

**Presentation**

# **OHA Investment Corporation Q3 2017 Earnings Results**

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**November 14, 2017**



# Disclaimers

THIS PRESENTATION MAY CONTAIN FORWARD-LOOKING STATEMENTS OF OHA INVESTMENT CORPORATION (“OHA” OR THE “COMPANY”). WE MAY USE WORDS SUCH AS “ANTICIPATES,” “BELIEVES,” “INTENDS,” “PLANS,” “EXPECTS,” “PROJECTS,” “ESTIMATES,” “WILL,” “SHOULD,” “MAY” AND SIMILAR EXPRESSIONS TO IDENTIFY FORWARD-LOOKING STATEMENTS. THESE FORWARD-LOOKING STATEMENTS ARE SUBJECT TO VARIOUS RISKS AND UNCERTAINTIES. CERTAIN FACTORS COULD CAUSE ACTUAL RESULTS AND CONDITIONS TO DIFFER MATERIALLY FROM THOSE PROJECTED, INCLUDING THE UNCERTAINTIES ASSOCIATED WITH THE TIMING OR LIKELIHOOD OF TRANSACTION CLOSINGS, CHANGES IN INTEREST RATES, AVAILABILITY OF TRANSACTIONS, THE FUTURE OPERATING RESULTS OF OUR PORTFOLIO COMPANIES, REGULATORY FACTORS, CHANGES IN REGIONAL, NATIONAL, OR INTERNATIONAL ECONOMIC CONDITIONS AND THEIR IMPACT ON THE INDUSTRIES IN WHICH WE INVEST, OTHER CHANGES IN THE CONDITIONS OF THE INDUSTRIES IN WHICH WE INVEST AND OTHER FACTORS ENUMERATED IN OUR FILINGS WITH THE SECURITIES AND EXCHANGE COMMISSION (“SEC”). YOU SHOULD NOT PLACE UNDUE RELIANCE ON SUCH FORWARD-LOOKING STATEMENTS, WHICH SPEAK ONLY AS OF THE DATE THEY ARE MADE. WE UNDERTAKE NO OBLIGATION TO UPDATE OUR FORWARD-LOOKING STATEMENTS MADE HEREIN, UNLESS REQUIRED BY LAW.

WE REFER YOU TO THE LIST OF RISK FACTORS SET FORTH IN OUR MOST RECENT ANNUAL REPORT ON FORM 10-K, A COPY OF WHICH MAY BE OBTAINED ON OUR WEBSITE AT [WWW.OHAINVESTMENTCORPORATION.COM](http://WWW.OHAINVESTMENTCORPORATION.COM) OR THE SEC’S WEBSITE AT [WWW.SEC.GOV](http://WWW.SEC.GOV). SPECIFICALLY, AN INVESTMENT IN OUR COMMON STOCK INVOLVES SIGNIFICANT RISKS, INCLUDING THE RISK THAT THE SECONDARY MARKET PRICE OF OUR COMMON STOCK MAY DECLINE FROM THE OFFERING PRICE AND MAY BE LESS THAN OUR NET ASSET VALUE PER SHARE, AS WELL AS THE RISK THAT THE PRICE OF OUR COMMON STOCK IN THE SECONDARY MARKET MAY BE HIGHLY VOLATILE. PLEASE SEE A DISCUSSION OF THESE RISKS AND OTHER RELATED RISKS IN OUR MOST RECENT ANNUAL REPORT ON FORM 10-K UNDER ITEM 1A - “RISKS RELATING TO OUR INVESTMENTS”. PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.

THIS IS NOT A PROSPECTUS AND SHOULD UNDER NO CIRCUMSTANCES BE UNDERSTOOD TO BE AN OFFER TO SELL, OR A SOLICITATION OF AN OFFER TO BUY, ANY SECURITY OF OHA INVESTMENT CORPORATION. THESE MATERIALS AND THE PRESENTATIONS OF WHICH THEY ARE A PART, AND THE SUMMARIES CONTAINED HEREIN, DO NOT PURPORT TO BE COMPLETE AND NO OBLIGATION TO UPDATE OR OTHERWISE REVISE SUCH INFORMATION IS BEING ASSUMED. WE DIRECT YOU TO OUR REPORTS ON FORM 10-K AND 10-Q FOR FURTHER INFORMATION ON OUR BUSINESS INCLUDING INVESTMENT OBJECTIVES, RISKS, AND EXPENSES.

INTERNAL RATE OF RETURN (IRR) IS A MEASURE OF DISCOUNTED CASH FLOWS (INFLOWS AND OUTFLOWS). IRR IS THE DISCOUNT RATE AT WHICH THE PRESENT VALUE OF CAPITAL INVESTED IS EQUAL TO THE PRESENT VALUE OF RETURNS FROM SUCH CAPITAL. CAPITAL INVESTED, WITH RESPECT TO AN INVESTMENT, REPRESENTS THE AGGREGATE COST OF THE INVESTMENT NET OF ANY UPFRONT FEES PAID AT CLOSING. IN THE CALCULATION OF AN IRR, EARLY CASH FLOWS (WHETHER INFLOW OR OUTFLOW) AND LARGER CASH FLOWS WILL HAVE A DISPROPORTIONATE IMPACT ON THE OVERALL IRR, BECAUSE AN IRR TAKES INTO ACCOUNT SIZE AND TIMING. AS SUCH, IRR MAY PRESENT CERTAIN LIMITATIONS FOR RELATIVELY NEWER AND SMALLER ACCOUNTS.

INVESTMENTS ARE CONSIDERED FULLY REALIZED WHEN THE ORIGINAL INVESTMENT AT THE SECURITY LEVEL HAS BEEN SUBSTANTIALLY EXITED. REALIZED RETURNS, WITH RESPECT TO AN INVESTMENT, REPRESENTS THE TOTAL CASH RECEIVED WITH RESPECT TO AN INVESTMENT, INCLUDING ALL AMORTIZATION PAYMENTS, INTEREST, DIVIDENDS, PREPAYMENT FEES, ADMINISTRATIVE FEES, AMENDMENT FEES, ACCRUED INTEREST, AND OTHER FEES AND PROCEEDS. AN IRR ON UNREALIZED INVESTMENTS GENERALLY ASSUMES SUCH INVESTMENTS ARE DISPOSED OF AT THEIR FAIR MARKET VALUE AND ALL PROCEEDS ARE DISTRIBUTED AS OF THE DATE OF THE RETURN CALCULATION. THE ACTUAL REALIZED RETURNS ON UNREALIZED INVESTMENTS MAY DIFFER MATERIALLY FROM THE RETURNS SHOWN. UNREALIZED TRANSACTIONS MAY BE REALIZED AT VALUES THAT DIFFER FROM THEIR FAIR VALUES AS OF THE GROSS IRR CALCULATION DATE, WHICH MAY NEGATIVELY IMPACT THE IRRS SET FORTH HEREIN.

GROSS IRR IS CALCULATED BASED ON THE DATES THAT OHA INVESTED CAPITAL AND DATES OHA RECEIVED DISTRIBUTIONS. GROSS IRR DOES NOT REFLECT THE EFFECT OF MANAGEMENT FEES, EXPENSES, INCENTIVE FEES OR TAXES BORNE, OR TO BE BORNE, BY US OR OHA’S STOCKHOLDERS, AND WOULD BE LOWER IF IT DID. THE IRR CALCULATIONS ARE UNAUDITED.

THE PORTFOLIO YIELDS AND INVESTMENT-LEVEL IRRS SHOWN IN THIS PRESENTATION MAY BE MATERIALLY HIGHER THAN THE RETURNS AN INVESTOR CAN EXPECT TO OBTAIN ON AN INVESTMENT IN SHARES OF OHA’S COMMON STOCK, BECAUSE SUCH RETURNS DO NOT REFLECT SALES COMMISSIONS OR CHARGES THAT MAY BE INCURRED IN CONNECTION WITH THE PURCHASE OR SALE OF SUCH SHARES, OR OPERATING EXPENSES THAT MAY BE INCURRED BY OHA. AS SUCH, THE PORTFOLIO YIELDS AND IRRS SHOWN HEREIN DO NOT REPRESENT AN ACTUAL INVESTMENT RETURN TO STOCKHOLDERS. THESE RETURNS ARE SUBJECT TO CHANGE, AND IN THE FUTURE MAY BE GREATER OR LESS THAN SHOWN.

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# Section 1

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## Overview & Financial Results

# Overview & Financial Results

## Third Quarter Developments

- NAV of \$2.34 per share, a \$0.42 or 15% decline from Q2 2017, substantially driven by net write-downs of legacy investments
  - \$8.6 MM of net write-downs on legacy investments (\$0.43 per share); includes a \$7.6 MM write-down of Castex preferred units (\$0.38)
  - OCI continues to PIK its L+12% cash interest
- \$0.02 net investment income per share on a GAAP basis
  - \$0.02 distribution declared per share (paid October 9, 2017)
- Sold \$8.0 MM par of our \$10.1 MM investment in TIBCO Software unsecured notes at an average price of 110.38, resulting in a realized capital gain of \$1.0 MM, or \$0.05 per share
- Added \$10.7 MM of investments in four new portfolio companies
- Subsequent to quarter end:
  - Castex Energy 2005, LP filed for bankruptcy under Chapter 11 on October 16, 2017
  - Repaid \$4.5 MM of principal on our credit facility
  - Entered into an Incentive Fee Waiver Agreement with OHA for fiscal 2017 and 2018

The information is unaudited and provided for informational purposes only. There is no representation being made that an individual investor will achieve returns similar to those shown. Past results are not necessarily indicative of future performance.

# Overview & Financial Results

## Q3 2017 Summary

- Investment income of \$2.75 MM, or \$0.14 per share
- Weighted average portfolio yield<sup>(1)</sup> of 13.1% on fair value and 12.4% on cost
- Base management fees of \$440 k, or \$0.02 per share, plus \$104 k capital gains incentive fee<sup>(2)</sup>, or \$0.005 per share
- Net investment income of \$323 k, or \$0.02 per share
- Net realized gain of \$1.0 MM, or \$0.05 per share
- Net unrealized loss of (\$8.5) MM, or (\$0.42) per share, excludes \$1.0 MM of reversal due to realizations
- NAV per share decreased (\$0.42) or 15.2% from \$2.76 to \$2.34 during the quarter

<sup>(1)</sup> Excludes non-yielding and non-income producing assets.

<sup>(2)</sup> Any incentive fees earned will be waived for fiscal 2017 and 2018 pursuant to recently executed Incentive Fee Waiver Agreement.

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# Overview & Financial Results

## Statement of Operations – GAAP Basis

(in \$000's)	Q3 2017	Q2 2017	Q3 2016
Investment income	\$2,751	\$2,475	\$4,321
Interest expense	1,012	984	768
Management and incentive fees	544	496	888
Other G&A	865	840	971
Income taxes provision (benefit)	<u>7</u>	<u>10</u>	<u>(6)</u>
Net investment income	<u>\$323</u>	<u>\$145</u>	<u>\$1,700</u>
<i>Net investment income per share</i>	<i>\$0.02</i>	<i>\$0.01</i>	<i>\$0.08</i>

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# Overview & Financial Results

(in \$000's)	Q3 2017	Q2 2017	Q3 2016
<b>Realized capital gains (losses):</b>			
Shoreline*	\$ --	\$ (12,659)	\$ --
TIBCO	<u>1,004</u>	<u>--</u>	<u>--</u>
<b>Total realized capital gains (losses), net</b>	\$ <u>1,004</u>	\$ <u>(12,659)</u>	\$ <u>--</u>
<b>Unrealized gains (losses):</b>			
Castex*	\$ (7,627)	\$ (4,658)	\$ (5,356)
OCI (debt & equity investments)*	(1,004)	(164)	(1,254)
Berlin	(69)	(10)	98
TIBCO	(12)	(64)	947
Appriss	(5)	181	549
Royal	(1)	(49)	574
ATP / Bennu*	--	--	(1,431)
Shoreline*	--	--	(500)
EFS	--	--	(147)
Gramercy	23	(167)	559
Talos*	25	(135)	1,331
DexKo	38	--	--
Avantor	113	--	--
Reversals due to realizations	(1,004)	12,659	--
<b>Other unrealized gains (losses), net</b>	<u>11</u>	<u>25</u>	<u>318</u>
<b>Total unrealized gains (losses), net</b>	<u>(9,512)</u>	<u>7,618</u>	<u>(4,312)</u>
<b>Total realized and unrealized (losses), net</b>	\$ <u>(8,508)</u>	\$ <u>(5,041)</u>	\$ <u>(4,312)</u>

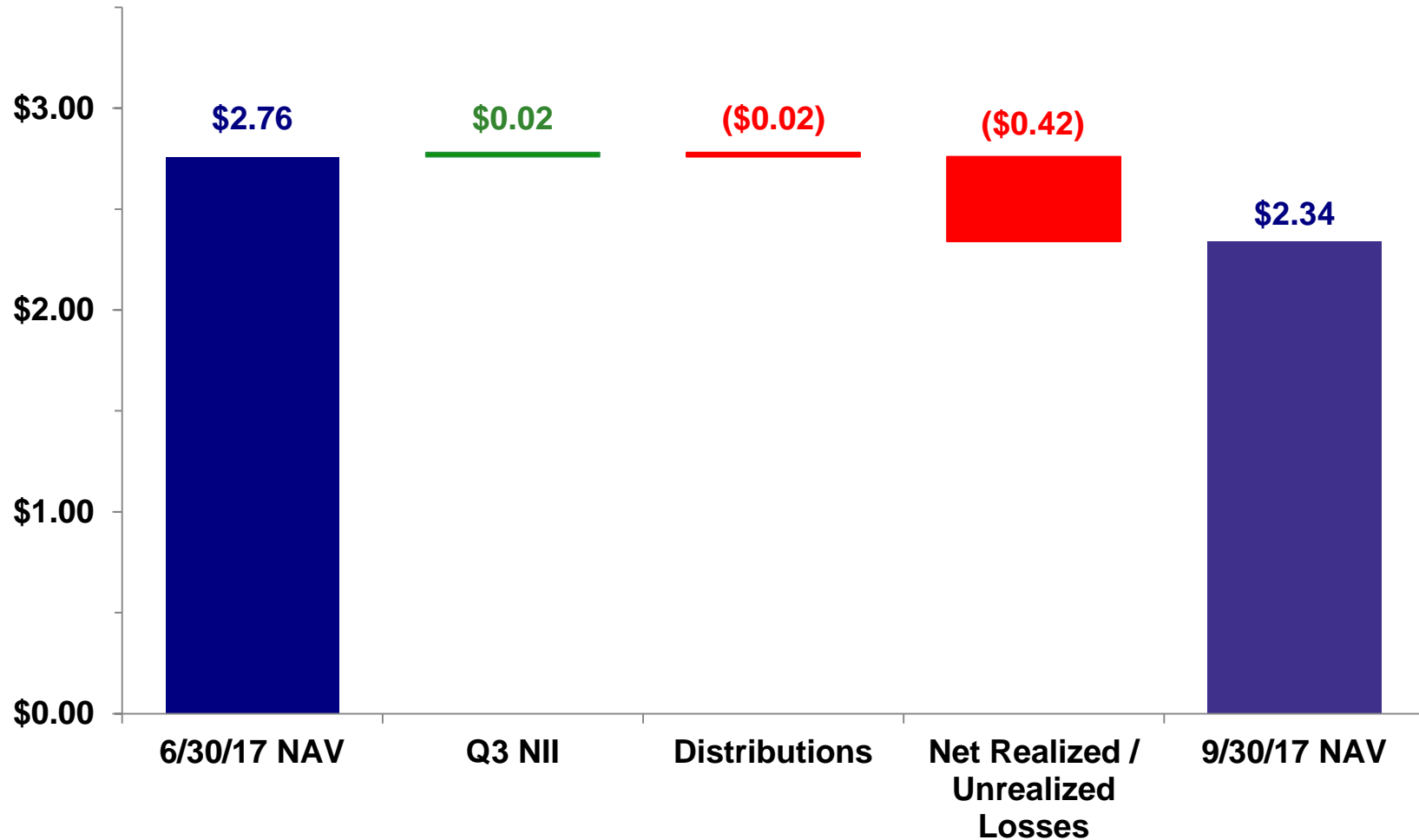
\* Denotes legacy investments.

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# Overview & Financial Results

NAV per Share Declined 15% in Q3, Primarily due to Castex Write-down (Legacy Investment)



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# Section 2

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## Investment Activity & Portfolio Review

# Investment Activity & Portfolio Review

## \$139.4 MM of Investments in Eighteen New Portfolio Companies Under OHA Management<sup>(1)</sup>

- 2014 (Q4 only) – \$36.8 MM (four new portfolio companies)
- 2015 – \$73.7 MM (eight new portfolio companies and one add-on to an existing OHA portfolio company)
- 2016 – \$7.0 MM (one new portfolio company and one add-on to an existing OHA portfolio company)
- 2017 – \$21.9 MM year-to-date investment activity
  - Q1 \$9.9 MM in one new portfolio company
  - Q2 \$1.4 MM add-on investment to an existing OHA portfolio company
  - Q3 \$10.6 MM in four new portfolio companies

Amounts of new investments presented above are shown at purchase price, not principal amount.

<sup>(1)</sup> New investments exclude \$1.7 MM of additional capital invested in legacy assets. This \$1.7 MM includes \$0.6 MM of capitalized legal costs related to ATP/Bennu.

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# Investment Activity & Portfolio Review

## \$128.4 MM of Realizations Under OHA Management Since September 30, 2014

- \$128.4 MM in total realizations since September 30, 2014
- Includes \$89.8 MM from OHA Investments
  - \$69.2 MM from full realization of seven OHA portfolio investments
    - Dollar weighted average unlevered gross IRR of 14.6%<sup>(1)</sup> on these seven portfolio investments
  - \$20.6 MM from partial OHA realizations
    - TIBCO - \$8.8 MM
    - Royal - \$4.5 MM
    - Appriss - \$3.8 MM
    - Equinox - \$3.0 MM
    - Berlin - \$0.5 MM
- \$18.8 MM realizations in 2017, \$18.3 MM OHA and \$0.5 MM legacy
- \$78.7 MM of portfolio investments at September 30, 2017<sup>(2)</sup>
  - 80% floating rate, 20% fixed rate, by fair value
  - Fixed rate investments consist of Talos, Avantor and TIBCO

<sup>(1)</sup> For further information regarding the calculation methodology and relevant disclaimers, see Disclaimers page.

<sup>(2)</sup> Excludes \$16.6 MM of cash. At September 30, 2017, we had \$6.4 MM due to brokers for unsettled trades, making \$10.2 MM of net cash available.

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# Investment Activity & Portfolio Review

OHA Investments Have an IRR of 14.1% on a Dollar Weighted Average Basis as of 9/30/2017

## Investment Level Returns on OHA Investments<sup>(1)</sup>

September 30, 2014 - September 30, 2017

Realized Company Name	Asset	Pricing	Face Value	Closing Date	Investment		Realized Date	Industry
					9/30/17 Pricing <sup>(2)</sup>	Level Gross IRR <sup>(3)</sup>		
Gramercy Park CLO <sup>(4)</sup>	Subordinated Notes	Purchased @ 77.90	\$9,000,000	Oct-14	3.710	12.4%	Apr-17	Various
Citadel Plastics	2nd Lien Term Loan	L+800 / 1% @ 99.00	10,000,000	Nov-14	NA	15.8%	Jun-15	Chemicals
Electronic Funds Source	2nd Lien Term Loan	L+750 / 1% @ 98.25	10,000,000	Dec-14	NA	11.0%	Jul-16	Payment Services
Foundation Building Materials	2nd Lien Term Loan	L+1,100 / 1% @ 99.00	18,700,000	Mar-15	NA	18.8%	Oct-15	Building Distributor
Hanson Building Products	2nd Lien Term Loan	L+950 / 1% @ 94.53	7,500,000	Mar-15	NA	16.3%	Oct-16	Building Products
TIBCO Software <sup>(5)</sup>	Sr. Unsecured Notes	11.375% @ 96.05	8,000,000	Jul-15	NA	19.2%	Jul-17	Software
Synarc - BioCore Holdings	1st Lien Secured Note	7.75% @ 97.50	4,200,000	Sep-15	NA	17.0%	Oct-16	Healthcare
Kronos	2nd Lien Term Loan	L+850 / 1.25% @ 101.25	12,000,000	Oct-15	NA	9.9%	Nov-16	Software
<b>Realized Total</b>			<b>\$79,400,000</b>		<b>Dollar Weighted Average IRR-&gt;</b>	<b>15.1%</b>		

Unrealized Company Name	Asset	Pricing	Face Value	Closing Date	Investment		Maturity	Industry
					9/30/17 Pricing <sup>(2)</sup>	Level Gross IRR <sup>(3)</sup>		
Appriss Holding <sup>(6)</sup>	2nd Lien Term Loan	L+925 / 1% @ 98.50	\$13,100,000	Nov-14	100.000	10.9%	May-21	Information Services
WASH Multifamily Laundry	2nd Lien Term Loan	L+700 / 1% @ 99.25	4,000,000	May-15	100.000	8.8%	May-23	Industrials
Royal Adhesives & Sealants <sup>(7)</sup>	2nd Lien Term Loan	L+750 / 1% @ 99.25	10,000,000	Jun-15	99.875	9.6%	Jun-23	Chemicals
TIBCO Software <sup>(5)</sup>	Sr. Unsecured Notes	11.375% @ 96.05	2,100,000	Jul-15	109.500	23.1%	Dec-21	Software
Berlin Packaging <sup>(8)</sup>	2nd Lien Term Loan	L+675 / 1% @ 95.00	7,205,000	Jan-16	100.375	12.2%	Oct-22	Packaging
Pacific Architects and Engineers	2nd Lien Term Loan	L+950 / 1% @ 97.00	6,888,196	Nov-16	100.625	16.5%	Oct-23	Defense
Equinox Holdings <sup>(9)</sup>	2nd Lien Term Loan	L+700 / 1% @ 99.25	10,000,000	Mar-17	102.000	15.7%	Sep-24	Lodging & Leisure
DexKo Global	2nd Lien Term Loan	L+825 / 1% @ 99.22	3,000,000	Jul-17	100.500	21.8%	Jul-25	Automotive
Hayward Industries	2nd Lien Term Loan	L+825 @ 98.25	1,302,000	Jul-17	99.500	22.3%	Jul-25	Consumer Goods
MWI (Helix Acquisition)	2nd Lien Term Loan	L+800 @ 99.00	1,400,000	Sep-17	100.500	NM <sup>(10)</sup>	Sep-25	Industrials
Avantor Performance Materials	Sr. Unsecured Notes	9.00% @ 100.00	5,000,000	Sep-17	102.250	NM <sup>(10)</sup>	Oct-25	Healthcare
<b>Unrealized Total</b>			<b>\$63,995,196</b>		<b>Dollar Weighted Average IRR-&gt;</b>	<b>13.4%</b>		

Summary	Dollar	
	Face Value	Weighted Average IRR
Total Realized	\$79,400,000	15.1%
Total Unrealized	63,995,196	13.4%
<b>Total</b>	<b>\$143,395,196</b>	<b>14.1%</b>

<sup>(1)</sup> This table only includes investments made after OHA assumed management, and it excludes all investments prior to OHA assuming management. If legacy investments were included, results would be materially lower.

<sup>(2)</sup> All prices are as of 9/30/17 as reflected in OHA's Q3 2017 10-Q.

<sup>(3)</sup> Investment level gross IRR's are calculated on an unlevered basis, before any fees and expenses. For further information, see Disclaimers page. Dollar weighted average IRR's are based on dollars invested, not face value.

<sup>(4)</sup> Gramercy paid down \$3.9mm on 12/21/16, \$0.5mm on 1/17/17, \$1.0mm on 4/17/17, and \$65k on 7/17/17. The mark was revised to 3.710. The value of the residual interest is included in the IRR.

<sup>(5)</sup> OHA sold \$8.0mm (face value) of TIBCO Software from 7/11/17-7/25/17 at a weighted average sale price of 110.384. This \$8.0mm amount is being included in the realized breakout of the IRR's.

<sup>(6)</sup> Appriss paid down \$3.8mm on 8/10/2016. Pricing was subsequently increased to L+925 / 1%.

<sup>(7)</sup> Royal paid down \$4.5mm on 2/15/17 at 101.000 in connection with the 1L TL repricing and incremental 1L TL.

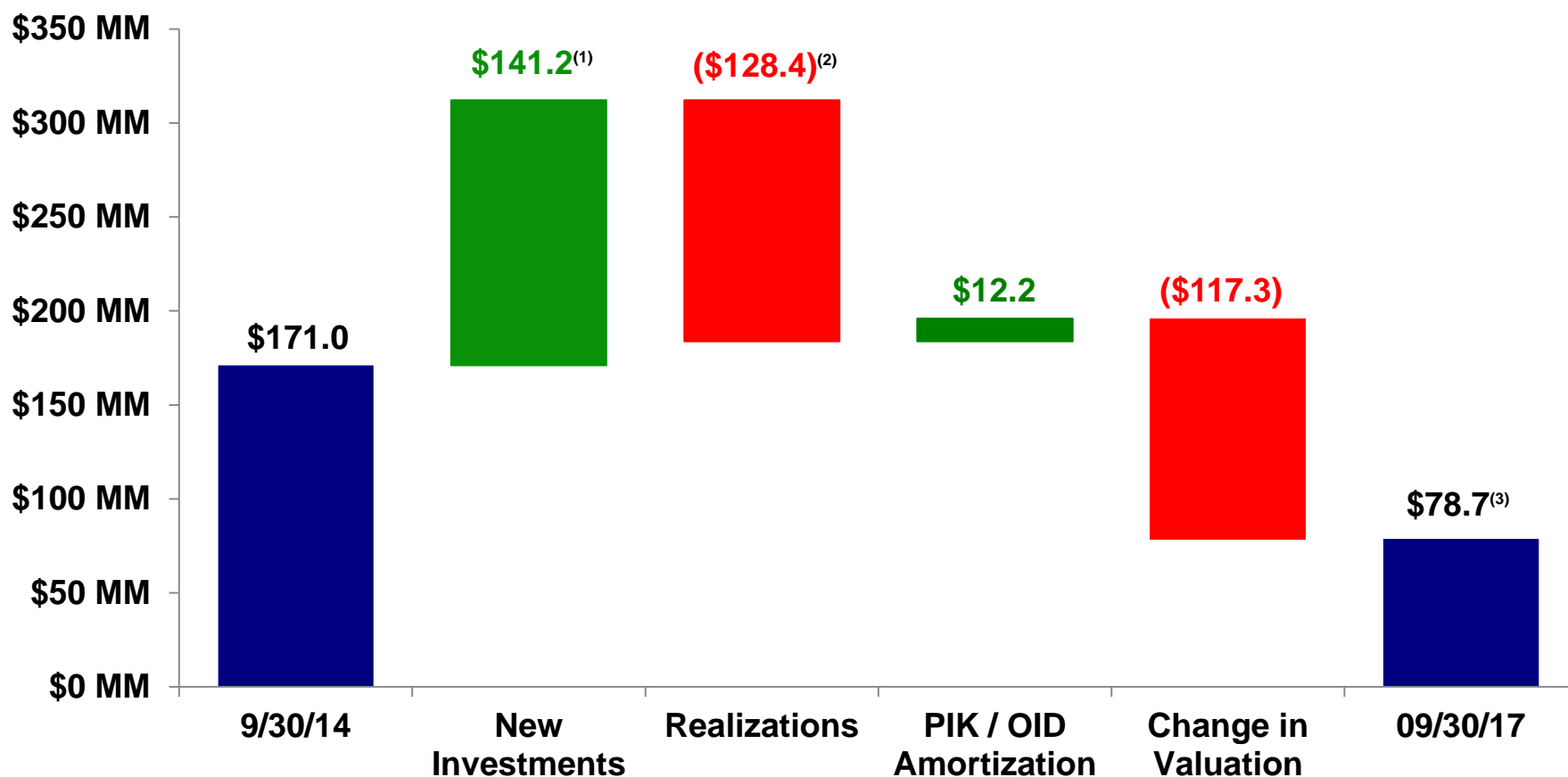
<sup>(8)</sup> OHA sold \$0.5mm (face value) of Berlin Packaging on 3/30/17 at 101.000.

<sup>(9)</sup> OHA sold \$2.5mm (face value) of Equinox on 3/22/17 at 101.500 and \$0.5mm on 3/30/17 at 101.625.

<sup>(10)</sup> NM = not meaningful.

# Investment Activity & Portfolio Review

Added \$139.4 MM of New Investments Since OHA Assumed Management on 9/30/14



<sup>(1)</sup> New investments include \$1.7 MM of additional capital invested in legacy assets. This \$1.7 MM includes \$0.6 MM of capitalized legal costs related to ATP/Bennu.

<sup>(2)</sup> \$89.8 MM of realizations/amortization from OHA investments.

<sup>(3)</sup> Excludes \$16.6 MM of cash. At September 30, 2017, we had \$6.4 MM due to brokers for unsettled trades, making \$10.2 MM of net cash available.

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# Investment Activity & Portfolio Review

## 65% of the 9/30/14 Legacy Investment Portfolio Value Written-Off as of 9/30/17

\$ in 000's Legacy Portfolio Investments	Fair Value at 9/30/14	Realized	Written-Off <sup>(1)</sup>	Remaining Fair Value at 9/30/17 <sup>(1)</sup>
<b>Castex*</b>	\$54,334	\$ --	(\$54,334)	\$ --
<b>ATP/Bennu*</b>	25,641	(1,731)	(23,910)	--
<b>Nekoosa</b>	18,199	(18,199)	--	--
<b>OCI Subordinated Notes</b>	15,580	--	(1,446)	14,134
<b>Shoreline Energy*</b>	13,611	(582)	(13,029)	--
<b>Talos*</b>	12,360	(464)	(4,542)	7,354
<b>KOVA</b>	9,000	(9,000)	--	--
<b>Contour*</b>	7,500	(1,435)	(6,065)	--
<b>Spirit Energy*</b>	7,453	(1,108)	(6,345)	--
<b>Huff Energy*</b>	5,888	(5,888)	--	--
<b>OCI Class A Units</b>	1,390	--	(1,147)	243
<b>Total</b>	<u>\$170,956</u>	<u>(\$38,407)</u>	<u>(\$110,818)</u>	<u>\$21,731</u>

\* Energy related investment

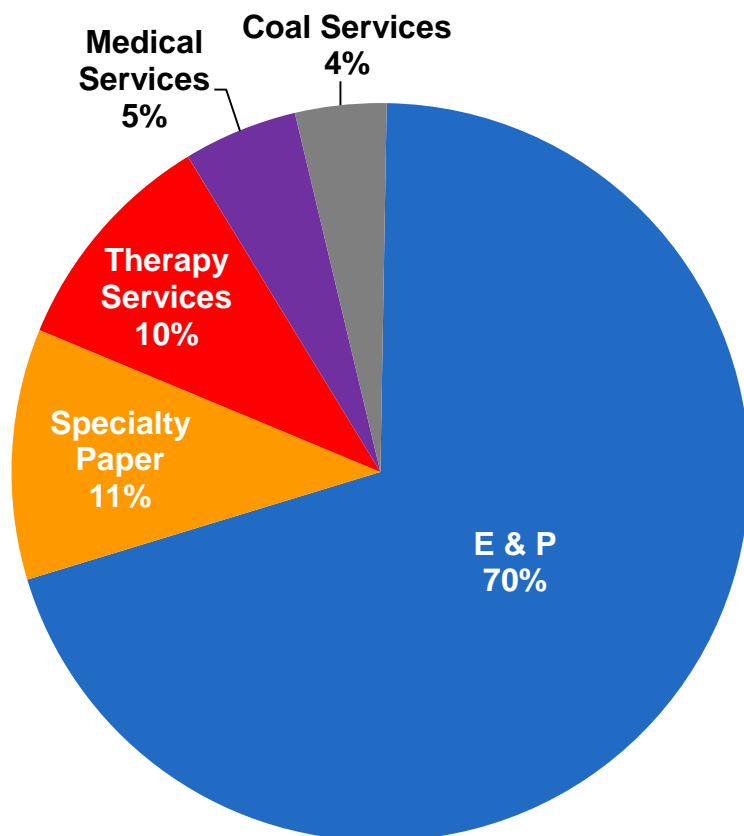
<sup>(1)</sup> Excludes any amounts written off from additional investment, paid-in-kind interest/dividends, and/or discount accretion subsequent to 9/30/14.

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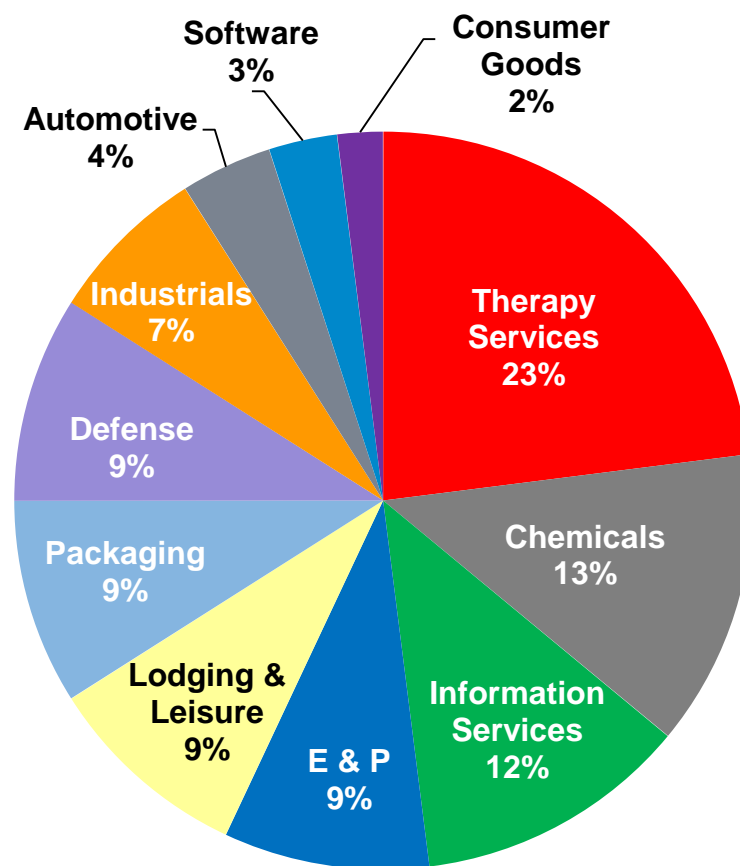
# Investment Activity & Portfolio Review

Energy Exposure Reduced From 74% at 9/30/14 to 9% at 9/30/17<sup>(1)</sup>

September 30, 2014



September 30, 2017



<sup>(1)</sup> As a percentage of total fair value.

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# Investment Activity & Portfolio Review

## \$8.6 MM Legacy Portfolio Write-downs Partially Offset by \$1.8 MM in net New Investments

(in \$000's)	Fair Value Category	Principal/ Total Sum	Value at 6/30/17	Net New Investments (Realizations)	PIK/OID	Write-up / (Write-down)	Value at 9/30/17	% of Portfolio Value
<b>Legacy Portfolio</b>								
OCI subordinated note	Level 3	\$ 19,858	\$ 18,015	\$ -	\$ 911	\$ (911)	\$ 18,015	23%
Talos senior unsecured notes	Level 2	11,536	7,325	-	4	25	7,354	9%
OCI equity units	Level 3	n/a	336	-	-	(93)	243	0%
Castex redeemable preferred units	Level 3	60,986	7,627	-	-	(7,627)	-	0%
ATP/Bennu limited term royalty interest	Level 3	34,374	-	-	-	-	-	0%
<b>Subtotal - Legacy Portfolio</b>		<b>126,754</b>	<b>33,303</b>	<b>-</b>	<b>915</b>	<b>(8,606)</b>	<b>25,612</b>	<b>33%</b>
<b>OHA Portfolio</b>								
Appriss second lien term loan	Level 3	9,323	9,323	-	5	(5)	9,323	12%
Equinox second lien term loan	Level 2	7,000	7,149	-	1	(10)	7,140	9%
PAE second lien term loan	Level 2	6,888	6,940	-	5	(14)	6,931	9%
Berlin second lien term loan	Level 2	6,705	6,789	-	11	(70)	6,730	9%
Royal Holdings second lien term loan	Level 2	5,517	5,510	-	1	(1)	5,510	7%
Avantor senior unsecured notes	Level 2	5,000	-	5,000	-	113	5,113	6%
WASH second lien term loan	Level 2	4,000	4,000	-	1	(1)	4,000	5%
DexKo second lien term loan	Level 2	3,000	-	2,977	0	38	3,015	4%
TIBCO senior unsecured notes	Level 2	2,100	11,135	(8,831)	4	(8)	2,300	3%
MWI second lien term loan	Level 2	1,400	-	1,386	-	21	1,407	2%
Hayward second lien term loan	Level 2	1,302	-	1,279	0	16	1,295	2%
Gramercy Park CLO residual interest	Level 3	n/a	352	(41)	-	23	334	0%
<b>Subtotal - OHA Portfolio</b>		<b>52,235</b>	<b>51,198</b>	<b>1,770</b>	<b>28</b>	<b>102</b>	<b>53,098</b>	<b>67%</b>
<b>Grand Total</b>		<b>\$ 178,989</b>	<b>\$ 84,501</b>	<b>\$ 1,770</b>	<b>\$ 943</b>	<b>\$ (8,504)</b>	<b>\$ 78,710</b>	<b>100%</b>

Since "principal" does not apply to instruments other than debt, "N/A" is shown in the "Principal" column for investments other than debt securities. The information is unaudited and provided for informational purposes only. There is no representation being made that an individual investor will achieve returns similar to those shown. Past results are not necessarily indicative of future performance.

# Investment Activity & Portfolio Review

Current Weighted Average Yield of 13.1%<sup>(1)</sup> on Fair Value Basis as of September 30, 2017

(in \$000's)	Principal/ Total Sum	Cost	Fair Value	Current Yield at Cost	Current Yield at Fair Value	% of Portfolio Value
<b>&lt; 10% Current Yield at Fair Value</b>						
Hayward second lien term loan	1,302	1,279	1,295	9.8%	9.7%	2%
DexKo second lien term loan	3,000	2,977	3,015	9.7%	9.6%	4%
MWI second lien term loan	1,400	1,386	1,407	9.3%	9.2%	2%
Royal Holdings second lien term loan	5,517	5,481	5,510	9.0%	8.9%	7%
Avantor senior unsecured notes	5,000	5,000	5,113	9.0%	8.8%	6%
Berlin second lien term loan	6,705	6,436	6,730	9.0%	8.6%	9%
WASH second lien term loan	4,000	3,977	4,000	8.4%	8.3%	5%
Equinox second lien term loan	7,000	6,950	7,140	8.4%	8.1%	9%
Gramercy Park CLO residual interest	n/a	85	334	13.5%	3.4%	0%
Total < 10% Current Yield at Fair Value	33,924	33,571	34,544	8.9%	8.7%	44%
<b>10-15% Current Yield at Fair Value:</b>						
TIBCO senior unsecured notes	2,100	1,961	2,300	13.4%	11.4%	3%
PAE second lien term loan	6,888	6,724	6,931	11.3%	10.9%	9%
Appriss second lien term loan	9,323	9,232	9,323	10.9%	10.8%	12%
Total 10-15% Current Yield at Fair Value	18,311	17,917	18,554	11.3%	10.9%	24%
<b>&gt; 15% Current Yield at Fair Value:</b>						
OCI subordinated note	19,858	19,798	18,015	20.6%	22.7%	23%
Talos senior unsecured notes	11,536	11,529	7,354	9.9%	15.5%	9%
Total > 15% at Current Yield at Fair Value	31,394	31,327	25,369	16.7%	20.6%	32%
<b>Current Yielding Investments</b>	<b>83,629</b>	<b>82,815</b>	<b>78,467</b>	<b>12.4%</b>	<b>13.1%</b>	<b>100%</b>
<b>Other Non-Yielding/Non-Income Producing Investments:</b>						
Castex redeemable preferred units	60,986	56,315	0	0.0%	0.0%	0%
ATP/Bennu limited term royalty interest	34,374	27,845	0	0.0%	0.0%	0%
OCI equity units	n/a	2,500	243	0.0%	0.0%	0%
Total non-yielding/non-income producing investments	95,360	86,660	243	N/A	N/A	0%
<b>Grand Total</b>	<b>178,989</b>	<b>169,475</b>	<b>78,710</b>	<b>6.0%</b>	<b>13.0%</b>	<b>100%</b>

<sup>(1)</sup> Current yielding investments only.

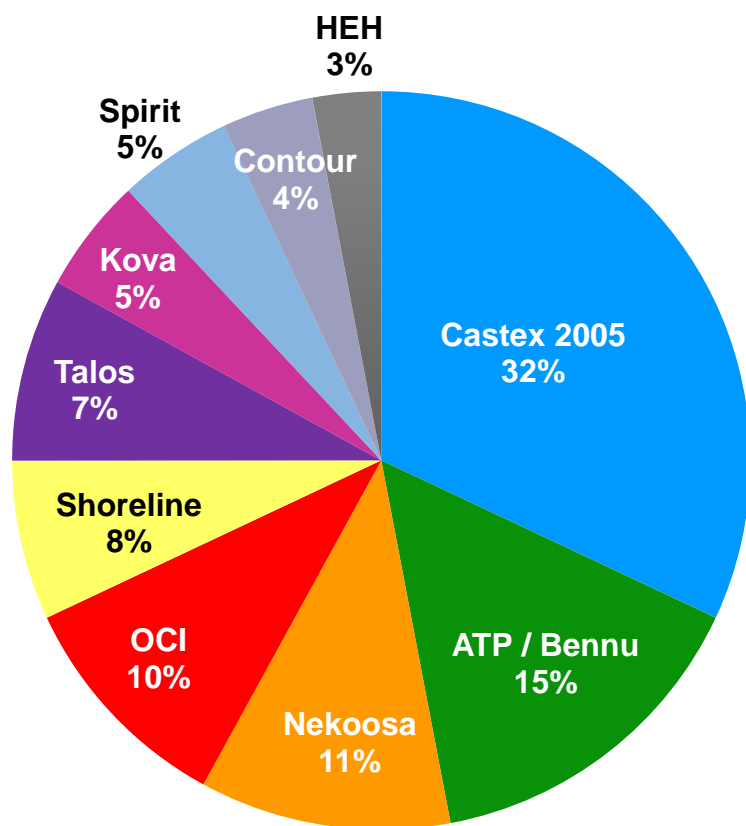
The information is unaudited and provided for informational purposes only. There is no representation being made that an individual investor will achieve returns similar to those shown. Past results are not necessarily indicative of future performance. Since "Principal/Total Sum" does not apply to certain investments, "N/A or --" is shown where applicable. Current yields are based on the income recognized in the current quarter using current interest rates, including PIK, net of reserves, as of the balance sheet date and include amortization of OID and market premium or discount, royalty income and other similar investment income divided by cost and fair value, respectively. Totals and subtotals are calculated based on weighted average.



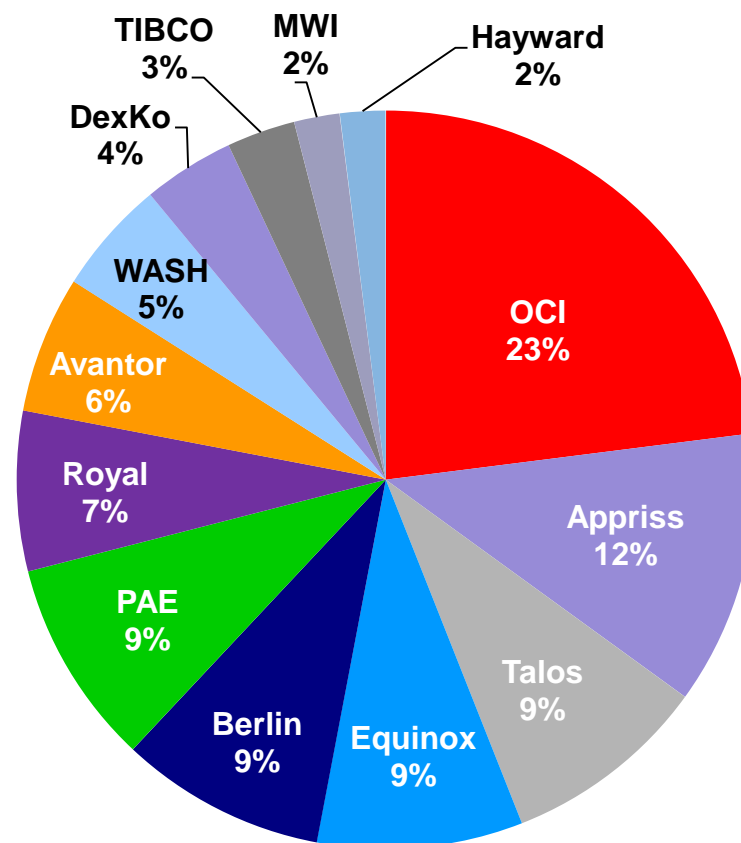
# Investment Activity & Portfolio Review

Portfolio Value is Derived From 16 Active Investments<sup>(1)</sup> at 9/30/17 and vs. 10 at 9/30/14<sup>(2)</sup>

September 30, 2014



September 30, 2017



<sup>(1)</sup> 16 active investments include 13 shown above in pie chart as well as Gramercy CLO (<1% of total portfolio) and \$0 value investments (ATP/Bennu and Castex).

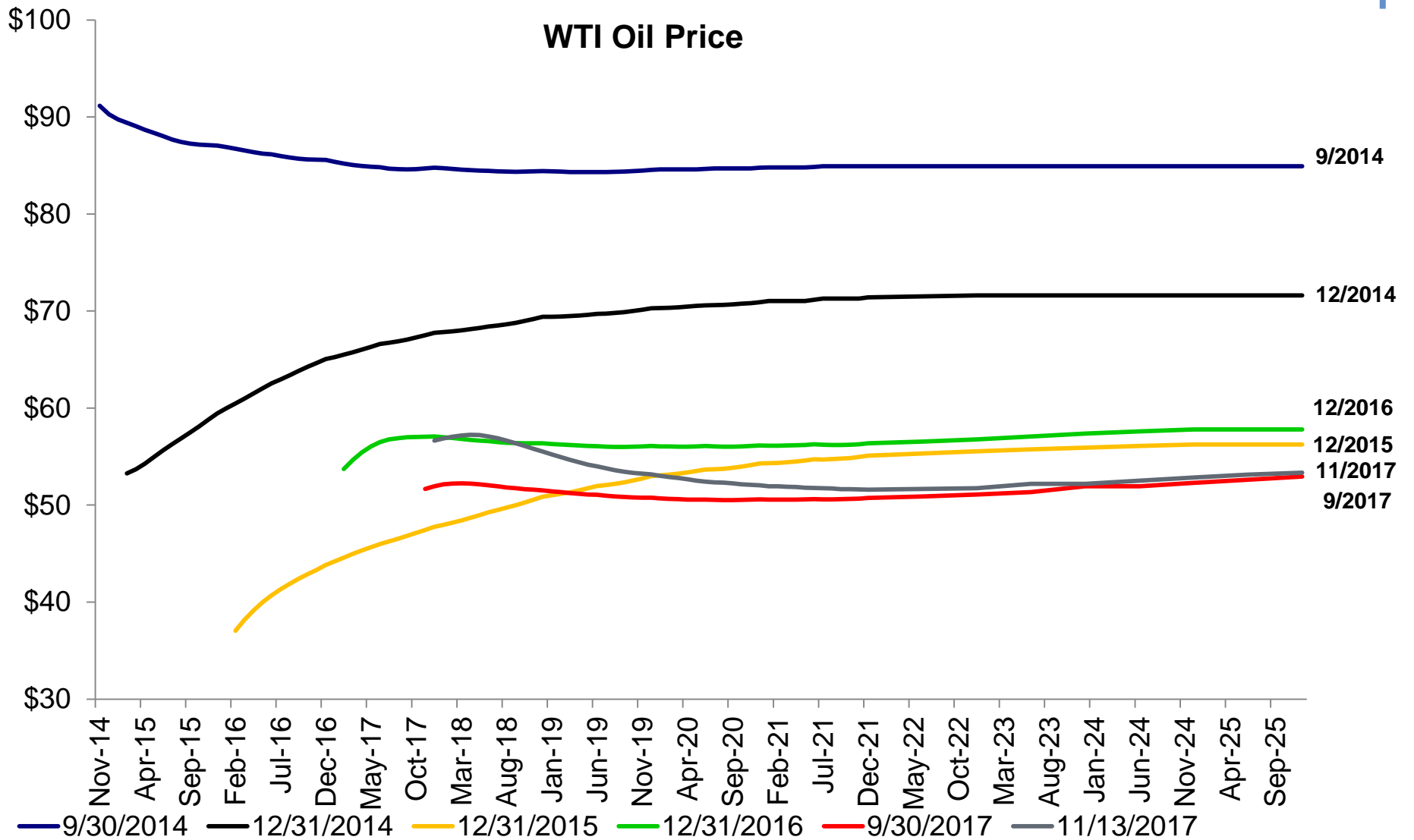
<sup>(2)</sup> As a percentage of total fair value.

The information is unaudited and provided for informational purposes only. There is no representation being made that an individual investor will achieve returns similar to those shown. Past results are not necessarily indicative of future performance.

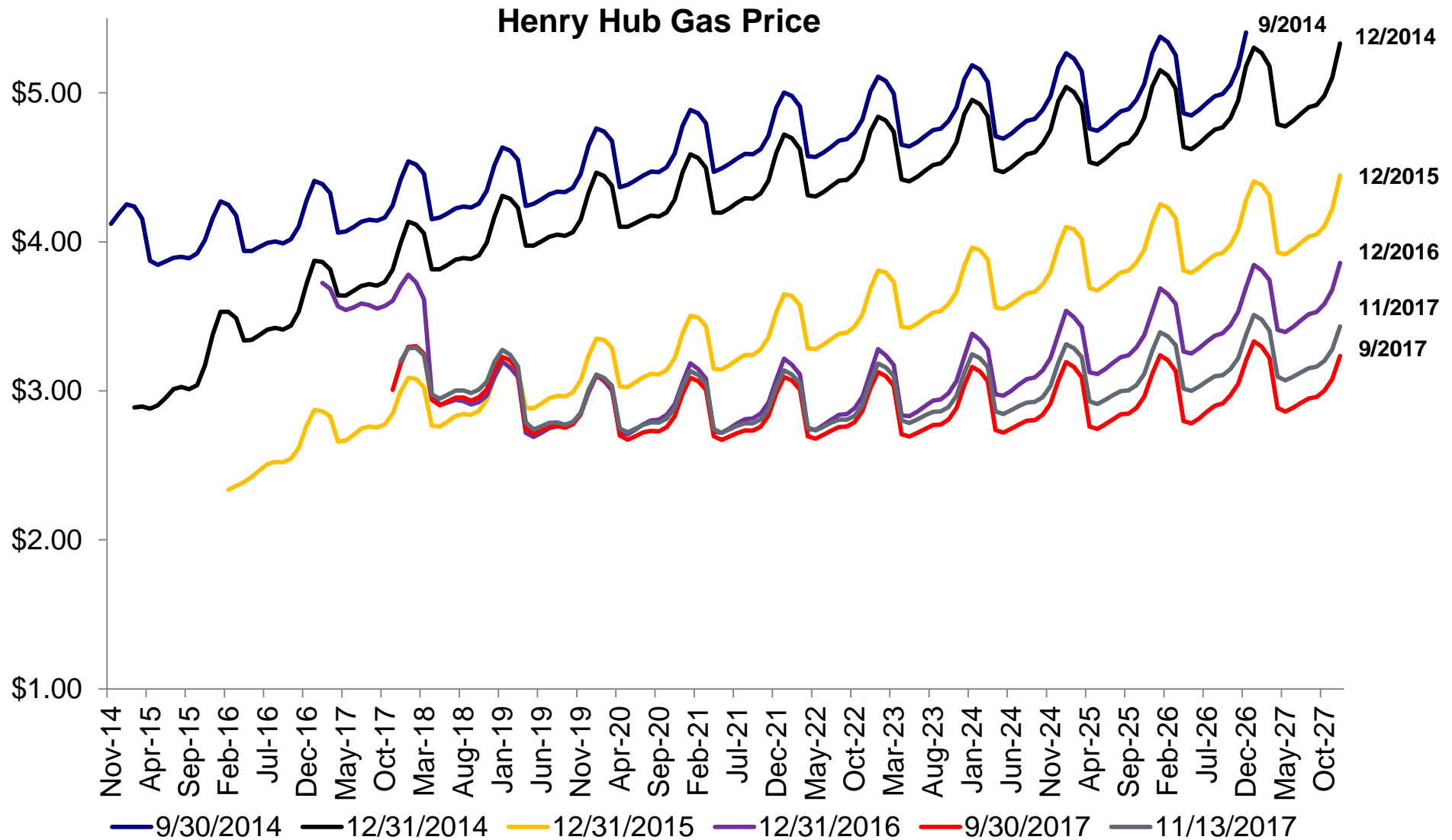
# Additional Information

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# Oil Price Strip



# Natural Gas Price Strip



# Q&A

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