

Summit Lifecycle BDC Return Index 1st Quarter 2018

Quarterly & Annual Returns for Lifecycle BDCs

Quarterly Returns	2012	2013	2014	2015	2016	2017	2018
1st Quarter	4.82%	3.42%	2.81%	2.00%	-0.48%	2.22%	-0.41%
2nd Quarter	1.68%	1.24%	2.29%	1.52%	7.64%	-0.02%	
3rd Quarter	4.16%	2.60%	0.96%	-3.88%	4.01%	1.49%	
4th Quarter	2.89%	2.52%	-2.78%	-4.88%	3.23%	-0.90%	
Full Year	13.55%	9.78%	3.28%	-5.24%	14.40%	2.79%	
Three-Year Average			8.87%	2.61%	4.15%	3.98%	

Note: Quarterly returns are weighted averages based on quarterly distributions and quarterly changes in net asset value for lifecycle BDCs. Quarterly returns do not represent or equate to specific investor returns but reflect the average BDC-level returns for lifecycle BDCs.

In 1Q18, lifecycle BDCs reported a negative 0.41% quarterly return, which is a second straight negative quarterly return. Several lifecycle BDCs posted net asset value declines again in 1Q18. Lifecycle BDC returns in 1Q18 included a 1.72% income return and negative 2.13% capital return due to many lower net asset values. For 1Q18 TTM, lifecycle BDCs had positive returns of only 0.16%. For the three-years ended 12/31/17, lifecycle BDCs have a low 3.98% average annual return. Subsequent to 1Q18, several lifecycle BDCs continue to report lower net asset values and some have reduced their distribution rates, which likely indicates low returns again in 2Q18.