

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

	FY End 2009	FY End 2010	FY End 2011	FY End 2012	As of 3/31/13
<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>296</b>
Debenture	126	140	143	158	165
Participating Security	127	107	97	86	76
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>\$9,517.8</b>
Debenture	3,401.2	4,184.6	5,071.1	6,114.4	6,536.1
Participating Security	3,361.7	2,722.3	2,286.5	1,881.5	1,584.2
Other	1,887.2	1,742.6	1,505.1	1,380.8	1,397.5
<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>\$6,315.1</b>
Debenture	2,308.5	2,774.4	3,158.1	3,795.2	4,121.9
Participating Security	2,510.3	2,083.9	1,778.4	1,457.6	1,301.3
Other	1,441.2	1,391.6	1,120.9	934.2	892.0
<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>\$3,202.7</b>
Debenture	1,092.7	1,410.2	1,913.0	2,319.2	2,414.2
Participating Security	851.4	638.4	508.0	423.8	282.9
Other	446.0	351.1	384.2	446.6	505.5

**--- 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>\$9,357.7</b>
Debenture	4,152.0	4,883.4	5,999.0	7,230.6	8,015.7
Participating Security	4,026.6	3,005.0	2,235.4	1,574.2	1,321.8
Other	17.4	14.2	18.9	18.9	20.3
<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>\$7,162.2</b>
Debenture	2,892.0	3,409.8	4,244.9	4,870.6	5,853.2
Participating Security	3,890.5	2,915.5	2,174.4	1,549.3	1,293.7
Other	17.4	14.2	13.9	15.9	15.3
<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>\$2,195.4</b>
Debenture	1,260.0	1,473.6	1,754.2	2,360.0	2,162.4
Participating Security	136.0	89.5	61.1	24.8	28.0
Other	0.0	0.0	5.0	3.0	5.0
<b>g. Unreimbursed Prioritized Payments</b>	<b>\$581.1</b>	<b>\$508.0</b>	<b>\$444.9</b>	<b>\$358.9</b>	<b>\$313.4</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>\$18,875.5</b>
Debenture	7,553.2	9,068.1	11,070.1	13,344.9	14,551.8
Participating Security	7,388.2	5,727.3	4,521.9	3,455.6	2,906.0
Other	1,904.6	1,756.8	1,524.0	1,399.6	1,417.7

**--- 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>115</b>
Participating Security	82	84	80	80	78
Other	50	56	43	37	37
<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>\$1,365.1</b>
Participating Security	1,429.0	1,585.0	1,406.5	1,111.7	1,080.6
Other	221.6	300.1	222.8	310.8	284.5

**--- 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 3/31/13	Chg. from 3/31/12
<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>\$2,069.8</b>	<b>65%</b>
Type of Financing (\$ in millions)						
Straight Debt	564.4	803.8	1,375.2	1,927.7	1,231.0	78%
Debt with Equity Features	718.2	772.3	1,022.9	723.3	474.4	22%
Equity Only	573.5	471.0	435.2	576.4	364.4	104%
<b>Number of Companies Financed</b>	<b>1,481</b>	<b>1,331</b>	<b>1,339</b>	<b>1,094</b>	<b>641</b>	<b>4%</b>
<b>Special Competitive Opportunity Gap</b>	441	392	430	290	154	(7%)
Businesses Located in LMI Areas	321	318	351	216	130	2%
Women, Minority, Veteran Owned	164	109	110	108	38	(38%)
<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>43,857</b>	<b>62%</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>\$1,948.3</b>	<b>73%</b>
Type of Financing (\$ in millions)						
Straight Debt	488.8	754.8	1,344.8	1,855.1	1,202.9	84%
Debt with Equity Features	586.1	665.4	963.5	671.7	458.2	29%
Equity Only	152.5	166.8	280.3	423.6	287.3	143%
<b>Number of Companies Financed</b>	<b>963</b>	<b>896</b>	<b>1,007</b>	<b>795</b>	<b>520</b>	<b>20%</b>
<b>Special Competitive Opportunity Gap</b>	296	275	310	192	120	13%
Businesses Located in LMI Areas	224	231	263	153	102	16%
Women, Minority, Veteran Owned	106	64	65	50	28	22%
<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>41,284</b>	<b>69%</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>\$100.0</b>	<b>33%</b>
Type of Financing (\$ in millions)						
Straight Debt	24.0	12.5	14.1	57.3	22.9	(1%)
Debt with Equity Features	34.0	18.9	12.3	23.1	10.3	(29%)
Equity Only	107.6	93.1	53.5	94.8	66.8	77%
<b>Number of Companies Financed</b>	<b>130</b>	<b>133</b>	<b>136</b>	<b>166</b>	<b>71</b>	<b>(34%)</b>
<b>Special Competitive Opportunity Gap</b>	62	58	68	83	24	(55%)
Businesses Located in LMI Areas	24	33	40	48	18	(45%)
Women, Minority, Veteran Owned	47	38	41	58	10	(74%)
<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>2,118</b>	<b>30%</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>\$21.5</b>	<b>(60%)</b>
Type of Financing (\$ in millions)						
Straight Debt	51.6	36.4	16.2	15.3	5.2	(61%)
Debt with Equity Features	98.1	88.1	47.2	28.5	6.0	(66%)
Equity Only	313.4	211.2	101.5	58.0	10.3	(54%)
<b>Number of Companies Financed</b>	<b>445</b>	<b>346</b>	<b>220</b>	<b>157</b>	<b>62</b>	<b>(33%)</b>
<b>Special Competitive Opportunity Gap</b>	95	66	58	20	11	38%
Businesses Located in LMI Areas	85	61	54	19	11	38%
Women, Minority, Veteran Owned	13	7	4	1	0	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>455</b>	<b>(61%)</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 3/31/13	Chg. from 3/31/12
<b>--- New Licensees ---</b>						
<b>New Licensees by Fund Type</b>	<b>11</b>	<b>23</b>	<b>22</b>	<b>30</b>	<b>12</b>	<b>20%</b>
Debenture	8	21	18	27	10	11%
Bank-Owned/Non-Leveraged	3	2	4	3	2	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>\$450.6</b>	<b>32%</b>
Debenture	257.4	615.6	713.6	892.6	410.5	26%
Bank-Owned/Non-Leveraged	87.8	39.2	126.5	81.3	40.1	154%

<b>--- Licensing Pipeline ---</b>						
<b>Total in Pipeline</b>	<b>n/a</b>	<b>66</b>	<b>62</b>	<b>51</b>	<b>59</b>	<b>(14%)</b>
In Applicant Review/Program Development	n/a	14	10	8	27	59%
In Capital Raising	n/a	42	34	30	22	(31%)
In Licensing	n/a	10	18	13	10	(62%)

--- 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>48</b>	<b>23%</b>
1st Time SBIC Applicants	29	54	52	43	37	19%
Subsequent Fund Applicants	19	19	22	18	11	38%
<b>Processed in FY</b>	<b>48</b>	<b>64</b>	<b>78</b>	<b>63</b>	<b>29</b>	<b>(24%)</b>
<b>Green Light Letters Issued</b>	<b>36</b>	<b>40</b>	<b>40</b>	<b>38</b>	<b>16</b>	<b>(27%)</b>
<i>% of Processed Receiving Green Light</i>	<i>75%</i>	<i>63%</i>	<i>51%</i>	<i>60%</i>	<i>55%</i>	<i>(5%)</i>
1st Time SBIC Applicants	24	26	26	21	9	(40%)
Subsequent Fund Applicants	12	14	14	17	7	0%
Number Denied -- 1st Time and Subsequent	9	19	31	20	9	(36%)
Number Withdrawn -- 1st Time and Subsequent	3	5	7	5	4	100%
<b>% Completed in Goal</b>						
1st Time (2 months)	17%	5%	16%	55%	29%	(57%)
Subsequent (1 month)	n/a	88%	91%	70%	100%	43%

**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>3</b>	<b>(40%)</b>
<b>Licensing Applications Submitted</b>	<b>n/a</b>	<b>n/a</b>	<b>33</b>	<b>36</b>	<b>22</b>	<b>(31%)</b>
Total Exiting the Capital Raising Process	n/a	n/a	44	45	25	(32%)
<i>% of Total Submitting License Applications</i>	<i>n/a</i>	<i>n/a</i>	<i>75%</i>	<i>80%</i>	<i>88%</i>	<i>2%</i>

**Licensing**

<b>Received during FY</b>	<b>n/a</b>	<b>15</b>	<b>33</b>	<b>36</b>	<b>24</b>	<b>9%</b>
1st Time SBIC Applicants	n/a	6	20	19	16	14%
Subsequent Fund Applicants	n/a	9	13	17	8	0%
Resolved During FY	3	2	10	10	1	(80%)
<b>FY Number of New Licensees</b>	<b>11</b>	<b>23</b>	<b>22</b>	<b>30</b>	<b>12</b>	<b>20%</b>
1st Time SBIC Applicants	3	10	11	15	10	11%
Subsequent Fund Applicants	8	13	11	15	2	100%
Average Months to Process	14.6	5.8	5.5	5.4	6.3	13%
<i>% Completed in Goal (6 months)</i>	<i>n/a</i>	<i>65%</i>	<i>50%</i>	<i>63%</i>	<i>58%</i>	<i>16%</i>

--- PROGRAM OFFICE ACTIVITIES ---

	FY End 2009	FY End 2010	FY End 2011	FY End 2012	As of 3/31/13	Chg. from 3/31/12
<b>--- Leverage Activities in Operations ---</b>						
<b>Debenture Leverage</b>						
Commitments Issued	\$788.0	\$1,164.8	\$1,827.5	\$1,924.1	\$876.0	21%
Draws	\$594.9	\$931.0	\$1,392.0	\$1,421.7	\$1,035.9	72%
Redemptions (Pre-Paid and at Maturity)	\$149.3	\$250.5	\$544.2	\$651.8	\$16.9	(93%)
Transfers to Liquidation	\$86.6	\$95.8	\$8.5	\$144.4	\$7.1	(94%)
<i>% of Beginning Leverage Transferred</i>	3%	3%	0%	3%	1%	(48%)
<b>Participating Securities Leverage</b>						
Prioritized Payments (PP) Advanced	\$228.0	\$186.0	\$136.4	\$99.3	\$36.3	(33%)
<b>SBA Distributions</b>	<b>\$314.8</b>	<b>\$480.8</b>	<b>\$659.1</b>	<b>\$560.1</b>	<b>\$198.9</b>	<b>(29%)</b>
Prioritized Payments	\$83.8	\$98.7	\$143.1	\$86.8	\$39.8	(1%)
Adjustments and Annual Fees	\$27.1	\$39.5	\$54.4	\$25.4	\$8.7	(51%)
Profit Participation	\$10.9	\$10.5	\$26.7	\$44.2	\$15.8	(54%)
PS Redemptions--Operating SBICs	\$193.0	\$332.1	\$434.9	\$403.7	\$134.5	(28%)
Transfers to Liquidation	\$619.3	\$701.4	\$307.5	\$220.1	\$119.2	423%
<i>% of Beginning Leverage Transferred</i>	13%	18%	11%	11%	8%	655%
Prioritized Payments at Transfer	\$156.2	\$179.9	\$35.7	\$49.3	\$40.7	537%
<b>--- SBIC Examination Activities ---</b>						
<b>Exam Reports Issued</b>	<b>268</b>	<b>249</b>	<b>260</b>	<b>233</b>	<b>103</b>	<b>0%</b>
Exam Cycle (months)	15.2	14.1	12.6	12.6	12.1	(1%)
Number of Reports with Findings	47	25	35	21	15	200%
<i>% of Reports with Findings</i>	18%	10%	145%	9%	15%	200%
<b>Licensees with Leverage</b>	<b>218</b>	<b>196</b>	<b>199</b>	<b>182</b>	<b>90</b>	<b>5%</b>
Exam Cycle (months)	13.9	12.9	11.7	11.7	11.3	(3%)
Number of Reports with Findings	37	17	22	12	11	267%
<i>% of Reports with Findings</i>	17%	9%	11%	7%	12%	250%
<b>Licensees without Leverage</b>	<b>50</b>	<b>53</b>	<b>61</b>	<b>51</b>	<b>13</b>	<b>(24%)</b>
Exam Cycle (months)	21.2	18.2	15.6	15.6	17.7	15%
Number of Reports with Findings	10	8	13	9	4	100%
<i>% of Reports with Findings</i>	20%	15%	21%	18%	31%	162%
<b>--- Surrenders and Transfers to Liquidation ---</b>						
<b>SBIC License Surrenders</b>	<b>15</b>	<b>9</b>	<b>24</b>	<b>17</b>	<b>12</b>	<b>0%</b>
Debenture	5	4	14	8	3	(63%)
Participating Security	1	2	4	4	6	200%
Bank-Owned/Non-Leveraged	9	2	6	5	2	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>5</b>	<b>(50%)</b>
Debenture and Specialized SBICs	9	4	0	4	1	(100%)
Participating Security	20	18	6	7	4	0%
<b>--- Activities in the Office of Liquidation ---</b>						
<b>Participating Security Leverage</b>				<b>DRAFT</b>	<b>DRAFT</b>	
<b>Total Collections</b>	<b>\$115.5</b>	<b>\$254.0</b>	<b>\$269.7</b>	<b>\$212.5</b>	<b>\$145.4</b>	<b>84%</b>
<i>Collections as % of Beginning Balance</i>	10%	18%	17%	15%	13%	133%
Leverage Charge-offs	\$237.8	\$300.9	\$220.7	\$308.0	\$22.4	647%
Prioritized Payments Charged off	\$162.7	\$179.9	\$56.6	\$38.3	\$15.8	136%
<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>\$14.9</b>	<b>(6%)</b>
<i>Collections as % of Beginning Balance</i>	8%	5%	7.58	23%	5%	(33%)
Leverage Write-offs	\$15.1	\$19.1	\$64.3	\$6.5	\$1.3	100%