC's trading price and GCIC's NAV could be seen as the acquisition of more of GBDC at a discount. The GBDC Board also considered the advantages to acquiring immediately known income-producing assets as opposed to the process of raising incremental capital in follow-on offerings, which could result in lower returns for the period after closing a follow-on offering when GBDC holds the invested cash in temporary investments pending the finding of attractive investment opportunities.

Greater Access to Long-Term, Low-Cost, Flexible Debt Capital. The GBDC Board and all of the GBDC Independent Directors, separately as a group, discussed how the combined company may have an opportunity to improve its liability profile because of better access to the securitization market than GBDC would be expected to obtain on its own. The GBDC Board noted that debt securitizations can offer advantages over traditional bank credit facilities including lower interest rates, longer reinvestment periods, longer terms and greater flexibility. The GBDC Board discussed that the size of the combined company should allow it to pursue additional securitizations and create a more flexible balance sheet.

Operational Synergies. The GBDC Board and all of the GBDC Independent Directors, separately as a group, also considered that, as a result of the Merger, certain redundant professional services and other corporate expenses would be eliminated, which would reduce the potential expenses of the combined company as compared to the sum of expenses of GBDC and GCIC on a stand-alone basis. The GBDC Board noted that, although certain one-time costs would be borne by GBDC stockholders in connection with the Merger, the annual operating expense borne by GBDC stockholders on a pro rata basis is expected to be reduced as a percentage of net assets due to the elimination of redundant expenses. The GBDC Board found that the expected decrease in the expenses of the combined entity would benefit GBDC and its stockholders if the Merger is approved.

Investment Strategies and Risks. The GBDC Board and all of the GBDC Independent Directors, separately as a group, reviewed both GBDC's and GCIC's investment program and noted that they have identical investment objectives and substantially similar strategies and risks and that each focuses on primarily investing in one stop and other senior secured loans of U.S. middle-market companies. The GBDC Board and all of the GBDC Independent Directors, separately as a group, took into consideration that GBDC and GCIC are each managed by GC Advisors and, after the merger, the investment experience of GBDC stockholders would likely be comparable in the combined entity.

Tax Consequences. The GBDC Board and all of the GBDC Independent Directors, separately as a group, considered that the Merger is anticipated to be treated as a tax-free reorganization for federal income tax purposes and GBDC stockholders are not expected to recognize any gain or loss for U.S. federal income tax purposes as a result of the Merger.

Opinion of Financial Advisor. The GBDC Board considered an opinion, dated November 27, 2018, of KBW to the GBDC Independent Directors, acting collectively, and, at the request of the GBDC Independent Directors, the GBDC Board as to the fairness, from a financial point of view and as of the date of the opinion, to GBDC of the Exchange Ratio in the proposed Initial Merger, as more fully described below in the section entitled "—Opinion of the Financial Advisor to the GBDC Independent Directors."

Other Considerations. In addition, the GBDC Board and all of the GBDC Independent Directors, separately as a group, considered that the Merger Agreement provides that GCIC will be required to pay a termination fee to GBDC, and GBDC will be required to pay a termination fee to GCIC, in certain circumstances if the Merger is not completed. In addition, the GBDC Board noted that the Merger is not expected to affect the ability of GBDC to comply with its regulatory obligations, including its ability to maintain appropriate leverage and continue to operate in compliance with the asset coverage requirements set forth in the 1940 Act and to pay dividends required of RICs.

The GBDC Board and the GBDC Independent Directors also considered the incentive fees that would be payable to GC Advisors upon termination of the GCIC Investment Advisory Agreement immediately after closing of the Initial Merger based on GCIC's financial statements as of September 30, 2018. The Initial Merger results in the effective sale of GCIC and all of its assets and liabilities to GBDC and the Merger Agreement provides for the termination of the GCIC Investment Advisory Agreement, which would require a final calculation of the capital gain incentive fee as of the termination date. The final calculation of the capital gain incentive fee will treat all of GCIC's investments as being sold at their respective fair values on the date immediately preceding the closing of the Merger. Assuming the Initial Merger had been completed on September 30, 2018, GCIC would have a payment to GC Advisors of a Capital Gain Incentive Fee of $2.3 million pursuant to the GCIC Investment Advisory Agreement upon its termination immediately following the closing of the Initial Merger. The premium to NAV paid for the shares of GCIC Common Stock in the Merger would also require GCIC to pay a Subordinated Liquidation Incentive Fee to GC Advisors in the amount of $6.6 million as a result of the purchase premium paid by GBDC based on the closing market price of GBDC Common Stock on November 26, 2018, the last trading day prior to execution of the Merger Agreement.

When considering the information described above, including all of the anticipated effects of the Merger on GBDC and its stockholders and the related pro forma information, the GBDC Board noted that information based on projections and assumptions may be incorrect, is subject to change, and may fluctuate over time. The GBDC Board acknowledged that the pro forma information and the projections and assumptions on which the potential expenses, earnings, yield, dividend and trading price information is based depends on many factors and variables, including among other things, asset mix, the performance of individual investments, changing cost of service providers, portfolio turnover level, leverage, the cost of leverage, changes in interest rates and general market conditions. The GBDC Board noted that there is no assurance that any of the potential benefits to GBDC or its stockholders as a result of the Merger will be realized, including any anticipated synergies, and that the combined entity could experience detrimental effects that had not been anticipated.

In the course of its deliberations, the GBDC Board and all of the GBDC Independent Directors, separately as a group, also considered a variety of risks and other potentially negative factors, including the following (which are not in any relative order of importance):

- *Failure to Close*. It is possible that the Merger may not be completed or that completion may be unduly delayed for reasons beyond the control of GCIC or GBDC.

- *Management Diversion*. It is possible that the attention of management may be diverted during the period prior to completion of the Merger, which may adversely affect GBDC's business.

- *Restrictions on Conduct of Business*. The restrictions on the conduct of GBDC's business prior to completion of the Merger, requiring GBDC to conduct its business only in the ordinary course of business in all material respects, subject to specific limitations, could delay or prevent GBDC from undertaking business opportunities that may arise pending completion of the Merger.

- *Restrictions on Superior Proposals*. The Merger Agreement includes restrictions on the ability of GBDC to solicit proposals for alternative transactions or engage in discussions regarding such proposals, subject to exceptions and termination provisions, which in some cases requires payment of a termination fee by GBDC (as more fully described in the section entitled "Description of the Merger Agreement—Additional Agreements" beginning on page 134), which could have the effect of discouraging such proposals from being made or pursued.

- *Termination Fee*. If the Merger is not completed, GBDC may be required to pay a termination fee equal to $29 million to GCIC in certain circumstances.

- *Fees Associated with the Merger*. In general, GBDC will be responsible for the expenses incurred by GBDC in connection with the Merger and the completion of the transactions contemplated by the Merger Agreement, whether or not the Merger is consummated, including half of the costs and expenses of any filing and other fees payable by GBDC to the SEC in connection with the Merger.

- *Absence of Appraisal Rights*. GBDC stockholders are not entitled to appraisal rights under Delaware law.

- *Other Risks*. There are various other risks associated with the Merger and the business of GBDC and the combined company described in the section entitled "Risk Factors" beginning on page 19 and in the section entitled "Special Note Regarding Forward-Looking Statements" beginning on page 63.

This discussion of the information and factors that the GBDC Board considered in making its decision is not intended to be exhaustive, but includes the material factors considered by the GBDC Board. Because of the wide variety of factors considered in connection with its evaluation of the Merger and Merger Agreement and the complexity of those matters, the GBDC Board did not find it useful to, and did not attempt to, quantify, rank or otherwise assign relative weights to these factors. In addition, the individual members of the GBDC Board may have given different weights to different factors.

The GBDC Independent Directors consulted with KBW, as its financial advisor, in evaluating the financial terms of the Merger. In addition, the GBDC Board relied on its legal advisors for legal analysis in connection with the Merger transaction.

The GBDC Board and the GBDC Independent Directors considered all of these factors and others as a whole and, on balance, determined the Merger to be in the best interests of GBDC and GBDC's stockholders and unanimously approved the Merger and the Merger Agreement.

GCIC

At various telephonic and in-person Board meetings, the GCIC Board, including the GCIC Independent Directors, considered various alternatives for a Liquidity Event. Each of the GCIC Board and the GCIC Independent Directors (in their capacity as such) sought to complete a careful, methodical process to evaluate potential Liquidity Event options by evaluating, among other things, (a) the value created through each Liquidity Event transaction, (b) the incremental value created through potential share price appreciation following the closing of a Liquidity Event and (c) the degree of liquidity provided by each Liquidity Event alternative in order to make an overall assessment of the value to GCIC stockholders of each Liquidity Event considered. In connection with its consideration of the Merger, the GCIC Independent Directors requested and GC Advisors provided information regarding the proposed Merger, GBDC, and the anticipated effects of the Merger on GCIC and its stockholders, both immediately after the Merger and over the longer-term assuming that some portion of the anticipated benefits of the Merger are realized. The GCIC Board also considered the effect of the New Investment Advisory Agreement on the combined company following the closing of the Merger. Over the course of its review of the materials and information provided and its consideration of the Merger, the GCIC Board, including the GCIC Independent Directors as a group, consulted with GCIC's management, GC Advisors and GCIC's legal and financial advisors. In addition, the GCIC Independent Directors were advised by Blank Rome, their independent legal counsel under the 1940 Act, and UBS, their independent financial advisor. The GCIC Board and the GCIC Independent Directors as a group considered the nature and adequacy of the information provided, including the terms of the Merger Agreement and their duties and statutory standards of conduct under state and federal law in approving the Merger and the conflicts of interest presented by the transactions provided for in the Merger Agreement. The GCIC Board considered numerous factors, including the ones described below, in connection with its consideration and approval of the Merger. On November 27, 2018, the GCIC Board, including all of the GCIC Independent Directors as to the Initial Merger, unanimously determined that the Merger is in the best interests of GCIC and in the best interests of GCIC's stockholders, and that GCIC stockholders will not suffer any dilution for purposes of Rule 17a-8 of the 1940 Act as a result of the Merger.

In considering the Merger, the GCIC Board, with the participation throughout of the GCIC Independent Directors as a group, reviewed comparative information about GBDC and GCIC including, among other items: (1) their investment goals, strategies, policies and restrictions; (2) their individual holdings and the quality of such holdings, including, in particular, where such holdings differed between the companies; (3) their valuation policies and procedures; (4) their existing leverage facilities; (5) their short-term and long-term investment performance history and financial results; (6) the amount of past dividends and distributions and the anticipated effect of the Merger on future earnings and distributions by GBDC; (7) the current and historical premium at which GBDC trades; and (8) their respective investment advisory agreements and expense ratios. In addition, the GCIC Board, including the GCIC Independent Directors as a group, reviewed comprehensive information regarding the anticipated immediate benefits and possible risks to each of GBDC and GCIC as a result of the Merger, the anticipated investment, market and financial synergies to be experienced by the combined company over the shorter and longer-term, and the changes to the calculation of incentive fees and the incentive fee cap under the New Investment Advisory Agreement on the combined company. With respect to the potential impacts to GCIC and its stockholders as a result of the Merger, each of the GCIC Board and the GCIC Independent Directors also considered information and analysis from UBS, the financial advisor engaged by the GCIC Independent Directors to provide an opinion to the GCIC Board regarding the fairness of the Exchange Ratio with respect to the Initial Merger.

The GCIC Board and the GCIC Independent Directors, separately as a group, weighed various benefits and risks in considering the Initial Merger, both with respect to the immediate effects of the Merger on GCIC and its stockholders and with respect to the potential benefits that could be experienced by the combined company after the Merger. Some of the material factors considered by the GCIC Board, including the GCIC Independent Directors as a group with respect to the Initial Merger, that assisted it in concluding that the Merger is in the best interests of GCIC and its stockholders included, among others:

Premium to GCIC's NAV per share. The GCIC Board and the GCIC Independent Directors, separately as a group, considered that the Merger Consideration would be in the form of a fixed exchange ratio reflecting a premium to GCIC's NAV per share based on the trading price of GBDC Common Stock immediately prior to announcement of the Merger. The GCIC Board and the GCIC Independent Directors considered that the Merger Agreement included a condition to closing that, as of a determination date that is within 48 hours (excluding Sundays and holidays) prior to the closing of the Merger, both (a) the value of the consideration paid by GBDC, measured as the product of the Exchange Ratio and the greater of the closing market price and the NAV per share of GBDC Common Stock, is greater than or equal to the NAV per share of GCIC Common Stock and (b) the product of the Exchange Ratio and the NAV per share of the GBDC Common Stock is less than or equal to the NAV per share of the GCIC Common Stock.

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Incremental Value from Accretion to GBDC's NAV per share. The GCIC Board and the GCIC Independent Directors, separately as a group, considered that the GBDC Common Stock has historically traded at a premium to its NAV per share and that the Merger was expected to be accretive to GBDC's NAV per share on the closing of the Merger. The GCIC Board and the GCIC Independent Directors, separately as a group, discussed how GCIC stockholders could benefit from further increases in GBDC's trading price following closing of the Merger if GBDC's share price were to increase to match the premium to NAV per share at which it has historically traded.

Increased Scale and Liquidity. The GCIC Board and the GCIC Independent Directors, separately as a group, considered that the Merger would provide liquidity for the GCIC stockholders as GCIC Common Stock was not currently traded and transfers were restricted by the terms of the subscription agreements executed by GCIC stockholders. In the Merger, GCIC stockholders would receive publicly traded GBDC Common Stock. Additionally, incorporating the assets of GCIC as a result of the Merger would increase GBDC's market capitalization and make it the fourth largest externally managed BDC based on the NAV of GBDC and GCIC as of September 30, 2018. The GCIC Board and the GCIC Independent Directors, separately as a group, considered that the larger size of the combined company creates the potential for greater secondary market liquidity for GBDC Common Stock, which would inure to the benefit of former GCIC stockholders upon their becoming holders of GBDC Common Stock in the Merger. The GCIC Board noted that GBDC's increased profile could result in additional market coverage of GBDC by financial analysts and, potentially, an increased focus by current and potential investors on the combined company, including institutional investors.

Merger with a Known, Diversified Portfolio of Assets. The GCIC Board and the GCIC Independent Directors, separately as a group, noted that the pro forma portfolio of the combined company would remain similar to GCIC's stand-alone portfolio given significant overlap between the current GCIC and GBDC portfolios.

Greater Access to Long-Term, Low-Cost, Flexible Debt Capital. The GCIC Board and the GCIC Independent Directors, separately as a group, considered that GBDC and GCIC have comparable funding structures and available borrowing capacity. The larger scale of the combined company could enhance GBDC's capacity to use securitizations to reduce funding costs and improve flexibility relative to bank facilities. The GCIC Board and the GCIC Independent Directors, separately as a group, discussed how the combined company may have an opportunity to improve its liability profile because of better access to the securitization market than GCIC would be expected to obtain on its own. The GCIC Board and the GCIC Independent Directors, separately as a group, noted that debt securitizations can offer advantages over traditional bank credit facilities including lower interest rates, longer reinvestment periods, longer terms and greater flexibility. The GCIC Board and the GCIC Independent Directors, separately as a group, discussed that the size of the combined company should allow it to pursue additional securitizations and create a more flexible balance sheet.

Potential for Operational Synergies. The GCIC Board and the GCIC Independent Directors, separately as a group, considered that the Merger offered the potential to create operating synergies due to the elimination of redundant professional services and other corporate expenses.

More Favorable Incentive Fee Structure. The GCIC Board and the GCIC Independent Directors, separately as a group, noted that both the Current GBDC Investment Advisory Agreement and the New Investment Advisory Agreement had a higher hurdle rate than the GCIC Investment Advisory Agreement and that the base management fee rate and incentive fee rates under the Current GBDC Investment Advisory Agreement and the New investment Advisory Agreement were the same as the existing post-liquidity event terms under the GCIC Investment Advisory Agreement. The GCIC Board and the GCIC Independent Directors, separately as a group, discussed the New Investment Advisory Agreement and the proposed change to the calculation of incentive fees and the incentive fee cap from the Current GBDC Investment Advisory to exclude any amounts resulting solely from the purchase accounting for any premium or discount paid for the acquisition of assets in a merger, such as the premium to NAV to be paid for the shares of GCIC common stock in the Merger and revise the calculation of the cap on incentive fees payable to GC Advisors into a per share calculation while maintaining the same 20% cap and look back to GBDC's initial public offering. See "GBDC Proposal 2: Approval of Advisory Agreement Amendment Proposal" for a discussion of the proposed amendments to the Current GBDC Investment Advisory Agreement.

The GCIC Board and the GCIC Independent Directors, separately as a group, also considered the incentive fees that would be payable to GC Advisors upon termination of the GCIC Investment Advisory Agreement immediately after closing of the Initial Merger based on GCIC's financial statements as of September 30, 2018. The Initial Merger results in the effective sale of GCIC and all of its assets and liabilities to GBDC and the Merger Agreement provides for the termination of the GCIC Investment Advisory Agreement, which would require a final calculation of the capital gain incentive fee as of the termination date. The final calculation of the capital gain incentive fee will treat all of GCIC's investments as being sold at their respective fair values on the date immediately preceding the closing of the Merger. Assuming the Initial Merger had been completed on September 30, 2018, GCIC would have a payment to GC Advisors of a Capital Gain Incentive Fee of $2.3 million pursuant to the GCIC Investment Advisory Agreement upon its termination immediately following the closing of the Initial Merger. The premium to NAV paid for the shares of GCIC Common Stock in the Merger would also require GCIC to pay a Subordinated Liquidation Incentive Fee to GC Advisors in the amount of $6.6 million as a result of the purchase premium paid by GBDC based on the closing market price of GBDC Common Stock on November 26, 2018, the last trading day prior to execution of the Merger Agreement.

Investment Strategies and Risks. The GCIC Board and the GCIC Independent Directors, separately as a group, reviewed both GCIC's and GBDC's investment program and noted that they have identical investment objectives and substantially similar strategies and risks and that each focuses on primarily investing in one stop and other senior secured loans of U.S. middle-market companies. The GCIC Board and the GCIC Independent Directors, separately as a group, took into consideration that GCIC and GBDC are each managed by GC Advisors and, after the Merger, GCIC stockholders would be invested in a similarly structured investment vehicle and that their investment experience would likely be comparable in the combined entity.

Continuity of GC Advisors and Management Team. The GCIC Board and the GCIC Independent Directors, separately as a group, considered that the combined company would have the same investment advisor and management team that have already been considered and approved by the GCIC Board and the GCIC Independent Directors. The GCIC Board, including the GCIC Independent Directors, separately as a group, believed that, because there would be no change in the investment advisor, the combined entity and the GCIC stockholders would receive the same quality of services from the GC Advisors as they are currently receiving and would continue to benefit from the experience and expertise of its current portfolio management and credit team. In this regard, the GCIC Board and all of the GCIC Independent Directors, separately as a group, viewed favorably the overall investment and operational performance of GC Advisors, as well as GC Advisors' demonstrated competence in evaluating and effectively arranging for Merger for the benefit of stockholders.

Tax Consequences of the Merger. It is expected that the Merger will qualify as a "reorganization" within the meaning of Section 368(a) of the Code. GCIC stockholders are not expected to recognize any gain or loss for U.S. federal income tax purposes on the exchange of shares of GCIC Common Stock for shares of GBDC Common Stock pursuant to the Merger, except with respect to cash received in lieu of fractional shares of GBDC Common Stock. GCIC stockholders will receive a distribution of their proportionate share of GCIC's undistributed net investment income and net realized gains, if any, prior to or shortly after the completion of the Merger that generally will be taxable to taxable stockholders for U.S. federal, state and local income tax purposes. This distribution may include return of capital which would generally result in a reduction in basis.

Opinion of UBS. UBS rendered an opinion to the GCIC Independent Directors as a group and the GCIC Board on November 27, 2018 as to the fairness, from a financial point of view and as of the date of the opinion, to the holders of GCIC Common Stock (other than shares of GCIC Common Stock held by GBDC or any of its consolidated subsidiaries, including Merger Sub) of the Exchange Ratio provided for in the Initial Merger, as more fully described below in the section entitled "—Opinion of the Financial Advisor to the GCIC Independent Directors."

In the course of its deliberations, the GCIC Board and the GCIC Independent Directors, separately as a group, also considered a variety of risks and other potentially negative factors, including the following (which are not in any relative order of importance):

- *Failure to Close*. It is possible that the Merger may not be completed or that completion may be unduly delayed for reasons beyond the control of GCIC or GBDC.

- *Management Diversion*. It is possible that the attention of management may be diverted during the period prior to completion of the Merger, which may adversely affect GCIC's business.

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- *Restrictions on Conduct of Business*. The restrictions on the conduct of GCIC's business prior to completion of the Merger, requiring GCIC to conduct its business only in the ordinary course of business in all material respects, subject to specific limitations, could delay or prevent GCIC from undertaking business opportunities that may arise pending completion of the Merger.

- *Restrictions on Superior Proposals*. The Merger Agreement includes restrictions on the ability of GCIC to solicit proposals for alternative transactions or engage in discussions regarding such proposals, subject to exceptions and termination provisions, which in some cases requires payment of a termination fee by GCIC (as more fully described in the section entitled "Description of the Merger Agreement—Additional Agreements" beginning on page 134), which could have the effect of discouraging such proposals from being made or pursued.

- *Termination Fee*. If the Merger is not completed, GCIC may be required to pay a termination fee equal to $29 million to GBDC in certain circumstances.

- *Fees Associated with the Merger*. In general, GCIC will be responsible for the expenses incurred by GCIC in connection with the Merger and the completion of the transactions contemplated by the Merger Agreement, whether or not the Merger is consummated, including half of the costs and expenses of any filing and other fees payable by GCIC to the SEC in connection with the Merger.

- *Absence of Appraisal Rights*. GCIC stockholders are not entitled to appraisal rights under Maryland law.

- *Other Risks*. There are various other risks associated with the Merger and the business of GCIC and the combined company described in the section entitled "Risk Factors" beginning on page 19 and in the section entitled "Special Note Regarding Forward-Looking Statements" beginning on page 63.

This discussion of the information and factors that the GCIC Board and the GCIC Independent Directors, separately as a group, considered in making its decision is not intended to be exhaustive, but includes the material factors considered by the GCIC Board and the GCIC Independent Directors, separately as a group. Because of the wide variety of factors considered in connection with its evaluation of the Merger and Merger Agreement and the complexity of those matters, the GCIC Board and the GCIC Independent Directors, separately as a group, did not find it useful to, and did not attempt to, quantify, rank or otherwise assign relative weights to these factors. In addition, the individual members of the GCIC Board may have given different weights to different factors.

The GCIC Independent Directors relied on the experience of UBS, as their financial advisor, for evaluation of the financial terms of the Merger and for its opinion to the GCIC Independent Directors as to the fairness, from a financial point of view, of the Exchange Ratio to the holders of GCIC Common Stock (other than any shares held by GBDC or any of its consolidated subsidiaries). In addition, the GCIC Board relied on its legal advisors for legal analysis in connection with the Merger transaction.

The GCIC Board and the GCIC Independent Directors, separately as a group, with respect to the Initial Merger, considered all of these factors and others as a whole and, on balance, determined the Merger to be in the best interests of GCIC and GCIC's stockholders and unanimously approved the Merger and the Merger Agreement.

GBDC Board Recommendation

The GBDC Board, including, after separate meetings and discussion, all of the GBDC Independent Directors, separately as a group, with respect to the Initial Merger, has unanimously approved (i) the Merger Agreement and related transactions, including the Merger, (ii) the issuance of shares of GBDC Common Stock pursuant to the Merger Agreement and (iii) the amendment of the Current GBDC Investment Advisory Agreement. The GBDC Board, including each of the GBDC Independent Directors, has unanimously approved the amendment to the GBDC certificate of incorporation to increase the authorized capital stock of GBDC, declared such amendment to be advisable and directed that the amendment be submitted to the stockholders of GBDC for approval at the GBDC Special Meeting. The GBDC Board, including each of the GBDC Independent Directors, unanimously recommends that GBDC stockholders vote "FOR" the Certificate of Incorporation Amendment Proposal, "FOR" the Merger Stock Issuance Proposal and "FOR" the Advisory Agreement Amendment Proposal.

GCIC Board Recommendation

The GCIC Board, including, after separate meetings and discussion, all of the Independent Directors, has unanimously approved the Merger Agreement and related transactions, including the Merger, and unanimously recommend that GCIC stockholders vote “FOR” the Merger Proposal.

Opinion of the Financial Advisor to the GBDC Independent Directors

GBDC and the GBDC Independent Directors (in their collective capacity as such) engaged KBW to render financial advisory and investment banking services to the GBDC Independent Directors, including an opinion to the GBDC Independent Directors and, as requested by the GBDC Independent Directors, the GBDC Board as to the fairness, from a financial point of view, to GBDC of the Exchange Ratio in the proposed Initial Merger. The GBDC Independent Directors selected KBW because KBW is a nationally recognized investment banking firm with substantial experience in transactions similar to the Merger. As part of its investment banking business, KBW is regularly engaged in the valuation of business development company securities in connection with mergers and acquisitions.

As part of its engagement, representatives of KBW attended the meeting of the GBDC Board held on November 27, 2018 at which the GBDC Board evaluated the proposed Merger. At this meeting, KBW reviewed the financial aspects of the proposed Merger and rendered an opinion to the effect that, as of such date and subject to the procedures followed, assumptions made, matters considered, and qualifications and limitations on the review undertaken by KBW as set forth in such opinion, the Exchange Ratio in the proposed Initial Merger was fair, from a financial point of view, to GBDC. The GBDC Board approved the Merger Agreement at this meeting.

The description of the opinion set forth herein is qualified in its entirety by reference to the full text of the opinion, which is attached as **Annex E** to this joint proxy statement/prospectus and is incorporated herein by reference, and describes the procedures followed, assumptions made, matters considered, and qualifications and limitations on the review undertaken by KBW in preparing the opinion.

KBW’s opinion speaks only as of the date of the opinion. The opinion was for the information of, and was directed to, the GBDC Independent Directors (in their collective capacity as such) and, as requested by the GBDC Independent Directors, the GBDC Board (in its capacity as such) in connection with their respective consideration of the financial terms of the transaction. The opinion addressed only the fairness, from a financial point of view, of the Exchange Ratio in the Initial Merger to GBDC. It did not address the underlying business decision of GBDC to engage in the transaction or enter into the Merger Agreement or constitute a

recommendation to the GBDC Independent Directors or the GBDC Board in connection with the transaction, and it does not constitute a recommendation to any holder of GBDC Common Stock or any stockholder of any other entity as to how to vote in connection with the transaction or any other matter, nor does it constitute a recommendation as to whether or not any such stockholder should enter into a voting, stockholders', affiliates' or other agreement with respect to the transaction or exercise any dissenters' or appraisal rights that may be available to such stockholder.

KBW's opinion was reviewed and approved by KBW's Fairness Opinion Committee in conformity with its policies and procedures established under the requirements of Rule 5150 of the Financial Industry Regulatory Authority.

In connection with the opinion, KBW reviewed, analyzed and relied upon material bearing upon the financial and operating condition of GBDC and GCIC and bearing upon the transaction, including, among other things:

- a draft of the merger agreement, dated November 27, 2018 (the most recent draft then made available to KBW);
- the audited financial statements and the Annual Reports on Form 10-K for the three fiscal years ended September 30, 2018 of GBDC;

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- the audited financial statements and the Annual Reports on Form 10-K for the three fiscal years ended September 30, 2018 of GCIC;
- certain other interim reports and other communications of GBDC and GCIC to their respective stockholders; and
- other financial information concerning the respective businesses and operations of GBDC and GCIC furnished to KBW by GBDC and GCIC or which KBW was otherwise directed to use for purposes of its analysis.

KBW's consideration of financial information and other factors that it deemed appropriate under the circumstances or relevant to its analyses included, among others, the following:

- the historical and current financial position and results of operations of GBDC and GCIC;
- the assets and liabilities of GBDC and GCIC;
- the nature and terms of certain other merger transactions and business combinations in the BDC industry;
- a comparison of certain financial and stock market information of GBDC and certain financial information of GCIC with similar information for certain other companies, the securities of which were publicly traded;
- financial and operating forecasts and projections of GCIC that were prepared by GC Advisors management (which acts as the investment adviser to both GBDC and GCIC), provided to and discussed with KBW by such management, and used and relied upon by KBW based on such discussions, at the direction of GBDC and with the consent of the GBDC Independent Directors, acting collectively;
- publicly available consensus "street estimates" of GBDC for fiscal years 2019 through 2020, as well as long-term dividend and book value value assumptions for GBDC provided to KBW by GC Advisors management, all of which information was discussed with KBW by such management and used and relied upon by KBW based on such discussions, at the direction of GBDC and with the consent of the GBDC Independent Directors, acting collectively; and
- estimates regarding certain pro forma financial effects of the transaction on GBDC (including without limitation the cost savings and related expenses expected to result or be derived from the transaction) that were prepared by GC Advisors management, provided to and discussed with KBW by such management, and used and relied upon by KBW based on such discussions, at the direction of GBDC and with the consent of the GBDC Independent Directors, acting collectively.

KBW also performed such other studies and analyses as it considered appropriate and took into account its assessment of general economic, market and financial conditions and its experience in other transactions, as well as its experience in securities valuation and knowledge of the BDC industry generally. KBW also participated in discussions with GC Advisors management regarding the past and current business operations, financial condition and future prospects of GBDC and GCIC and such other matters as KBW deemed relevant to its inquiry.

In conducting its review and arriving at its opinion, KBW relied upon and assumed the accuracy and completeness of all of the financial and other information that was provided to it or that was publicly available and did not independently verify the accuracy or completeness of any such information or assume any responsibility or liability for such verification, accuracy or completeness. KBW relied upon GC Advisors management, with the consent of GBDC and the GBDC Independent Directors, as to the reasonableness and achievability of the financial and operating forecasts and projections of GCIC, the publicly available consensus "street estimates" of GBDC, the long-term dividend and net asset value assumptions for GBDC, and the estimates regarding certain pro forma financial effects of the transaction on GBDC (including, without limitation, the cost savings and related expenses expected to result or be derived from the transaction), all as referred to above (and the assumptions and bases for all such information), and KBW assumed that all such information was reasonably prepared and represented, or in the case of the publicly available consensus "street estimates" referred to above that such estimates were consistent with, the best currently available estimates and judgments of GC Advisors management and that the forecasts, projections and estimates reflected in such information would be realized in the amounts and in the time periods estimated.

It is understood that the portion of the foregoing financial information of GBDC and GCIC that was provided to KBW was not prepared with the expectation of public disclosure and that all of the foregoing financial information, including the publicly available consensus "street estimates" of GBDC referred to above, was based on numerous variables and assumptions that are inherently uncertain (including, without limitation, factors related to general economic and competitive conditions) and, accordingly, actual results could vary significantly from those set forth in all of such information. KBW assumed, based on discussions with GC Advisors management and with the consent of the GBDC Independent Directors, acting collectively, that all such information provided a reasonable basis upon which KBW could form its opinion, and KBW expressed no view as to any such information or the assumptions or bases therefor. KBW relied on all such information without independent verification or analysis and did not in any respect assume any responsibility or liability for the accuracy or completeness thereof.

KBW also assumed that there were no material changes in the assets, liabilities, financial condition, results of operations, business or prospects of either GBDC or GCIC since the date of the last financial statements of each such entity that were made available to KBW and that KBW was directed to use. In rendering its opinion, KBW did not make or obtain any evaluations or appraisals or physical inspection of the property, assets or liabilities (contingent or otherwise) of GBDC or GCIC, the collateral securing any of such assets or liabilities, or the collectability of any such assets, nor did KBW examine any individual loan or credit files, nor did it evaluate the solvency, financial capability or fair value of GBDC or GCIC under any state or federal laws, including those relating to bankruptcy, insolvency or other matters. Estimates of values of companies and assets do not purport to be appraisals or necessarily reflect the prices at which companies or assets may actually be sold. Because such estimates are inherently subject to uncertainty, KBW assumed no responsibility or liability for their accuracy.

At GBDC's direction, KBW assumed the occurrence of anticipated issuances of GCIC Common Stock by drawdowns of capital commitments from GCIC stockholders (the "GCIC Equity Issuances"), the special distribution of $0.12 per share declared by the GBDC Board on November 27, 2018 prior to announcement of the Merger (the "GBDC Special Distribution") and the effectiveness of the New Investment Advisory Agreement for purposes of KBW's analyses. KBW assumed, in all respects material to its analyses:

- the transaction would be completed substantially in accordance with the terms set forth in the Merger Agreement (the final terms of which KBW assumed would not differ in any respect material to its analyses from the draft version of the merger agreement that was reviewed) with no adjustments to the exchange ratio and with no other consideration or payments in respect of the GCIC Common Stock;
- any related transactions (including the GCIC Equity Issuances, the GBDC Special Distribution and the effectiveness of the New Investment Advisory Agreement) would be completed substantially in accordance with the terms set forth in the Merger Agreement or as otherwise described to KBW by representatives of GBDC;
- the representations and warranties of each party in the Merger Agreement and in all related documents and instruments referred to in the Merger Agreement were true and correct;
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each party to the Merger Agreement or any of the related documents would perform all of the covenants and agreements required to be performed by such party under such documents;

- there were no factors that would delay or subject to any adverse conditions, any necessary regulatory or governmental approval for the transaction or any related transaction and all conditions to the completion of the transaction and any related transaction would be satisfied without any waivers or modifications to the merger agreement or any of the related documents; and

- in the course of obtaining the necessary regulatory, contractual, or other consents or approvals for the transaction and any related transactions, no restrictions, including any divestiture requirements, termination or other payments or amendments or modifications, would be imposed that would have a material adverse effect on the future results of operations or financial condition of GBDC, GCIC or the pro forma entity or the contemplated benefits of the transaction, including without limitation the cost savings and related expenses expected to result or be derived from the transaction.

KBW assumed that the transaction would be consummated in a manner that complied with the applicable provisions of the Securities Act, the Exchange Act, and all other applicable federal and state statutes, rules and regulations. KBW was further advised by representatives of GBDC that GBDC relied upon advice from its advisors (other than KBW) or other appropriate sources as to all legal, financial reporting, tax, accounting and regulatory matters with respect to GBDC, Merger Sub, GCIC, the transaction and any related transaction (including the GCIC Equity Issuances, the GBDC Special Distribution and the New Investment Advisory Agreement), and the Merger Agreement. KBW did not provide advice with respect to any such matters.

At the direction of the GBDC Independent Directors, acting collectively, KBW's opinion addressed only the fairness, from a financial point of view, as of the date of such opinion, of the Exchange Ratio in the Merger to GBDC. KBW expressed no view or opinion as to any other terms or aspects of the transaction or any term or aspect of any related transaction (including the GCIC Equity Issuances, the GBDC Special Distribution and the New Investment Advisory Agreement), including without limitation, the form or structure of the transaction or any such related transaction, any consequences of the transaction to GBDC, its shareholders, creditors or otherwise, or any terms, aspects, merits or implications of any employment, retention, consulting, voting, support, cooperation, shareholder or other agreements, arrangements or understandings contemplated or entered into in connection with the transaction, any such related transaction, or otherwise. KBW's opinion was necessarily based upon conditions as they existed and could be evaluated on the date of such opinion and the information made available to KBW through such date. Developments subsequent to the date of KBW's opinion may have affected, and may affect, the conclusion reached in KBW's opinion and KBW did not and does not have an obligation to update, revise or reaffirm its opinion. KBW's opinion did not address, and KBW expressed no view or opinion with respect to:

- the underlying business decision of GBDC to engage in the transaction or enter into the merger agreement;
- the relative merits of the transaction as compared to any strategic alternatives that are, have been or may be available to or contemplated by GBDC, the GBDC Board or the GBDC Independent Directors;
- any business, operational or other plans with respect to GCIC or the pro forma entity that may be currently contemplated by GBDC, the GBDC Board or the GBDC Independent Directors or that may be implemented by GBDC, the GBDC Board or the GBDC Independent Directors subsequent to the closing of the transaction;
- the fairness of the amount or nature of any compensation to any of GBDC's officers, directors or employees, or any class of such persons, relative to any compensation to the holders of GBDC Common Stock or relative to the exchange ratio;
- the effect of the transaction or any related transaction on, or the fairness of the consideration to be received by, holders of any class of securities of GBDC, Merger Sub, GCIC or any other party to any transaction contemplated by the merger agreement;
- the actual value of GBDC Common Stock to be issued in connection with the merger;
- the prices, trading range or volume at which GBDC Common Stock would trade following the public announcement of the transaction or the prices, trading range or volume at which GBDC Common Stock would trade following the consummation of the transaction;
- any advice or opinions provided by any other advisor to any of the parties to the transaction or any other transaction contemplated by the merger agreement; or
- any legal, regulatory, accounting, tax or similar matters relating to GBDC, Merger Sub, GCIC, any of their respective shareholders, or relating to or arising out of or as a consequence of the transaction or any related transaction, including whether or not the transaction would qualify as a tax-free reorganization for United States federal income tax purposes.

In performing its analyses, KBW made numerous assumptions with respect to industry performance, general business, economic, market and financial conditions and other matters, which are beyond the control of KBW, GBDC and GCIC. Any estimates contained in the analyses performed by KBW are not necessarily indicative of actual values or future results, which may be significantly more or less favorable than suggested by these analyses. Additionally, estimates of the value of businesses or securities do not purport to be appraisals or to reflect the prices at which such businesses or securities might actually be sold. Accordingly, these analyses and estimates are inherently subject to substantial uncertainty. In addition, the KBW opinion was among several factors taken into consideration by the GBDC Board in making its determination to approve the merger agreement and the transaction. Consequently, the analyses described below should not be viewed as determinative of the decision of the GBDC Board, including the GBDC Independent Directors, with respect to the fairness of the Exchange Ratio. The type and amount of consideration payable in the Merger were determined by the GBDC Independent Directors and the GCIC Independent Directors with respect to GBDC and GCIC, respectively, and the decision of GBDC to enter into the merger agreement was solely that of the GBDC Board.

The following is a summary of the material financial analyses presented by KBW to the GBDC Independent Directors (in their collective capacity) and the GBDC Board in connection with its opinion. The summary is not a complete description of the financial analyses underlying the opinion or the presentation made by KBW to the GBDC Independent Directors and the GBDC Board, but summarizes the material analyses performed and presented in connection with such opinion. The financial analyses summarized below include information presented in tabular format. The tables alone do not constitute a complete description of the financial analyses. The preparation of a fairness opinion is a complex analytic process involving various determinations as to appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances. Therefore, a fairness opinion is not readily susceptible to partial analysis or summary description. In arriving at its opinion, KBW did not attribute any particular weight to any analysis or factor that it considered, but rather made qualitative judgments as to the significance and relevance of each analysis and factor. Accordingly, KBW believes that its analyses and the summary of its analyses must be considered as a whole and that selecting portions of its analyses and factors or focusing on the information presented below in tabular format, without considering all analyses and factors or the full narrative description of the financial analyses, including the methodologies and assumptions underlying the analyses, could create a misleading or incomplete view of the process underlying its analyses and opinion.

Implied Transaction Value for the Merger. KBW calculated an implied transaction value for the Merger of $16.06 per share of GCIC Common Stock based on the 0.865x merger exchange ratio and the closing price of GBDC Common Stock on November 26, 2018. This implied transaction value for the Merger was then compared to the ranges of implied value per share of GCIC Common Stock in the financial analyses described below. For purposes of its analysis, KBW calculated all implied values per share utilizing the number of outstanding shares of GCIC Common Stock, including shares issued in accordance with the GCIC Equity Issuances, and the number of outstanding shares of GBDC Common Stock estimated to be outstanding on the assumed closing date of the Merger based on projections provided by GC Advisors management.

Selected Companies Analysis. Using publicly available information, KBW compared the market performance of GBDC to 15 selected publicly-traded externally managed business development companies with market capitalizations greater than $500 million.

The selected companies were as follows:

Ares Capital Corporation	Bain Capital Specialty Finance, Inc.
Prospect Capital Corporation	Solar Capital Ltd.
Corporate Capital Trust, Inc.	Goldman Sachs BDC, Inc.
FS Investment Corporation	BlackRock TCP Capital Corp.
TPG Specialty Lending, Inc.	Oaktree Specialty Lending Corporation
Apollo Investment Corporation	Barings BDC, Inc.
New Mountain Finance Corporation	PennantPark Investment Corporation
TCG BDC, Inc.	

To perform this analysis, KBW used market price information as of November 26, 2018 and reported net asset value ("NAV") per share data as of the end of the most recent completed quarterly period available (which in the case of GBDC was September 30, 2018). KBW also used calendar years 2019 and 2020 earnings per share estimates ("EPS") taken from consensus "street estimates" of GBDC and the selected companies.

KBW's analysis showed the following concerning the market performance of GBDC and the selected companies (excluding the impact of the price-to-EPS multiples for one of the selected companies, which multiple was considered to be not meaningful):

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		Selected Companies					
	GBDC	Minimum	**25th Percentile**	Median	Average	**75th Percentile**	Maximum
Price / NAV per share	1.15 x	0.69 x	0.78 x	0.87 x	0.90 x	0.99 x	1.24 x
Price / 2019 EPS	14.3 x	7.5 x	8.3 x	9.2 x	9.5 x	10.0 x	14.1 x
Price / 2020 EPS	14.2 x	7.2 x	8.2 x	8.6 x	9.0 x	9.6 x	11.8 x

KBW then applied the minimum and maximum price-to-NAV per share multiples of the selected companies to the estimated NAV per share of GCIC at the assumed closing date of the Merger and the minimum and maximum price-to-estimated EPS multiples of the selected companies to the estimated net investment income of GCIC for the 12-month period following the assumed closing date of the Merger, using financial forecasts and projections of GCIC provided by GC Advisors management. This analysis indicated the following ranges of the implied value per share of GCIC Common Stock, as compared to the implied transaction value for the proposed merger of $16.06 per outstanding share of GCIC Common Stock:

	Implied Value Per Share Ranges of GCIC Common Stock
Based on Estimated NAV per share of GCIC at transaction close	$10.40 to $18.63
Based on Estimated Net Investment Income per share of GCIC for the 12-month period following transaction close	$10.01 to $18.69

KBW then applied the 25th percentile and 75th percentile price-to-NAV per share multiples of the selected companies to the estimated NAV per share of GCIC at the assumed closing date of the Merger and the 25th percentile and 75th percentile price-to-2019 estimated EPS per share multiples of the selected companies to the estimated net investment income of GCIC for the 12 month period following the assumed closing date of the Merger, using financial forecasts and projections of GCIC provided by GC Advisors management. This analysis indicated the following ranges of the implied value per share of GCIC Common Stock, as compared to the implied transaction value for the proposed merger of $16.06 per outstanding share of GCIC Common Stock:

	Implied Value Per Share Ranges of GCIC Common Stock
Based on Estimated NAV per share of GCIC at transaction close	$11.63 to $14.82
Based on Estimated Net Investment Income per share of GCIC for the 12 months following transaction close	$11.06 to $13.29

No company used as a comparison in the above selected companies analysis is identical to GBDC or GCIC. Accordingly, an analysis of these results is not mathematical. Rather, it involves complex considerations and judgments concerning differences in financial and operating characteristics of the companies involved.

Selected Transactions Analysis – Business Development Companies. KBW reviewed publicly available information related to six selected acquisitions of business development companies announced since the beginning of 2010, referred to as the selected BDC transactions.

The selected BDC transactions were as follows:

Acquirer	**Acquired Company**
FS Investment Corporation	Corporate Capital Trust, Inc.
Benefit Street Partners LLC; Barings	Triangle Capital Corporation
CĪON Investment Corporation	Credit Suisse Park View BDC, Inc.
MAST Capital Mgmt. LLC; Great Elm Capital Group Inc.	Full Circle Capital Corporation
Ares Capital Corporation	American Capital, Ltd.
PennantPark Floating Rate Capital Ltd.	MCG Capital Corporation

For each selected BDC transaction, KBW derived the following implied transaction statistics, in each case based on the transaction consideration value paid for the acquired company (including contributions by external managers) and using financial data based on the acquired company's then latest publicly available financial statements prior to the announcement of the respective transaction (adjusted to reflect announced pre-closing adjustments):

- Price to NAV per share of the acquired company; and
- Price to last 12 months ("LTM") net investment income per share of the acquired company

KBW's analysis showed the following concerning the implied transaction statistics of the selected BDC transactions (excluding the impact of the price-to-LTM net investment income per share of one of the selected transactions, which multiple was considered to be not meaningful):

	Selected BDC Transactions					
	Minimum	**25th Percentile**	Median	Average	**75th Percentile**	Maximum
Price / NAV Per Share	83.2%	90.1%	96.6%	95.5%	100.0%	107.8%
Price / LTM Net Investment Income Per Share	7.85x	8.51x	9.57x	9.90x	11.20x	12.37x

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KBW then applied the minimum and maximum price-to-NAV per share multiples of the selected BDC transactions to the estimated NAV per share of GCIC at the assumed closing date of the Merger and the minimum and maximum price-to-LTM net investment income per share multiples of the selected BDC transactions to the net investment income per share of GCIC for the last twelve months prior to the assumed closing date of the Merger, using financial forecasts and projections of GCIC provided by GC Advisors management. This analysis indicated the following ranges of the implied value per share of GCIC Common Stock, as compared to the implied transaction value for the proposed merger of $16.06 per outstanding share of GCIC Common Stock:

	Implied Value Per Share Ranges of GCIC Common Stock
Based on Estimated NAV per share of GCIC at transaction close	$12.48 to 16.17
Based on Estimated Net Investment Income per share of GCIC for the last 12 months prior to transaction close	$8.79 to $13.86

KBW then applied the 25th percentile and 75th percentile price-to-NAV per share multiples of the selected BDC transactions to the estimated NAV per share of GCIC at the assumed closing date of the Merger and the 25th percentile and 75th percentile price-to-LTM net investment income per share multiples of the selected BDC transactions to the net investment income per share of GCIC for the last twelve months prior to the assumed closing date of the Merger, using financial forecasts and projections of GCIC provided by GC Advisors management. This analysis indicated the following ranges of the implied value per share of GCIC Common Stock, as compared to the implied transaction value for the proposed merger of $16.06 per outstanding share of GCIC Common Stock:

	Implied Value Per Share Ranges of GCIC Common Stock
Based on Estimated NAV per share of GCIC at transaction close	$13.51 to $15.00
Based on Estimated Net Investment Income per share of GCIC for the last 12 months prior to transaction close	$9.53 to $12.55

No company or transaction used as a comparison in the above selected transaction analysis is identical to GCIC or the proposed transaction. Accordingly, an analysis of these results is not mathematical. Rather, it involves complex considerations and judgments concerning differences in financial and operating characteristics of the companies involved.

Selected Transactions Analysis – Affiliated Regulated Investment Companies. KBW reviewed publicly available information related to eight selected mergers between affiliated companies that had elected to be treated as a RIC under the Code announced since the beginning of 2009, referred to as the selected Affiliated RIC transactions.

The selected Affiliated RIC transactions were as follows:

Acquirer	**Acquired Company**
FS Investment Corporation	Corporate Capital Trust, Inc.
ClearBridge Energy MLP Opportunity Fund Inc.	ClearBridge American Energy MLP Fund Inc.
Kayne Anderson MLP Investment Company	Kayne Anderson Energy Development Company
Kayne Anderson Midstream/Energy Fund	Kayne Anderson Total Return Fund
TCG BDC, Inc.	NF Investment Corp.
Tortoise Energy Infrastructure Corp.	Tortoise North American Energy Corp.
Tortoise Energy Infrastructure Corp	Tortoise Energy Capital Corp.
Highland Credit Strategies Fund	Highland Distressed Opportunities, Inc.

For each selected Affiliated RIC transaction, KBW reviewed the consideration paid for the acquired company and the NAVs per share of both the acquirer and the acquired company based on the then latest publicly available financial statements prior to the announcement of the respective transaction (adjusted to reflect announced pre-closing adjustments). In each case, KBW observed that the consideration paid for the acquired company was based on the ratio of the NAV per share of the acquired company to the NAV per share of the acquirer.

KBW then reviewed the ratio of the NAV per share of GCIC as of September 30, 2018 to the NAV per share of GBDC as of September 30, 2018 and applied that NAV-to-NAV ratio to the closing price of GBDC Common Stock on November 26, 2018. This analysis indicated an implied value per share of GCIC Common Stock of $17.25.

No company or transaction used as a comparison in the above selected transaction analysis is identical to GCIC or the proposed transaction. Accordingly, an analysis of these results is not mathematical. Rather, it involves complex considerations and judgments concerning differences in financial and operating characteristics of the companies involved.

***Relative Contribution Analysis*.** KBW analyzed the relative stand-alone contribution of GBDC and GCIC to various pro forma balance sheet and income statement items of the combined entity. This analysis did not include purchase accounting adjustments. To perform this analysis, KBW used publicly available consensus “street estimates” of GBDC and financial forecasts and projections of GCIC provided by GC Advisors management. The results of KBW’s analysis are set forth in the following table, which also compares the results of KBW’s analysis with the implied pro forma ownership percentages of GBDC and GCIC shareholders in the combined company based on the 0.865x exchange ratio in the proposed merger:

	GBDC as a % of Total	GCIC[(1)] as a % of Total
Balance Sheet		
Estimated Total Assets at transaction close	51.0 %	49.0 %
Estimated Net Asset Value at transaction close	45.5 %	54.5 %
Income Statement		
Estimated Net Investment Income for the 3 months prior to transaction close	45.3 %	54.7 %
Estimated Net Investment Income for the last 12 months prior to transaction close	47.1 %	52.9 %
Median	46.3 %	53.7 %
Average	47.2 %	52.8 %
Ownership at 0.865x Merger Exchange Ratio	48.5 %	51.5 %

(1) GCIC's stand-alone earnings reflect GCIC's fees payable to GC Advisors under the GCIC Investment Advisory Agreement as of September 30, 2018, net of waivers (management fee of 1.000%, incentive fee of 15.0% and hurdle rate of 6.0%).

Dividend Discount Analysis of GCIC. KBW performed a dividend discount analysis of GCIC on a stand-alone basis to estimate ranges for the implied equity value of GCIC. In this analysis, KBW used financial and operating forecasts and projections of GCIC that were provided by GC Advisors management. KBW assumed discount rates ranging from 7.0% to 11.0%. Ranges of values were derived by adding (i) the present value of the estimated future dividends of GCIC over the period from the assumed closing date of the Merger through September 30, 2023 and (ii) the present value of GCIC's implied terminal value at the end of such period. KBW derived implied terminal values using two methodologies, one based on September 30, 2023 estimated NAV per share multiples and the other based on fiscal year 2023 estimated dividend yields. Using implied terminal values for GCIC calculated by applying a terminal multiple range of 100.0% to 120.0% to GCIC's estimated NAV per share as of September 30, 2023, this analysis resulted in a range of implied values per share of GCIC Common Stock of approximately \$14.84 to \$19.10 per share, as compared to the implied transaction value for the proposed merger of \$16.06 per outstanding share of GCIC Common Stock. Using implied terminal values for GCIC calculated by applying a terminal dividend yield range of 6.75% to 7.75% to GCIC's estimated fiscal year 2023 dividends, this analysis resulted in a range of implied values per share of GCIC Common Stock of approximately \$16.76 to \$21.05 per share, as compared to the implied transaction value for the proposed merger of \$16.06 per outstanding share of GCIC Common Stock.

The dividend discount analysis is a widely used valuation methodology, but the results of such methodology are highly dependent on the assumptions that must be made, including NAV per share and dividend growth rates, terminal values and discount rates. The analysis did not purport to be indicative of the actual values or expected values of GCIC.

Dividend Discount Analysis of GBDC. KBW performed a dividend discount analysis of GBDC on a stand-alone basis to estimate ranges for the implied equity value of GBDC. In this analysis, KBW used publicly available consensus "street estimates" of GBDC for fiscal years 2019 through 2020 and long-term dividend and NAV assumptions for GBDC that were provided by GC Advisors management. KBW assumed discount rates ranging from 7.0% to 11.0%. Ranges of values were derived by adding (i) the present value of the estimated future dividends of GBDC over the period from the assumed closing date of the Merger through September 30, 2023 and (ii) the present value of GBDC's implied terminal value at the end of such period. KBW derived implied terminal values using two methodologies, one based on September 30, 2023 estimated NAV per share multiples and the other based on fiscal year 2023 estimated dividend yields. Using implied terminal values for GBDC calculated by applying a terminal multiple range of 100.0% to 120.0% to GBDC's estimated NAV per share as of September 30, 2023, this analysis resulted in a range of implied values per share of GBDC Common Stock of approximately $15.41 to $20.00 per share. Using implied terminal values for GBDC calculated by applying a terminal dividend yield range of 6.75% to 7.75% to GBDC's estimated fiscal year 2023 dividends, this analysis resulted in a range of implied values per share of GBDC Common Stock of approximately $15.47 to $19.43 per share.

The dividend discount analysis is a widely used valuation methodology, but the results of such methodology are highly dependent on the assumptions that must be made, including NAV per share and dividend growth rates, terminal values and discount rates. The analysis did not purport to be indicative of the actual values or expected values of GBDC or the pro forma combined company.

Miscellaneous. KBW acted as financial advisor to the GBDC Independent Directors, acting collectively, in connection with the proposed transaction and did not act as an advisor to or agent of any other person. As part of its investment banking business, KBW is regularly engaged in the valuation of business development company securities in connection with acquisitions, negotiated underwritings, secondary distributions of listed and unlisted securities, private placements and valuations for various other purposes. In the ordinary course of KBW and its affiliates' broker-dealer businesses, KBW and its affiliates may from time to time purchase securities from, and sell securities to, GBDC, GCIC and GC Advisors. In addition, as a market maker in securities, KBW and its affiliates may from time to time have a long or short position in, and buy or sell, debt or equity securities of GBDC for its and their own respective accounts and for the accounts of its and their respective customers and clients.

Pursuant to the KBW engagement agreement, GBDC agreed to pay KBW a cash fee equal to $1,250,000, $250,000 of which became payable to KBW with the rendering of KBW's opinion and the balance of which is contingent upon the consummation of the Merger. GBDC also agreed to reimburse KBW for reasonable out-of-pocket expenses and disbursements incurred in connection with its engagement and to indemnify KBW against certain liabilities relating to or arising out of KBW's engagement or KBW's role in connection therewith. Other than in connection with this present engagement, in the two years preceding the date of KBW's opinion, KBW did not provide investment banking and financial advisory services to GBDC. In the two years preceding the date of KBW's opinion, KBW did not provide investment banking and financial advisory services to GCIC, GC Advisors or Golub Capital LLC. KBW may in the future provide investment banking and financial advisory services to GBDC, GCIC, GC Advisors or Golub Capital LLC and receive compensation for such services.

Opinion of the Financial Advisor to the GCIC Independent Directors

UBS was retained as financial advisor to the GCIC Independent Directors in connection with the evaluation of potential Liquidity Events, including a merger. As part of that engagement, the GCIC Independent Directors requested that UBS evaluate the fairness, from a financial point of view, to the holders of GCIC Common Stock of the Exchange Ratio provided for in the Merger Agreement. On November 27, 2018, at meetings of each of the GCIC Independent Directors as a group and the GCIC Board held to evaluate the proposed Merger, UBS delivered to the GCIC Independent Directors and the GCIC Board an oral opinion, confirmed by delivery of a written opinion, dated November 27, 2018, to the effect that, as of that date and based on and subject to various procedures followed, assumptions made, matters considered and limitations on review described in its opinion, the Exchange Ratio provided for in the Initial Merger was fair, from a financial point of view, to the holders of GCIC Common Stock (other than any shares held by GBDC or any of its consolidated subsidiaries).

The full text of UBS' opinion describes the procedures followed, assumptions made, matters considered and limitations on the review undertaken by UBS. UBS' opinion is attached as Annex D to this joint proxy statement/prospectus and is incorporated by reference herein. UBS' opinion was provided for the benefit of the GCIC Independent Directors and the GCIC Board (in their capacity as such) in connection with, and for the purpose of, their evaluation of the Exchange Ratio provided for in the Initial Merger, and does not address any other aspect of the Initial Merger or any related transaction. UBS' opinion does not address the relative merits of the Initial Merger or any related transaction as compared to other business strategies or transactions that might be available to GCIC or GCIC's underlying business decision to effect the Initial Merger or any related transaction. UBS' opinion does not constitute a recommendation to any stockholder as to how such stockholder should vote or act with respect to the Initial Merger or any related transaction. The following summary of UBS' opinion is qualified in its entirety by reference to the full text of UBS' opinion.

In arriving at its opinion, UBS, among other things:

- reviewed certain publicly available business and financial information relating to GCIC and GBDC;
- reviewed certain internal financial information and other data relating to the business and financial prospects of GCIC that were not publicly available, including financial forecasts and estimates prepared by GC Advisors on behalf of GCIC, that the GCIC Independent Directors directed UBS to utilize for purposes of its analysis;
- reviewed certain internal financial information and other data relating to the business and financial prospects of GBDC that were not publicly available, including financial forecasts and estimates prepared by GC Advisors on behalf of GBDC, that the GCIC Independent Directors directed UBS to utilize for purposes of its analysis;
- reviewed certain estimates of synergies prepared by GC Advisors on behalf of GBDC that were not publicly available that the GCIC Independent Directors directed UBS to utilize for purposes of its analysis;
- conducted discussions with GC Advisors concerning the businesses and financial prospects of each of GCIC and GBDC;
- reviewed publicly available financial and stock market data with respect to certain other companies UBS believed to be generally relevant;
- compared the financial terms of the Initial Merger with the publicly available financial terms of certain other transactions UBS believed to be generally relevant;
- reviewed current and historical market prices of GBDC Common Stock;
- considered certain pro forma effects of the Initial Merger on GBDC’s financial statements;
- reviewed the Merger Agreement; and
- conducted such other financial studies, analyses and investigations, and considered such other information, as UBS deemed necessary or appropriate.

In connection with its review, with the consent of the GCIC Independent Directors, UBS assumed and relied upon, without independent verification, the accuracy and completeness in all material respects of the information provided to or reviewed by UBS for the purpose of its opinion. In addition, with the consent of the GCIC Independent Directors, UBS did not make any independent evaluation or appraisal of any of the assets or liabilities (contingent or otherwise) of GCIC or GBDC, and UBS was not furnished with any such evaluation or appraisal. In addition, with the consent of the GCIC Independent Directors, UBS assumed that any dividends distributed to GCIC stockholders that are included in GCIC's net asset value per GCIC Common Stock calculated by GCIC and delivered to GBDC on the Determination Date will be paid to GCIC stockholders of record prior to the effective time of the Initial Merger or in connection with the Initial Merger. UBS also assumed, at the direction of the GCIC Independent Directors, that GBDC will pay a special distribution to GBDC shareholders of record prior to the effective time of the Initial Merger of not more than $0.12 per share of GBDC Common Stock. With respect to the financial forecasts, estimates, synergies and pro forma effects referred to above that UBS utilized for its analysis, UBS assumed at the direction of the GCIC Independent Directors, that they have been reasonably prepared on a basis reflecting the best currently available estimates and judgments of GC Advisors on behalf of GCIC and GBDC as to the future financial performance of GCIC and GBDC and such synergies and pro forma effects. In addition, UBS assumed with the approval of the GCIC Independent Directors that the financial forecasts and estimates, including synergies, referred to above will be achieved at the times and in the amounts projected. UBS also assumed, at the direction of the GCIC Independent Directors, that the Merger will qualify for U.S. federal income tax purposes as a reorganization within the meaning of Section 368(a) of the Code. UBS' opinion is necessarily based on economic, monetary, market and other conditions as in effect on, and the information available to it as of, the date of its opinion.

At the direction of the GCIC Independent Directors, UBS was not asked to, and it did not, offer any opinion as to the terms, other than the Exchange Ratio to the extent expressly specified in its opinion, of the Merger Agreement or any related documents or the form of the Initial Merger or any related transaction. In addition, UBS expressed no opinion as to the fairness of the amount or nature of any compensation to be received by any officers, directors or employees of any parties to the Merger, or any class of such persons, including GC Advisors, relative to the Exchange Ratio. UBS expressed no opinion as to what the value of GBDC Common Stock will be when issued pursuant to the Initial Merger or the price at which GBDC Common Stock will trade at any time. Nor did UBS express any opinion as to the net asset value per share of the GCIC Common Stock. In rendering its opinion, UBS assumed, with the consent of the GCIC Independent Directors, that (i) the parties to the Merger Agreement will comply with all material terms of the Merger Agreement and (ii) the Initial Merger will be consummated in accordance with the terms of the Merger Agreement without any adverse waiver or amendment of any material term or condition thereof. UBS also assumed that all governmental, regulatory or other consents and approvals necessary, proper or advisable for the consummation of the Merger will be obtained without any adverse effect on GCIC, GBDC or the Merger. The issuance of UBS' opinion was approved by an authorized committee of UBS.

In connection with rendering its opinion to each of the GCIC Independent Directors and the GCIC Board, UBS performed a variety of financial and comparative analyses which are summarized below. The following summary is not a complete description of all analyses performed and factors considered by UBS in connection with its opinion. The preparation of a financial opinion is a complex process involving subjective judgments and is not necessarily susceptible to partial analysis or summary description. With respect to the selected public companies analysis and the selected transactions analysis summarized below, no company or transaction used as a comparison was identical to GCIC, GBDC or the Initial Merger. These analyses necessarily involve complex considerations and judgments concerning financial and operating characteristics and other factors that could affect the public trading or acquisition values of the companies concerned.

UBS believes that its analyses and the summary below must be considered as a whole and that selecting portions of its analyses and factors or focusing on information presented in tabular format, without considering all analyses and factors or the narrative description of the analyses, creates a misleading or incomplete view of the processes underlying UBS' analyses and opinion. UBS did not draw, in isolation, conclusions from or with regard to any one factor or method of analysis for purposes of its opinion, but rather arrived at its ultimate opinion based on the results of analyses undertaken by it and assessed as a whole.

The estimates of the future performance of GCIC and GBDC provided by GC Advisors on behalf of each of GCIC and GBDC, in or underlying UBS' analyses are not necessarily indicative of future results or values, which may be significantly more or less favorable than those estimates. In performing these analyses, UBS considered industry performance, general business and economic conditions and other matters, many of which were beyond GCIC's and GBDC's control. Estimates of the financial value of companies do not purport to be appraisals or necessarily reflect the prices at which businesses or securities actually may be sold or acquired.

The decision by the GCIC Independent Directors to recommend that GCIC enter into the Initial Merger was solely that of the GCIC Independent Directors, and the decision by GCIC to enter into the Merger was solely that of the GCIC Board. UBS' opinion and financial analyses were only one of many factors considered by each of the GCIC Independent Directors and the GCIC Board in their evaluation of the Merger and should not be viewed as determinative of the views of the GCIC Independent Directors or the GCIC Board with respect to the Merger or the Exchange Ratio provided for in the Initial Merger.

The following is a brief summary of the material financial analyses performed by UBS and reviewed with each of the GCIC Independent Directors and the GCIC Board on November 27, 2018 in connection with its opinion. **The financial analyses summarized below include information presented in tabular format. In order for UBS' financial analyses to be fully understood, the tables must be read together with the text of each summary. The tables alone do not constitute a complete description of the financial analyses. Considering the data below without considering the full narrative description of the financial analyses, including the methodologies and assumptions underlying the analyses, could create a misleading or incomplete view of UBS' financial analyses.**

For purposes of its analyses, UBS calculated the Exchange Ratio as provided for in the Initial Merger by first applying the 6.25% premium that the GCIC Independent Directors agreed should be the premium for the transaction, to GCIC's most recent NAV of $15.00 per share of GCIC Common Stock as of September 30, 2018 provided by GC Advisors to derive an implied consideration per share of GCIC Common Stock of $15.94. Next, UBS subtracted from the GBDC Common Stock closing market price as of November 26, 2018 of $18.57 a special distribution to GBDC shareholders in the amount of $0.12 per share multiplied by GBDC's P / NAV (as defined below) multiple of 1.15x, at the direction of the GCIC Independent Directors, that GBDC had informed the GCIC Independent Directors it intended to pay to GBDC stockholders prior to the effective time of the Initial Merger to derive a hypothetical trading price of GBDC Common Stock following the payment of the special dividend of $18.43. UBS divided the implied consideration per share of GCIC Common Stock of $15.94 by the hypothetical GBDC Common Stock trading price post-special dividend of $18.43 to derive an adjusted exchange ratio of 0.865. UBS then compared the Exchange Ratio in the Initial Merger to the implied exchange ratios derived from the selected companies analysis and the selected transaction analysis.

Selected Public Companies Analysis

UBS reviewed and compared certain stock market information, the P/NAV ratio and dividend yield for GCIC to corresponding information for the following publicly traded externally managed BDCs (collectively referred to as the selected companies):

- Ares Capital Corporation ("Ares")
- Prospect Capital Corporation ("Prospect")
- Corporate Capital Trust, Inc. ("CCT")
- FS Investment Corporation ("FSIC")
- TPG Specialty Lending, Inc. ("TPG")
- GBDC
- Apollo Investment Corporation ("Apollo")
- New Mountain Finance Corporation ("New Mountain")
- TCG BDC Inc. ("TCG")
- Solar Senior Capital ltd. ("Solar")
- Goldman Sachs BDC, Inc. ("GS BDC")
- BlackRock TCP Capital Corp. ("BlackRock")

The selected companies used in UBS' analysis are publicly traded BDCs with a market capitalization greater than $750 million, and a trading history of at least six months. They were chosen because they were deemed by UBS, based on its professional judgment and expertise, to be relevant.

UBS calculated the closing market price as of November 26, 2018 as a multiple of NAV, which is referred to as "P/NAV". UBS also calculated each selected company's most recently quarterly dividend as a percentage of such company's closing market price as of November 26, 2018, which is referred to as "Dividend Yield", using the companies' most recent quarterly filings. The results of this analysis are shown in the table below.

BDC	**Market Capitalization ($mm)**	Price/NAV	Dividend Yield
Ares	$ 7,217.2	0.99 x	9.2 %
Prospect	2,492.6	0.73 x	10.6 %
CCT	1,705.4	0.71 x	11.6 %
FSIC	1,432.5	0.69 x	12.7 %
TPG	1,337.1	1.24 x	7.6 %
GBDC	1,117.3	1.15 x	6.9 %
Apollo	1,106.5	0.81 x	11.5 %
New Mountain	1,023.6	0.99 x	10.1 %
TCG	962.3	0.87 x	9.6 %
Solar	883.3	0.95 x	7.8 %
GS BDC	850.0	1.17 x	8.5 %
BlackRock	843.6	0.99 x	10.0 %