

--- PROGRAM COMPOSITION ---

	FY End 2010	FY End 2011	FY End 2012	FY End 2013	As of 12/31/13
--- Program Composition of Operating SBICs ---					
Total Number of Licensees	307	299	301	292	287
Debenture	140	143	158	175	174
Participating Security	107	97	86	63	61
Bank-Owned/Non-Leveraged	47	46	44	43	41
Specialized SBICs	13	13	13	11	11
--- Private Capital of Operating SBICs by Fund Type (\$ in millions) ---					
a. Regulatory Private Capital	\$8,649.6	\$8,862.7	\$9,376.6	\$10,333.2	\$10,300.5
Debenture	4,184.6	5,071.1	6,114.4	7,504.4	7,606.6
Participating Security	2,722.3	2,286.5	1,881.5	1,316.2	1,271.0
Other	1,742.6	1,505.1	1,380.8	1,512.6	1,422.9
b. Leveragable Private Capital	\$6,249.9	\$6,057.5	\$6,187.0	\$6,416.5	\$6,430.0
Debenture	2,774.4	3,158.1	3,795.2	4,467.6	4,574.6
Participating Security	2,083.9	1,778.4	1,457.6	1,079.2	1,035.9
Other	1,391.6	1,120.9	934.2	869.7	819.5
c. Unfunded Private Commitments	\$2,399.7	\$2,805.2	\$3,189.6	\$3,916.7	\$3,870.6
Debenture	1,410.2	1,913.0	2,319.2	3,036.9	3,032.1
Participating Security	638.4	508.0	423.8	237.0	235.1
Other	351.1	384.2	446.6	642.8	603.4
--- Leverage from SBA of Operating SBICs by Fund Type (\$ in millions) ---					
d. SBA Capital at Risk (e+f)	\$7,902.6	\$8,253.3	\$8,823.6	\$9,483.7	\$9,550.2
Debenture	4,883.4	5,999.0	7,230.6	8,400.3	8,516.2
Participating Security	3,005.0	2,235.4	1,574.2	1,019.7	973.8
Other	14.2	18.9	18.9	63.8	60.3
e. Outstanding SBA Leverage	\$6,339.5	\$6,433.1	\$6,435.7	\$6,950.6	\$7,415.3
Debenture	3,409.8	4,244.9	4,870.6	5,919.4	6,422.8
Participating Security	2,915.5	2,174.4	1,549.3	1,002.2	956.3
Other	14.2	13.9	15.9	29.0	36.2
f. Outstanding SBA Commitments	\$1,563.1	\$1,820.2	\$2,387.8	\$2,533.2	\$2,134.9
Debenture	1,473.6	1,754.2	2,360.0	2,480.9	2,093.4
Participating Security	89.5	61.1	24.8	17.4	17.4
Other	0.0	5.0	3.0	34.9	24.1
g. Unreimbursed Prioritized Payments	\$508.0	\$444.9	\$358.9	\$238.3	\$238.3
--- Combined Private Capital and SBA Capital at Risk of Operating SBICs (\$ in millions) ---					
h. Total Capital at Risk (a+d)	\$16,552.1	\$17,116.0	\$18,200.2	\$19,816.9	\$19,850.7
Debenture	9,068.1	11,070.1	13,344.9	15,904.7	16,122.8
Participating Security	5,727.3	4,521.9	3,455.6	2,335.8	2,244.8
Other	1,756.8	1,524.0	1,399.6	1,576.4	1,483.1
--- Program Composition in Liquidation (\$ in Millions) ---					
				DRAFT	DRAFT
Total Number of Licensees	140	123	117	124	126
Participating Security	84	80	80	85	86
Other	56	43	37	39	40
Leverage Balance	\$1,885.1	\$1,629.3	\$1,422.5	\$1,374.2	\$1,458.7
Participating Security	1,585.0	1,406.5	1,111.7	1,047.2	1,100.4
Other	300.1	222.8	310.8	327.0	358.3
--- Program Funding (\$ in millions) ---					
Debenture Authorization (\$ in Millions)	\$3,000.0	\$3,000.0	\$3,000.0	\$3,000.0	\$4,000.0
Annual Charge	0.285%	0.515%	0.804%	0.760%	0.355%
Average Debenture Pooled Interest Rate	3.55%	3.60%	2.46%	2.83%	n/a

---ECONOMIC IMPACT: SBIC FINANCINGS TO SMALL BUSINESS REPORTED ---

	FY End 2010	FY End 2011	FY End 2012	FY End 2013	As of 12/31/13	Chg. from 12/31/12
--- Total SBIC Program ---						
Financing Amount Reported (\$ in millions)	\$2,047.1	\$2,833.4	\$3,227.4	\$3,498.3	\$1,237.9	53%
Type of Financing (\$ in millions)						
Straight Debt	803.8	1,375.2	1,927.7	2,095.7	834.2	79%
Debt with Equity Features	772.3	1,022.9	723.3	834.1	195.1	2%
Equity Only	471.0	435.2	576.4	568.5	208.5	35%
Number of Companies Financed	1,331	1,339	1,094	1,068	334	11%
Special Competitive Opportunity Gap	392	430	290	260	97	28%
Businesses Located in LMI Areas	318	351	216	213	88	35%
Women, Minority, Veteran Owned	109	110	108	67	14	(22%)
Number of Jobs Created or Sustained*	46,130	61,527	68,918	73,585	26,129	51%
--- Debenture SBICs ---						
Financing Amount Reported (\$ in millions)	\$1,587.0	\$2,588.6	\$2,950.3	\$3,256.3	\$1,202.9	61%
Type of Financing (\$ in millions)						
Straight Debt	754.8	1,344.8	1,855.1	2,042.4	828.6	84%
Debt with Equity Features	665.4	963.5	671.7	794.6	190.8	6%
Equity Only	166.8	280.3	423.6	419.3	183.6	56%
Number of Companies Financed	896	1,007	795	856	273	24%
Special Competitive Opportunity Gap	275	310	192	206	82	52%
Businesses Located in LMI Areas	231	263	153	170	76	62%
Women, Minority, Veteran Owned	64	65	50	51	11	0%
Number of Jobs Created or Sustained*	35,760	56,211	63,001	68,493	25,391	59%
--- Non-Leveraged, Bank-Owned, and Specialized SBICs ---						
Financing Amount Reported (\$ in millions)	\$124.5	\$79.9	\$175.2	\$166.1	\$24.4	(52%)
Type of Financing (\$ in millions)						
Straight Debt	12.5	14.1	57.3	38.4	2.6	(75%)
Debt with Equity Features	18.9	12.3	23.1	18.3	2.1	(75%)
Equity Only	93.1	53.5	94.8	109.4	19.7	(39%)
Number of Companies Financed	133	136	166	110	21	(56%)
Special Competitive Opportunity Gap	58	68	83	35	8	(56%)
Businesses Located in LMI Areas	33	40	48	27	4	(71%)
Women, Minority, Veteran Owned	38	41	58	13	4	(43%)
Number of Jobs Created or Sustained*	2,806	1,736	3,742	3,495	516	(53%)
--- Participating Security SBICs ---						
Financing Amount Reported (\$ in millions)	\$335.6	\$164.9	\$101.8	\$75.9	\$10.5	2%
Type of Financing (\$ in millions)						
Straight Debt	36.4	16.2	15.3	14.9	3.0	(16%)
Debt with Equity Features	88.1	47.2	28.5	21.2	2.2	7%
Equity Only	211.2	101.5	58.0	39.8	5.3	15%
Number of Companies Financed	346	220	157	125	42	14%
Special Competitive Opportunity Gap	66	58	20	24	8	100%
Businesses Located in LMI Areas	61	54	19	21	8	100%
Women, Minority, Veteran Owned	7	4	1	3	0	0%
Number of Jobs Created or Sustained*	7,564	3,580	2,175	1,597	222	1%

* SBA estimates jobs created or sustained using "The 1999 Arizona Venture Capital Impact Study" (confirmed by the DRI-WEFA study of 2001) indicating that 1 job is created for every \$36,000 of SBIC Program investment (adjusted for inflation).

--- PROGRAM OFFICE ACTIVITIES ---

	FY End 2010	FY End 2011	FY End 2012	FY End 2013	As of 12/31/13	Chg. from 12/31/12
--- New Licensees ---						
New Licensees by Fund Type	23	22	30	34	3	(25%)
Debenture	21	18	27	29	3	(25%)
Bank-Owned/Non-Leveraged	2	4	3	5	0	0%
Initial Private Capital (\$ in millions)	\$654.8	\$840.1	\$973.9	\$1,259.0	\$112.2	(36%)
Debenture	615.6	713.6	892.6	1,111.5	112.2	(36%)
Bank-Owned/Non-Leveraged	39.2	126.5	81.3	147.4	0.0	0%

--- Licensing Pipeline ---						
Total in Pipeline	66	62	51	43	55	31%
In Applicant Review/Program Development	14	10	8	13	16	23%
In Capital Raising	42	34	30	20	24	26%
In Licensing	10	18	13	10	15	50%

--- Program Development and Licensing Activity ---

Applicant Initial Review/Program Development

Received during FY	73	74	61	71	10	(23%)
1st Time SBIC Applicants	54	52	43	58	6	(33%)
Subsequent Fund Applicants	19	22	18	13	4	(20%)
Processed in FY	64	78	63	66	7	(36%)
Green Light Letters Issued	40	40	38	31	7	0%
<i>% of Processed Receiving Green Light</i>	<i>63%</i>	<i>51%</i>	<i>60%</i>	<i>47%</i>	<i>100%</i>	<i>57%</i>
1st Time SBIC Applicants	26	26	21	21	3	(25%)
Subsequent Fund Applicants	14	14	17	10	4	33%
Number Denied -- 1st Time and Subsequent	19	31	20	30	0	(100%)
Number Withdrawn -- 1st Time and Subsequent	5	7	5	5	0	(100%)
% Completed in Goal						
1st Time (2 months)	5%	16%	55%	29%	27%	100%
Subsequent (1 month)	88%	91%	70%	92%	94%	42%

Raising Capital in Process

Green Light Letters Expired	n/a	11	9	8	0	(100%)
Licensing Applications Submitted	n/a	33	36	47	7	(56%)
Total in the Capital Raising Process	n/a	44	45	55	7	(65%)
<i>% in Capital Raising Submitting Applications</i>	<i>n/a</i>	<i>75%</i>	<i>80%</i>	<i>85%</i>	<i>100%</i>	<i>25%</i>

Licensing

Received during FY	15	33	36	47	7	(56%)
1st Time SBIC Applicants	6	20	19	30	1	(90%)
Subsequent Fund Applicants	9	13	17	17	6	0%
Resolved During FY	2	10	10	5	2	100%
FY Number of New Licensees	23	22	30	34	3	(25%)
1st Time SBIC Applicants	10	11	15	15	3	(25%)
Subsequent Fund Applicants	13	11	15	19	0	0%
Average Months to Process	5.8	5.6	5.8	6.8	7.5	70%
<i>% Completed in Goal (6 months)</i>	<i>65%</i>	<i>50%</i>	<i>56%</i>	<i>50%</i>	<i>33%</i>	<i>(67%)</i>

--- PROGRAM OFFICE ACTIVITIES ---

	FY End 2010	FY End 2011	FY End 2012	FY End 2013	As of 12/31/13	Chg. from 12/31/12
--- Leverage Activities in Operations ---						
Debenture Leverage						
Commitments Issued	\$1,164.8	\$1,827.5	\$1,924.1	\$2,155.7	\$450.3	1%
Draws	\$931.0	\$1,392.0	\$1,421.7	\$1,737.0	\$541.5	(20%)
Redemptions (Pre-Paid and at Maturity)	\$250.5	\$544.2	\$651.8	\$567.1	\$0.0	0%
Transfers to Liquidation	\$95.8	\$8.5	\$144.4	\$118.8	\$31.3	100%
<i>% of Beginning Leverage Transferred</i>	3%	0%	3%	2%	1%	100%
Participating Securities Leverage						
Prioritized Payments (PP) Advanced	\$186.0	\$136.4	\$99.3	\$66.2	\$12.7	(34%)
SBA Distributions	\$480.8	\$659.1	\$560.1	\$292.8	\$35.3	(67%)
Prioritized Payments	\$98.7	\$143.1	\$86.8	\$52.9	\$7.7	(46%)
Adjustments and Annual Fees	\$39.5	\$54.4	\$25.4	\$18.8	\$0.2	(97%)
Profit Participation	\$10.5	\$26.7	\$44.2	\$23.6	\$2.0	(67%)
PS Redemptions--Operating SBICs	\$332.1	\$434.9	\$403.7	\$197.5	\$25.4	(69%)
Transfers to Liquidation	\$701.4	\$307.5	\$220.1	\$296.8	\$53.2	(42%)
<i>% of Beginning Leverage Transferred</i>	18%	11%	11%	21%	6%	(8%)
Prioritized Payments at Transfer	\$179.9	\$35.7	\$49.3	\$115.4	\$13.7	(64%)

--- SBIC Examination Activities ---

Exam Reports Issued	249	260	233	244	38	12%
Exam Cycle (months)	14.1	12.6	12.6	12.4	12.6	8%
Number of Reports with Findings	25	35	21	41	8	(11%)
<i>% of Reports with Findings</i>	10%	145%	9%	17%	21%	(20%)
Licensees with Leverage	196	199	182	206	30	0%
Exam Cycle (months)	12.9	11.7	11.7	11.6	11.7	4%
Number of Reports with Findings	17	22	12	31	6	0%
<i>% of Reports with Findings</i>	9%	11%	7%	15%	20%	0%
Licensees without Leverage	53	61	51	38	8	100%
Exam Cycle (months)	18.2	15.6	15.6	16.5	16.1	9%
Number of Reports with Findings	8	13	9	10	2	(33%)
<i>% of Reports with Findings</i>	15%	21%	18%	26%	25%	(67%)

--- Surrenders and Transfers to Liquidation ---

SBIC License Surrenders	9	24	17	27	6	50%
Debenture	4	14	8	9	3	200%
Participating Security	2	4	4	11	1	0%
Bank-Owned/Non-Leveraged	2	6	5	6	2	0%
Specialized SBICs	1	0	0	1	0	(100%)
SBIC Licensee Transfers to Liquidation	22	6	11	16	2	0%
Debenture and Specialized SBICs	4	0	4	4	1	100%
Participating Security	18	6	7	12	1	(50%)

--- Activities in the Office of Liquidation ---

Participating Security Leverage					DRAFT
Total Collections	\$254.0	\$269.7	\$212.5	\$192.1	
<i>Collections as % of Beginning Balance</i>	18%	17%	15%	17%	
Leverage Charge-offs	\$300.9	\$220.7	\$308.0	\$176.9	
Prioritized Payments Charged off	\$179.9	\$56.6	\$38.3	\$97.7	
Debenture Leverage					
Total Collections	\$11.4	\$22.4	\$50.5	\$45.0	
<i>Collections as % of Beginning Balance</i>	5%	7.58	23%	14%	
Leverage Write-offs	\$19.1	\$64.3	\$6.5	\$58.3	