

AVALON HOLDINGS CORP
Form 8-K
July 30, 2004

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported): July 15, 2004

AVALON HOLDINGS CORPORATION

(Exact Name of Registrant as Specified in its Charter)

Ohio
(State or Other Jurisdiction

of Incorporation)

1-14105
(Commission File Number)

34-1863889
(IRS Employer

Identification No.)

One American Way, Warren, Ohio 44484

(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code: (330) 856-8800

(Former name and address, if changed since last report)

There are no exhibits

AVALON HOLDINGS CORPORATION

Cross Reference Sheet showing location in Current Report of Information Required Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

	<u>Current Report Item</u>	<u>Caption in Current Report</u>
Item 1.	Changes in Control of Registrant	Not Applicable
Item 2.	Acquisition or Disposition of Assets	Avalon Holdings Corporation completes sale of its transportation operations
Item 3.	Bankruptcy or Receivership	Not Applicable
Item 4.	Changes in Registrant's Certifying Accountant	Not Applicable
Item 5.	Other Events	Not Applicable
Item 6.	Resignations of Registrant's Directors	Not Applicable
Item 7.	Financial Statements and Exhibits	Not Applicable
Item 8.	Change in Fiscal Year	Not Applicable

ITEM 2. Acquisition or Disposition of Assets

On July 15, 2004, Avalon Holdings Corporation (Avalon) completed the sale of its transportation operations. Avalon sold all of the common stock of DartAmerica, Inc. (DartAmerica) to BMC International, Inc. (BMC) for a purchase price of approximately \$4.4 million. At the closing, BMC delivered to Avalon \$3 million in cash and a secured promissory note of \$1 million payable over 60 months. The balance of the purchase price will be adjusted to reflect changes in certain of DartAmerica's balance sheet items from March 31, 2004 to June 30, 2004. Prior to the sale, DartAmerica transferred to Avalon all of its accounts receivable outstanding for more than 60 days as of June 30, 2004 and Dart Realty, Inc., a wholly owned subsidiary which owns the Canfield, Ohio terminal.

The following Unaudited Pro Forma Avalon Holdings Corporation Consolidated Balance Sheet of as of March 31, 2004 has been prepared as if the transaction described above had occurred on March 31, 2004. The following Unaudited Pro Forma Avalon Holdings Corporation Consolidated Statement of Operations for the three months ended March 31, 2004 and the year ended December 31, 2003, have been prepared as if the transaction described above had occurred on January 1, 2004 and January 1, 2003, respectively. The pro forma financial information set forth below is unaudited and not necessarily indicative of the results that would actually have occurred if the transactions had been consummated on the dates referred to above, nor is it indicative of the results that may be obtained in the future.

Unaudited Pro Forma Avalon Holdings Corporation Consolidated Balance Sheet

March 31, 2004 (in thousands)

	Historical Avalon Holdings Corporation Consolidated	Historical DartAmerica Consolidated	Adjustments	Pro Forma Avalon Holdings Corporation Consolidated
Assets				
Current Assets				
Cash and cash equivalents	\$ 4,129	\$ 1,052	\$ 6(a) (6)(a) 3,400(c)	\$ 6,477
Short-Term investments	3,013			3,013
Accounts Receivable, net	8,557	4,761	246(b) (39)(e) 45(d)	4,048
Prepaid expenses	1,470	377		1,093
Other current assets	644	407	96(c)	333
Current Assets discontinued operations	1,006		6(a)	1,012
Total current assets	18,819	6,597	3,754	15,976
Noncurrent Investments				
Properties & Equipment, net	21,370	3,188	92(a) (92)(a)	18,182
Costs in excess of fair market value of net assets of acquired business, net				
Noncurrent prepaid rent	2,206	538		2,206
Other assets, net	124	44	904(c)	984
Non-current assets- discontinued operations	2,549		92(a)	2,641
Total assets	\$ 46,912	\$ 10,367	\$ 4,750	\$ 41,295
Liabilities and Shareholders' Equity				
Current Liabilities				
Accounts payable	\$ 5,309	\$ 1,778	\$ 4(a) (4)(a)	\$ 3,531
Net Intercompany Accounts		266	246(b) (25)(e) 45(d)	
Accrued payroll and other compensation	643	358		285
Accrued income taxes	233	45	11(a) (11)(a)	188
Other accrued taxes	135	79	3(a) (3)(a)	56
Other liabilities and accrued expenses	2,017	479		1,538
Current liabilities discontinued operations	706		18(a)	724
Total current liabilities	9,043	3,005	284	6,322

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Shareholders' Equity:

Shareholders' Equity	37,869	7,362	80(a) 4,400(c) (39)(e) 25(e)	34,973
Total shareholders' equity	<u>37,869</u>	<u>7,362</u>	<u>4,466</u>	<u>34,973</u>
Total liabilities and shareholders' equity	<u>\$ 46,912</u>	<u>\$ 10,367</u>	<u>\$ 4,750</u>	<u>\$ 41,295</u>

Notes to the Unaudited Pro Forma Avalon Holdings Corporation Consolidated Balance Sheet

The following pro forma adjustments are incorporated into the Unaudited Pro Forma Avalon Holdings Corporation Consolidated Balance Sheet as of March 31, 2004.

- a) Prior to the sale, DartAmericA transferred to Avalon, Dart Realty, Inc., a wholly owned subsidiary of Dart Trucking Company, Inc., which owns the Canfield, Ohio terminal. The amounts transferred by classification are as follows (in thousands):

<u>Assets</u>	
Cash	6
Properties and Equipment, net	92
<u>Liabilities</u>	
Accounts Payable	4
Other accrued taxes	3
Accrued income taxes	11

Such amounts have been transferred to discontinued operations as a result of the Canfield, Ohio terminal being held-for-sale.

- b) Represents all of the trade accounts receivable, net of the allowance for doubtful accounts, outstanding for more than 60 days at March 31, 2004 which DartAmericA transferred to Avalon, prior to the sale.
- c) Represents the purchase price of \$4.4 million, which is comprised of \$3.4 million in cash and a \$1 million secured promissory note, payable over 60 months.
- d) Represents a reclass of Net Intercompany Accounts to Trade Accounts Receivable.
- e) Reflects the write-off of Net Intercompany Accounts which will not be paid or collected.

Unaudited Pro Forma Avalon Holdings Corporation Consolidated Statement of Operations

Three Months Ended March 31, 2004

	Historical Avalon Holdings Corporation Consolidated	Historical DartAmerica Consolidated	Adjustments	Pro Forma Avalon Holdings Corporation Consolidated
Net Operating Revenues	\$ 13,791	\$ 8,250	\$ 683(a) 15(b) (15)(b)	\$ 6,224
Costs and expenses:				
Cost of operations	12,690	8,147	683(a) 17(b) (17)(b)	5,226
Selling, general and administrative expense	1,871	564	6(b) (6)(b)	1,307
Operating loss from continuing operations	(770)	(461)		(309)
Other income:				
Interest income	41	4		37
Other income, net	46	3		43
Loss from continuing operations before income taxes	(683)	(454)		(229)
Provision (benefit) for income taxes				
Loss from continuing operations	(683)	(454)		(229)
Discontinued Operations:				
Loss from sale of transportation operations, net of tax			(2,896)(c)	(2,896)
Loss from discontinued operations	(375)		(8)(b)	(383)
Net Loss	\$ (1,058)	\$ (454)	\$ (2,904)	\$ (3,508)
Loss per share from continuing operations	\$ (0.18)			\$ (.06)
Loss from sale of transportation operations, net of tax	\$			\$ (.76)
Loss per share from discontinued operations	\$ (0.10)			\$ (.10)
Net Loss per share	\$ (0.28)			\$ (.92)
Weighted Average Shares Outstanding (d)	3,803			3,803

Notes to the Unaudited Pro Forma Avalon Holdings Corporation

Consolidated Statement of Operations

The following pro forma adjustments are incorporated into the Unaudited Pro Forma Avalon Holdings Corporation Consolidated Statement of Operations for the three months ended March 31, 2004.

- a) Reverses the elimination of intercompany sales between DartAmerica companies and Avalon companies.
- b) To reflect the statement of operations of Dart Realty, Inc. which was transferred to Avalon prior to the sale. Such results have been reclassified to discontinued operations as a result of the Canfield, Ohio terminal being held-for-sale.
- c) Represents the loss from the sale of the transportation operations.
- d) There were no common equivalent shares outstanding and therefore diluted per share amounts are equal to basic per share amounts for the three months ended March 31, 2004.

Unaudited Pro Forma Avalon Holdings Corporation Consolidated Statement of Operations

Year Ended December 31, 2003

	Historical Avalon Holdings Corporation Consolidated	Historical DartAmerica Consolidated	Adjustments	Pro Forma Avalon Holdings Corporation Consolidated
Net Operating Revenues	\$ 53,512	\$ 31,940	\$ 3,161(a) 60(b) (60)(b)	\$ 24,733
Costs and expenses:				
Cost of operations	47,742	30,510	3,161(a) 46(b) (46)(b)	20,393
Selling, general and administrative expense	8,201	3,297	24(b) (24)(b)	4,904
Operating loss from continuing operations	(2,431)	(1,867)		(564)
Other income:				
Interest income	204	36		168
Other income, net	302	93		209
Loss from continuing operations before income taxes	(1,925)	(1,738)		(187)
Provision (benefit) for income taxes	(26)	(30)	(3)(b) 3(b)	4
Loss from continuing operations	(1,899)	(1,708)		(191)
Discontinued Operations:				
Loss from sale of transportation operations, net of tax			(3,127)(c)	(3,127)
Loss from discontinued operations	(1,745)		(7)(b)	(1,752)
Net Loss	\$ (3,644)	\$ (1,708)	\$ (3,134)	\$ (5,070)
Expenses				
Interest and other debt financing expenses	1,577	690		
Base management fee	1,284	729		
Incentive fee	190	-		
Professional fees	567	33		
Administrative service fee	174	142		
General and administrative expenses	112	67		
Total expenses	3,904	1,661		
Net investment income	5,233	9,182		
Net gain (loss) on investments				
Net realized gains on investments	876	-		

Net change in unrealized depreciation on investments	(147)	(840)
Net gain (loss) on investments	729	(840)
Net increase in net assets resulting from operations	\$ 5,962	\$ 8,342
Per Common Share Data		
Basic and diluted earnings per common share(1)	\$ 0.34	N/A
Dividends and distributions declared per common share(2)	\$ 0.31	N/A
Basic and diluted weighted average common shares outstanding(1)	17,712,724	N/A

See Notes to Consolidated Financial Statements.

(1) For the three months ended December 31, 2009, the Company did not have common shares outstanding or an equivalent and therefore earnings per share and weighted average shares outstanding information for this period are not provided.

(2) For the three months ended December 31, 2009, the Company did not pay dividends or distributions.

Golub Capital BDC, Inc. and Subsidiaries
Consolidated Statements of Changes in Net Assets (unaudited)
(In thousands, except share data)

	Members' Equity	Common Stock Shares	Par Amount	Paid in Capital in Excess of Par	Accumulated (Over Distributed) Undistributed Net Investment Income	Net Unrealized Appreciation on Investments	Net Realized Gains (losses) on Investments	Total Net Assets
Balance at September 30, 2009	\$ 92,752	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 92,752
Members' equity contributions	22,209	-	-	-	-	-	-	22,209
Members' equity distributions	(13,530)	-	-	-	-	-	-	(13,530)
Increase in net assets resulting from operations	8,342	-	-	-	-	-	-	8,342
Balance at December 31, 2009	\$ 109,773	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 109,773
Balance at September 30, 2010	\$ -	17,712,444	\$ 18	\$ 259,690	\$ (1,122)	\$ 1,995	\$ (40)	\$ 260,541
Net increase in net assets resulting from operations	-	-	-	-	5,233	(147)	876	5,962
Distributions to stockholders:								-
Stock issued in connection with dividend reinvestment plan	-	25,753	-	462	-	-	-	462
Dividends and distributions	-	-	-	-	(5,490)	-	-	(5,490)
Balance at December 31, 2010	\$ -	17,738,197	\$ 18	\$ 260,152	\$ (1,379)	\$ 1,848	\$ 836	\$ 261,475

See Notes to Consolidated Financial Statements.

Golub Capital BDC, Inc. and Subsidiaries
Consolidated Statements of Cash Flows (unaudited)
(In thousands)

	Three Months Ended December 31,	
	2010	2009
Cash flows from operating activities		
Net increase in net assets resulting from operations	\$ 5,962	\$ 8,342
Adjustments to reconcile net increase in net assets resulting from operations to net cash (used in) provided by operating activities		
Amortization of deferred financing costs	168	-
Amortization of discount and premium	(2,816)	(3,092)
Net realized (gain) on investments	(876)	-
Net change in unrealized depreciation on investments	147	840
(Fundings) proceeds on revolving loans, net	(569)	1,778
Fundings of portfolio investments	(97,578)	-
Proceeds from principal payments and sales of portfolio investments	64,147	50,542
Changes in operating assets and liabilities:		
Interest receivable	(238)	577
Receivable for investments sold	(2,895)	-
Other assets	(56)	13
Members' equity contributions receivable	-	(21,312)
Payable for investments purchased	(5,328)	-
Interest payable	1,409	(11)
Management and incentive fees payable	685	(10)
Accounts payable and accrued expenses	(149)	(703)
Net cash (used in) provided by operating activities	(37,987)	36,964
Cash flows from investing activities		
Net change in restricted cash and cash equivalents	4,153	(15,678)
Net cash provided by (used in) investing activities	4,153	(15,678)
Cash flows from financing activities		
Borrowings on debt	20,000	-
Repayments of debt	-	(29,965)
Capitalized debt financing costs	(968)	-
Proceeds from members' equity contributions	-	22,209
Payments of members' equity distributions	-	(13,530)
Dividends and distributions paid	(5,028)	-
Net cash provided by (used in) financing activities	14,004	(21,286)
Net change in cash and cash equivalents	(19,830)	-
Cash and cash equivalents, beginning of period	61,219	-
Cash and cash equivalents, end of period	\$ 41,389	\$ -
Supplemental information:		
Cash paid during the period for interest	\$ -	\$ 702
Obligations of Company paid by members of Golub Capital BDC LLC	\$ -	\$ 225

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Dividends and distributions declared during the period	\$	5,490	\$	-
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See Notes to Consolidated Financial Statements.

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Golub Capital BDC, Inc. and Subsidiaries
Consolidated Schedule of Investments (unaudited)
December 31, 2010
(In thousands)

	Investment Type	Spread Above Interest Index(1) Rate(2)	Maturity Date	Principal Amount	Cost	Percentage of Net Assets	Fair Value
Investments, at fair value							
Canada							
Debt investments							
Leisure, Amusement, Motion Pictures, Entertainment							
		L +					
Extreme Fitness, Inc.	Senior loan	7.50%	11.50%	03/2012	\$ 4,649	\$ 4,649	1.8% \$ 4,649
Total Canada (cost \$4,649)					\$ 4,649	\$ 4,649	1.8% \$ 4,649
Fair Value as percentage of Principal Amount							100.0%
United States							
Debt investments							
Aerospace and Defense							
Whitcraft LLC	Subordinated debt	N/A	12.00%	12/2018	\$ 1,877	\$ 1,840	0.7% \$ 1,877
Automobile							
		L +					
CLP Auto Interior Corporation	Senior loan	4.75%	5.01%	06/2013	3,206	3,206	1.2 3,109
		L +					
Dealer Computer Services, Inc.	Senior loan	3.50%	5.25%	04/2017	2,328	2,316	0.9 2,347
		L +					
Driven Brands, Inc.	Senior loan	5.00%	6.53%	10/2014	5,907	5,907	2.3 5,907
					11,441	11,429	4.4 11,363
Banking							
		L +					
Bonddesk Group LLC	Senior loan	3.00%	3.26%	08/2012	1,764	1,717	0.7 1,764
		L +					
Prommis Solutions Inc.	Senior loan	2.75%	5.00%	02/2013	1,240	1,240	0.3 1,141
					3,004	2,957	1.0 2,905
Beverage, Food and Tobacco							
		L +					
ABP Corporation	Senior loan	4.50%	8.50%	02/2013	2,305	2,270	0.9 2,305
		L +					
Atkins Nutrionals, Inc.	Second lien	9.00%	11.00%	12/2015	5,028	4,929	1.9 5,028
		L +					
Bertucci's Corporation	Senior loan	9.00%	12.00%	07/2012	1,953	1,911	0.7 1,953
CTI Foods Holding Co., LLC	Senior loan		6.00%	06/2015	891	870	0.3 905

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		L +							
		4.00%							
		L +							
Lone Star Beef Processors, L.P.	Senior loan	4.00%	4.46%	05/2013	3,550	3,531	1.4	3,550	
		L +							
Richelieu Foods, Inc.	Senior loan	5.00%	6.75%	11/2015	2,282	2,221	0.9	2,236	
		L +							
Richelieu Foods, Inc.	Senior loan	5.00%	7.11%	11/2015	127	111	-	115	
					16,136	15,843	6.1	16,092	
Building and Real Estate									
		L +							
American Fire Protection Group, Inc.(5)	Senior loan	6.75%	9.00%	06/2011	4,422	4,373	1.0	2,653	
		L +							
Architectural Testing, Inc.	Senior loan	6.50%	9.50%	05/2013	6,358	6,358	2.4	6,358	
		L +							
ASP PDM Acquisition Co. LLC	Senior loan	2.75%	3.38%	12/2013	608	571	0.2	558	
		L +							
Infiltrator Systems, Inc.	Senior loan	5.50%	8.50%	09/2012	7,799	7,525	2.9	7,643	
		L +							
ITEL Laboratories, Inc.	Senior loan	6.75%	9.75%	03/2014	7,778	7,721	3.0	7,778	
		L +							
KHKI Acquisition, Inc.	Senior loan	6.00%	8.50%	03/2012	290	289	0.1	281	
		L +							
KHKI Acquisition, Inc.	Senior loan	6.00%	8.50%	03/2013	2,600	2,597	0.8	2,080	
		L +							
Tecta America Corp.	Senior loan	5.75%	8.00%	12/2011	2,864	2,864	0.7	1,904	
					32,719	32,298	11.1	29,255	
Cargo Transport									
		L +							
Peco Pallet, Inc.	Senior loan	3.75%	4.01%	06/2013	3,850	3,724	1.5	3,850	
Chemicals, Plastics and Rubber									
		L +							
Celanese Holdings LLC	Senior loan	3.00%	3.29%	10/2016	692	601	0.3	689	
		L +							
Styron S.A.R.L.	Senior loan	5.75%	7.50%	06/2016	1,463	1,483	0.6	1,487	
		L +							
Syrgis Holdings, Inc.	Senior loan	5.50%	7.75%	08/2012	291	280	0.1	291	
		L +							
Syrgis Holdings, Inc.	Senior loan	6.00%	8.25%	08/2013	864	825	0.3	864	
		L +							
Syrgis Holdings, Inc.	Senior loan	8.50%	10.75%	02/2014	474	451	0.2	474	
					3,784	3,640	1.5	3,805	

See Notes to Consolidated Financial Statements.

Golub Capital BDC, Inc. and
Subsidiaries
Consolidated Schedule of Investments (unaudited) - (Continued)
December 31, 2010
(In thousands)

	Investment Type	Spread Above Index(1)	Interest Rate(2)	Maturity Date	Principal Amount	Cost	Percentage of Total Net Assets	Fair Value
Containers, Packaging and Glass								
Fort Dearborn Company	Senior loan	L + 5.00%	6.86%	08/2015	\$ 101	\$ 99	-%	\$ 101
Fort Dearborn Company	Senior loan	L + 5.50%	7.37%	08/2016	226	222	0.1	226
Fort Dearborn Company	Senior loan	L + 5.00%	6.76%	08/2015	1,533	1,505	0.6	1,533
Fort Dearborn Company	Senior loan	L + 5.50%	7.26%	08/2016	3,283	3,221	1.3	3,283
Industrial Container Services, LLC	Senior loan	L + 4.00%	4.44%	09/2011	503	497	0.2	503
					5,646	5,544	2.2	5,646
Diversified Conglomerate Manufacturing								
Heat Transfer Parent, Inc.	Senior loan	L + 3.00%	3.26%	06/2013	1,811	1,752	0.6	1,576
Neptco Inc.	Senior loan	L + 5.25%	7.25%	03/2013	4,229	4,096	1.4	3,595
Pasternack Enterprises, Inc.	Senior loan	L + 4.50%	6.00%	02/2014	4,779	4,659	1.8	4,779
Tecomet Inc.(3)	Senior loan	L + 5.25%	N/A(4)	12/2015	-	(12)	-	-
Tecomet Inc.	Senior loan	L + 5.25%	7.00%	12/2015	6,000	5,881	2.3	6,000
Vintage Parts, Inc.	Senior loan	L + 5.50%	5.80%	12/2013	7,304	7,239	2.7	7,085
Vintage Parts, Inc.	Senior loan	L + 6.00%	8.50%	12/2013	101	101	-	101
Vintage Parts, Inc.	Senior loan	L + 8.00%	9.75%	12/2013	1,527	1,504	0.6	1,527
					25,751	25,220	9.4	24,663
Diversified Conglomerate Service								
Benetech, Inc.	Senior loan	L + 5.00%	5.26%	12/2013	8,845	8,584	3.4	8,845
Compass Group Diversified Holdings, LLC	Senior loan	L + 4.00%	4.29%	12/2013	4,536	4,536	1.7	4,536

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Cortz, Inc.	Senior loan	L + 5.50%	8.50%	03/2014	6,426	6,383	2.5	6,426
EAG, Inc.	Senior loan	L + 5.00%	7.25%	07/2015	1,321	1,302	0.5	1,301
NS Holdings, Inc.(3)	Senior loan	L + 6.25%	N/A(4)	06/2015	-	(8)	-	-
NS Holdings, Inc.	Senior loan	L + 4.63%	6.65%	06/2015	2,224	2,183	0.9	2,224
Protection One, Inc.	Senior loan	L + 4.25%	6.00%	06/2016	3,021	3,019	1.2	3,036
Royall & Company Savvis Communications Corporation	Senior loan	L + 5.00%	6.50%	11/2015	800	784	0.3	784
The Service Companies, Inc.	Senior loan	L + 6.50%	9.00%	03/2014	5,737	5,630	2.2	5,737
					34,905	34,387	13.5	34,918
Diversified Natural Resources, Precious Metals, and Minerals								
CIBT Holdings(3)	Senior loan	L + 5.00%	N/A(4)	12/2015	-	(4)	-	(4)
CIBT Holdings	Senior loan	L + 5.00%	7.25%	12/2015	1,096	1,074	0.4	1,074
Metal Spinners, Inc.	Senior loan	L + 7.00%	10.00%	12/2014	2,224	2,149	0.9	2,224
Metal Spinners, Inc.(6)	Senior loan	L + 11.00%	14.00%	12/2014	3,101	3,001	1.2	3,103
OnCore Manufacturing LLC	Second lien	L + 8.00%	12.00%	06/2016	3,633	3,561	1.4	3,560
					10,054	9,781	3.9	9,957
Electronics								
Cape Electrical Supply LLC	Senior loan	L + 5.75%	7.00%	11/2013	2,317	2,199	0.9	2,269
The Sloan Company, Inc.(6)	Second lien	L + 7.00%	7.27%	10/2012	2,451	2,441	0.9	2,452
Syncsort Incorporated(3)	Senior loan	L + 5.50%	N/A(4)	03/2015	-	(7)	-	-
Syncsort Incorporated	Senior loan	L + 5.50%	7.50%	03/2015	9,750	9,672	3.7	9,750
					14,518	14,305	5.5	14,471
Finance								
Nuveen Investments, Inc.	Senior loan	L + 5.50%	5.80%	05/2017	1,078	968	0.4	1,032
Nuveen Investments, Inc.	Senior loan	L + 3.00%	3.30%	11/2014	1,922	1,726	0.7	1,840
Pillar Processing LLC	Senior loan	L + 5.50%	5.80%	11/2013	6,129	6,111	2.2	5,823
Pillar Processing LLC	Senior loan	N/A	14.50%	05/2014	3,125	3,125	1.1	2,969
	Senior loan		7.00%	05/2013	1,577	1,573	0.6	1,577

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Wall Street Systems Holdings, Inc.		L +						
		5.00%						
Wall Street Systems Holdings, Inc.	Senior loan	L +						
		5.00%	7.00%	05/2013	3,726	3,674	1.4	3,726
Wall Street Systems Holdings, Inc.	Senior loan	L +						
		5.00%	8.00%	05/2013	7,875	7,875	3.0	7,875
					25,432	25,052	9.4	24,842
Grocery								
JRD Holdings, Inc.	Senior loan	L +						
		2.25%	2.52%	07/2014	1,241	1,107	0.5	1,233

See Notes to Consolidated Financial Statements.

Golub Capital BDC, Inc. and
Subsidiaries
Consolidated Schedule of Investments (unaudited) - (Continued)
December 31, 2010
(In thousands)

	Investment Type	Spread Above Index(1)	Interest Rate(2)	Maturity Date	Principal Amount	Cost	Percentage of Total Net Assets	Fair Value
Healthcare, Education and Childcare								
ADG, LLC	Senior loan	L + 5.75%	8.75%	05/2013	\$ 369	\$ 360	0.1%	\$ 369
ADG, LLC	Senior loan	L + 5.75%	7.76%	05/2013	3,476	3,476	1.3	3,476
Advanced Pain Management Holdings, Inc.	Subordinated debt	N/A	14.00%	06/2016	7,710	7,518	2.9	7,710
Campus Management Acquisition Corp.	Senior loan	L + 5.65%	7.40%	09/2015	5,595	5,489	2.1	5,595
CHS/Community Health Systems	Senior loan	L + 3.50%	3.79%	01/2017	249	247	0.1	249
CHS/Community Health Systems	Senior loan	L + 2.25%	2.54%	07/2014	523	517	0.2	511
Community Hospices of America, Inc.(3)	Senior loan	L + 5.50%	N/A(4)	12/2015	-	(7)	-	(7)
Community Hospices of America, Inc.	Senior loan	L + 5.50%	7.25%	12/2015	5,569	5,459	2.1	5,458
Community Hospices of America, Inc.(6)	Subordinated debt	L + 11.75%	13.75%	06/2016	1,787	1,743	0.7	1,789
DaVita, Inc.	Senior loan	L + 3.00%	4.50%	10/2016	4,000	3,981	1.5	4,043
DDC Center Inc.	Senior loan	L + 6.50%	9.50%	10/2014	8,405	8,405	2.9	7,564
DDC Center Inc.	Senior loan	L + 6.50%	9.50%	10/2014	1,170	1,170	0.4	1,053
Delta Educational Systems, Inc.	Senior loan	L + 4.00%	6.00%	06/2012	3,718	3,608	1.4	3,718
Den-Mat Holdings, LLC(6)	Senior loan	L + 7.50%	8.50%	06/2014	3,322	3,237	0.6	1,661
Excelligence Learning Corporation	Second lien	L + 7.00%	7.26%	11/2013	1,600	1,544	0.6	1,584
G&H Wire Company, Inc.(3)	Senior loan	L + 5.50%	N/A(4)	12/2015	-	(13)	-	-
G&H Wire Company, Inc.	Senior loan	L + 5.50%	7.25%	12/2015	6,000	5,895	2.3	6,000
The Hygenic Corporation	Senior loan	L + 2.50%	2.81%	04/2013	2,477	2,424	0.9	2,403

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Integrated DNA Technologies, Inc.(6)	Subordinated debt	N/A	14.00%	04/2015	3,800	3,741	1.5	3,800
Integrated DNA Technologies, Inc.(3)	Subordinated debt	N/A	N/A(4)	04/2015	-	(14)	-	-
Sterilmed, Inc.	Senior loan	L + 6.25%	7.75%	07/2016	3,119	3,119	1.2	3,119
Sterilmed, Inc.(3)	Senior loan	L + 6.25%	N/A(4)	07/2015	-	(9)	-	-
Surgical Information Systems, LLC	Second lien	L + 5.75%	7.25%	12/2015	5,143	5,041	2.0	5,143
TIDI Products, LLC	Senior loan	L + 5.00%	6.50%	05/2015	2,575	2,575	1.0	2,575
TIDI Products, LLC(3)	Senior loan	L + 5.00%	N/A(4)	05/2015	-	(6)	-	-
United Surgical Partners International, Inc.	Senior loan	L + 2.00%	2.27%	04/2014	1,525	1,525	0.6	1,477
Universal Health Services, Inc.	Senior loan	L + 4.00%	5.50%	11/2016	1,664	1,639	0.6	1,690
Warner Chilcott Corporation	Senior loan	L + 4.25%	6.50%	02/2016	1,015	1,005	0.4	1,026
					74,811	73,669	27.4	72,006
Home and Office Furnishings, Housewares, and Durable Consumer								
Top Knobs USA, Inc.	Senior loan	L + 5.75%	8.00%	11/2016	1,241	1,217	0.5	1,241
Zenith Products Corporation	Senior loan	L + 5.00%	5.39%	09/2013	4,417	4,342	1.7	4,373
					5,658	5,559	2.2	5,614
Leisure, Amusement, Motion Pictures and Entertainment								
Competitor Group, Inc.(3)	Senior loan	L + 7.50%	N/A(4)	09/2015	-	(22)	-	-
Competitor Group, Inc.(3)	Senior loans	L + 7.50%	N/A(4)	03/2012	-	(93)	-	-
Competitor Group, Inc.	Senior loan	L + 7.50%	9.50%	09/2015	8,290	8,097	3.2	8,290
Melissa & Doug, LLC	Senior loan	L + 5.00%	6.75%	12/2016	1,303	1,289	0.5	1,289
Octane Fitness, LLC	Senior loan	L + 4.60%	4.83%	03/2013	4,675	4,555	1.7	4,442
Optronics Product Company, Inc.	Senior loan	L + 3.75%	5.75%	12/2012	97	94	-	97
Optronics Product Company, Inc.	Second lien	L + 7.25%	8.25%	12/2013	2,489	2,386	1.0	2,489
Premier Yachts, Inc.(3)	Senior loan	L + 5.50%	N/A(4)	12/2015	-	(3)	-	(3)
Premier Yachts, Inc.	Senior loan	L + 5.50%	7.00%	12/2015	864	846	0.3	846

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Pride Manufacturing Company, LLC	Senior loan	L + 5.50%	7.25%	11/2015	839	823	0.3	822
Regal Cinemas Corporation	Senior loan	L + 3.50%	3.80%	11/2016	1,489	1,294	0.6	1,498
					20,046	19,266	7.6	19,770
Oil and Gas Tri-County Petroleum, Inc.	Senior loan	L + 4.25%	4.55%	08/2013	3,647	3,565	1.4	3,647

See Notes to Consolidated Financial Statements.

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Golub Capital BDC, Inc. and Subsidiaries
 Consolidated Schedule of Investments (unaudited) - (Continued)
 December 31, 2010
 (In thousands)

	Investment Type	Spread Above Index(1)	Interest Rate(2)	Maturity Date	Principal Amount	Cost	Percentage of Total Net Assets	Fair Value
Personal and Non-Durable Consumer Products								
		L +						
Dr. Miracles, Inc.	Senior loan	5.50%	8.00%	03/2014	\$ 3,660	\$ 3,621	1.4%	\$ 3,587
Strategic Partners, Inc.(6)	Subordinated debt	N/A	14.00%	02/2017	9,636	9,380	3.7	9,636
					13,296	13,001	5.1	13,223
Personal, Food and Miscellaneous Services								
		L +						
Focus Brands, Inc.	Senior loan	5.50%	7.25%	11/2016	4,591	4,479	1.8	4,591
Vetcor Merger Sub LLC(3)	Senior loan	L + 7.25%	N/A(4)	02/2015	-	(243)	-	-
Vetcor Merger Sub LLC	Senior loan	L + 7.25%	9.25%	02/2015	2,500	2,500	1.0	2,500
					7,091	6,736	2.8	7,091
Printing and Publishing								
		L +						
Market Track, LLC(3)	Senior loan	7.75%	N/A(4)	11/2015	-	(29)	-	-
Market Track, LLC	Senior loan	L + 7.75%	9.25%	11/2015	16,350	16,043	6.3	16,350
Monotype Imaging, Inc.	Senior loan	L + 3.75%	3.76%	07/2012	1,156	1,116	0.4	1,156
Trade Service Company, LLC	Senior loan	N/A	14.00%	01/2013	2,085	2,032	0.8	2,085
					19,591	19,162	7.5	19,591
Retail Stores								
		L +						
Container Store, Inc.	Senior loan	3.00%	3.29%	08/2014	6,777	6,342	2.4	6,371
DTLR, Inc.	Second Lien	L + 8.00%	11.00%	12/2015	6,011	5,862	2.3	6,011
Fasteners for Retail, Inc.	Senior loan	L + 4.50%	4.78%	12/2012	1,964	1,858	0.7	1,896
IL Fornai (America) Corporation	Senior loan	L + 3.00%	3.29%	03/2013	4,754	4,504	1.7	4,516
	Senior loan		7.25%	04/2013	3,022	2,921	1.2	3,022

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The Marshall Retail Group, LLC		L +							
		4.50%							
The Marshall Retail Group, LLC	Senior loan	L +							
		6.50%	9.25%	04/2013	2,100	2,045	0.8	2,100	
Rubio's Restuarants, Inc.	Senior loan	L +							
		7.00%	8.75%	06/2015	9,677	9,490	3.7	9,677	
					34,305	33,022	12.8	33,593	
Telecommunications									
MetroPCS Wireless, Inc.	Senior loan	L +							
		2.25%	2.56%	11/2013	246	214	0.1	247	
MetroPCS Wireless, Inc.	Senior loan	L +							
		3.50%	3.81%	11/2016	2,685	2,299	1.0	2,702	
Springboard Finance LLC	Senior loan	L +							
		5.00%	7.00%	02/2015	1,971	1,959	0.8	1,980	
West Corporation(3)	Senior loan	L +							
		3.00%	N/A(4)	10/2012	-	(210)	(0.2)	(500)	
					4,902	4,262	1.7	4,429	
Textiles and Leather									
Gammill, Inc.	Senior loan	L +							
		7.50%	9.50%	09/2011	400	395	0.2	400	
Gammill, Inc.	Senior loan	L +							
		8.00%	10.00%	09/2012	4,116	4,040	1.6	4,116	
					4,516	4,435	1.8	4,516	
Utilities									
Itron, Inc.	Senior loan	L +							
		3.50%	3.77%	04/2014	869	793	0.3	875	
NRG Energy, Inc.	Senior loan	L +							
		1.75%	2.04%	02/2013	368	342	0.1	366	
NRG Energy, Inc.	Senior loan	L +							
		3.25%	3.55%	08/2015	1,753	1,626	0.7	1,757	
					2,990	2,761	1.1	2,998	
Total debt investments United States (cost \$372,565)									\$