

**--- PROGRAM COMPOSITION ---**

	FY End 2009	FY End 2010	FY End 2011	FY End 2012	As of 6/30/13
<b>--- Program Composition of Operating SBICs ---</b>					
<b>Total Number of Licensees</b>	<b>315</b>	<b>307</b>	<b>299</b>	<b>301</b>	<b>295</b>
Debenture	126	140	143	158	170
Participating Security	127	107	97	86	70
Bank-Owned/Non-Leveraged	48	47	46	44	44
Specialized SBICs	14	13	13	13	11

**--- Private Capital of Operating SBICs by Fund Type (\$ in millions) ---**

<b>a. Regulatory Private Capital</b>	<b>\$8,650.1</b>	<b>\$8,649.6</b>	<b>\$8,862.7</b>	<b>\$9,376.6</b>	<b>\$9,788.5</b>
Debenture	3,401.2	4,184.6	5,071.1	6,114.4	6,835.3
Participating Security	3,361.7	2,722.3	2,286.5	1,881.5	1,473.3
Other	1,887.2	1,742.6	1,505.1	1,380.8	1,479.9
<b>b. Leveragable Private Capital</b>	<b>\$6,260.0</b>	<b>\$6,249.9</b>	<b>\$6,057.5</b>	<b>\$6,187.0</b>	<b>\$6,267.9</b>
Debenture	2,308.5	2,774.4	3,158.1	3,795.2	4,168.2
Participating Security	2,510.3	2,083.9	1,778.4	1,457.6	1,206.0
Other	1,441.2	1,391.6	1,120.9	934.2	893.7
<b>c. Unfunded Private Commitments</b>	<b>\$2,390.1</b>	<b>\$2,399.7</b>	<b>\$2,805.2</b>	<b>\$3,189.6</b>	<b>\$3,520.6</b>
Debenture	1,092.7	1,410.2	1,913.0	2,319.2	2,667.1
Participating Security	851.4	638.4	508.0	423.8	267.2
Other	446.0	351.1	384.2	446.6	586.2

**--- Leverage from SBA of Operating SBICs by Fund Type (\$ in millions) ---**

<b>d. SBA Capital at Risk (e+f)</b>	<b>\$8,196.0</b>	<b>\$7,902.6</b>	<b>\$8,253.3</b>	<b>\$8,823.6</b>	<b>\$9,452.9</b>
Debenture	4,152.0	4,883.4	5,999.0	7,230.6	8,201.5
Participating Security	4,026.6	3,005.0	2,235.4	1,574.2	1,189.1
Other	17.4	14.2	18.9	18.9	62.3
<b>e. Outstanding SBA Leverage</b>	<b>\$6,799.9</b>	<b>\$6,339.5</b>	<b>\$6,433.1</b>	<b>\$6,435.7</b>	<b>\$6,888.2</b>
Debenture	2,892.0	3,409.8	4,244.9	4,870.6	5,701.2
Participating Security	3,890.5	2,915.5	2,174.4	1,549.3	1,163.1
Other	17.4	14.2	13.9	15.9	23.9
<b>f. Outstanding SBA Commitments</b>	<b>\$1,396.0</b>	<b>\$1,563.1</b>	<b>\$1,820.2</b>	<b>\$2,387.8</b>	<b>\$2,564.7</b>
Debenture	1,260.0	1,473.6	1,754.2	2,360.0	2,500.3
Participating Security	136.0	89.5	61.1	24.8	26.0
Other	0.0	0.0	5.0	3.0	38.4
<b>g. Unreimbursed Prioritized Payments</b>	<b>\$581.1</b>	<b>\$508.0</b>	<b>\$444.9</b>	<b>\$358.9</b>	<b>\$285.0</b>

**--- Combined Private Capital and SBA Capital at Risk of Operating SBICs (\$ in millions) ---**

<b>h. Total Capital at Risk (a+d)</b>	<b>\$16,846.0</b>	<b>\$16,552.1</b>	<b>\$17,116.0</b>	<b>\$18,200.2</b>	<b>\$19,241.4</b>
Debenture	7,553.2	9,068.1	11,070.1	13,344.9	15,036.8
Participating Security	7,388.2	5,727.3	4,521.9	3,455.6	2,662.4
Other	1,904.6	1,756.8	1,524.0	1,399.6	1,542.1

**--- Program Composition in Liquidation (\$ in Millions) ---**

				DRAFT	DRAFT
<b>Total Number of Licensees</b>	<b>132</b>	<b>140</b>	<b>123</b>	<b>117</b>	<b>125</b>
Participating Security	82	84	80	80	84
Other	50	56	43	37	41
<b>Leverage Balance</b>	<b>\$1,650.6</b>	<b>\$1,885.1</b>	<b>\$1,629.3</b>	<b>\$1,422.5</b>	<b>\$1,534.9</b>
Participating Security	1,429.0	1,585.0	1,406.5	1,111.7	1,136.0
Other	221.6	300.1	222.8	310.8	398.9

**--- Program Funding (\$ in millions) ---**

Debenture Authorization (\$ in Millions)	\$3,000.0	\$3,000.0	\$3,000.0	\$3,000.0	\$3,000.0
Annual Charge	0.406%	0.285%	0.515%	0.804%	0.760%
Latest Debenture Pooled Interest Rate	4.41%	3.55%	3.60%	2.46%	2.35%

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

	FY End 2009	FY End 2010	FY End 2011	FY End 2012	As of 6/30/13	Chg. from 6/30/12
<b>--- Total SBIC Program ---</b>						
<b>Financing Amount Reported (\$ in millions)</b>	<b>\$1,856.1</b>	<b>\$2,047.1</b>	<b>\$2,833.4</b>	<b>\$3,227.4</b>	<b>\$2,737.1</b>	<b>29%</b>
Type of Financing (\$ in millions)						
Straight Debt	564.4	803.8	1,375.2	1,927.7	1,693.0	40%
Debt with Equity Features	718.2	772.3	1,022.9	723.3	606.2	15%
Equity Only	573.5	471.0	435.2	576.4	437.9	15%
<b>Number of Companies Financed</b>	<b>1,481</b>	<b>1,331</b>	<b>1,339</b>	<b>1,094</b>	<b>841</b>	<b>2%</b>
<b>Special Competitive Opportunity Gap</b>	<b>441</b>	<b>392</b>	<b>430</b>	<b>290</b>	<b>207</b>	<b>(5%)</b>
Businesses Located in LMI Areas	321	318	351	216	172	2%
Women, Minority, Veteran Owned	164	109	110	108	51	(32%)
<b>Number of Jobs Created or Sustained*</b>	<b>42,306</b>	<b>46,130</b>	<b>61,527</b>	<b>68,918</b>	<b>57,804</b>	<b>27%</b>
<b>--- Debenture SBICs ---</b>						
<b>Financing Amount Reported (\$ in millions)</b>	<b>\$1,227.4</b>	<b>\$1,587.0</b>	<b>\$2,588.6</b>	<b>\$2,950.3</b>	<b>\$2,559.7</b>	<b>32%</b>
Type of Financing (\$ in millions)						
Straight Debt	488.8	754.8	1,344.8	1,855.1	1,650.5	42%
Debt with Equity Features	586.1	665.4	963.5	671.7	576.9	20%
Equity Only	152.5	166.8	280.3	423.6	332.3	16%
<b>Number of Companies Financed</b>	<b>963</b>	<b>896</b>	<b>1,007</b>	<b>795</b>	<b>671</b>	<b>14%</b>
<b>Special Competitive Opportunity Gap</b>	<b>296</b>	<b>275</b>	<b>310</b>	<b>192</b>	<b>162</b>	<b>16%</b>
Businesses Located in LMI Areas	224	231	263	153	136	18%
Women, Minority, Veteran Owned	106	64	65	50	37	23%
<b>Number of Jobs Created or Sustained*</b>	<b>27,977</b>	<b>35,760</b>	<b>56,211</b>	<b>63,001</b>	<b>54,058</b>	<b>31%</b>
<b>--- Non-Leveraged, Bank-Owned, and Specialized SBICs ---</b>						
<b>Financing Amount Reported (\$ in millions)</b>	<b>\$165.6</b>	<b>\$124.5</b>	<b>\$79.9</b>	<b>\$175.2</b>	<b>\$117.5</b>	<b>8%</b>
Type of Financing (\$ in millions)						
Straight Debt	24.0	12.5	14.1	57.3	29.9	(11%)
Debt with Equity Features	34.0	18.9	12.3	23.1	11.5	(46%)
Equity Only	107.6	93.1	53.5	94.8	76.0	40%
<b>Number of Companies Financed</b>	<b>130</b>	<b>133</b>	<b>136</b>	<b>166</b>	<b>87</b>	<b>(33%)</b>
<b>Special Competitive Opportunity Gap</b>	<b>62</b>	<b>58</b>	<b>68</b>	<b>83</b>	<b>30</b>	<b>(54%)</b>
Businesses Located in LMI Areas	24	33	40	48	23	(44%)
Women, Minority, Veteran Owned	47	38	41	58	12	(73%)
<b>Number of Jobs Created or Sustained*</b>	<b>3,775</b>	<b>2,806</b>	<b>1,736</b>	<b>3,742</b>	<b>2,480</b>	<b>6%</b>
<b>--- Participating Security SBICs ---</b>						
<b>Financing Amount Reported (\$ in millions)</b>	<b>\$463.1</b>	<b>\$335.6</b>	<b>\$164.9</b>	<b>\$101.8</b>	<b>\$59.9</b>	<b>(23%)</b>
Type of Financing (\$ in millions)						
Straight Debt	51.6	36.4	16.2	15.3	12.6	(8%)
Debt with Equity Features	98.1	88.1	47.2	28.5	17.7	(31%)
Equity Only	313.4	211.2	101.5	58.0	29.6	(22%)
<b>Number of Companies Financed</b>	<b>445</b>	<b>346</b>	<b>220</b>	<b>157</b>	<b>99</b>	<b>(20%)</b>
<b>Special Competitive Opportunity Gap</b>	<b>95</b>	<b>66</b>	<b>58</b>	<b>20</b>	<b>17</b>	<b>13%</b>
Businesses Located in LMI Areas	85	61	54	19	15	0%
Women, Minority, Veteran Owned	13	7	4	1	2	0%
<b>Number of Jobs Created or Sustained*</b>	<b>10,555</b>	<b>7,564</b>	<b>3,580</b>	<b>2,175</b>	<b>1,266</b>	<b>(24%)</b>

\* 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 2009	FY End 2010	FY End 2011	FY End 2012	As of 6/30/13	Chg. from 6/30/12
<b>--- New Licensees ---</b>						
<b>New Licensees by Fund Type</b>	<b>11</b>	<b>23</b>	<b>22</b>	<b>30</b>	<b>25</b>	<b>9%</b>
Debenture	8	21	18	27	21	0%
Bank-Owned/Non-Leveraged	3	2	4	3	4	100%
<b>Initial Private Capital (\$ in millions)</b>	<b>\$345.2</b>	<b>\$654.8</b>	<b>\$840.1</b>	<b>\$973.9</b>	<b>\$838.3</b>	<b>15%</b>
Debenture	257.4	615.6	713.6	892.6	752.0	8%
Bank-Owned/Non-Leveraged	87.8	39.2	126.5	81.3	86.3	141%

<b>--- Licensing Pipeline ---</b>						
<b>Total in Pipeline</b>	<b>n/a</b>	<b>66</b>	<b>62</b>	<b>51</b>	<b>44</b>	<b>(23%)</b>
In Applicant Review/Program Development	n/a	14	10	8	12	0%
In Capital Raising	n/a	42	34	30	22	(27%)
In Licensing	n/a	10	18	13	10	(33%)

--- Program Development and Licensing Activity ---

**Applicant Initial Review/Program Development**

<b>Received during FY</b>	<b>48</b>	<b>73</b>	<b>74</b>	<b>61</b>	<b>64</b>	<b>14%</b>
1st Time SBIC Applicants	29	54	52	43	42	2%
Subsequent Fund Applicants	19	19	22	18	24	60%
<b>Processed in FY</b>	<b>48</b>	<b>64</b>	<b>78</b>	<b>63</b>	<b>60</b>	<b>11%</b>
<b>Green Light Letters Issued</b>	<b>36</b>	<b>40</b>	<b>40</b>	<b>38</b>	<b>29</b>	<b>(3%)</b>
<i>% of Processed Receiving Green Light</i>	<i>75%</i>	<i>63%</i>	<i>51%</i>	<i>60%</i>	<i>48%</i>	<i>(14%)</i>
1st Time SBIC Applicants	24	26	26	21	17	0%
Subsequent Fund Applicants	12	14	14	17	12	(8%)
Number Denied -- 1st Time and Subsequent	9	19	31	20	26	24%
Number Withdrawn -- 1st Time and Subsequent	3	5	7	5	5	66%
<b>% Completed in Goal</b>						
1st Time (2 months)	17%	5%	16%	55%	29%	(50%)
Subsequent (1 month)	n/a	88%	91%	70%	100%	41%

**Raising Capital in Process**

<b>Green Light Letters Expired</b>	<b>n/a</b>	<b>n/a</b>	<b>11</b>	<b>9</b>	<b>6</b>	<b>(25%)</b>
<b>Licensing Applications Submitted</b>	<b>n/a</b>	<b>n/a</b>	<b>33</b>	<b>36</b>	<b>39</b>	<b>30%</b>
Total Exiting the Capital Raising Process	n/a	n/a	44	45	45	18%
<i>% of Total Submitting License Applications</i>	<i>n/a</i>	<i>n/a</i>	<i>75%</i>	<i>80%</i>	<i>87%</i>	<i>10%</i>

**Licensing**

<b>Received during FY</b>	<b>n/a</b>	<b>15</b>	<b>33</b>	<b>36</b>	<b>39</b>	<b>30%</b>
1st Time SBIC Applicants	n/a	6	20	19	26	44%
Subsequent Fund Applicants	n/a	9	13	17	13	8%
Resolved During FY	3	2	10	10	5	(58%)
<b>FY Number of New Licensees</b>	<b>11</b>	<b>23</b>	<b>22</b>	<b>30</b>	<b>25</b>	<b>9%</b>
1st Time SBIC Applicants	3	10	11	15	9	(18%)
Subsequent Fund Applicants	8	13	11	15	16	33%
Average Months to Process	14.6	5.8	5.5	5.4	6.7	14%
<i>% Completed in Goal (6 months)</i>	<i>n/a</i>	<i>65%</i>	<i>50%</i>	<i>63%</i>	<i>60%</i>	<i>13%</i>

--- PROGRAM OFFICE ACTIVITIES ---

	FY End 2009	FY End 2010	FY End 2011	FY End 2012	As of 6/30/13	Chg. from 6/30/12
<b>--- Leverage Activities in Operations ---</b>						
<b>Debenture Leverage</b>						
Commitments Issued	\$788.0	\$1,164.8	\$1,827.5	\$1,924.1	\$1,490.6	16%
Draws	\$594.9	\$931.0	\$1,392.0	\$1,421.7	\$1,250.6	39%
Redemptions (Pre-Paid and at Maturity)	\$149.3	\$250.5	\$544.2	\$651.8	\$305.4	32%
Transfers to Liquidation	\$86.6	\$95.8	\$8.5	\$144.4	\$118.8	(8%)
<i>% of Beginning Leverage Transferred</i>	3%	3%	0%	3%	2%	(20%)
<b>Participating Securities Leverage</b>						
Prioritized Payments (PP) Advanced	\$228.0	\$186.0	\$136.4	\$99.3	\$51.9	(34%)
<b>SBA Distributions</b>	<b>\$314.8</b>	<b>\$480.8</b>	<b>\$659.1</b>	<b>\$560.1</b>	<b>\$276.0</b>	<b>(38%)</b>
Prioritized Payments	\$83.8	\$98.7	\$143.1	\$86.8	\$51.2	(21%)
Adjustments and Annual Fees	\$27.1	\$39.5	\$54.4	\$25.4	\$18.4	(25%)
Profit Participation	\$10.9	\$10.5	\$26.7	\$44.2	\$20.5	(48%)
PS Redemptions--Operating SBICs	\$193.0	\$332.1	\$434.9	\$403.7	\$186.0	(41%)
Transfers to Liquidation	\$619.3	\$701.4	\$307.5	\$220.1	\$186.5	7%
<i>% of Beginning Leverage Transferred</i>	13%	18%	11%	11%	13%	53%
Prioritized Payments at Transfer	\$156.2	\$179.9	\$35.7	\$49.3	\$69.8	63%

--- SBIC Examination Activities ---

<b>Exam Reports Issued</b>	<b>268</b>	<b>249</b>	<b>260</b>	<b>233</b>	<b>170</b>	<b>5%</b>
Exam Cycle (months)	15.2	14.1	12.6	12.6	12.3	(2%)
Number of Reports with Findings	47	25	35	21	24	140%
<i>% of Reports with Findings</i>	18%	10%	145%	9%	14%	129%
<b>Licensees with Leverage</b>	<b>218</b>	<b>196</b>	<b>199</b>	<b>182</b>	<b>150</b>	<b>15%</b>
Exam Cycle (months)	13.9	12.9	11.7	11.7	11.5	(3%)
Number of Reports with Findings	37	17	22	12	19	375%
<i>% of Reports with Findings</i>	17%	9%	11%	7%	13%	312%
<b>Licensees without Leverage</b>	<b>50</b>	<b>53</b>	<b>61</b>	<b>51</b>	<b>20</b>	<b>(38%)</b>
Exam Cycle (months)	21.2	18.2	15.6	15.6	18.1	16%
Number of Reports with Findings	10	8	13	9	5	(17%)
<i>% of Reports with Findings</i>	20%	15%	21%	18%	25%	33%

--- Surrenders and Transfers to Liquidation ---

<b>SBIC License Surrenders</b>	<b>15</b>	<b>9</b>	<b>24</b>	<b>17</b>	<b>19</b>	<b>36%</b>
Debenture	5	4	14	8	6	(25%)
Participating Security	1	2	4	4	8	300%
Bank-Owned/Non-Leveraged	9	2	6	5	4	0%
Specialized SBICs	0	1	0	0	1	100%
<b>SBIC Licensee Transfers to Liquidation</b>	<b>29</b>	<b>22</b>	<b>6</b>	<b>11</b>	<b>12</b>	<b>33%</b>
Debenture and Specialized SBICs	9	4	0	4	4	33%
Participating Security	20	18	6	7	8	33%

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

<b>Participating Security Leverage</b>						
<b>Total Collections</b>	<b>\$115.5</b>	<b>\$254.0</b>	<b>\$269.7</b>	<b>\$212.5</b>	<b>\$146.5</b>	<b>(7%)</b>
<i>Collections as % of Beginning Balance</i>	10%	18%	17%	15%	13%	18%
Leverage Charge-offs	\$237.8	\$300.9	\$220.7	\$308.0	\$22.4	120%
Prioritized Payments Charged off	\$162.7	\$179.9	\$56.6	\$38.3	\$20.9	(2%)
<b>Debenture Leverage</b>						
<b>Total Collections</b>	<b>\$12.0</b>	<b>\$11.4</b>	<b>\$22.4</b>	<b>\$50.5</b>	<b>\$29.3</b>	<b>9%</b>
<i>Collections as % of Beginning Balance</i>	8%	5%	7.58	23%	9%	(22%)
Leverage Write-offs	\$15.1	\$19.1	\$64.3	\$6.5	\$1.5	100%