

Golub Capital BDC, Inc.  
Form 497  
August 16, 2016

Filed Pursuant to Rule 497  
File No. 333-193308

**PROSPECTUS SUPPLEMENT**  
**(to Prospectus dated April 13, 2016)**

**1,750,000 Shares**

**GOLUB CAPITAL BDC, INC.**

**Common Stock**  
**\$18.35 per share**

We are an externally managed, closed-end, non-diversified management investment company that has elected to be regulated as a business development company under the Investment Company Act of 1940, as amended, or the 1940 Act. Our investment objective is to generate current income and capital appreciation by investing primarily in senior secured and one stop loans of U.S. middle-market companies. We may also selectively invest in second lien and subordinated loans of, and warrants and minority equity securities in U.S. middle-market companies.

GC Advisors LLC serves as our investment adviser. Golub Capital LLC serves as our administrator. GC Advisors LLC and Golub Capital LLC are affiliated with Golub Capital (as defined herein), a leading lender to middle-market companies with over \$18.0 billion in capital under management as of June 30, 2016.

All of the 1,750,000 shares of common stock offered by this prospectus supplement are being sold by us. Our common stock is traded on the NASDAQ Global Select Market under the symbol **GBDC**. Mr. John T. Baily, one of our directors, has agreed to purchase an aggregate of 8,250 shares in this offering at the public offering price per share. The last reported closing price for our common stock on August 15, 2016 was \$18.72 per share. The net asset value of our common stock as of June 30, 2016 (the last date prior to the date of this prospectus supplement on which we determined net asset value) was \$15.88 per share. The offering price per share of our common stock less any underwriting commissions or discounts will not be less than the net asset value per share of our common stock at the time we make this offering.

**Shares of closed-end investment companies, including business development companies, frequently trade at a discount to their net asset value. If our shares trade at a discount to our net asset value, it will likely increase the risk of loss for purchasers in this offering. Investing in our common stock involves a high degree of risk. Before buying any common stock, you should read the discussion of the material risks of investing in our common stock, including the risk of leverage, in Risk Factors beginning on page 15 of the accompanying prospectus.**

This prospectus supplement and the accompanying prospectus contain important information you should know before investing in our common stock. Please read it before you invest and keep it for future reference. We file annual, quarterly and current reports, proxy statements and other information about us with the Securities and Exchange Commission, or the SEC. We maintain a website at <http://www.golubcapitalbdc.com> and make all of our annual,

quarterly and current reports, proxy statements and other publicly filed information available on or through our website. You may also obtain such information, free of charge, and make shareholder inquiries by contacting us at 150 South Wacker Drive, Suite 800, Chicago, Illinois 60606, Attention: Investor Relations, or by calling us collect at (312) 205-5050. The SEC also maintains a website at <http://www.sec.gov> that contains such information.

We generally invest in securities that have been rated below investment grade by independent rating agencies or that would be rated below investment grade if they were rated. These securities, which may be referred to as junk, have predominantly speculative characteristics with respect to the issuer's capacity to pay interest and repay principal. In addition, many of our debt investments have floating interest rates that reset on a periodic basis and typically do not fully pay down principal prior to maturity, which may increase our risk of losing part or all of our investment.

**Neither the SEC nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

	Per Share	Total
Public offering price	\$ 18.35	\$ 32,112,500
Sales load (underwriting discounts and commissions)	\$ 0.57	\$ 997,500
Proceeds to us (before expenses)	\$ 17.78	\$ 31,115,000

In addition, the underwriter may purchase up to an additional 262,500 shares of common stock at the public offering price, less the sales load payable by us, within 30 days from the date of this prospectus supplement. If the underwriter exercises this option in full, the total sales load paid by us will be \$1,147,125, and total proceeds to us, before expenses, will be \$35,782,250.

The underwriter is offering the common stock as set forth in Underwriting. Delivery of the common stock will be made on or about August 19, 2016.

## Wells Fargo Securities

The date of this prospectus supplement is August 15, 2016.

---

TABLE OF CONTENTS

## **ABOUT THIS PROSPECTUS SUPPLEMENT**

You should rely only on the information contained in this prospectus supplement and the accompanying prospectus. We have not, and the underwriter has not, authorized any other person to provide you with different information. We are not, and the underwriter is not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus supplement is accurate only as of the date on the front cover of this prospectus supplement and that the information appearing in the accompanying prospectus is accurate only as of the date on its front cover. Our business, financial condition, results of operations, cash flows and prospects may have changed since that date. We will update these documents to reflect material changes only as required by law. We are offering to sell, and seeking offers to buy, securities only in jurisdictions where offers are permitted.

This document is in two parts. The first part is this prospectus supplement, which describes the terms of this offering and also adds to and updates information contained in the accompanying prospectus. The second part is the accompanying prospectus, which gives more general information and disclosure. To the extent the information contained in this prospectus supplement differs from the information contained in the accompanying prospectus, the information in this prospectus supplement will control. You should read this prospectus supplement and the accompanying prospectus together with the additional information described under the headings, Risk Factors included in the accompanying prospectus and Available Information included in this prospectus supplement before investing in our common stock.

---

TABLE OF CONTENTS

**TABLE OF CONTENTS  
PROSPECTUS SUPPLEMENT**

<u>PROSPECTUS SUPPLEMENT SUMMARY</u>	Page <u>S-1</u>
<u>THE OFFERING</u>	<u>S-9</u>
<u>FEES AND EXPENSES</u>	<u>S-11</u>
<u>SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS</u>	<u>S-16</u>
<u>USE OF PROCEEDS</u>	<u>S-18</u>
<u>CAPITALIZATION</u>	<u>S-19</u>
<u>SELECTED CONSOLIDATED FINANCIAL DATA</u>	<u>S-20</u>
<u>INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND CASH FLOWS</u>	<u>S-22</u>
<u>PRICE RANGE OF COMMON STOCK</u>	<u>S-51</u>
<u>UNDERWRITING</u>	<u>S-52</u>
<u>LEGAL MATTERS</u>	<u>S-56</u>
<u>INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM</u>	<u>S-56</u>
<u>AVAILABLE INFORMATION</u>	<u>S-56</u>
<u>INDEX TO FINANCIAL STATEMENTS</u>	<u>SF-1</u>

**PROSPECTUS**

<u>PROSPECTUS SUMMARY</u>	<u>1</u>
<u>FEES AND EXPENSES</u>	<u>10</u>
<u>RISK FACTORS</u>	<u>15</u>
<u>SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS</u>	<u>45</u>
<u>USE OF PROCEEDS</u>	<u>46</u>
<u>DISTRIBUTIONS</u>	<u>47</u>
<u>SELECTED CONSOLIDATED FINANCIAL DATA</u>	<u>48</u>
<u>MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND CASH FLOWS</u>	<u>50</u>
<u>PRICE RANGE OF COMMON STOCK</u>	<u>94</u>
<u>THE COMPANY</u>	<u>95</u>
<u>PORTFOLIO COMPANIES</u>	<u>105</u>
<u>MANAGEMENT</u>	<u>122</u>
<u>MANAGEMENT AGREEMENTS</u>	<u>132</u>
<u>RELATED PARTY TRANSACTIONS AND CERTAIN RELATIONSHIPS</u>	<u>141</u>
<u>CONTROL PERSONS AND PRINCIPAL STOCKHOLDERS</u>	<u>144</u>
<u>DETERMINATION OF NET ASSET VALUE</u>	<u>146</u>
<u>DIVIDEND REINVESTMENT PLAN</u>	<u>149</u>
<u>MATERIAL U.S. FEDERAL INCOME TAX CONSIDERATIONS</u>	<u>151</u>
<u>DESCRIPTION OF OUR CAPITAL STOCK</u>	<u>158</u>
<u>DESCRIPTION OF OUR PREFERRED STOCK</u>	<u>163</u>
<u>DESCRIPTION OF OUR SUBSCRIPTION RIGHTS</u>	<u>164</u>



TABLE OF CONTENTS

<u>DESCRIPTION OF WARRANTS</u>	<u>166</u>
<u>DESCRIPTION OF OUR DEBT SECURITIES</u>	<u>168</u>
<u>REGULATION</u>	<u>179</u>
<u>CUSTODIAN, TRANSFER AND DIVIDEND PAYING AGENT AND REGISTRAR</u>	<u>185</u>
<u>BROKERAGE ALLOCATION AND OTHER PRACTICES</u>	<u>185</u>
<u>PLAN OF DISTRIBUTION</u>	<u>186</u>
<u>LEGAL MATTERS</u>	<u>188</u>
<u>INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM</u>	<u>188</u>
<u>AVAILABLE INFORMATION</u>	<u>188</u>
<u>INDEX TO CONSOLIDATED FINANCIAL STATEMENTS</u>	<u>F-1</u>

TABLE OF CONTENTS

## PROSPECTUS SUPPLEMENT SUMMARY

*This summary highlights some of the information in this prospectus supplement and the accompanying prospectus. It is not complete and may not contain all of the information that you may want to consider. You should read the more detailed information set forth under Risk Factors included in the accompanying prospectus and the other information included in this prospectus supplement and the accompanying prospectus carefully.*

*Except as otherwise indicated, the terms:*

*we, us, our and Golub Capital BDC refer to Golub Capital BDC, Inc., a Delaware corporation, and its consolidated subsidiaries;*

*Holdings refers to Golub Capital BDC 2010-1 Holdings LLC, a Delaware limited liability company, or LLC, our direct subsidiary;*

*2010 Issuer refers to Golub Capital BDC 2010-1 LLC, a Delaware LLC, a direct subsidiary of Holdings and our indirect subsidiary;*

*2014 Issuer refers to Golub Capital BDC CLO 2014 LLC, a Delaware LLC, our direct subsidiary;*

*2010 Debt Securitization refers to the \$350.0 million term debt securitization that we completed on July 16, 2010, as most recently amended on June 25, 2015, in which the 2010 Issuer issued an aggregate of \$350.0 million of notes, or the 2010 Notes, including \$203.0 million of Class A 2010 Notes, which bear interest at a rate of three-month London Interbank Offered Rate, or LIBOR, plus 1.74%, \$12.0 million of Class B 2010 Notes, which bear interest at a rate of three-month LIBOR plus 2.40%, and \$135.0 million face amount of Subordinated 2010 Notes that do not bear interest;*

*2014 Debt Securitization refers to the \$402.6 million term debt securitization that we completed on June 5, 2014, in which the 2014 Issuer issued an aggregate of \$402.6 million of notes, or the 2014 Notes, including \$191.0 million of Class A-1 2014 Notes, which bear interest at a rate of three-month LIBOR plus 1.75%, \$20.0 million of Class A-2 2014 Notes, which bear interest at a rate of three-month LIBOR plus 1.45% through December 4, 2015 and three-month LIBOR plus 1.95% thereafter, \$35.0 million of Class B 2014 Notes, which bear interest at a rate of three-month LIBOR plus 2.50%, \$37.5 million of Class C 2014 Notes, which bear interest at a rate of three-month LIBOR plus 3.50%, and \$119.1 million of LLC equity interests that do not bear interest;*

*Funding refers to Golub Capital BDC Funding, LLC, a Delaware LLC, our direct subsidiary;*

*Credit Facility refers to the amended and restated senior secured revolving credit facility that Funding originally entered into on July 21, 2011, as most recently amended on March 1, 2016, with Wells Fargo Securities, LLC, as administrative agent, and Wells Fargo Bank, N.A., as lender and collateral agent, that currently allows for borrowing up to \$200 million and that bears interest at a rate of one-month LIBOR plus 2.25% per annum through the reinvestment period, which ends July 29, 2017, and bears interest at a rate of one-month LIBOR plus 2.75% for the period following the reinvestment period through the stated maturity date of July 30, 2020;*

*SLF refers to Senior Loan Fund LLC, an unconsolidated Delaware LLC, in which we co-invest with RGA Reinsurance Company, or RGA, primarily in senior secured loans. SLF is capitalized as transactions are completed and all portfolio and investment decisions in respect of SLF must be approved by representatives of each of the members (with unanimous approval required from either (i) one representative of each of us and RGA or (ii) both representatives of each of us and RGA currently). As of June 30, 2016, we owned 87.5% of both the outstanding subordinated notes and LLC equity interests of SLF. As of June 30, 2016, SLF had subordinated note commitments from its members totaling \$160.0 million and LLC equity interest subscriptions from its members totaling \$40.0 million. We have committed to fund \$140.0 million of subordinated notes and \$35.0 million of LLC equity interest subscriptions to SLF;*

S-1





TABLE OF CONTENTS

*GC Advisors* refers to GC Advisors LLC, a Delaware LLC, our investment adviser; *Administrator* refers to Golub Capital LLC, a Delaware LLC, an affiliate of GC Advisors and our administrator and, for periods prior to February 5, 2013, GC Service Company, LLC; and *Golub Capital* refers, collectively, to the activities and operations of Golub Capital Incorporated, Golub Capital LLC (formerly Golub Capital Management LLC), which entity employs all of Golub Capital's investment professionals, GC Advisors and associated investment funds and their respective affiliates.

## **Golub Capital BDC**

We are an externally managed, closed-end, non-diversified management investment company that has elected to be regulated as a business development company under the 1940 Act. In addition, for U.S. federal income tax purposes, we have elected to be treated as a regulated investment company, or RIC, under Subchapter M of the Internal Revenue Code of 1986, as amended, or the Code. We were formed in November 2009 to continue and expand the business of our predecessor, Golub Capital Master Funding LLC, which commenced operations in July 2007, to make investments primarily in senior secured, one stop (a loan that combines characteristics of traditional first lien senior secured loans and second lien or subordinated loans), second lien and subordinated (a loan that ranks senior only to a borrower's equity securities and ranks junior to all of such borrower's other indebtedness in priority of payment) loans of, and warrants and minority equity securities in, U.S. middle-market companies that are, in most cases, sponsored by private equity firms. We structure one stop loans as senior secured loans, and we obtain security interests in the assets of the portfolio company that serve as collateral in support of the repayment of these loans. This collateral may take the form of first-priority liens on the assets of the portfolio company. In many cases, we, together with our affiliates, are the sole lenders of one stop loans, which can afford us additional influence over the borrower in terms of monitoring and, if necessary, remediation in the event of underperformance. In this prospectus supplement, the term middle-market generally refers to companies having earnings before interest, taxes, depreciation and amortization, or EBITDA, of between \$10.0 million and \$50.0 million annually.

Our investment objective is to generate current income and capital appreciation by investing primarily in senior secured and one stop loans of U.S. middle-market companies. We may also selectively invest in second lien and subordinated loans of, and warrants and minority equity securities in U.S. middle-market companies. We intend to achieve our investment objective by (1) accessing the established loan origination channels developed by Golub Capital, a leading lender to middle-market companies with over \$18.0 billion in capital under management as of June 30, 2016, (2) selecting investments within our core middle-market company focus, (3) partnering with experienced private equity firms, or sponsors, in many cases with whom Golub Capital has invested alongside in the past, (4) implementing the disciplined underwriting standards of Golub Capital and (5) drawing upon the aggregate experience and resources of Golub Capital.

We seek to create a portfolio that includes primarily senior secured and one stop loans by primarily investing approximately \$5.0 million to \$30.0 million of capital, on average, in the securities of U.S. middle-market companies. We may also selectively invest more than \$30.0 million in some of our portfolio companies and generally expect that the size of our individual investments will vary proportionately with the size of our capital base.

We generally invest in securities that have been rated below investment grade by independent rating agencies or that would be rated below investment grade if they were rated. These securities, which may be referred to as junk, have predominantly speculative characteristics with respect to the issuer's capacity to pay interest and repay principal. In addition, many of our debt investments have floating interest rates that reset on a periodic basis and typically do not fully pay down principal prior to maturity, which may increase our risk of losing part or all of our investment.



TABLE OF CONTENTS

As of June 30, 2016 and September 30, 2015, our portfolio at fair value was comprised of the following:

Investment Type	As of June 30, 2016			As of September 30, 2015		
	Investments at Fair Value (In thousands)	Percentage of Total Investments		Investments at Fair Value (In thousands)	Percentage of Total Investments	
Senior secured	\$ 174,608	10.7	%	\$ 197,329	12.9	%
One stop	1,235,496	75.9		1,134,222	74.1	
Second lien	37,461	2.3		39,774	2.6	
Subordinated debt	1,966	0.1		1,715	0.1	
Subordinated notes in SLF <sup>(1)</sup>	81,292	5.0		76,563	5.0	
LLC equity interests in SLF <sup>(1)</sup>	29,772	1.8		22,373	1.5	
Equity	67,914	4.2		57,808	3.8	
Total	\$ 1,628,509	100.0	%	\$ 1,529,784	100.0	%

(1) SLF's proceeds from the subordinated notes and LLC equity interests invested in SLF were utilized by SLF to invest in senior secured loans.

One stop loans include loans to technology companies undergoing strong growth due to new services, increased adoption and/or entry into new markets. We refer to loans to these companies as late stage lending loans. Other targeted characteristics of late stage lending businesses include strong customer revenue retention rates, a diversified customer base and backing from growth equity or venture capital firms. In some cases, the borrower's high revenue growth is supported by a high level of discretionary spending. As part of the underwriting of such loans and consistent with industry practice, we may adjust our characterization of the earnings of such borrowers for a reduction or elimination of such discretionary expenses, if appropriate. As of June 30, 2016 and September 30, 2015, one stop loans included \$109.9 million and \$88.2 million, respectively, of late stage lending loans at fair value.

As of June 30, 2016 and September 30, 2015, we had debt and equity investments in 185 and 164 portfolio companies, respectively, and investments in subordinated notes and LLC equity interests in SLF. The weighted average annualized income yield and weighted average annualized investment income yield of our income producing debt investments, which represented nearly 100% of our debt investments, for the three and nine months ended June 30, 2016 and 2015 was as follows:

	For the three months ended June 30,		For the nine months ended June 30,	
	2016	2015	2016	2015
Weighted average annualized income yield <sup>(1)</sup>	7.6 %	7.6 %	7.6 %	7.7 %
Weighted average annualized investment income yield <sup>(2)</sup>	8.2 %	8.4 %	8.1 %	8.3 %

(1) Represents income from interest, including subordinated notes in SLF, and fees excluding amortization of capitalized fees and discounts divided by the average fair value of earning debt investments.

(2) Represents income from interest, including subordinated notes in SLF, fees and amortization of capitalized fees and discounts divided by the average fair value of earning debt investments.

As of June 30, 2016 and September 30, 2015, we and RGA owned 87.5% and 12.5%, respectively, of both the outstanding subordinated notes and LLC equity interests of SLF. Additionally, on January 17, 2014, Senior Loan Fund II LLC, a wholly-owned subsidiary of SLF, or SLF II, entered into a senior secured revolving credit facility, or the SLF Credit Facility, with Wells Fargo Securities, LLC, as administrative agent, and Wells Fargo Bank, N.A., as lender, which, as amended, allows SLF II to borrow up to \$300.0 million, subject to leverage and borrowing base restrictions. The reinvestment period of the SLF Credit Facility ends May 12, 2017, and the stated maturity date is May 13, 2020. As of June 30, 2016 and September 30, 2015, SLF had subordinated note commitments from its members totaling \$160.0 million, of which approximately \$93.8 million and \$87.5 million in aggregate principal amount was funded as of June 30, 2016 and September 30, 2015, respectively. As of June 30, 2016 and September 30, 2015, SLF had LLC equity interest subscriptions from its members totaling \$40.0 million, of which approximately \$35.8 million and

S-3

---

## TABLE OF CONTENTS

\$26.5 million in aggregate was called and contributed as of June 30, 2016 and September 30, 2015, respectively. Our investment in SLF is not a qualifying asset under Section 55(a) of the 1940 Act. Under the 1940 Act, we may not acquire any non-qualifying asset unless, at the time the acquisition is made, qualifying assets represent at least 70% of our total assets.

## **Our Adviser**

Our investment activities are managed by our investment adviser, GC Advisors. GC Advisors is responsible for sourcing potential investments, conducting research and due diligence on prospective investments and equity sponsors, analyzing investment opportunities, structuring our investments and monitoring our investments and portfolio companies on an ongoing basis. GC Advisors was organized in September 2008 and is a registered investment adviser under the Investment Advisers Act of 1940, as amended, or the Advisers Act. Under our amended and restated investment advisory agreement, or the Investment Advisory Agreement, with GC Advisors, we pay GC Advisors a base management fee and an incentive fee for its services. See Management Agreements Investment Advisory Agreement Management Fee in the accompanying prospectus for a discussion of the base management fee and incentive fee, including the cumulative income incentive fee and the income and capital gains incentive fee, payable by us to GC Advisors. Unlike most closed-end funds whose fees are based on assets net of leverage, our base management fee is based on our average-adjusted gross assets (including leverage but adjusted to exclude cash and cash equivalents so that investors do not pay the base management fee on such assets) and, therefore, GC Advisors benefits when we incur debt or use leverage. For purposes of the Investment Advisory Agreement, cash equivalents means U.S. government securities and commercial paper instruments maturing within 270 days of purchase. Additionally, under the incentive fee structure, GC Advisors benefits when capital gains are recognized and, because it determines when a holding is sold, GC Advisors controls the timing of the recognition of capital gains. Our board of directors is charged with protecting our interests by monitoring how GC Advisors addresses these and other conflicts of interest associated with its management services and compensation. While not expected to review or approve each borrowing, our independent directors periodically review GC Advisors' services and fees as well as its portfolio management decisions and portfolio performance. In connection with these reviews, our independent directors consider whether our fees and expenses (including those related to leverage) remain appropriate. See Management Agreements Investment Advisory Agreement Board Approval of the Investment Advisory Agreement in the accompanying prospectus.

GC Advisors is an affiliate of Golub Capital and pursuant to a staffing agreement, or the Staffing Agreement, Golub Capital LLC makes experienced investment professionals available to GC Advisors and provides access to the senior investment personnel of Golub Capital LLC and its affiliates. The Staffing Agreement provides GC Advisors with access to investment opportunities, which we refer to in the aggregate as deal flow, generated by Golub Capital LLC and its affiliates in the ordinary course of their businesses and commits the members of GC Advisors' investment committee to serve in that capacity. As our investment adviser, GC Advisors is obligated to allocate investment opportunities among us and its other clients fairly and equitably over time in accordance with its allocation policy. See Conflicts of Interest below and Related Party Transactions and Certain Relationships in the accompanying prospectus. However, there can be no assurance that such opportunities will be allocated to us fairly or equitably in the short-term or over time. GC Advisors seeks to capitalize on the significant deal origination, credit underwriting, due diligence, investment structuring, execution, portfolio management and monitoring experience of Golub Capital LLC's investment professionals.

An affiliate of GC Advisors, the Administrator, provides the administrative services necessary for us to operate. See Management Agreements Administration Agreement in the accompanying prospectus for a discussion of the fees and expenses (subject to the review and approval of our independent directors) we are required to reimburse to the

Administrator.

## **About Golub Capital**

Golub Capital, founded in 1994, is a leading lender to middle-market companies, with a long track record of investing in senior secured, one stop, second lien and subordinated loans. As of June 30, 2016, Golub Capital managed over \$13.1 billion of invested or available capital for senior secured, one stop, second lien

S-4

---

## TABLE OF CONTENTS

and subordinated loan investments in middle-market companies. Since its inception, Golub Capital has closed deals with over 200 middle-market sponsors and repeat transactions with over 130 sponsors.

Golub Capital's middle-market lending group is managed by a four-member senior management team consisting of Lawrence E. Golub, David B. Golub, Andrew H. Steuerman and Gregory W. Cashman. As of June 30, 2016, Golub Capital's more than 90 investment professionals had an average of over 12 years of investment experience and were supported by more than 185 administrative and back office personnel that focus on operations, finance, legal and compliance, accounting and reporting, marketing, information technology and office management.

## **Market Trends**

We have identified the following trends that may affect our business:

*Target Market.* We believe that small and middle-market companies in the United States with annual revenues between \$10.0 million and \$2.5 billion represent a significant growth segment of the U.S. economy and often require substantial capital investments to grow. Middle-market companies have generated a significant number of investment opportunities for investment funds managed or advised by Golub Capital, and we believe that this market segment will continue to produce significant investment opportunities for us.

*Specialized Lending Requirements.* We believe that several factors render many U.S. financial institutions ill-suited to lend to U.S. middle-market companies. For example, based on the experience of our management team, lending to U.S. middle-market companies (1) is generally more labor intensive than lending to larger companies due to the smaller size of each investment and the fragmented nature of information for such companies, (2) requires due diligence and underwriting practices consistent with the demands and economic limitations of the middle market and (3) may also require more extensive ongoing monitoring by the lender.

*Demand for Debt Capital.* We believe there is a large pool of uninvested private equity capital for middle-market companies. We expect private equity firms will seek to leverage their investments by combining equity capital with senior secured loans and subordinated debt from other sources, such as us.

*Competition from Bank Lenders.* We believe that many commercial and investment banks have, in recent years, de-emphasized their service and product offerings to middle-market businesses in favor of lending to large corporate clients and managing capital markets transactions. In addition, these lenders may be constrained in their ability to underwrite and hold bank loans for middle-market issuers as they seek to meet existing and future regulatory capital requirements. We believe these factors may result in opportunities for alternative funding sources to middle-market companies and therefore more market opportunities for us.

*Market Environment.* We believe that as part of the path of economic recovery following the credit crisis, there has been increased competition for new middle-market investments due to some new non-bank finance companies that have entered the market and due to improving financial performance of middle-market companies. However, we believe that our scale and strong market position will continue to allow us to find investment opportunities with attractive risk-adjusted returns.

## **Competitive Strengths**

*Deep, Experienced Management Team.* We are managed by GC Advisors, which, as of June 30, 2016, had access through the Staffing Agreement to the resources and expertise of Golub Capital's more than 280 employees, led by our

chairman, Lawrence E. Golub, and our chief executive officer, David B. Golub. As of June 30, 2016, the more than 90 investment professionals of Golub Capital had an average of over 12 years of investment experience and were supported by more than 185 administrative and back office personnel that focus on operations, finance, legal and compliance, accounting and reporting, marketing, information technology and office management. Golub Capital seeks to hire and retain high-quality investment professionals and reward those personnel based on investor returns.

*Leading U.S. Debt Platform Provides Access to Proprietary Relationship-Based Deal Flow.* GC Advisors gives us access to the deal flow of Golub Capital, one of the leading middle-market lenders in the United States. Golub Capital has been ranked a top 3 Traditional Middle Market Bookrunner each year from 2008 through 2Q 2016 by Thomson Reuters LPC for senior secured loans of up to \$500.0 million for leveraged buyouts (based on

S-5

---



## TABLE OF CONTENTS

number of deals completed). Since its inception, Golub Capital has closed deals with over 200 middle-market sponsors and repeat transactions with over 130 sponsors. We believe that Golub Capital receives relationship-based early looks and last looks at many investment opportunities in the U.S. middle-market market, allowing it to be highly selective in the transactions it pursues.

*Disciplined Investment and Underwriting Process.* GC Advisors utilizes the established investment process of Golub Capital for reviewing lending opportunities, structuring transactions and monitoring investments. Using its disciplined approach to lending, GC Advisors seeks to minimize credit losses through effective underwriting, comprehensive due diligence investigations, structuring and the implementation of restrictive debt covenants.

*Regimented Credit Monitoring.* Following each investment, GC Advisors implements a regimented credit monitoring system. This careful approach, which involves ongoing review and analysis by teams of professionals, has enabled GC Advisors to identify problems early and to assist borrowers before they face difficult liquidity constraints.

*Concentrated Middle-Market Focus.* Because of our focus on the middle-market, we understand the following general characteristics of middle-market lending:

middle-market companies are generally less leveraged than large companies and, we believe, offer more attractive investment returns in the form of upfront fees, prepayment penalties and higher interest rates;  
middle-market issuers are more likely to have simple capital structures;  
carefully structured covenant packages enable middle-market lenders to take early action to remediate poor financial performance; and  
middle-market lenders can undertake thorough due diligence investigations prior to investment.

## **Operating and Regulatory Structure**

Our investment activities are managed by GC Advisors and supervised by our board of directors, a majority of whom are independent of us, GC Advisors and its affiliates.

As a business development company, we are required to comply with certain regulatory requirements. For example, while we are permitted to finance investments using leverage, which may include the issuance of shares of preferred stock, or notes and other borrowings, our ability to use leverage is limited in significant respects. See Regulation in the accompanying prospectus. Any decision on our part to use leverage will depend upon our assessment of the attractiveness of available investment opportunities in relation to the costs and perceived risks of such leverage. GC Advisors makes recommendations to our board of directors with respect to leverage policies. Our board of directors determines our leverage policy, including approving in advance the incurrence of material indebtedness and the execution of material contracts, and directs GC Advisors to implement such policies. The use of leverage to finance investments creates certain risks and potential conflicts of interest. See Risk Factors Risks Relating to our Business and Structure There are significant potential conflicts of interest that could affect our investment returns Our management and incentive fee structure may create incentives for GC Advisors that are not fully aligned with the interests of our stockholders and may induce GC Advisors to make certain investments, including speculative investments, Risks Relating to our Business and Structure Regulations governing our operation as a business development company affect our ability to, and the way in which we, raise additional capital. As a business development company, the necessity of raising additional capital exposes us to risks, including the typical risks associated with leverage and Risks Relating to our Business and Structure We intend to finance our investments with borrowed money, which will magnify the potential for gain or loss on amounts invested and may increase the risk of investing in us in the accompanying prospectus.

Also, as a business development company, we are generally prohibited from acquiring assets other than qualifying assets unless, after giving effect to any acquisition, at least 70% of our total assets are qualifying assets. Qualifying assets generally include securities of eligible portfolio companies, cash, cash equivalents, U.S. government securities and high-quality debt investments maturing in one year or less from the time of investment. Under the 1940 Act and the rules thereunder, eligible portfolio companies include (1) private

S-6

---

## TABLE OF CONTENTS

domestic operating companies, (2) public domestic operating companies whose securities are not listed on a national securities exchange (*e.g.*, the New York Stock Exchange, NYSE MKT LLC and The NASDAQ Stock Market) or registered under the Securities Exchange Act of 1934, as amended, or the Exchange Act, and (3) public domestic operating companies having a market capitalization of less than \$250.0 million. Public domestic operating companies whose securities are quoted on the over-the-counter bulletin board and through Pink Sheets LLC are not listed on a national securities exchange and therefore are eligible portfolio companies. See Regulation in the accompanying prospectus.

## **Conflicts of Interest**

Subject to certain 1940 Act restrictions on co-investments with affiliates, GC Advisors offers us the right to participate in all investment opportunities that it determines are appropriate for us in view of our investment objective, positions, policies, strategies and restrictions as well as regulatory requirements and other relevant factors. Such offers are subject to the exception that, in accordance with GC Advisors' code of ethics and allocation policies, we might not participate in each individual opportunity but will, on an overall basis, be entitled to participate equitably with other entities sponsored or managed by GC Advisors and its affiliates.

To the extent that we compete with entities sponsored or managed by GC Advisors or its affiliates for a particular investment opportunity, GC Advisors will allocate investment opportunities across the entities for which such opportunities are appropriate, consistent with (1) its internal conflict of interest and allocation policies, (2) the requirements of the Advisers Act and (3) certain restrictions under the 1940 Act regarding co-investments with affiliates. GC Advisors' allocation policies are intended to ensure that, over time, we may generally share equitably in investment opportunities with other investment funds, accounts or other investment vehicles, together referred to as accounts, sponsored or managed by GC Advisors or its affiliates, particularly those involving a security with limited supply or involving differing classes of securities of the same issuer which may be suitable for us and such other accounts.

GC Advisors and its affiliates have other clients with similar or competing investment objectives, including several private funds that are pursuing an investment strategy similar to ours, some of which are continuing to seek new capital commitments. In serving these clients, GC Advisors may have obligations to other clients or investors in those entities. Our investment objective may overlap with such affiliated accounts. GC Advisors' allocation procedures are designed to allocate investment opportunities among the accounts sponsored or managed by GC Advisors and its affiliates in a manner consistent with its obligations under the Advisers Act. If two or more accounts with similar investment strategies are actively investing, GC Advisors will seek to allocate investment opportunities among eligible accounts in a manner that is fair and equitable over time and consistent with its allocation policy. GC Advisors has put in place a conflict-resolution policy that addresses the co-investment restrictions set forth under the 1940 Act. See Risk Factors Risks Relating to our Business and Structure There are significant potential conflicts of interest that could affect our investment returns Conflicts related to obligations GC Advisors' investment committee, GC Advisors or its affiliates have to other clients in the accompanying prospectus.

GC Advisors seeks to ensure the equitable allocation of investment opportunities when we are able to invest alongside other accounts sponsored or managed by GC Advisors and its affiliates. When we invest alongside such other accounts, such investments are made consistent with GC Advisors' allocation policy. Under this allocation policy, if an investment opportunity is appropriate for us and another similar eligible account, the opportunity will be allocated pro rata based on the relative capital available for investment of each of us and such other eligible accounts, subject to minimum and maximum investment size limits. In situations in which co-investment with other entities sponsored or managed by GC Advisors or its affiliates is not permitted or appropriate, such as when, in the absence of exemptive

relief described below, we and such other entities would be making different investments in the same issuer, GC Advisors will need to decide whether we or such other entity or entities will proceed with the investment. GC Advisors will make these determinations based on its policies and procedures, which generally require that such opportunities be offered to eligible accounts on a basis that will be fair and equitable over time, including, for example, through random or rotational methods. We and GC Advisors have submitted an exemptive application to the SEC to permit greater flexibility to negotiate the terms of co-investments if our board of directors determines that it would be advantageous for us to co-invest with other accounts sponsored or managed by GC Advisors or its

S-7

---

TABLE OF CONTENTS

affiliates in a manner consistent with our investment objectives, positions, policies, strategies and restrictions as well as regulatory requirements and other pertinent factors. Our board of directors regularly reviews the allocation policy of Golub Capital and annually reviews the code of ethics of GC Advisors. See **Related Party Transactions and Certain Relationships** in the accompanying prospectus.

Additionally, under our incentive fee structure, GC Advisors benefits when we recognize capital gains and, because GC Advisors determines when a holding is sold, GC Advisors controls the timing of the recognition of such capital gains. See **Risk Factors Risks Relating to our Business and Structure** There are significant potential conflicts of interest that could affect our investment returns Our management and incentive fee structure may create incentives for GC Advisors that are not fully aligned with the interests of our stockholders and may induce GC Advisors to make certain investments, including speculative investments in the accompanying prospectus. In addition, because the base management fee that we pay to GC Advisors is based on our average adjusted gross assets, including those assets acquired through the use of leverage, GC Advisors has a financial incentive to incur leverage.

## **Recent Developments**

On July 18, 2016, the Company entered into a Securities Purchase Agreement between the Company and an institutional investor for the sale of 1,433,486 shares of the Company's common stock at a price per share of \$17.44. Proceeds in cash of \$25.0 million were received and the transaction closed on July 21, 2016.

On August 3, 2016, our board of directors declared a quarterly distribution of \$0.32 per share payable on September 29, 2016 to holders of record as of September 5, 2016.

\*\*\*\*\*

Our principal executive offices are located at 150 South Wacker Drive, Suite 800, Chicago, Illinois 60606, and our telephone number is (312) 205-5050. Our corporate website is located at [www.golubcapitalbdc.com](http://www.golubcapitalbdc.com). Information on our website is not incorporated into or a part of this prospectus supplement.

S-8

---

TABLE OF CONTENTS

## THE OFFERING

### **Common Stock Offered by Us**

1,750,000 shares, excluding 262,500 shares issuable pursuant to the option granted to the underwriter.

### **Common Stock to be Outstanding After this Offering**

54,806,811 shares, excluding shares issuable pursuant to the option granted to the underwriter.

### **Use of Proceeds**

We intend to use the net proceeds from the sale of our common stock to invest in portfolio companies in accordance with our investment objective and strategies and for general corporate purposes. We expect that our new investments will consist primarily of senior secured and one stop loans. We will also pay operating expenses, including management and administrative fees, and may pay other expenses such as due diligence expenses relating to potential new investments, from the net proceeds of this offering. A portion of the net proceeds may be utilized to capitalize SLF. A portion of the net proceeds may also be used to capitalize GC SBIC V, L.P., or SBIC V, our small business investment company, or SBIC, subsidiary, following which we expect SBIC V to issue debentures guaranteed by the Small Business Administration, or SBA, and make investments in accordance with our investment strategy. We may also use a portion of the net proceeds from this offering to repay amounts outstanding under our Credit Facility, which bore an annual interest rate of 2.72% (i.e., one-month LIBOR plus 2.25% per annum) on the outstanding balance of \$146.1 million as of June 30, 2016 and matures on July 30, 2020. See "Use of Proceeds" in this prospectus supplement for more information.

### **NASDAQ Global Select Market Symbol**

GBDC

### **Trading at a Discount**

Shares of closed-end investment companies, including business development companies, frequently trade at a discount to their net asset value. We are not generally able to issue and sell our common stock at a price below our net asset value per share unless we have stockholder approval. The risk that our shares may trade at a discount to our net asset value is separate and distinct from the risk that our net asset value per share may decline. We cannot predict whether our shares will trade above, at or below net asset value. See "Risk Factors" in the accompanying prospectus.

### **Dividend Reinvestment Plan**

We have adopted a dividend reinvestment plan for our stockholders, which is an "opt out" dividend reinvestment plan. Under this plan, cash distributions to our stockholders are automatically reinvested in additional shares of our common stock unless a stockholder specifically "opts out" of our dividend reinvestment plan. If a stockholder opts out, that stockholder receives cash dividends or other distributions. Stockholders who receive distributions in the form of shares of common stock generally are subject to the same U.S. federal, state and local tax consequences as stockholders who elect to receive their distributions in cash but do not receive any

S-9

---

TABLE OF CONTENTS

corresponding cash distributions with which to pay any applicable taxes. See [Dividend Reinvestment Plan](#) in the accompanying prospectus.

**Custodian and Transfer Agent**

U.S. Bank National Association serves as our custodian, and American Stock Transfer & Trust Company, LLC serves as our transfer and dividend paying agent and registrar. See [Custodian, Transfer and Dividend Paying Agent and Registrar](#) in the accompanying prospectus.

**Risk Factors**

An investment in our common stock is subject to risks and involves a heightened risk of total loss of investment. In addition, the companies in which we invest are subject to special risks. See [Risk Factors](#) beginning on [page 15](#) of the accompanying prospectus to read about factors you should consider, including the risks of leverage, before investing in our common stock.

S-10

---

TABLE OF CONTENTS**FEES AND EXPENSES**

The following table is intended to assist you in understanding the costs and expenses that an investor in shares of our common stock will bear directly or indirectly. However, we caution you that some of the percentages indicated in the table below are estimates and may vary. Actual costs and expenses incurred by investors in shares of our common stock may be greater than the percentage estimates in the table below. The following table excludes one-time fees payable to third parties not affiliated with GC Advisors that were incurred in connection with each of the 2010 Debt Securitization and the 2014 Debt Securitization, collectively the Debt Securitizations, but includes all of the applicable ongoing fees and expenses of the Debt Securitizations. Whenever this prospectus supplement contains a reference to fees or expenses paid by us or Golub Capital BDC, or that we will pay fees or expenses, our common stockholders will indirectly bear such fees or expenses.

**Stockholder transaction expenses:**

Sales load (as a percentage of offering price)	3.11	% <sup>(1)</sup>
Offering expenses (as a percentage of offering price)	0.79	% <sup>(2)</sup>
Dividend reinvestment plan expenses	None	% <sup>(3)</sup>
Total stockholder transaction expenses (as a percentage of offering price)	3.90	%

**Annual expenses (as a percentage of net assets attributable to common stock):**

Management fees	2.54	% <sup>(4)</sup>
Incentive fees payable under the Investment Advisory Agreement (20%)	0.80	% <sup>(5)</sup>
Interest payments on borrowed funds	3.21	% <sup>(6)</sup>
Other expenses	0.60	% <sup>(7)</sup>
Acquired fund fees and expenses	0.06	% <sup>(8)</sup>
Total annual expenses	7.21	% <sup>(9)</sup>

(1) The underwriting discounts and commissions with respect to the shares of our common stock being sold in this offering, which is a one-time fee, is the only sales load paid in connection with this offering.

(2) Amount reflects estimated offering expenses of approximately \$255,000 and is based on 1,750,000 shares offered in this offering at the public offering price of \$18.35 per share.

(3) The expenses associated with the dividend reinvestment plan are included in Other expenses. See Dividend Reinvestment Plan in the accompanying prospectus.

(4) Our management fee is calculated at an annual rate equal to 1.375% and is based on the average adjusted gross assets (including assets purchased with borrowed funds and securitization-related assets, leverage, unrealized depreciation or appreciation on derivative instruments and cash collateral on deposit with custodian but adjusted to exclude cash and cash equivalents so that investors do not pay the base management fee on such assets) at the end of the two most recently completed calendar quarters and is payable quarterly in arrears. See Management Agreements Investment Advisory Agreement Management Fee in the accompanying prospectus. The management fee referenced in the table above is based on actual amounts incurred during the three months ended June 30, 2016 by GC Advisors in its capacity as investment adviser to us and collateral manager to the 2010 Issuer and the 2014 Issuer, collectively the Securitization Issuers, annualized for a full year.

GC Advisors, as collateral manager for the 2010 Issuer under a collateral management agreement, or the 2010 Collateral Management Agreement, is entitled to receive an annual fee in an amount equal to 0.35% of the principal balance of the portfolio loans held by the 2010 Issuer at the beginning of the collection period relating to each payment date, which is payable in arrears on each payment date. This fee, which is less than the management fee payable under the Investment Advisory Agreement, is paid directly by the 2010 Issuer to GC Advisors and offset against such management fee. Accordingly, the 1.375% management fee paid by us to GC Advisors under the



Investment Advisory Agreement on all of our assets, including those indirectly held through the 2010 Issuer, is reduced, on a dollar-for-dollar basis, by an amount equal to such 0.35% fee paid to GC Advisors by the 2010 Issuer. Under the 2010 Collateral Management Agreement, the term "collection period" refers to a quarterly period running from the day after the end of the prior collection period to the fifth business day of the calendar month in which a payment date occurs. This fee may be waived by the collateral manager. The 2010 Collateral Management Agreement does not include any incentive fee payable to GC Advisors.

S-11

---

TABLE OF CONTENTS

GC Advisors, as collateral manager for the 2014 Issuer, under a collateral management agreement, or the 2014 Collateral Management Agreement, is entitled to receive an annual fee in an amount equal to 0.25% of the principal balance of the portfolio loans held by the 2014 Issuer at the beginning of the collection period relating to each payment date, which is payable in arrears on each payment date. This fee, which is less than the management fee payable under the Investment Advisory Agreement, is paid directly by the 2014 Issuer to GC Advisors and offset against such management fee. Accordingly, the 1.375% management fee paid by us to GC Advisors under the Investment Advisory Agreement on all of our assets, including those indirectly held through the 2014 Issuer, is reduced, on a dollar-for-dollar basis, by an amount equal to such 0.25% fee paid to GC Advisors by the 2014 Issuer.

Under the 2014 Collateral Management Agreement, the term collection period refers to a quarterly period running from the day after the end of the prior collection period to the tenth business day prior to the payment date. This fee may be waived by the collateral manager. The 2014 Collateral Management Agreement does not include any incentive fee payable to GC Advisors.

For purposes of this table, the SEC requires that the Management fees percentage be calculated as a percentage of net assets attributable to common stock, rather than total assets, including assets that have been funded with borrowed monies because common stockholders bear all of this cost. If the base management fee portion of the Management fees percentage were calculated instead as a percentage of our total assets, our base management fee portion of the Management fees percentage would be approximately 1.29% of total assets. The base management fee in the table above is based on net assets of \$875.8 million and leverage of \$862.4 million, which reflects our net assets and leverage pro forma as of June 30, 2016 after giving effect to this offering and the issuance of 1,433,486 shares of our common stock on July 21, 2016 in a private placement at a price of \$17.44 per share.

The incentive fee referenced in the table above is based on actual amounts incurred during the three months ended June 30, 2016, annualized for a full year. We have structured the calculation of the incentive fee to include a fee limitation such that no incentive fee will be paid to GC Advisors for any quarter if, after such payment, the (5) cumulative incentive fees paid to GC Advisors since the effective date of our election to become a business development company would be greater than 20.0% of our Cumulative Pre-Incentive Fee Net Income (as defined below).

We accomplish this limitation by subjecting each quarterly incentive fee payable under the Income and Capital Gain Incentive Fee Calculation (as defined below) to a cap, or the Incentive Fee Cap. The Incentive Fee Cap in any quarter is equal to the difference between (a) 20.0% of Cumulative Pre-Incentive Fee Net Income and (b) cumulative incentive fees of any kind paid to GC Advisors by Golub Capital BDC since April 13, 2010, the effective date of our election to become a business development company. To the extent the Incentive Fee Cap is zero or a negative value in any quarter, no incentive fee would be payable in that quarter. Cumulative Pre-Incentive Fee Net Income is equal to the sum of (a) Pre-Incentive Fee Net Investment Income (as defined below) for each period since April 13, 2010 and (b) cumulative aggregate realized capital gains, cumulative aggregate realized capital losses, cumulative aggregate unrealized capital depreciation and cumulative aggregate unrealized capital appreciation since April 13, 2010.

Pre-Incentive Fee Net Investment Income means interest income, dividend income and any other income (including any other fees such as commitment, origination, structuring, diligence and consulting fees or other fees that we receive from portfolio companies, but excluding fees for providing managerial assistance) accrued during the calendar quarter, minus operating expenses for the calendar quarter (including the base management fee, taxes, any expenses payable under the Investment Advisory Agreement and an administration agreement, or the Administration Agreement, with the Administrator, any expenses of securitizations and any interest expense and dividends paid on any outstanding preferred stock, but excluding the incentive fee). Pre-Incentive Fee Net Investment Income includes, in the case of investments with a deferred interest feature such as market discount, debt instruments with payment-in-kind, or PIK, interest, preferred stock with PIK dividends and zero coupon securities, accrued income that we have not yet received in cash.



TABLE OF CONTENTS

The income and capital gain incentive fee calculation, or the Income and Capital Gain Incentive Fee Calculation, has two parts. The income component is calculated quarterly in arrears based on our Pre-Incentive Fee Net Investment Income for the immediately preceding calendar quarter.

Pre-Incentive Fee Net Investment Income does not include any realized capital gains, realized capital losses or unrealized capital appreciation or depreciation. Because of the structure of the income component, it is possible that an incentive fee may be calculated under this formula with respect to a period in which we have incurred a loss. For example, if we receive Pre-Incentive Fee Net Investment Income in excess of the hurdle rate (as defined below) for a calendar quarter, the income component will result in a positive value and an incentive fee will be paid unless the payment of such incentive fee would cause us to pay incentive fees on a cumulative basis that exceed 20.0% of our Cumulative Pre-Incentive Fee Net Income. Pre-Incentive Fee Net Investment Income, expressed as a rate of return on the value of our net assets (defined as total assets less indebtedness and before taking into account any incentive fees payable during the period) at the end of the immediately preceding calendar quarter, is compared to a fixed hurdle rate of 2.0% quarterly. If market interest rates rise, we may be able to invest our funds in debt instruments that provide for a higher return, which would increase our Pre-Incentive Fee Net Investment Income and make it easier for GC Advisors to surpass the fixed hurdle rate and receive an incentive fee based on such net investment income. Our Pre-Incentive Fee Net Investment Income used to calculate this part of the incentive fee is also included in the amount of our total assets (excluding cash and cash equivalents but including assets purchased with borrowed funds and securitization-related assets and cash collateral on deposit with custodian) used to calculate the 1.375% base management fee.

We calculate the income component of the Income and Capital Gain Incentive Fee Calculation with respect to our Pre-Incentive Fee Net Investment Income quarterly, in arrears, as follows:

zero in any calendar quarter in which the Pre-Incentive Fee Net Investment Income does not exceed the hurdle rate; 100.0% of our Pre-Incentive Fee Net Investment Income with respect to that portion of such Pre-Incentive Fee Net Investment Income, if any, that exceeds the hurdle rate but is less than 2.5% in any calendar quarter. We refer to this portion of our Pre-Incentive Fee Net Investment Income (which exceeds the hurdle rate but is less than 2.5%) as the catch-up provision. The catch-up is meant to provide GC Advisors with 20.0% of the Pre-Incentive Fee Net Investment Income as if a hurdle rate did not apply if this net investment income exceeds 2.5% in any calendar quarter; and 20.0% of the amount of our Pre-Incentive Fee Net Investment Income, if any, that exceeds 2.5% in any calendar quarter.

The sum of these calculations yields the income incentive fee, or the Income Incentive Fee. This amount is appropriately adjusted for any share issuances or repurchases during the quarter.

The second part of the Income and Capital Gain Incentive Fee Calculation, or the Capital Gain Incentive Fee, equals (a) 20.0% of our Capital Gain Incentive Fee Base (as defined below), if any, calculated in arrears as of the end of each calendar year (or upon termination of the Investment Advisory Agreement, as of the termination date), commencing with the calendar year ending December 31, 2010, less (b) the aggregate amount of any previously paid Capital Gain Incentive Fees. Our Capital Gain Incentive Fee Base equals (1) the sum of (i) our realized capital gains, if any, on a cumulative positive basis from April 13, 2010 through the end of each calendar year, (ii) all realized capital losses on a cumulative basis and (iii) all unrealized capital depreciation on a cumulative basis less (2) all unamortized deferred financing costs, if and to the extent such costs exceed all unrealized capital appreciation on a cumulative basis.

The cumulative aggregate realized capital losses are calculated as the sum of the amounts by which (a) the net sales price of each investment in our portfolio when sold is less than (b) the accreted or amortized cost basis of such investment.

The cumulative aggregate realized capital gains are calculated as the sum of the differences, if positive, between (a) the net sales price of each investment in our portfolio when sold and (b) the accreted or amortized cost basis of such investment.

S-13

---

TABLE OF CONTENTS

The aggregate unrealized capital depreciation is calculated as the sum of the differences, if negative, between (a) the valuation of each investment in our portfolio as of the applicable Capital Gain Incentive Fee calculation date and (b) the accreted or amortized cost basis of such investment.

As described above, the incentive fee will not be paid at any time where after such payment the cumulative incentive fees paid to date would be greater than 20.0% of the Cumulative Pre-Incentive Net Income since April 13, 2010. In accordance with generally accepted accounting principles in the United States of America, or GAAP, we will accrue a capital gain incentive fee on a quarterly basis as if aggregate unrealized capital appreciation on investments were realized, even though such unrealized capital appreciation is not permitted to be considered in calculating the fee actually payable under the Investment Advisory Agreement. We will accrue a capital gain incentive fee under GAAP if the Capital Gain Incentive Fee Base, adjusted as required by GAAP to include unrealized appreciation, is positive.

The Capital Gain Incentive Fee is calculated on a cumulative basis from the date we elected to become a business development company through the end of each calendar year. Since inception through June 30, 2016, we have not made any Capital Gain Incentive Fee payments. For the three and nine months ended June 30, 2016, we accrued a capital gain incentive fee under GAAP of \$0.6 million and \$1.4 million, respectively. For a more detailed discussion of the calculation of the incentive fee, see Management Agreements Investment Advisory Agreement Management Fee in the accompanying prospectus.

Interest payments on borrowed funds represents our annualized interest expense as of June 30, 2016 and includes interest payable on the notes issued by each of the Securitization Issuers. For the three months ended June 30, 2016, the effective annualized average interest rate on our total debt outstanding, which includes all interest and amortization of debt issuance costs on the Debt Securitizations but excludes secured borrowings, was 3.3%. Debt issuance costs represent fees and other direct incremental costs incurred in connection with the Debt

(6) Securitizations. These fees include a structuring and placement fee paid to Wells Fargo Securities, LLC for its services in connection with the initial structuring and subsequent amendment of the 2010 Debt Securitization and the initial structuring of the 2014 Debt Securitization of \$1.74 million, \$0.75 million and \$1.81 million, respectively, as well as legal fees, accounting fees, rating agency fees and all other costs associated with each of the Debt Securitizations. We do not currently anticipate issuing debt securities or preferred stock in the next 12 months.

Includes our overhead expenses, including payments under the Administration Agreement based on our allocable portion of overhead and other expenses incurred by the Administrator, and any acquired fund fees and expenses that are not required to be disclosed separately. See Management Agreements Administration Agreement in the accompanying prospectus. Other expenses also includes the ongoing administrative expenses to the trustee, collateral manager, independent accountants, legal counsel, rating agencies and independent managers in connection with developing and maintaining reports and providing required services in connection with the administration of each of the Debt Securitizations. Other expenses are based on actual amounts incurred during the

(7) three months ended June 30, 2016, annualized for a full year. The administrative expenses of each of the Securitization Issuers are paid on each payment date in two parts: (1) a component that is paid in a priority to other amounts distributed by the 2010 Issuer or the 2014 Issuer, as applicable, subject to a cap equal to the sum of 0.04% per annum of the adjusted principal balance of the portfolio loans and other assets held by the 2010 Issuer or the 2014 Issuer, as applicable, on the last day of the collection period relating to such payment date, plus \$150,000 per annum, and (2) a component that is paid in a subordinated position relative to other amounts distributed by the 2010 Issuer or the 2014 Issuer, as applicable, equal to any amounts that exceed the aforementioned administrative expense cap.

Our stockholders indirectly bear the expenses of our investment in SLF. No management fee is charged by the Administrator in connection with the administrative services it provides to SLF. However, SLF does reimburse the

(8) Administrator for its costs related to providing accounting, bookkeeping, treasury, loan operations, reporting and administrative services for SLF. Future expenses for SLF may be substantially higher or lower because certain expenses may fluctuate over time.



TABLE OF CONTENTS

All of our expenses, including all expenses of each of the Debt Securitizations, are disclosed in the appropriate line items under Annual Expenses (as a percentage of net assets attributable to common stock). Total annual expenses as a percentage of consolidated net assets attributable to common stock are higher than the total annual expenses percentage would be for a company that is not leveraged. We borrow money to leverage our net assets and increase (9) our total assets. The SEC requires that the Total annual expenses percentage be calculated as a percentage of net assets (defined as total assets less indebtedness and after taking into account any incentive fees payable during the period), rather than the total assets, including assets that have been funded with borrowed monies. The reason for presenting expenses as a percentage of net assets attributable to common stockholders is that our common stockholders bear all of our fees and expenses.

**Example**

The following example demonstrates the projected dollar amount of total cumulative expenses that would be incurred over various periods with respect to a hypothetical investment in our common stock. **This example and the expenses in the table above should not be considered a representation of our future expenses, and actual expenses (including the cost of debt, if any, and other expenses) may be greater or less than those shown.** These amounts assume (1) a 3.11% sales load (underwriting discounts and commissions), (2) offering expenses totaling 0.79% and (3) total net annual expenses of 6.41% of net assets attributable to common shares as set forth in the table above (other than performance-based incentive fees). Transaction expenses are not included in the following example. For purposes of this table, we have assumed leverage of \$862.4 million, which was our actual leverage as of June 30, 2016.

You would pay the following expenses on a \$1,000 investment	1 year	3 years	5 years	10 years
Assuming a 5% annual return (assumes no return from net realized capital gains or net unrealized capital appreciation)	\$ 101	\$ 221	\$ 338	\$ 617
Assuming a 5% annual return (assumes return entirely from net realized capital gains and thus subject to the capital gain incentive fee)	\$ 110	\$ 248	\$ 378	\$ 679

The foregoing table is to assist you in understanding the various costs and expenses that an investor in our common stock will bear directly or indirectly. While the example assumes, as required by the SEC, a 5% annual return, our performance will vary and may result in a return greater or less than 5%. The incentive fee under the Investment Advisory Agreement, which, assuming a 5% annual return, would either not be payable or have an immaterial impact on the expense amounts shown above, is not included in the example. Under our Investment Advisory Agreement, no incentive fee would be payable if we have a 5% annual return. If we achieve sufficient returns on our investments, including through the realization of capital gains, to trigger an incentive fee of a material amount, our expenses, and returns to our investors, would be higher. The example assumes that all dividends and other distributions are reinvested at net asset value. Under certain circumstances, reinvestment of dividends and other distributions under our dividend reinvestment plan may occur at a price per share that differs from net asset value. See Dividend Reinvestment Plan in the accompanying prospectus for more information.



TABLE OF CONTENTS

## **SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS**

Some of the statements in this prospectus supplement and the accompanying prospectus constitute forward-looking statements, which relate to future events or our future performance or financial condition. The forward-looking statements contained in this prospectus supplement and the accompanying prospectus involve risks and uncertainties, including statements as to:

- our future operating results;
- our business prospects and the prospects of our portfolio companies;
- the effect of investments that we expect to make and the competition for those investments;
- our contractual arrangements and relationships with third parties;
- actual and potential conflicts of interest with GC Advisors and other affiliates of Golub Capital;
- the dependence of our future success on the general economy and its effect on the industries in which we invest;
- the ability of our portfolio companies to achieve their objectives;
- the use of borrowed money to finance a portion of our investments;
- the adequacy of our financing sources and working capital;
- the timing of cash flows, if any, from the operations of our portfolio companies;
- general economic trends and other external factors;
- the ability of GC Advisors to locate suitable investments for us and to monitor and administer our investments;
- the ability of GC Advisors or its affiliates to attract and retain highly talented professionals;
- our ability to qualify and maintain our qualification as a RIC and as a business development company;
- general price and volume fluctuations in the stock markets;
- the impact on our business of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the rules and regulations issued thereunder; and
- the effect of changes to tax legislation and our tax position.

Such forward-looking statements may include statements preceded by, followed by or that otherwise include the words may, might, will, intend, should, could, can, would, expect, believe, estimate, anticipate or similar words. The forward-looking statements contained in this prospectus supplement and the accompanying prospectus involve risks and uncertainties. Our actual results could differ materially from those implied or expressed in the forward-looking statements for any reason, including the factors set forth as Risk Factors in the accompanying prospectus and elsewhere in this prospectus supplement and the accompanying prospectus.

We have based the forward-looking statements included in this prospectus supplement on information available to us on the date of this prospectus supplement. Actual results could differ materially from those anticipated in our forward-looking statements and future results could differ materially from historical performance. You are advised to consult any additional disclosures that we may make directly to you or through reports that we have filed or in the future may file with the SEC, including annual reports on Form 10-K, registration statements on Form N-2, quarterly reports on Form 10-Q and current reports on Form 8-K. This prospectus supplement and the accompanying prospectus contain statistics and other data that have been obtained from or compiled from information made available by third-party service providers. We have not independently verified such statistics or data.

TABLE OF CONTENTS

You should understand that, under Section 27A(b)(2)(B) of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E(b)(2)(B) of the Exchange Act, the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 do not apply to forward-looking statements made in connection with any offering of securities pursuant to this prospectus supplement, the accompanying prospectus or in periodic reports we file under the Exchange Act.

S-17

---

TABLE OF CONTENTS

## **USE OF PROCEEDS**

We estimate that net proceeds we will receive from the sale of 1,750,000 shares of our common stock in this offering will be approximately \$30.9 million (or approximately \$35.5 million if the underwriter fully exercises its option), in each case based on a public offering price of \$18.35 per share, after deducting the underwriting discounts and commissions payable by us and estimated offering expenses of approximately \$255,000 payable by us.

We intend to use the net proceeds from the sale of our common stock to invest in portfolio companies in accordance with our investment objective and strategies and for general corporate purposes. We expect that our new investments will consist primarily of senior secured and one stop loans. We will also pay operating expenses, including management and administrative fees, and may pay other expenses such as due diligence expenses relating to potential new investments, from the net proceeds of this offering. A portion of the net proceeds may be utilized to capitalize SLF. A portion of the net proceeds may also be used to capitalize SBIC V, our SBIC subsidiary, following which we expect SBIC V to issue debentures guaranteed by the SBA and make investments in accordance with our investment strategy. We may also use a portion of the net proceeds from this offering to repay amounts outstanding under our Credit Facility, which bore an annual interest rate of 2.72% (i.e., one-month LIBOR plus 2.25% per annum) on the outstanding balance of \$146.1 million as of June 30, 2016 and matures on July 30, 2020.

Until appropriate investment opportunities can be found, we may also invest the net proceeds of this offering primarily in cash, cash equivalents, U.S. government securities and high-quality debt investments that mature in one year or less from the date of investment. These temporary investments may have lower yields than our other investments and, accordingly, may result in lower distributions, if any, during such period. Our ability to achieve our investment objective may be limited to the extent that the net proceeds from this offering, pending full investment, are held in lower yielding interest-bearing deposits or other short-term instruments. See Regulation Temporary Investments in the accompanying prospectus for additional information about temporary investments we may make while waiting to make longer-term investments in pursuit of our investment objective.

S-18

---

TABLE OF CONTENTS**CAPITALIZATION**

The following table sets forth:

our actual capitalization as of June 30, 2016; and  
our pro forma capitalization to give effect to (i) the sale of 1,750,000 shares of common stock in this offering based on the public offering price of \$18.35 per share, after deducting the underwriting discounts and commissions and estimated offering expenses of approximately \$255,000 payable by us and (ii) the issuance of 1,433,486 shares of common stock on July 21, 2016 in a private placement at a price of \$17.44 per share.

	As of June 30, 2016	
	Actual	Pro Forma
	(dollars in thousands)	
<b>Assets:</b>		
Cash and cash equivalents	\$61,894	\$117,714
Investments, at fair value	1,628,509	1,628,509
Other assets	6,293	6,293
Total assets	1,696,696	1,752,516
<b>Liabilities:</b>		
Debt	862,050	862,050
Less unamortized debt issuance costs	6,051	6,051
Debt less unamortized debt issuance cost	855,999	855,999
Secured borrowings	326	326
Other liabilities	20,390	20,390
Total liabilities	876,715	876,715
<b>Net assets:</b>		
Common stock, par value \$0.001 per share; 100,000,000 shares authorized, 51,623,325 shares issued and outstanding; 54,806,811 shares issued and outstanding, pro forma	52	55
Paid in capital in excess of par	796,060	851,877
Undistributed net investment income	2,640	2,640
Net unrealized appreciation (depreciation) on investments and secured borrowings	20,747	20,747
Net realized gain (loss) on investments	482	482
Total net assets	819,981	875,801
Net asset value per common share	\$15.88	\$15.98

S-19

TABLE OF CONTENTS

## **SELECTED CONSOLIDATED FINANCIAL DATA**

The following selected consolidated financial data of Golub Capital BDC as of and for the years ended September 30, 2015, 2014, 2013, 2012 and 2011 are derived from our consolidated financial statements that have been audited by RSM US LLP, an independent registered public accounting firm. The consolidated financial statements for the nine-month periods ended June 30, 2016 and 2015 are unaudited. However, in our opinion, all adjustments, consisting of normal recurring adjustments, necessary for a fair presentation have been made. Interim results may be subject to significant quarterly variations and may not be indicative of the results of operations to be expected for a full fiscal year. The financial data should be read in conjunction with our consolidated financial statements and related notes thereto and with Interim Management's Discussion and Analysis of Financial Condition, Results of Operations and Cash Flows included elsewhere in this prospectus supplement and Management's Discussion and Analysis of Financial Condition, Results of Operations and Cash Flows included in the accompanying prospectus.

S-20

---

TABLE OF CONTENTS

(1) Net investment income for the nine months ended June 30, 2016 is shown after a net expense of \$333,000 for U.S. federal excise tax.

On October 1, 2015, we adopted Accounting Standards Update, or ASU, 2015-03, *Interest Imputation of Interest (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs*, or ASU 2015-03, which requires that debt issuance costs related to a recognized debt liability be presented on the balance sheet as a direct deduction from the carrying amount of the debt liability rather than as an asset. Adoption of ASU 2015-03 requires the changes to be applied retrospectively.

(2) Weighted average yield on income producing investments is calculated as income from interest, including subordinated notes in SLF, and fees excluding amortization of capitalized fees and discounts divided by the average fair value of earning investments.

S-21

---

TABLE OF CONTENTS

# INTERIM MANAGEMENT S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND CASH FLOWS

*The following discussion and analysis of our financial condition, results of operations and cash flows should be read in conjunction with Selected Consolidated Financial Data and the financial statements and the related notes thereto appearing elsewhere in this prospectus supplement and the accompanying prospectus. The information in this section contains forward-looking statements that involve risks and uncertainties. Please see Risk Factors in the accompanying prospectus and Special Note Regarding Forward-Looking Statements in this prospectus supplement for a discussion of the uncertainties, risks and assumptions associated with these statements.*

## Overview

We are an externally managed, closed-end, non-diversified management investment company that has elected to be regulated as a business development company under the 1940 Act. In addition, for U.S. federal income tax purposes, we have elected to be treated as a RIC under Subchapter M of the Code. As a business development company and a RIC, we are also subject to certain constraints, including limitations imposed by the 1940 Act and the Code.

Our shares are currently listed on The NASDAQ Global Select Market under the symbol GBDC .

Our investment objective is to generate current income and capital appreciation by investing primarily in senior secured and one stop loans of U.S. middle-market companies. We may also selectively invest in second lien and subordinated loans of, and warrants and minority equity securities in U.S. middle-market companies. We intend to achieve our investment objective by (1) accessing the established loan origination channels developed by Golub Capital, a leading lender to U.S. middle-market companies with over \$18.0 billion in capital under management as of June 30, 2016, (2) selecting investments within our core middle-market company focus, (3) partnering with experienced private equity firms, or sponsors, in many cases with whom Golub Capital has invested alongside in the past, (4) implementing the disciplined underwriting standards of Golub Capital and (5) drawing upon the aggregate experience and resources of Golub Capital.

Our investment activities are managed by GC Advisors and supervised by our board of directors of which a majority of the members are independent of us, GC Advisors and its affiliates.

Under the Investment Advisory Agreement, which was most recently reapproved by our board of directors in May 2016, we have agreed to pay GC Advisors an annual base management fee based on our average adjusted gross assets as well as an incentive fee based on our investment performance. Under the Administration Agreement, we are provided with certain administrative services by the Administrator, which is currently Golub Capital LLC. Under the Administration Agreement, we have agreed to reimburse the Administrator for our allocable portion (subject to the review and approval of our independent directors) of overhead and other expenses incurred by the Administrator in performing its obligations under the Administration Agreement.

We seek to create a portfolio that includes primarily senior secured and one stop loans by primarily investing approximately \$5.0 million to \$30.0 million of capital, on average, in the securities of U.S. middle-market companies.

We may also selectively invest more than \$30.0 million in some of our portfolio companies and generally expect that the size of our individual investments will vary proportionately with the size of our capital base.

S-22

---



TABLE OF CONTENTS

We generally invest in securities that have been rated below investment grade by independent rating agencies or that would be rated below investment grade if they were rated. These securities, which may be referred to as junk, have predominantly speculative characteristics with respect to the issuer's capacity to pay interest and repay principal. In addition, many of our debt investments have floating interest rates that reset on a periodic basis and typically do not fully pay down principal prior to maturity, which may increase our risk of losing part or all of our investment.

As of June 30, 2016 and September 30, 2015, our portfolio at fair value was comprised of the following:

Investment Type	As of June 30, 2016		As of September 30, 2015	
	Investments at Fair Value (In thousands)	Percentage of Total Investments	Investments at Fair Value (In thousands)	Percentage of Total Investments
Senior secured	\$ 174,608	10.7 %	\$ 197,329	12.9 %
One stop	1,235,496	75.9	1,134,222	74.1
Second lien	37,461	2.3	39,774	2.6
Subordinated debt	1,966	0.1	1,715	0.1
Subordinated notes in SLF <sup>(1)</sup>	81,292	5.0	76,563	5.0
LLC equity interests in SLF <sup>(1)</sup>	29,772	1.8	22,373	1.5
Equity	67,914	4.2	57,808	3.8
Total	\$ 1,628,509	100.0 %	\$ 1,529,784	100.0 %

(1) Proceeds from the subordinated notes and LLC equity interests invested in SLF were utilized by SLF to invest in senior secured loans.

One stop loans include loans to technology companies undergoing strong growth due to new services, increased adoption and/or entry into new markets. We refer to loans to these companies as late stage lending loans. Other targeted characteristics of late stage lending businesses include strong customer revenue retention rates, a diversified customer base and backing from growth equity or venture capital firms. In some cases, the borrower's high revenue growth is supported by a high level of discretionary spending. As part of the underwriting of such loans and consistent with industry practice, we may adjust our characterization of the earnings of such borrowers for a reduction or elimination of such discretionary expenses, if appropriate. As of June 30, 2016 and September 30, 2015, one stop loans included \$109.9 million and \$88.2 million, respectively, of late stage lending loans at fair value.

As of June 30, 2016 and September 30, 2015, we had debt and equity investments in 185 and 164 portfolio companies, respectively, and investments in subordinated notes and LLC equity interests in SLF.

The weighted average annualized income yield and weighted average annualized investment income yield of our income producing debt investments, which represented nearly 100% of our debt investments, for the three and nine months ended June 30, 2016 and 2015 was as follows:

	For the three months ended June 30,		For the nine months ended June 30,	
	2016	2015	2016	2015
Weighted average annualized income yield <sup>(1)</sup>	7.6 %	7.6 %	7.6 %	7.7 %

Weighted average annualized investment income yield<sup>(2)</sup>      8.2 %      8.4 %      8.1 %      8.3 %

- (1) Represents income from interest, including subordinated notes in SLF, and fees excluding amortization of capitalized fees and discounts divided by the average fair value of earning debt investments.
- (2) Represents income from interest, including subordinated notes in SLF, fees and amortization of capitalized fees and discounts divided by the average fair value of earning debt investments.

*Revenues:* We generate revenue in the form of interest and fee income on debt investments and capital gains and distributions, if any, on portfolio company investments that we originate or acquire. Our debt investments, whether in the form of senior secured, one stop, second lien or subordinated loans, typically have

S-23

---

TABLE OF CONTENTS

a term of three to seven years and bear interest at a fixed or floating rate. In some instances, we receive payments on our debt investments based on scheduled amortization of the outstanding balances. In addition, we receive repayments of some of our debt investments prior to their scheduled maturity date. The frequency or volume of these repayments fluctuates significantly from period to period. Our portfolio activity also reflects the proceeds of sales of securities. In some cases, our investments provide for deferred interest payments or PIK interest. The principal amount of loans and any accrued but unpaid interest generally become due at the maturity date. In addition, we may generate revenue in the form of commitment, origination, amendment, structuring or due diligence fees, fees for providing managerial assistance and consulting fees. Loan origination fees, original issue discount and market discount or premium are capitalized, and we accrete or amortize such amounts as interest income. We record prepayment premiums on loans as fee income. For additional details on revenues, see Critical Accounting Policies Revenue Recognition .

We recognize realized gains or losses on investments based on the difference between the net proceeds from the disposition and the cost basis of the investment or derivative instrument, without regard to unrealized gains or losses previously recognized. We record current period changes in fair value of investments and derivative instruments that are measured at fair value as a component of the net change in unrealized appreciation (depreciation) on investments in the consolidated statements of operations.

*Expenses:* Our primary operating expenses include the payment of fees to GC Advisors under the Investment Advisory Agreement and interest expense on our outstanding debt. We bear all other out-of-pocket costs and expenses of our operations and transactions, including:

- calculating our net asset value (including the cost and expenses of any independent valuation firm);
- fees and expenses incurred by GC Advisors payable to third parties, including agents, consultants or other advisors, in monitoring financial and legal affairs for us and in monitoring our investments and performing due diligence on our prospective portfolio companies or otherwise relating to, or associated with, evaluating and making investments, which fees and expenses may include, among other items, due diligence reports, appraisal reports, any studies that may be commissioned by GC Advisors and travel and lodging expenses;
- expenses related to unsuccessful portfolio acquisition efforts;
- offerings of our common stock and other securities;
- administration fees and expenses, if any, payable under the Administration Agreement (including payments based upon our allocable portion of the Administrator's overhead in performing its obligations under the Administration Agreement, including rent and the allocable portion of the cost of our chief compliance officer, chief financial officer and their respective staffs);
- fees payable to third parties, including agents, consultants or other advisors, relating to, or associated with, evaluating and making investments in portfolio companies, including costs associated with meeting financial sponsors;
- transfer agent, dividend agent and custodial fees and expenses;
- U.S. federal and state registration and franchise fees;
- all costs of registration and listing our shares on any securities exchange;
- U.S. federal, state and local taxes;
- independent directors' fees and expenses;
- costs of preparing and filing reports or other documents required by the SEC or other regulators;
- costs of any reports, proxy statements or other notices to stockholders, including printing costs;
- costs associated with individual or group stockholders;
- costs associated with compliance under the Sarbanes-Oxley Act of 2002, as amended;

TABLE OF CONTENTS

our allocable portion of any fidelity bond, directors and officers/errors and omissions liability insurance, and any other insurance premiums;

direct costs and expenses of administration, including printing, mailing, long distance telephone, copying, secretarial and other staff, independent auditors and outside legal costs;

proxy voting expenses; and

all other expenses incurred by us or the Administrator in connection with administering our business.

We expect our general and administrative expenses to be relatively stable or decline as a percentage of total assets during periods of asset growth and to increase during periods of asset declines.

GC Advisors, as collateral manager for the 2010 Issuer under the 2010 Collateral Management Agreement, is entitled to receive an annual fee in an amount equal to 0.35% of the principal balance of the portfolio loans held by the 2010 Issuer at the beginning of the collection period relating to each payment date, which is payable in arrears on each payment date. Under the 2010 Collateral Management Agreement, the term collection period refers to a quarterly period running from the day after the end of the prior collection period to the fifth business day of the calendar month in which a payment date occurs.

GC Advisors, as collateral manager for the 2014 Issuer under the 2014 Collateral Management Agreement, is entitled to receive an annual fee in an amount equal to 0.25% of the principal balance of the portfolio loans held by the 2014 Issuer at the beginning of the collection period relating to each payment date, which is payable in arrears on each payment date. Under the 2014 Collateral Management Agreement, the term collection period refers to a quarterly period running from the day after the end of the prior collection period to the tenth business day prior to the payment date.

Collateral management fees are paid directly by the Securitization Issuers to GC Advisors and offset against the management fees payable under the Investment Advisory Agreement. In addition, the Securitization Issuers paid Wells Fargo Securities, LLC structuring and placement fees for its services in connection with the initial structuring and subsequent amendment of the 2010 Debt Securitization and the initial structuring of the 2014 Debt Securitization.

The Securitization Issuers also agreed to pay ongoing administrative expenses to the trustee, collateral manager, independent accountants, legal counsel, rating agencies and independent managers in connection with developing and maintaining reports, and providing required services in connection with the administration of the Debt Securitizations, as applicable.

We believe that these administrative expenses approximate the amount of ongoing fees and expenses that we would be required to pay in connection with a traditional secured credit facility. Our common stockholders indirectly bear all of these expenses.

## Recent Developments

On July 18, 2016, the Company entered into a Securities Purchase Agreement between the Company and an institutional investor for the sale of 1,433,486 shares of the Company's common stock at a price per share of \$17.44. Proceeds in cash of \$25.0 million were received and the transaction closed on July 21, 2016.

On August 3, 2016, our board of directors declared a quarterly distribution of \$0.32 per share payable on September 29, 2016 to holders of record as of September 5, 2016.



TABLE OF CONTENTS**Consolidated Results of Operations**

Consolidated operating results for the three and nine months ended June 30, 2016 and 2015 are as follows:

	For the three months ended			Variances	For the nine months ended		
	June 30,		2016 vs. 2015		June 30,		Variances 2016 vs. 2015
	2016	2015			2016	2015	
	(In thousands)				(In thousands)		
Interest income	\$26,858	\$26,195	\$663	\$78,082	\$76,312	\$1,770	
Income from accretion of discounts and origination fees	2,210	2,587	(377 )	5,896	6,076	(180 )	
Interest income from subordinated notes of SLF	1,799	1,056	743	5,192	2,258	2,934	
Dividend income	1,179	498	681	3,364	883	2,481	
Fee income	60	74	(14 )	834	887	(53 )	
<b>Total investment income</b>	<b>32,106</b>	<b>30,410</b>	<b>1,696</b>	<b>93,368</b>	<b>86,416</b>	<b>6,952</b>	
<b>Total expenses</b>	<b>16,221</b>	<b>15,205</b>	<b>1,016</b>	<b>45,283</b>	<b>42,900</b>	<b>2,383</b>	
<b>Net investment income before excise tax</b>	<b>15,885</b>	<b>15,205</b>	<b>680</b>	<b>48,085</b>	<b>43,516</b>	<b>4,569</b>	
Excise tax				333		333	
<b>Net investment income after excise tax</b>	<b>15,885</b>	<b>15,205</b>	<b>680</b>	<b>47,752</b>	<b>43,516</b>	<b>4,236</b>	
Net realized gain (loss) on investments	(5,416 )	(1,746 )	(3,670 )	(260 )	4,503	(4,763 )	
Net change in unrealized appreciation (depreciation) on investments, and secured borrowings	7,820	4,829	2,991	5,613	3,302	2,311	
<b>Net income</b>	<b>\$18,289</b>	<b>\$18,288</b>	<b>\$1</b>	<b>\$53,105</b>	<b>\$51,321</b>	<b>\$1,784</b>	
Average earning portfolio company investments, at fair value	\$1,524,854	\$1,437,003	\$87,851	\$1,478,618	\$1,372,658	\$105,960	
Average debt outstanding <sup>(1)</sup>	\$842,888	\$763,070	\$79,818	\$823,169	\$728,560	\$94,609	

For the three and nine months ending June 30, 2016 and 2015 we have excluded \$0.3 million and \$0.4 million, respectively, of secured borrowings, at fair value, which were the result of participations and partial loan sales that did not meet the definition of a participating interest, as defined in the guidance to Accounting Standards Codification, or ASC, Topic 860 *Transfers and Servicing*, or ASC Topic 860.

Net income can vary substantially from period to period for various reasons, including the recognition of realized gains and losses and unrealized appreciation and depreciation. As a result, quarterly comparisons of net income may not be meaningful.

## Investment Income

Investment income increased from the three months ended June 30, 2015 to the three months ended June 30, 2016 by \$1.7 million primarily as a result of an increase in income from our investments in SLF of \$1.3 million.

Investment income increased from the nine months ended June 30, 2015 to the nine months ended June 30, 2016 by \$7.0 million primarily as a result of an increase in the average earning investment balance, which is the annual average balance of accruing loans in our investment portfolio, of \$106.0 million and an increase in income from our investment in SLF of \$5.1 million.

S-26

---

TABLE OF CONTENTS

The annualized income yield by security type for the three and nine months ended June 30, 2016 and 2015 was as follows:

	For the three months ended June 30,		For the nine months ended June 30,	
	2016	2015	2016	2015
Senior secured	6.3 %	6.3 %	6.3 %	6.3 %
One stop	7.6 %	7.8 %	7.7 %	7.9 %
Second lien	10.1 %	9.6 %	9.7 %	9.5 %
Subordinated debt	4.8 %	8.2 %	5.1 %	8.2 %
Subordinated notes in SLF <sup>(1)</sup>	8.5 %	8.3 %	8.4 %	8.3 %

(1) SLF's proceeds from the subordinated notes were utilized by SLF to fund senior secured loans.

Annualized income yields on one stop loans have declined for the three and nine months ended June 30, 2016 compared to the three and nine months ended June 30, 2015 primarily due to a continued general trend of interest rate compression on new investments. Due to the limited number of second lien and subordinated debt investments, quarterly income yields on second lien and subordinated debt investments can be significantly impacted by the addition, subtraction or refinancing of one investment. The increase in the annualized income yield on second lien investments was driven by a contractual rate change on one investment representing 24% of the \$37.5 million, at fair value, of second lien investments held. As of June 30, 2016, we have four remaining second lien investments and two remaining subordinated debt investments shown in our consolidated financial statements beginning on page SF-2 of this prospectus supplement.

For additional details on investment yields and asset mix, refer to the Liquidity and Capital Resources Portfolio Composition, Investment Activity and Yield section below.

## Expenses

The following table summarizes our expenses:

	For the three months ended June 30,		Variances 2016 vs. 2015	For the nine months ended June 30,		Variances 2016 vs. 2015
	2016	2015		2016	2015	
	(In thousands)			(In thousands)		
Interest and other debt financing expenses	\$6,042	\$5,025	\$ 1,017	\$17,356	\$14,601	\$ 2,755
Amortization of debt issuance costs	977	1,117	(140 )	3,227	3,252	(25 )
Base management fee	5,567	5,226	341	16,286	14,902	1,384
Income Incentive Fee	1,750	1,651	99	2,877	3,803	(926 )
Capital gain incentive fee accrued under GAAP	561	732	(171 )	1,385	1,909	(524 )
Professional fees	692	741	(49 )	2,123	2,210	(87 )



Edgar Filing: Golub Capital BDC, Inc. - Form 497

Administrative service fee	531	575	(44 )	1,643	1,766	(123 )
General and administrative expenses	101	138	(37 )	386	457	(71 )
<b>Total expenses</b>	\$16,221	\$15,205	\$1,016	\$45,283	\$42,900	\$2,383

Interest and other debt financing expenses increased by \$1.0 million from the three months ended June 30, 2015 to the three months ended June 30, 2016 primarily due to an increase in the weighted average of outstanding borrowings from \$763.1 million for the three months ended June 30, 2015 to \$842.9 million for the three months ended June 30, 2016 and an increase in the average LIBOR, which is the index that determines the interest rate on our floating rate liabilities. The increase in our debt was primarily driven by an increase in our use of debt under our SBA debentures through our SBICs which had outstanding balances of \$255.0 million as of June 30, 2016 and \$220.8 million as of June 30, 2015 as well as under the Credit Facility, which increased to an outstanding balance of \$146.1 million as of June 30, 2016 from an outstanding balance of \$141.3 million as of June 30, 2015. The effective annualized average interest rate on our

S-27

---

TABLE OF CONTENTS

outstanding debt increased slightly to 3.3% for the three months ended June 30, 2016 from 3.2% for the three months ended June 30, 2015 primarily due to the increase in LIBOR.

Interest and other debt financing expenses increased by \$2.8 million from the nine months ended June 30, 2015 to the nine months ended June 30, 2016 primarily due to an increase in the weighted average of outstanding borrowings from \$728.6 million for the nine months ended June 30, 2015 to \$823.2 million for the nine months ended June 30, 2016. The effective annualized average interest rate on our outstanding debt remained stable at 3.3% for the nine months ended June 30, 2016 and 2015.

The base management fee increased as a result of a sequential increase in average assets from June 30, 2015 to June 30, 2016. The administrative service fee declined from the nine months ended June 30, 2015 to the nine months ended June 30, 2016 due to efficiencies gained by the Administrator in servicing a growing portfolio.

The incentive fee payable under the Investment Advisory Agreement consists of two parts: (1) the Income Incentive Fee and (2) the Capital Gain Incentive Fee. The Income Incentive Fee increased by less than \$0.1 million and decreased \$0.9 million from the three and nine months ended June 30, 2015 to the three and nine months ended June 30, 2016 as the interest rate compression on new investments and the change in asset mix of our portfolio caused a decline in our Pre-Incentive Fee Net Investment Income, expressed as a rate of return on the value of our net assets. Due to this decline, we were not fully through the catch-up provision of the Income Incentive Fee calculation. For the three months ended June 30, 2016, the Income Incentive Fee as a percentage of Pre-Incentive Fee Net Investment Income was 9.6% compared to 9.4% for the three months ended June 30, 2015. For the nine months ended June 30, 2016, the Income Incentive Fee as a percentage of Pre-Incentive Fee Net Investment Income was 5.5% compared to 7.7% for the nine months ended June 30, 2015.

The Capital Gain Incentive Fee payable as calculated under the Investment Advisory Agreement for the three and nine months ended June 30, 2016 and 2015 was \$0. However, in accordance with GAAP, we are required to include the aggregate unrealized capital appreciation on investments in the calculation and accrue a capital gain incentive fee as if such unrealized capital appreciation were realized, even though such unrealized capital appreciation is not permitted to be considered in calculating the fee actually payable under the Investment Advisory Agreement.

We recorded an accrual for capital gain incentive fee under GAAP of \$0.6 million, or \$0.01 per share, and \$1.4 million, or \$0.03 per share, for the three and nine months ended June 30, 2016, respectively. The accrual for capital gain incentive fee under GAAP was \$0.7 million, or \$0.02 per share, for the three months ended June 30, 2015 and \$1.9 million, or \$0.04 per share, for the nine months ended June 30, 2015. The decrease in the accrual for capital gain incentive fee under GAAP for the three and nine months ended June 30, 2016 from the three and nine months ended June 30, 2015 was primarily the result of the realized loss on the liquidation of one non-accrual portfolio company investment that was partially offset by unrealized appreciation of debt and equity investments.

For additional details on the liquidation of equity investments, refer to the Net Realized and Unrealized Gains and Losses section below.

The Administrator pays for certain expenses incurred by us. These expenses are subsequently reimbursed in cash. Total expenses reimbursed by us to the Administrator for the three and nine months ended June 30, 2016 were \$0.7 million and \$2.1 million, respectively. Total expenses reimbursed by us to the Administrator for the three and nine months ended June 30, 2015 were \$0.2 million and \$0.7 million, respectively.

As of June 30, 2016 and September 30, 2015, included in accounts payable and accrued expenses were \$0.3 million and \$0.6 million, respectively, for accrued expenses paid on behalf of us by the Administrator.

**Excise Tax Expense**

We have elected to be treated as a RIC under Subchapter M of the Code and operate in a manner so as to qualify for the tax treatment applicable to RICs. In order to be subject to tax as a RIC, we are required to meet certain source of income and asset diversification requirements, as well as timely distribute to our stockholders at least 90% of investment company taxable income, as defined by the Code, and determined

S-28

---

TABLE OF CONTENTS

without regard to any deduction for dividends paid for each tax year. We have made and intend to continue to make the requisite distributions to our stockholders, which will generally relieve us from U.S. federal income taxes.

Depending on the level of taxable income earned in a tax year, we may choose to retain taxable income in excess of current year distributions into the next tax year in an amount less than what would trigger payments of federal income tax under Subchapter M of the Code. We may then be required to pay a 4% excise tax on such income. To the extent that we determine that our estimated current year annual taxable income may exceed estimated current year distributions, we accrue excise tax, if any, on estimated excess taxable income as taxable income is earned. For the three and nine months ended June 30, 2016, we recorded a net expense of \$0 and \$333,000, respectively, for U.S. federal excise tax. For the three and nine months ended June 30, 2015, we recorded no U.S. federal excise tax expense.

### Net Realized and Unrealized Gains and Losses

The following table summarizes our net realized and unrealized gains (losses) for the periods presented:

	For the three months ended June 30,			Variances 2016 vs. 2015	For the nine months ended June 30,			Variances 2016 vs. 2015
	2016	2015	(In thousands)		2016	2015	(In thousands)	
Net realized gain (loss) on investments	\$(5,416 )	\$(1,746 )		\$(3,670 )	\$(260 )	\$4,503		\$(4,763 )
Net realized gain (loss)	(5,416 )	(1,746 )		(3,670 )	(260 )	4,503		(4,763 )
Unrealized appreciation on investments	17,257	11,856		5,401	33,855	21,901		11,954
Unrealized (depreciation) on investments	(10,256)	(7,008 )		(3,248 )	(26,704)	(18,803)		(7,901 )
Unrealized appreciation on investments in SLF <sup>(1)</sup>	818			818		203		(203 )
Unrealized (depreciation) on investments in SLF <sup>(1)</sup>		(19 )		19	(1,539 )			(1,539 )
Unrealized depreciation on secured borrowings	1			1	1	1		
Net change in unrealized appreciation (depreciation) on investments, investments in SLF, and secured borrowings	\$7,820	\$4,829		\$2,991	\$5,613	\$3,302		\$2,311

(1) Unrealized appreciation (depreciation) on investments in SLF include our investments in subordinated notes and LLC interests in SLF.

For the three months ended June 30, 2016, we had a net realized loss of \$5.4 million primarily due to the realized loss on the sale of one non-accrual portfolio company investment that was partially offset by the sale of equity and debt investments. For the nine months ended June 30, 2016, we had a net realized loss of \$0.3 million primarily due to the realized loss on the sale of one non-accrual portfolio company investment and the write off of one non-accrual

portfolio company investment that were partially offset by the sale of, or capital gain distributions received from, five equity investments.

During the three months ended June 30, 2016, we had \$17.3 million in unrealized appreciation on 114 portfolio company investments, which was offset by \$10.3 million in unrealized depreciation on 143 portfolio company investments. For the nine months ended June 30, 2016, we had \$33.9 million in unrealized appreciation on 135 portfolio company investments, which was offset by \$26.7 million in unrealized depreciation on 138 portfolio company investments. Unrealized appreciation during the three and nine months ended June 30, 2016 resulted from an increase in fair value primarily due to the rise in market prices of portfolio company investments and the reversal of prior period unrealized depreciation associated with the non-accrual portfolio company investments that were sold and written-off. Unrealized depreciation primarily resulted from the amortization of discounts, negative credit related adjustments that caused a

S-29

---

## TABLE OF CONTENTS

reduction in fair value and the reversal of the net unrealized appreciation associated with the sales of portfolio company investments during the three and nine months ended June 30, 2016.

For the three months ended June 30, 2016, we had \$0.8 million in unrealized appreciation on our investment in SLF LLC equity interests and an amount less than \$0.1 million in unrealized appreciation on our investment in SLF subordinated notes. The unrealized appreciation on the SLF LLC equity interests was driven by positive credit related adjustments associated with SLF's investment portfolio.

For the nine months ended June 30, 2016, we had \$0.7 million of unrealized depreciation on our investment in SLF LLC equity interests and \$0.8 million of unrealized depreciation on our investment in SLF subordinated notes. The unrealized depreciation on the SLF subordinated notes was the result of the lower yielding contractual rate compared to comparable market pricing of subordinated notes. The unrealized depreciation on the SLF LLC equity interests was driven by negative credit related adjustments associated with SLF's investment portfolio which was partially offset by the offsetting impact of the pricing on the subordinated notes.

For the three months ended June 30, 2015, we had a net realized loss of \$1.7 million primarily due to the write off of one non-accrual portfolio company investment. For the nine months ended June 30, 2015, we had net realized gains on investments totaling \$4.5 million primarily due to the sale of four equity investments, which was partially offset by the write-off of one non-accrual portfolio company investment.

During the three months ended June 30, 2015, we had \$11.9 million in unrealized appreciation on 83 portfolio company investments, which was offset by \$7.0 million in unrealized depreciation on 128 portfolio company investments. For the nine months ended June 30, 2015, we had \$21.9 million in unrealized appreciation on 108 portfolio company investments, which was offset by \$18.8 million in unrealized depreciation on 132 portfolio company investments. Unrealized appreciation during the three and nine months ended June 30, 2015 resulted from an increase in fair value primarily due to the rise in market prices of portfolio company investments and the reversal of prior period unrealized depreciation associated with the portfolio company investment write-off. Unrealized depreciation primarily resulted from the amortization of discounts, negative credit related adjustments that caused a reduction in fair value and the reversal of the net unrealized appreciation associated with the sales of portfolio company investments during the three and nine months ended June 30, 2015.

For the three and nine months ended June 30, 2015, we had less than \$0.1 million in unrealized depreciation and \$0.2 million in unrealized appreciation on our investment in SLF LLC equity interests, respectively. The unrealized appreciation on the SLF LLC equity interests was primarily driven by no negative mark-to-market losses in the aggregate associated with SLF's investment portfolio. For the three and nine months ended June 30, 2015, we had no unrealized appreciation or depreciation on our investment in SLF subordinated notes.

## **Liquidity and Capital Resources**

For the nine months ended June 30, 2016, we experienced a net decrease in cash and cash equivalents of \$2.3 million.

During the period, cash used in operating activities was \$38.7 million primarily as a result of funding of portfolio investments of \$471.5 million. This was partially offset by the proceeds from principal payments and sales of portfolio investments of \$387.3 million and net investment income of \$47.8 million. During the same period, cash provided by investment activities of \$33.3 million was driven by the decrease in restricted cash and cash equivalents. Lastly, cash provided by financing activities was \$3.1 million, primarily driven by borrowings on debt of \$288.1 million that were partially offset by repayments of debt of \$239.1 million and distributions paid of \$44.0 million.

For the nine months ended June 30, 2015, we experienced a net increase in cash and cash equivalents of \$1.4 million.

During the period, we used \$170.7 million in operating activities primarily as a result of fundings of portfolio investments of \$667.1 million. This was partially offset by proceeds from principal payments and sales of portfolio investments of \$461.5 million and net investment income of \$43.5 million. During the same period, cash provided by investment activities of \$24.6 million was driven by the decrease in restricted cash and cash equivalents. Lastly, cash provided by financing activities was \$147.4 million,

S-30

---

TABLE OF CONTENTS

primarily driven by borrowings on debt of \$347.4 million and proceeds from shares sold of \$67.6 million that were partially offset by repayments of debt of \$221.4 million and distributions paid of \$44.3 million.

As of June 30, 2016 and September 30, 2015, we had cash and cash equivalents of \$3.2 million and \$5.5 million, respectively. In addition, we had restricted cash and cash equivalents of \$58.7 million and \$92.0 million as of June 30, 2016 and September 30, 2015, respectively. Cash and cash equivalents are available to fund new investments, pay operating expenses and pay distributions. As of June 30, 2016, \$49.1 million of our restricted cash and cash equivalents could be used to fund new investments that meet the investment guidelines established in the Debt Securitizations and for the payment of interest expense on the notes issued in the Debt Securitizations. \$5.7 million of such restricted cash and cash equivalents could be used to fund investments that meet the guidelines under the Credit Facility as well as for the payment of interest expense and revolving debt of the Credit Facility. As of June 30, 2016, \$3.9 million of restricted cash and cash equivalents can be used to fund new investments that meet the regulatory and investment guidelines established by the SBA for our SBICs which are described in further detail in Note 7 to our consolidated financial statements, and for interest expense and fees on our outstanding SBA debentures.

As of June 30, 2016, the Credit Facility allowed Funding to borrow up to \$200.0 million at any one time outstanding, subject to leverage and borrowing base restrictions. As of June 30, 2016 and September 30, 2015, subject to leverage and borrowing base restrictions, we had approximately \$53.9 million and \$72.7 million, respectively, of remaining commitments and \$6.3 million and \$40.1 million, respectively, of availability on the Credit Facility. As of June 30, 2016 and September 30, 2015, we had \$146.1 million and \$127.3 million outstanding under the Credit Facility, respectively. On June 22, 2016, we entered into an unsecured revolving credit facility with GC Advisors, or the Adviser Revolver, which permits us to borrow up to \$20.0 million at any one time outstanding. As of June 30, 2016, we had no amounts outstanding on the Adviser Revolver, which was not outstanding as of September 30, 2015. On October 21, 2015, we terminated the \$15.0 million revolving line of credit, or the Revolver, entered into by Golub Capital BDC Revolver Funding LLC, or Revolver Funding, our wholly-owned subsidiary, with PrivateBank and Trust Company. As of September 30, 2015, the Revolver allowed Revolver Funding to borrow up to \$15.0 million at any one time outstanding, subject to leverage and borrowing base restrictions. As of September 30, 2015, subject to leverage and borrowing base restrictions, we had approximately \$15.0 million of remaining commitments and \$2.9 million of availability on the Revolver.

On July 16, 2010, we completed the 2010 Debt Securitization, which was subsequently increased to \$350 million. The 2010 Notes were issued by the 2010 Issuer and consist of \$203.0 million of Class A 2010 Notes, which bear interest at a rate of three-month LIBOR rate, plus 1.74%, \$12.0 million of Class B 2010 Notes, which bear interest at a rate of three-month LIBOR plus 2.40%, and \$135.0 million face amount of Subordinated 2010 Notes that do not bear interest. The Class A 2010 Notes and Class B 2010 Notes of the 2010 Debt Securitization are included in the June 30, 2016 and September 30, 2015 consolidated statements of financial condition as our debt and the Subordinated 2010 Notes were eliminated in consolidation.

On June 5, 2014, we completed the 2014 Debt Securitization in which the 2014 Issuer issued the 2014 Notes, including \$191.0 million of Class A-1 2014 Notes, which bear interest at a rate of three-month LIBOR plus 1.75%, \$20.0 million of Class A-2 2014 Notes, which bear interest at a rate of three-month LIBOR plus 1.95%, \$35.0 million of Class B 2014 Notes, which bear interest at a rate of three-month LIBOR plus 2.50%, \$37.5 million of Class C 2014 Notes, which bear interest at a rate of three-month LIBOR plus 3.50%, and \$119.1 million of LLC equity interests in the 2014 Issuer that do not bear interest. We retained all of the Class C 2014 Notes and LLC equity interests in the 2014 Issuer totaling \$37.5 million and \$119.1 million, respectively. The Class A-1, Class A-2 and Class B 2014 Notes are included in the June 30, 2016 and September 30, 2015 consolidated statements of financial condition as our debt and the Class C 2014 Notes and LLC equity interests in the 2014 Issuer were eliminated in consolidation. As of June 30, 2016 and September 30, 2015, we had outstanding debt under the 2014 Debt Securitization of \$246.0 million.





## TABLE OF CONTENTS

Under present SBIC regulations, the maximum amount of SBA-guaranteed debentures that may be issued by multiple licensees under common management is \$350.0 million. The maximum amount that a single SBIC licensee may issue is \$150.0 million. On February 11, 2016, the SBA approved SBIC V's application for an additional \$75.0 million of debenture commitments bringing SBIC V's total debenture commitments up to \$150.0 million. GC SBIC IV, L.P., or SBIC IV, and SBIC V, our consolidated SBIC subsidiaries, may each borrow up to two times the amount of its regulatory capital, subject to customary regulatory requirements. As of June 30, 2016, SBIC IV and SBIC V had \$150.0 million and \$105.0 million of outstanding SBA-guaranteed debentures, respectively, that mature between March 2021 and September 2026, leaving incremental borrowing capacity of \$45.0 million for SBIC V under present SBIC regulations. As of September 30, 2015, SBIC IV and SBIC V had \$150.0 million and \$75.0 million of outstanding SBA-guaranteed debentures, respectively, that mature between March 2021 and September 2025.

In accordance with the 1940 Act, with certain limited exceptions, we are only allowed to borrow amounts such that our asset coverage, as defined in the 1940 Act, is at least 200% after such borrowing. On September 13, 2011, we received exemptive relief from the SEC allowing us to modify the asset coverage requirement to exclude the SBA debentures from this calculation. As such, our ratio of total consolidated assets to outstanding indebtedness may be less than 200%. This provides us with increased investment flexibility but also increases our risks related to leverage. As of June 30, 2016, our asset coverage for borrowed amounts was 234.5% (excluding the SBA debentures).

As of June 30, 2016 and September 30, 2015, we had outstanding commitments to fund investments totaling \$95.0 million and \$121.5 million, respectively. These amounts may or may not be funded to the borrowing party now or in the future. The unfunded commitments relate to loans with various maturity dates, but the entire amount was eligible for funding to the borrowers as of June 30, 2016 and September 30, 2015, respectively, subject to the terms of each loan's respective credit agreement. As of June 30, 2016, we believe that we had sufficient assets and liquidity to adequately cover future obligations under our unfunded commitments based on historical rates of drawings upon unfunded commitments, cash and restricted cash balances that we maintain, availability under our Credit Facility and Adviser Revolver, and ongoing principal repayments on debt investments. In addition, we generally hold some syndicated loans in larger portfolio companies that are salable over a relatively short period to generate cash.

Although we expect to fund the growth of our investment portfolio through the net proceeds from future securities offerings and through our dividend reinvestment plan as well as future borrowings, to the extent permitted by the 1940 Act, we cannot assure you that our efforts to raise capital will be successful. In addition to capital not being available, it also may not be available on favorable terms. To the extent we are not able to raise capital on what we believe are favorable terms, we will focus on optimizing returns by investing capital generated from repayments into new investments we believe are attractive from a risk/reward perspective. Furthermore, to the extent we are not able to raise capital and are at or near our targeted leverage ratios, we may receive smaller allocations, if any, on new investment opportunities under GC Advisors' allocation policy and have, in the past, received such smaller allocations under similar circumstances.

### **Portfolio Composition, Investment Activity and Yield**

As of June 30, 2016 and September 30, 2015, we had investments in 185 and 164 portfolio companies, respectively, with a total fair value of \$1,517.4 million and \$1,430.9 million, respectively, and had investments in subordinated notes and LLC equity interests in SLF with a total fair value of \$111.1 million and \$98.9 million, respectively.

TABLE OF CONTENTS

The following table shows the asset mix of our new investment commitments for the three and nine months ended June 30, 2016 and 2015:

	For the three months ended June 30,				For the nine months ended June 30,			
	2016		2015		2016		2015	
	(In thousands)	Percentage of Commitments	(In thousands)	Percentage of Commitments	(In thousands)	Percentage of Commitments	(In thousands)	Percentage of Commitments
Senior secured	\$27,257	17.5 %	\$53,593	13.3 %	\$99,420	20.8 %	\$187,204	25.8 %
One stop	126,245	80.9	314,127	78.3	352,666	73.9	479,844	66.0
Subordinated debt	42	0.0 *			42	0.0 *		
Subordinated notes in SLF <sup>(1)</sup>			24,307	6.1	9,620	2.0	40,275	5.5
LLC equity interests in SLF <sup>(1)</sup>			6,562	1.6	10,820	2.3	12,557	1.7
Equity securities	2,421	1.6	2,810	0.7	4,529	1.0	6,961	1.0
Total new investment commitments	\$155,965	100.0 %	\$401,399	100.0 %	\$477,097	100.0 %	\$726,841	100.0 %

\* Represents an amount less than 0.1%.

(1) SLF's proceeds from the subordinated notes and LLC equity interests were utilized by SLF to fund senior secured loans. As of June 30, 2016, SLF funded senior secured loans to 64 different borrowers.

For the three and nine months ended June 30, 2016, we had approximately \$106.2 million and \$239.0 million, respectively, in proceeds from principal payments and return of capital distributions of portfolio companies. For the three and nine months ended June 30, 2016, we had sales of securities in 6 and 28 portfolio companies, respectively, aggregating approximately \$33.2 million and \$148.1 million, respectively, in net proceeds.

For the three and nine months ended June 30, 2015, we had approximately \$130.0 million and \$256.5 million, respectively, in proceeds from principal payments and return of capital distributions from portfolio companies. For the three and nine months ended June 30, 2015, we had sales of securities in 14 and 39 portfolio companies, respectively, aggregating approximately \$103.5 million and \$205.0 million, respectively, in net proceeds.

The following table shows the par, amortized cost and fair value of our portfolio of investments by asset class:

	As of June 30, 2016 <sup>(1)</sup>			As of September 30, 2015 <sup>(1)</sup>		
	Par	Amortized Cost	Fair Value	Par	Amortized Cost	Fair Value
	(In thousands)					
Senior secured:						
Performing	\$175,292	\$173,319	\$174,452	\$199,573	\$197,189	\$197,329
Non-accrual <sup>(2)</sup>	1,438	1,433	156			
One stop:						

Edgar Filing: Golub Capital BDC, Inc. - Form 497

Performing	1,246,957	1,229,865	1,234,326	1,135,805	1,120,576	1,127,735
Non-accrual <sup>(2)</sup>	3,899	3,845	1,170	17,645	17,078	6,487
Second lien:						
Performing	37,838	37,394	37,461	39,924	39,464	39,774
Non-accrual <sup>(2)</sup>						
Subordinated debt:						
Performing	1,749	1,749	1,966	1,707	1,707	1,715
Non-accrual <sup>(2)</sup>						

S-33

---

TABLE OF CONTENTS

	As of June 30, 2016 <sup>(1)</sup>			As of September 30, 2015 <sup>(1)</sup>		
	Par	Amortized Cost	Fair Value	Par	Amortized Cost	Fair Value
	(In thousands)					
Subordinated notes in SLF <sup>(3)</sup>						
Performing	82,114	82,114	81,292	76,563	76,563	76,563
Non-accrual <sup>(2)</sup>						
LLC equity interests in SLF <sup>(3)</sup>	N/A	31,339	29,772	N/A	23,222	22,373
Equity	N/A	49,369	67,914	N/A	41,515	57,808
Total	\$1,549,287	\$1,610,427	\$1,628,509	\$1,471,217	\$1,517,314	\$1,529,784

(1) Twelve and nine of our loans included a feature permitting a portion of the interest due on such loan to be PIK interest as of June 30, 2016 and September 30, 2015, respectively.

(2) We refer to a loan as non-accrual when we cease recognizing interest income on the loan because we have stopped pursuing repayment of the loan or, in certain circumstances, it is past due 90 days or more on principal and interest or our management has reasonable doubt that principal or interest will be collected. See Critical Accounting Policies Revenue Recognition.

(3) SLF's proceeds from the subordinated notes and LLC equity interests in SLF were utilized by SLF to fund senior secured loans.

As of June 30, 2016 and September 30, 2015, the fair value of our debt investments, including our investment in SLF subordinated notes, as a percentage of the outstanding par value was 98.8% and 98.5%, respectively.

The following table shows the weighted average rate, spread over LIBOR of floating rate, fixed rate and fees of investments originated and the weighted average rate of sales and payoffs of portfolio companies during the three and nine months ended June 30, 2016 and 2015:

	For the three months ended June 30, 2016		For the nine months ended June 30, 2015	
	2016	2015	2016	2015
Weighted average rate of new investment fundings <sup>(1)</sup>	7.2 %	6.8 %	7.0 %	6.7 %
Weighted average spread over LIBOR of new floating rate investment fundings <sup>(1)</sup>	6.2 %	5.8 %	6.0 %	5.7 %
Weighted average rate of new fixed rate investment fundings	10.6 %	N/A	10.6 %	10.8 %
Weighted average fees of new investment fundings	2.1 %	1.4 %	1.8 %	1.5 %
Weighted average rate of sales and payoffs of portfolio companies <sup>(2)</sup>	6.8 %	6.8 %	7.1 %	6.7 %
Weighted average annualized income yield <sup>(3)</sup>	7.6 %	7.6 %	7.6 %	7.7 %

(1) Excludes subordinated note investment in SLF.

(2) Excludes exits on investments on non-accrual status.

(3) Represents income from interest, including subordinated note investment in SLF, and fees excluding amortization of capitalized fees and discounts divided by the average fair value of earning debt investments.

As of June 30, 2016, 94.3% and 94.3% of our debt portfolio at fair value and at amortized cost, respectively, had interest rate floors that limit the minimum applicable interest rates on such loans. As of September 30, 2015, 94.2% and 94.1% of our debt portfolio at fair value and at amortized cost, respectively, had interest rate floors that limit the

minimum applicable interest rates on such loans.

S-34

---

TABLE OF CONTENTS

As of June 30, 2016, the portfolio median EBITDA for our portfolio companies was \$24.6 million. The portfolio median EBITDA is based on the most recently reported trailing twelve-month EBITDA received from the portfolio company. The portfolio median EBITDA excludes underlying borrowers in SLF.

As part of the monitoring process, GC Advisors regularly assesses the risk profile of each of our investments and rates each of them based on an internal system developed by Golub Capital and its affiliates. This system is not generally accepted in our industry or used by our competitors. It is based on the following categories, which we refer to as GC Advisors' internal performance ratings:

Internal Performance Ratings

Rating Definition

- 5 Involves the least amount of risk in our portfolio. The borrower is performing above expectations, and the trends and risk factors are generally favorable.
- 4 Involves an acceptable level of risk that is similar to the risk at the time of origination. The borrower is generally performing as expected, and the risk factors are neutral to favorable.
- 3 Involves a borrower performing below expectations and indicates that the loan's risk has increased somewhat since origination. The borrower may be out of compliance with debt covenants; however, loan payments are generally not past due.
- 2 Involves a borrower performing materially below expectations and indicates that the loan's risk has increased materially since origination. In addition to the borrower being generally out of compliance with debt covenants, loan payments may be past due (but generally not more than 180 days past due).
- 1 Involves a borrower performing substantially below expectations and indicates that the loan's risk has substantially increased since origination. Most or all of the debt covenants are out of compliance and payments are substantially delinquent. Loans rated 1 are not anticipated to be repaid in full and we will reduce the fair market value of the loan to the amount we anticipate will be recovered.

Our internal performance ratings do not constitute any rating of investments by a nationally recognized statistical rating organization or represent or reflect any third-party assessment of any of our investments.

For any investment rated 1, 2 or 3, GC Advisors will increase its monitoring intensity and prepare regular updates for the investment committee, summarizing current operating results and material impending events and suggesting recommended actions.

GC Advisors monitors and, when appropriate, changes the internal performance ratings assigned to each investment in our portfolio. In connection with our valuation process, GC Advisors and our board of directors review these internal performance ratings on a quarterly basis.

The following table shows the distribution of our investments on the 1 to 5 internal performance rating scale at fair value as of June 30, 2016 and September 30, 2015:

Internal Performance Rating	As of June 30, 2016		As of September 30, 2015	
	Investments at Fair Value	Percentage of Total Investments	Investments at Fair Value	Percentage of Total Investments
5				
4				
3				
2				
1				

Edgar Filing: Golub Capital BDC, Inc. - Form 497

	(In thousands)			(In thousands)		
5	\$ 93,519	5.7	%	\$ 134,142	8.8	%
4	1,374,463	84.4		1,298,558	84.9	
3	158,788	9.8		87,687	5.7	
2	1,739	0.1		9,397	0.6	
1						
Total	\$ 1,628,509	100.0	%	\$ 1,529,784	100.0	%

---

S-35



TABLE OF CONTENTS**Senior Loan Fund LLC**

We co-invest with RGA in senior secured loans through SLF, an unconsolidated Delaware LLC. SLF is capitalized as transactions are completed and all portfolio and investment decisions in respect of SLF must be approved by the SLF investment committee consisting of two representatives of each of us and RGA (with unanimous approval required from (i) one representative of each of us and RGA or (ii) both representatives of each of us and RGA). SLF may cease making new investments upon notification of either member but operations will continue until all investments have been sold or paid-off in the normal course of business.

SLF is capitalized with subordinated notes and LLC equity interest subscriptions from its members. As of June 30, 2016, we and RGA owned 87.5% and 12.5%, respectively, of both the outstanding subordinated notes and LLC equity interests.

As of June 30, 2016 and September 30, 2015, SLF had the following commitments from its members:

	As of June 30, 2016		As of September 30, 2015	
	Committed	Funded <sup>(1)</sup>	Committed	Funded <sup>(1)</sup>
	(Dollars in thousands)			
Subordinated note commitments <sup>(2)</sup>	\$ 160,000	\$ 93,844	\$ 160,000	\$ 87,500
LLC equity commitments <sup>(2)</sup>	40,000	35,816	40,000	26,540
Total	\$ 200,000	\$ 129,660	\$ 200,000	\$ 114,040

(1) Funded subordinated note commitments are presented net of repayments subject to recall and funded LLC equity commitments are presented net of return of capital distributions subject to recall.

(2) Commitments presented are combined for us and RGA.

As of June 30, 2016, the SLF Credit Facility, which SLF entered into through its wholly-owned subsidiary, SLF II, allows SLF II to borrow up to \$300.0 million subject to leverage and borrowing base restrictions. The reinvestment period of the SLF Credit Facility ends May 12, 2017, and the stated maturity date is May 13, 2020. As of June 30, 2016 and September 30, 2015, SLF II had outstanding debt under the SLF Credit Facility of \$231.6 million and \$212.3 million, respectively.

Through the reinvestment period, the SLF Credit Facility bears interest at one-month LIBOR plus a rate between 1.75% and 2.25%, depending on the composition of the collateral asset portfolio, per annum. After the reinvestment period, the rate will reset to one-month LIBOR plus 2.75% per annum for the remaining term of the SLF Credit Facility.

As of June 30, 2016 and September 30, 2015, SLF had total assets at fair value of \$357.7 million and \$323.4 million, respectively. As of both June 30, 2016 and September 30, 2015, SLF did not have any investments on non-accrual status. The portfolio companies in SLF are in industries and geographies similar to those in which we may invest directly. Additionally, as of June 30, 2016 and September 30, 2015, SLF had commitments to fund various undrawn revolving credit and delayed draw loans to its portfolio companies totaling \$26.8 million and \$30.8 million, respectively.

Below is a summary of SLF's portfolio, followed by a listing of the individual loans in SLF's portfolio as of June 30, 2016 and September 30, 2015:

	As of June 30, 2016		As of September 30, 2015
	<i>(Dollars in thousands)</i>		
Senior secured loans <sup>(1)</sup>	\$ 356,334		\$ 320,583
Weighted average current interest rate on senior secured loans <sup>(2)</sup>	6.0	%	5.8
Number of borrowers in SLF	64		62
Largest portfolio company investment <sup>(1)</sup>	\$ 13,083		\$ 12,734
Total of five largest portfolio company investments <sup>(1)</sup>	\$ 61,968		\$ 59,917

(1) At principal amount.

(2) Computed as the (a) annual stated interest rate on accruing senior secured loans divided by (b) total senior secured loans at principal amount.

S-36

---

TABLE OF CONTENTS**SLF Loan Portfolio as of June 30, 2016**

Portfolio Company	Business Description	Security Type	Maturity Date	Current Interest Rate <sup>(1)</sup>	Principal/Par Amount	Fair Value <sup>(2)</sup>
<i>(In thousands)</i>						
5.11, Inc. <sup>(3)</sup>	Textiles and Leather	Senior loan	02/2020	6.0 %	\$3,137	\$3,137
ACTIVE Network, Inc.	Electronics	Senior loan	11/2020	5.5	1,950	1,936
Advanced Pain Management Holdings, Inc.,	Healthcare, Education and Childcare	Senior loan	02/2018	6.3	6,805	6,736
Advanced Pain Management Holdings, Inc.,	Healthcare, Education and Childcare	Senior loan	02/2018	6.3	466	461
Advanced Pain Management Holdings, Inc. <sup>(4)</sup>	Healthcare, Education and Childcare	Senior loan	02/2018	N/A <sup>(5)</sup>		(12 )
AG Kings Holdings Inc. <sup>(3)</sup>	Grocery	Senior loan	04/2020	7.3	6,168	6,168
Aimbridge Hospitality, LLC <sup>(3)</sup>	Hotels, Motels, Inns, and Gaming	Senior loan	10/2018	5.8	5,063	5,063
American Seafoods Group LLC	Beverage, Food and Tobacco	Senior loan	08/2021	6.0	4,892	4,818
Argon Medical Devices, Inc.	Healthcare, Education and Childcare	Senior loan	12/2021	5.8	3,990	3,990
Arise Virtual Solutions, Inc. <sup>(3)</sup>	Telecommunications	Senior loan	12/2018	7.3	10,957	10,299
Arise Virtual Solutions, Inc. <sup>(3)(4)</sup>	Telecommunications	Senior loan	12/2018	N/A <sup>(5)</sup>		(34 )
Atkins Nutritionals, Inc. <sup>(3)</sup>	Beverage, Food and Tobacco	Senior loan	01/2019	6.3	5,664	5,664
Atrium Innovations	Personal and Non Durable Consumer Products	Senior loan	02/2021	4.3	3,494	3,402
BMC Software, Inc.	Electronics	Senior loan	09/2020	5.0	1,881	1,674
Boot Barn, Inc.	Retail Stores	Senior loan	06/2021	5.5	10,694	10,694
Brandmuscle, Inc.	Printing and Publishing	Senior loan	12/2021	5.8	4,960	4,960
C.B. Fleet Company, Incorporated	Personal and Non Durable Consumer Products	Senior loan	12/2021	5.8	7,651	7,651
Checkers Drive-In Restaurants, Inc.	Beverage, Food and Tobacco	Senior loan	01/2022	6.5	4,847	4,810

Edgar Filing: Golub Capital BDC, Inc. - Form 497

CLP Healthcare Services, Inc.	Healthcare, Education and Childcare	Senior loan	12/2020	6.3	8,699	8,699
CLP Healthcare Services, Inc.	Healthcare, Education and Childcare	Senior loan	12/2020	6.3	4,384	4,384
Community Veterinary Partners, LLC	Personal, Food and Miscellaneous Services	Senior loan	10/2021	6.5	2,473	2,473
Community Veterinary Partners, LLC	Personal, Food and Miscellaneous Services	Senior loan	10/2021	6.5	807	807
CPI Buyer, LLC (Cole-Parmer) <sup>(3)</sup>	Healthcare, Education and Childcare	Senior loan	08/2021	5.5	5,820	5,704
Curo Health Services LLC <sup>(3)</sup>	Healthcare, Education and Childcare	Senior loan	02/2022	6.5	5,925	5,905
DentMall MSO, LLC	Retail Stores	Senior loan	07/2019	6.0	10,173	8,851
DentMall MSO, LLC	Retail Stores	Senior loan	07/2019	6.0	1,000	652
DISA Holdings Acquisition Subsidiary Corp.	Diversified/Conglomerate Service	Senior loan	12/2020	5.5	4,579	4,442
DISA Holdings Acquisition Subsidiary Corp.	Diversified/Conglomerate Service	Senior loan	12/2020	5.5	255	224
EAG, INC. (Evans Analytical Group)	Diversified/Conglomerate Service	Senior loan	07/2017	5.0	2,146	2,125
Express Oil Change, LLC <sup>(3)</sup>	Retail Stores	Senior loan	12/2017	6.0	4,909	4,860
Express Oil Change, LLC <sup>(4)</sup>	Retail Stores	Senior loan	12/2017	N/A <sup>(5)</sup>		(5 )
Extreme Reach Inc.	Broadcasting and Entertainment	Senior loan	02/2020	7.3	5,032	5,027
Federal-Mogul Corporation	Automobile	Senior loan	04/2021	4.8	3,930	3,661
Flexan, LLC	Chemicals, Plastics and Rubber	Senior loan	02/2020	6.3	6,106	6,106
Hygenic Corporation, The <sup>(3)</sup>	Personal and Non Durable Consumer Products	Senior loan	10/2020	7.5	4,481	4,481
Jensen Hughes, Inc.	Diversified/Conglomerate Service	Senior loan	12/2021	6.0	2,354	2,354
Jensen Hughes, Inc.	Diversified/Conglomerate Service	Senior loan	12/2021	6.0	110	110
Joerns Healthcare, LLC <sup>(3)</sup>	Healthcare, Education and Childcare	Senior loan	05/2020	6.0	9,622	9,358
Julio & Sons Company	Beverage, Food and Tobacco	Senior loan	09/2017	6.5	6,852	6,852
Julio & Sons Company	Beverage, Food and Tobacco	Senior loan	09/2017	6.5	598	598
Julio & Sons Company	Beverage, Food and Tobacco	Senior loan	09/2017	6.5	538	538
K&N Engineering, Inc. <sup>(3)</sup>	Automobile	Senior loan	07/2019	5.3	3,791	3,791

Edgar Filing: Golub Capital BDC, Inc. - Form 497

K&N Engineering, Inc. <sup>(3)</sup>	Automobile	Senior loan	07/2019	5.3 %	179	179
Loar Group Inc.	Aerospace and Defense	Senior loan	01/2022	5.8	2,239	2,239

S-37

---

TABLE OF CONTENTS**SLF Loan Portfolio as of June 30, 2016 (continued)**

Portfolio Company	Business Description	Security Type	Maturity Date	Current Interest Rate <sup>(1)</sup>	Principal/Par Amount	Fair Value <sup>(2)</sup>
					<i>(In thousands)</i>	
Mediaocean LLC <sup>(3)</sup>	Diversified/Conglomerate Service	Senior loan	08/2022	5.8	\$2,978	\$2,978
Northwestern Management Services, LLC	Healthcare, Education and Childcare	Senior loan	10/2017	6.5	3,877	3,877
Northwestern Management Services, LLC	Healthcare, Education and Childcare	Senior loan	10/2017	6.5	424	424
Northwestern Management Services, LLC	Healthcare, Education and Childcare	Senior loan	10/2017	7.5	352	352
Packaging Coordinators, Inc. <sup>(3)</sup>	Containers, Packaging and Glass	Senior loan	08/2021	6.8	11,909	11,909
Paradigm DKD Group, LLC	Buildings and Real Estate	Senior loan	11/2018	6.5	2,003	1,923
Paradigm DKD Group, LLC	Buildings and Real Estate	Senior loan	11/2018	6.6	241	212
Payless ShoeSource, Inc.	Retail Stores	Senior loan	03/2021	5.0	1,960	1,027
Pentec Acquisition Sub, Inc.	Healthcare, Education and Childcare	Senior loan	05/2018	6.3	1,471	1,471
PetVet Care Centers LLC <sup>(3)</sup>	Personal, Food and Miscellaneous Services	Senior loan	12/2020	5.8	5,910	5,910
PetVet Care Centers LLC <sup>(3)</sup>	Personal, Food and Miscellaneous Services	Senior loan	12/2020	5.8	1,222	1,222
PowerPlan Holdings, Inc. <sup>(3)</sup>	Utilities	Senior loan	02/2022	6.3	11,997	11,997
PPT Management, LLC	Healthcare, Education and Childcare	Senior loan	04/2020	6.0	13,059	13,059
Premise Health Holding Corp. <sup>(3)</sup>	Healthcare, Education and Childcare	Senior loan	06/2020	5.5	11,921	11,921
Pyramid Healthcare, Inc. <sup>(3)</sup>	Healthcare, Education and Childcare	Senior loan	08/2019	6.8	8,375	8,375
R.G. Barry Corporation	Personal, Food and Miscellaneous Services	Senior loan	09/2019	6.0	6,152	6,090
Radiology Partners, Inc. <sup>(3)</sup>	Healthcare, Education and Childcare	Senior loan	09/2020	6.0	7,083	7,083
Radiology Partners, Inc. <sup>(3)</sup>	Healthcare, Education and Childcare	Senior loan	09/2020	6.0	802	802
Reliant Pro ReHab, LLC <sup>(3)</sup>			06/2017	6.0	3,358	3,358

Edgar Filing: Golub Capital BDC, Inc. - Form 497

	Healthcare, Education and Childcare	Senior loan					
RSC Acquisition, Inc. <sup>(3)</sup>	Insurance	Senior loan	11/2022	6.3	3,742	3,742	
RSC Acquisition, Inc. <sup>(3)</sup>	Insurance	Senior loan	11/2022	6.3	172	172	
Rubio s Restaurants, In <sup>(3)</sup>	Beverage, Food and Tobacco	Senior loan	11/2018	6.0	5,057	5,057	
Rug Doctor LLC	Personal and Non Durable Consumer Products	Senior loan	06/2018	6.3	8,509	8,509	
Saldon Holdings, Inc.	Diversified/Conglomerate Service	Senior loan	09/2021	5.5	2,811	2,811	
Sarnova HC, LLC	Healthcare, Education and Childcare	Senior loan	01/2022	5.8	3,731	3,731	
Scientific Games International, Inc.	Hotels, Motels, Inns, and Gaming	Senior loan	10/2020	6.0	3,905	3,862	
SEI, Inc.	Electronics	Senior loan	07/2021	5.8	8,733	8,733	
Self Esteem Brands, LLC <sup>(3)</sup>	Leisure, Amusement, Motion Pictures, Entertainment	Senior loan	02/2020	5.0	7,105	7,105	
Severin Acquisition, LLC	Diversified/Conglomerate Service	Senior loan	07/2021	5.9	4,894	4,868	
Severin Acquisition, LLC	Diversified/Conglomerate Service	Senior loan	07/2021	5.9	32	32	
Smashburger Finance LLC	Beverage, Food and Tobacco	Senior loan	05/2018	6.3	953	953	
Smashburger Finance LLC	Beverage, Food and Tobacco	Senior loan	05/2018	6.3	75	75	
Smashburger Finance LLC	Beverage, Food and Tobacco	Senior loan	05/2018	6.3	75	75	
Smashburger Finance LLC	Beverage, Food and Tobacco	Senior loan	05/2018	6.3	75	75	
Smashburger Finance LLC	Beverage, Food and Tobacco	Senior loan	05/2018	6.3	75	75	
Systems Maintenance Services Holding, Inc. <sup>(3)</sup>	Electronics	Senior loan	10/2019	5.0	2,396	2,396	
Tate s Bake Shop, In <sup>(3)</sup>	Beverage, Food and Tobacco	Senior loan	08/2019	6.0	2,963	2,963	
Teasdale Quality Foods, Inc.	Grocery	Senior loan	10/2020	5.3	4,582	4,406	
Transaction Data Systems, Inc. <sup>(3)</sup>	Diversified/Conglomerate Service	Senior loan	06/2021	6.3	4,511	4,511	
Transaction Data Systems, Inc.	Diversified/Conglomerate Service	Senior loan	06/2020	5.5	9	9	
W3 Co.	Oil and Gas	Senior loan	03/2020	5.8	2,932	2,305	
Worldwide Express Operations, LLC	Cargo Transport	Senior loan	07/2019	6.0	4,869	4,869	
	Cargo Transport		07/2019	6.0%	36	36	

Edgar Filing: Golub Capital BDC, Inc. - Form 497

Worldwide Express Operations, LLC		Senior loan					
Young Innovations, Inc. <sup>(3)</sup>	Healthcare, Education and Childcare	Senior loan	01/2019	5.3	3,814	3,814	
Young Innovations, Inc. <sup>(3)</sup>	Healthcare, Education and Childcare	Senior loan	01/2018	6.8	268	264	
Zest Holdings, LLC	Healthcare, Education and Childcare	Senior loan	08/2020	5.8	5,295	5,295	
					\$356,334	\$350,565	

S-38



TABLE OF CONTENTS

## **SLF Loan Portfolio as of June 30, 2016 (continued)**

- (1) Represents the weighted average annual current interest rate as of June 30, 2016. All interest rates are payable in cash.
- Represents the fair value in accordance with ASC Topic 820 *Fair Value Measurement*, or ASC Topic 820. The
- (2) determination of such fair value is not included in our board of directors' valuation process described elsewhere herein.
- (3) We also hold a portion of the first lien senior secured loan in this portfolio company.
- (4) The negative fair value is the result of the unfunded commitment being valued below par.
- (5) The entire commitment was unfunded at June 30, 2016. As such, no interest is being earned on this investment.
- 
- S-39

TABLE OF CONTENTS**SLF Loan Portfolio as of September 30, 2015**

Portfolio Company	Business Description	Investment Type	Maturity Date	Current Interest Rate <sup>(1)</sup>	Principal/Par Amount	Fair Value <sup>(2)</sup>
<i>(In thousands)</i>						
1011778 B.C. ULC (New Red Finance/Burger King)	Beverage, Food and Tobacco	Senior loan	12/2021	3.8 %	\$2,271	\$2,264
5.11, Inc. <sup>(3)</sup>	Textiles and Leather	Senior loan	02/2020	6.0	3,162	3,172
Acosta, Inc.	Diversified/Conglomerate Service	Senior loan	09/2021	4.3	2,978	2,938
ACTIVE Network, Inc.	Electronics	Senior loan	11/2020	5.5	1,965	1,951
Aderant North America, Inc.	Diversified/Conglomerate Service	Senior loan	12/2018	5.3	4,195	4,195
Advanced Pain Management Holdings, Inc.	Healthcare, Education and Childcare	Senior loan	02/2018	6.3	6,946	6,807
Advanced Pain Management Holdings, Inc.	Healthcare, Education and Childcare	Senior loan	02/2018	6.3	475	460
Advanced Pain Management Holdings, Inc. <sup>(4)</sup>	Healthcare, Education and Childcare	Senior loan	02/2018	N/A <sup>(5)</sup>		(23 )
Affordable Care Inc.	Personal, Food and Miscellaneous Services	Senior loan	12/2018	5.5	3,976	3,976
Aimbridge Hospitality, LLC	Hotels, Motels, Inns, and Gaming	Senior loan	10/2018	5.8	5,204	5,204
ARG IH Corporation	Beverage, Food and Tobacco	Senior loan	11/2020	4.8	4,370	4,385
Arise Virtual Solutions, Inc. <sup>(3)(4)</sup>	Telecommunications	Senior loan	12/2018	N/A <sup>(5)</sup>		(23 )
Arise Virtual Solutions, Inc. <sup>(3)</sup>	Telecommunications	Senior loan	12/2018	6.8	11,729	11,494
Atkins Nutritionals, Inc. <sup>(3)</sup>	Beverage, Food and Tobacco	Senior loan	01/2019	6.3	5,872	5,879
Atrium Innovations	Personal and Non Durable Consumer Products	Senior loan	02/2021	4.3	3,520	3,336
BJ's Wholesale Club, Inc.	Retail Stores	Senior loan	09/2019	4.5	2,957	2,934
BMC Software, Inc.	Electronics	Senior loan	09/2020	5.0	1,895	1,729
Brickman Group Ltd. LLC	Farming and Agriculture	Senior loan	12/2020	4.0	1,980	1,954
			10/2020	5.4	5,630	5,630

Edgar Filing: Golub Capital BDC, Inc. - Form 497

C.B. Fleet Company, Incorporated	Personal and Non Durable Consumer Products	Senior loan					
C.B. Fleet Company, Incorporated	Personal and Non Durable Consumer Products	Senior loan	10/2020	5.4	696	696	
CLP Healthcare Services, Inc.	Healthcare, Education and Childcare	Senior loan	12/2020	5.8	4,417	4,401	
Connect Merger Sub, Inc.	Telecommunications	Senior loan	04/2020	4.8	3,935	3,820	
CPI Buyer, LLC (Cole-Parmer) <sup>(3)</sup>	Healthcare, Education and Childcare	Senior loan	08/2021	5.5	5,955	5,925	
Curo Health Services LLC <sup>(3)</sup>	Healthcare, Education and Childcare	Senior loan	02/2022	6.5	5,970	5,990	
DentMall MSO, LLC	Retail Stores	Senior loan	07/2019	6.0	10,251	10,046	
DentMall MSO, LLC	Retail Stores	Senior loan	07/2019	6.0	1,000	946	
Dialysis Newco, Inc.	Healthcare, Education and Childcare	Senior loan	04/2021	4.5	2,469	2,470	
DISA Holdings Acquisition Subsidiary Corp.	Diversified/Conglomerate Service	Senior loan	12/2020	5.5	4,614	4,384	
DISA Holdings Acquisition Subsidiary Corp.	Diversified/Conglomerate Service	Senior loan	12/2020	6.8	96	43	
EAG, INC. (Evans Analytical Group)	Diversified/Conglomerate Service	Senior loan	07/2017	5.0	2,245	2,245	
Extreme Reach Inc.	Broadcasting and Entertainment	Senior loan	01/2020	6.8	5,612	5,591	
Federal-Mogul Corporation	Automobile	Senior loan	04/2021	4.8	3,960	3,769	
GSDM Holdings Corp. <sup>(3)</sup>	Healthcare, Education and Childcare	Senior loan	06/2019	5.3	1,782	1,782	
Hygenic Corporation, The <sup>(3)</sup>	Personal and Non Durable Consumer Products	Senior loan	10/2020	6.0	4,515	4,515	
Integrated Supply Network, LLC <sup>(3)</sup>	Automobile	Senior loan	02/2020	6.3	12,000	12,000	
Integrated Supply Network, LLC <sup>(3)</sup>	Automobile	Senior loan	02/2020	6.9	734	734	
Joerns Healthcare, LLC	Healthcare, Education and Childcare	Senior loan	05/2020	6.2	9,696	9,647	
Julio & Sons Company	Beverage, Food and Tobacco	Senior loan	09/2017	6.5	6,906	6,906	
Julio & Sons Company	Beverage, Food and Tobacco	Senior loan	09/2017	6.5	254	254	
K&N Engineering, Inc. <sup>(3)</sup>	Automobile	Senior loan	07/2019	5.3	3,865	3,749	
K&N Engineering, Inc. <sup>(3)</sup>	Automobile	Senior loan	07/2019	5.3	183	177	
K&N Engineering, Inc. <sup>(3)(4)</sup>	Automobile	Senior loan	07/2019	N/A <sup>(5)</sup>		(6 )	

Edgar Filing: Golub Capital BDC, Inc. - Form 497

Mister Car Wash Holdings, Inc.	Automobile	Senior loan	08/2021	5.0 %	2,970	2,971
-----------------------------------	------------	----------------	---------	-------	-------	-------

---

TABLE OF CONTENTS

## SLF Loan Portfolio as of September 30, 2015 (continued)

Portfolio Company	Business Description	Investment Type	Maturity Date	Current Interest Rate <sup>(1)</sup>	Principal/Par Amount	Fair Value <sup>(2)</sup>
<i>(In thousands)</i>						
National Veterinary Associates, Inc.	Personal, Food and Miscellaneous Services	Senior loan	08/2021	4.8	\$990	\$991
Netsmart Technologies, Inc. <sup>(3)</sup>	Diversified/Conglomerate Service	Senior loan	02/2019	6.3	10,448	10,448
Netsmart Technologies, Inc. <sup>(3)</sup>	Diversified/Conglomerate Service	Senior loan	02/2019	7.5	231	231
Northwestern Management Services, LLC	Healthcare, Education and Childcare	Senior loan	10/2017	6.3	3,912	3,912
Northwestern Management Services, LLC	Healthcare, Education and Childcare	Senior loan	10/2017	7.0	147	147
Northwestern Management Services, LLC	Healthcare, Education and Childcare	Senior loan	10/2017	6.3	47	47
Octane Fitness, LLC	Leisure, Amusement, Motion Pictures, Entertainment	Senior loan	10/2018	6.5	7,718	7,718
Paradigm DKD Group, LLC	Buildings and Real Estate	Senior loan	11/2018	6.8	2,037	2,037
Paradigm DKD Group, LLC	Buildings and Real Estate	Senior loan	11/2018	6.9	292	292
Pasternack Enterprises, Inc.	Diversified/Conglomerate Manufacturing	Senior loan	12/2017	6.3	1,044	1,044
Payless ShoeSource, Inc.	Retail Stores	Senior loan	03/2021	5.0	1,975	1,580
PetVet Care Centers LLC <sup>(3)</sup>	Personal, Food and Miscellaneous Services	Senior loan	12/2020	5.5	5,955	5,955
PetVet Care Centers LLC <sup>(3)</sup>	Personal, Food and Miscellaneous Services	Senior loan	12/2020	5.5	646	646
PowerPlan Holdings, Inc. <sup>(3)</sup>	Utilities	Senior loan	02/2022	6.3	12,000	12,000
Premise Health Holding Corp. <sup>(3)</sup>	Healthcare, Education and Childcare	Senior loan	06/2020	5.5	11,921	11,921
Premise Health Holding Corp. <sup>(3)</sup>	Healthcare, Education and Childcare	Senior loan	06/2020	5.5	283	283
R.G. Barry Corporation	Personal, Food and Miscellaneous	Senior loan	09/2019	6.0	6,272	6,209

Edgar Filing: Golub Capital BDC, Inc. - Form 497

	Services					
Reliant Pro ReHab, LLC <sup>(3)</sup>	Healthcare, Education and Childcare	Senior loan	06/2017	6.0	4,225	4,225
Renaissance Pharma (U.S.) Holdings Inc.	Healthcare, Education and Childcare	Senior loan	05/2018	5.0	3,758	3,758
Renaissance Pharma (U.S.) Holdings Inc.	Healthcare, Education and Childcare	Senior loan	05/2018	6.3	71	71
Rubio's Restaurants, Inc. <sup>(3)</sup>	Retail Stores	Senior loan	11/2018	6.0	5,095	5,095
Rug Doctor LLC <sup>(3)</sup>	Personal and Non Durable Consumer Products	Senior loan	12/2016	6.3	9,769	9,769
Scientific Games International, Inc.	Hotels, Motels, Inns, and Gaming	Senior loan	10/2020	6.0	3,935	3,891
SEI, Inc.	Electronics	Senior loan	07/2021	5.8	8,799	8,711
Self Esteem Brands, LLC <sup>(3)</sup>	Leisure, Amusement, Motion Pictures, Entertainment	Senior loan	02/2020	5.0	7,930	7,930
Smashburger Finance LLC	Beverage, Food and Tobacco	Senior loan	05/2018	6.3	960	960
Smashburger Finance LLC	Beverage, Food and Tobacco	Senior loan	05/2018	6.3	75	75
Smashburger Finance LLC	Beverage, Food and Tobacco	Senior loan	05/2018	6.3	75	75
Spear Education, LLC	Healthcare, Education and Childcare	Senior loan	08/2019	6.0	5,960	5,960
Spear Education, LLC	Healthcare, Education and Childcare	Senior loan	08/2019	6.0	500	500
Syncsort Incorporated <sup>(3)</sup>	Electronics	Senior loan	03/2019	5.8	8,860	8,860
Systems Maintenance Services Holding, Inc. <sup>(3)</sup>	Electronics	Senior loan	10/2019	5.0	2,415	2,415
Take 5 Oil Change, L.L.C.	Automobile	Senior loan	07/2018	6.3	6,647	6,647
Take 5 Oil Change, L.L.C.	Automobile	Senior loan	07/2018	6.3	187	187
Tate's Bake Shop, Inc.	Beverage, Food and Tobacco	Senior loan	08/2019	5.8	2,978	2,978
Teasdale Quality Foods, Inc.	Grocery	Senior loan	10/2020	5.3	4,651	4,651
Transaction Data Systems, Inc.	Diversified/Conglomerate Service	Senior loan	06/2021	5.5	4,545	4,545
W3 Co.	Oil and Gas	Senior loan	03/2020	5.8	2,954	2,516
WII Components, Inc. <sup>(3)</sup>	Home and Office Furnishings, Housewares, and Durable Consumer	Senior loan	07/2018	5.3%	3,008	3,008
Young Innovations, Inc. <sup>(3)</sup>			01/2019	5.3	4,018	4,018

Edgar Filing: Golub Capital BDC, Inc. - Form 497

Healthcare, Education  
and Childcare

Senior  
loan

\$320,583 \$317,623

S-41

---

TABLE OF CONTENTS

## SLF Loan Portfolio as of September 30, 2015 (continued)

- (1) Represents the weighted average annual current interest rate as of September 30, 2015. All interest rates are payable in cash.
- (2) Represents the fair value in accordance with ASC Topic 820. The determination of such fair value is not included in our board of directors' valuation process described elsewhere herein.
- (3) We also hold a portion of the first lien senior secured loan in this portfolio company.
- (4) The negative fair value is the result of the unfunded commitment being valued below par.
- (5) The entire commitment was unfunded at September 30, 2015. As such, no interest is being earned on this investment.

We have committed to fund \$140.0 million of subordinated notes and \$35.0 million of LLC equity interest subscriptions to SLF. The amortized cost, net of principal repayments that are subject to recall, and fair value of the subordinated notes in SLF held by us were \$82.1 million and \$81.3 million, respectively, as of June 30, 2016, and \$76.6 million and \$76.6 million, respectively, as of September 30, 2015. The subordinated notes pay a weighted average interest rate of three-month LIBOR plus 8.0%. For the three and nine months ended June 30, 2016, we earned interest income of \$1.8 million and \$5.2 million, respectively, on the subordinated notes. For the three and nine months ended June 30, 2015, we earned interest income of \$1.1 million and \$2.3 million, respectively, on the subordinated notes. As of June 30, 2016 and September 30, 2015, \$31.3 million and \$23.2 million of our LLC equity interest subscriptions to SLF had been called and contributed, net of return of capital distributions subject to recall.

For the three and nine months ended June 30, 2016, we received \$1.1 million and \$3.0 million, respectively, in dividend income from the SLF LLC equity interests. For the three and nine months ended June 30, 2015, we received \$0.4 million and \$0.7 million, respectively, in dividend income from the SLF LLC equity interests.

For the three and nine months ended June 30, 2016, we earned an annualized total return on our weighted average capital invested in SLF of 12.6% and 7.8%, respectively. For the three and nine months ended June 30, 2015, we earned an annualized total return on our weighted average capital invested in SLF of 8.5% and 8.6%, respectively. The annualized total return on weighted average capital invested is calculated by dividing total income earned on our investments in SLF subordinated notes and LLC equity interests by the combined daily average of our investments in (1) the principal of the SLF subordinated notes and (2) the net asset value of the SLF LLC equity interests.

Below is certain summarized financial information for SLF as of June 30, 2016 and September 30, 2015 and for the three and nine months ended June 30, 2016 and 2015:

	As of June 30, 2016	As of September 30, 2015
	<i>(In thousands)</i>	
<b>Selected Balance Sheet Information:</b>		
Investments, at fair value	\$ 350,565	\$ 317,623
Cash and other assets	6,393	5,772
Receivable from investments sold	785	
Total assets	\$ 357,743	\$ 323,395



Edgar Filing: Golub Capital BDC, Inc. - Form 497

Senior credit facility	\$ 231,550	\$ 212,300
Unamortized debt issuance costs <sup>(1)</sup>	(1,336 )	(2,464 )
Other liabilities	599	489
Total liabilities	230,813	210,325
Subordinated notes and members' equity	126,930	113,070
Total liabilities and members' equity	\$ 357,743	\$ 323,395

S-42

---

TABLE OF CONTENTS

On October 1, 2015, SLF adopted ASU 2015-03 which requires that debt issuance costs related to a recognized (1) debt liability to be presented on the balance sheet as a direct deduction from the carrying amount of the debt liability rather than as an asset. Adoption of ASU 2015-03 requires the changes to be applied retrospectively.

	Three months ended June 30, 2016		Nine months ended June 30, 2015	
	2016	2015	2016	2015
	<i>(In thousands)</i>		<i>(In thousands)</i>	
<b>Selected Statement of Operations Information:</b>				
Interest income	\$5,695	\$3,091	\$16,699	\$6,732
Fee income			22	4
Total investment income	5,695	3,091	16,721	6,736
Interest expense	4,016	2,162	11,775	4,678
Administrative service fee	127	70	327	166
Other expenses	35	29	110	77
Total expenses	4,178	2,261	12,212	4,921
Net investment income	1,517	830	4,509	1,815
Net realized gain (loss) on investments		9	(430 )	9
Net change in unrealized appreciation (depreciation) on investments, subordinated notes and secured borrowings	591	(383 )	(1,505 )	(755 )
Net increase (decrease) in net assets	\$2,108	\$456	\$2,574	\$1,069

SLF has elected to fair value the subordinated notes issued to us and RGA under ASC Topic 825 *Financial Instruments*, or ASC Topic 825. The subordinated notes are valued by calculating the net present value of the future expected cash flow streams using an appropriate risk-adjusted discount rate model. For each of the three and nine months ended June 30, 2016, SLF recognized an amount less than \$0.1 million in unrealized appreciation and \$1.0 million in unrealized depreciation on the subordinated notes, respectively. SLF did not recognize unrealized appreciation or depreciation on the subordinated notes for each of the three and nine months ended June 30, 2015.

The following table presents the difference between fair value and the aggregate contractual principal amounts of subordinated notes for which the fair value option has been elected as of June 30, 2016 and September 30, 2015:

	As of June 30, 2016 <i>(In thousands)</i>			As of September 30, 2015 <i>(In thousands)</i>		
	Par Value	Carrying Value	Fair Value	Par Value	Carrying Value	Fair Value
Subordinated notes	\$ 93,844	\$ 93,844	\$ 92,906	\$ 87,500	\$ 87,500	\$ 87,500

## Contractual Obligations and Off-Balance Sheet Arrangements

A summary of our significant contractual payment obligations as of June 30, 2016 is as follows:

Payments Due by Period (In millions)				
Total	1	3 Years	3	5 Years

Edgar Filing: Golub Capital BDC, Inc. - Form 497

		Less Than 1 Year			More Than 5 Years
2010 Debt Securitization	\$ 215.0	\$	\$	\$	\$ 215.0
2014 Debt Securitization	246.0				246.0
SBA debentures	255.0			20.0	235.0
Credit Facility	146.1			146.1	
Adviser Revolver					
Unfunded commitments <sup>(1)</sup>	95.0	95.0			
Total contractual obligations <sup>(2)</sup>	\$ 957.1	\$ 95.0	\$	\$ 166.1	\$ 696.0

S-43

---

## TABLE OF CONTENTS

(1) Unfunded commitments represent all amounts unfunded as of June 30, 2016. These amounts may or may not be funded to the borrowing party now or in the future. The unfunded commitments relate to loans with various maturity dates, but we are showing this amount in the less than one year category as this entire amount was eligible for funding to the borrowers as of June 30, 2016, subject to the terms of each loan's respective credit agreement.

(2) Total contractual obligations exclude \$0.3 million of secured borrowings.

We may become a party to financial instruments with off-balance sheet risk in the normal course of our business to meet the financial needs of our portfolio companies. These instruments may include commitments to extend credit and involve, to varying degrees, elements of liquidity and credit risk in excess of the amount recognized in the balance sheet. As of June 30, 2016 and September 30, 2015, we had outstanding commitments to fund investments totaling \$95.0 million and \$121.5 million, respectively. We have commitments of up to \$61.5 million and \$75.2 million to SLF as of June 30, 2016 and September 30, 2015, respectively, that may be contributed primarily for the purpose of funding new investments approved by the SLF investment committee.

We have certain contracts under which we have material future commitments. We have entered into the Investment Advisory Agreement with GC Advisors in accordance with the 1940 Act. Under the Investment Advisory Agreement, GC Advisors provides us with investment advisory and management services.

Under the Administration Agreement, the Administrator furnishes us with office facilities and equipment, provides us with clerical, bookkeeping and record keeping services at such facilities and provides us with other administrative services necessary to conduct our day-to-day operations. The Administrator also provides on our behalf significant managerial assistance to those portfolio companies to which we are required to offer to provide such assistance.

If any of the contractual obligations discussed above are terminated, our costs under any new agreements that we enter into may increase. In addition, we would likely incur significant time and expense in locating alternative parties to provide the services we receive under our Investment Advisory Agreement and our Administration Agreement. Any new investment advisory agreement would also be subject to approval by our stockholders.

## **Distributions**

We intend to make quarterly distributions to our stockholders as determined by our board of directors. For additional details on distributions, see "Income taxes" in Note 2 to our consolidated financial statements.

We may not be able to achieve operating results that will allow us to make distributions at a specific level or to increase the amount of our distributions from time to time. In addition, we may be limited in our ability to make distributions due to the asset coverage requirements applicable to us as a business development company under the 1940 Act. If we do not distribute a certain percentage of our income annually, we will suffer adverse U.S. federal income tax consequences, including the possible loss of our ability to be subject to tax as a RIC. We cannot assure stockholders that they will receive any distributions.

Because federal income tax regulations differ from GAAP, distributions in accordance with tax regulations may differ from net investment income and realized gains recognized for financial reporting purposes. Differences may be permanent or temporary. Permanent differences are reclassified within capital accounts in the financial statements to reflect their tax character. For example, permanent differences in classification may result from the treatment of distributions paid from short-term gains as ordinary income dividends for tax purposes. Temporary differences arise when certain items of income, expense, gain or loss are recognized at some time in the future.

To the extent our taxable earnings fall below the total amount of our distributions for any tax year, a portion of those distributions may be deemed a return of capital to our stockholders for U.S. federal income tax purposes. Thus, the source of a distribution to our stockholders may be the original capital invested by the stockholder rather than our income or gains. Stockholders should read any written disclosure accompanying a dividend payment carefully and should not assume that the source of any distribution is our ordinary income or gains.

S-44

---

## TABLE OF CONTENTS

We have adopted an opt out dividend reinvestment plan for our common stockholders. As a result, if we declare a distribution, our stockholders' cash distributions will be automatically reinvested in additional shares of our common stock unless a stockholder specifically opts out of our dividend reinvestment plan. If a stockholder opts out, that stockholder will receive cash distributions. Although distributions paid in the form of additional shares of our common stock will generally be subject to U.S. federal, state and local taxes in the same manner as cash distributions, stockholders participating in our dividend reinvestment plan will not receive any corresponding cash distributions with which to pay any such applicable taxes.

## **Related Party Transactions**

We have entered into a number of business relationships with affiliated or related parties, including the following:

We entered into an Investment Advisory Agreement with GC Advisors. Each of Mr. Lawrence Golub, our chairman, and Mr. David Golub, our chief executive officer, is a manager of GC Advisors, and each of Messrs. Lawrence Golub and David Golub owns an indirect pecuniary interest in GC Advisors.

The Administrator provides, and other affiliates of Golub Capital have historically provided, us with the office facilities and administrative services necessary to conduct day-to-day operations pursuant to our Administration Agreement.

We have entered into a license agreement with Golub Capital LLC, pursuant to which Golub Capital LLC has granted us a non-exclusive, royalty-free license to use the name Golub Capital.

Under the Staffing Agreement, Golub Capital LLC has agreed to provide GC Advisors with the resources necessary to fulfill its obligations under the Investment Advisory Agreement. The Staffing Agreement provides that Golub Capital LLC will make available to GC Advisors experienced investment professionals and access to the senior investment personnel of Golub Capital LLC for purposes of evaluating, negotiating, structuring, closing and monitoring our investments. The Staffing Agreement also includes a commitment that the members of GC Advisors' investment committee will serve in such capacity. Services under the Staffing Agreement are provided on a direct cost reimbursement basis.

GC Advisors serves as collateral manager to the Securitization Issuers under collateral management agreements and receives a fee for providing these services that is offset against the base management fee payable by us under the Investment Advisory Agreement.

We have entered into the Adviser Revolver with GC Advisors.

During calendar year 2016, the Golub Capital Employee Grant Program Rabbi Trust, or the Trust, purchased approximately \$1.5 million of shares, or 95,035 shares, of the Company, for the purpose of awarding incentive compensation to employees of Golub Capital. During calendar year 2015, the Trust purchased approximately \$16.0 million of shares, or 952,051 shares, of the Company, for the purpose of awarding incentive compensation to employees of Golub Capital. During calendar year 2014, the Trust purchased approximately \$14.5 million of shares, or 835,271 shares, of the Company, for the purpose of awarding incentive compensation to employees of Golub Capital.

GC Advisors also sponsors or manages, and may in the future sponsor or manage, other investment funds, accounts or investment vehicles (together referred to as accounts) that have investment mandates that are similar, in whole and in part, with ours. For example, GC Advisors presently serves as the investment adviser to Golub Capital Investment Corporation, a private business development company that commenced operations on December 31, 2014, which primarily focuses on investing in senior secured and one stop loans. In addition, our officers and directors serve in similar capacities for Golub Capital Investment Corporation. GC Advisors and its affiliates may determine that an investment is appropriate for us and for one or more of those other accounts. In such event, depending on the availability of such investment and other appropriate factors, and pursuant to GC Advisors' allocation policy, GC Advisors or its affiliates may determine that we should invest side-by-side with one or more other accounts. We do

not intend to make any investments if they

S-45

---

## TABLE OF CONTENTS

are not permitted by applicable law and interpretive positions of the SEC and its staff, or if they are inconsistent with GC Advisors' allocation procedures.

In addition, we have adopted a formal code of ethics that governs the conduct of our and GC Advisors' officers, directors and employees. Our officers and directors also remain subject to the duties imposed by both the 1940 Act and the General Corporation Law of the State of Delaware.

## **Critical Accounting Policies**

The preparation of financial statements and related disclosures in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the periods reported.

Actual results could materially differ from those estimates. We have identified the following items as critical accounting policies.

## **Fair Value Measurements**

We value investments for which market quotations are readily available at their market quotations. However, a readily available market value is not expected to exist for many of the investments in our portfolio, and we value these portfolio investments at fair value as determined in good faith by our board of directors under our valuation policy and process.

Valuation methods may include comparisons of the portfolio companies to peer companies that are public, determination of the enterprise value of a portfolio company, discounted cash flow analysis and a market interest rate approach. The factors that are taken into account in fair value pricing investments include: available current market data, including relevant and applicable market trading and transaction comparables; applicable market yields and multiples; security covenants; call protection provisions; information rights; the nature and realizable value of any collateral; the portfolio company's ability to make payments, its earnings and discounted cash flows and the markets in which it does business; comparisons of financial ratios of peer companies that are public; comparable merger and acquisition transactions; and the principal market and enterprise values. When an external event such as a purchase transaction, public offering or subsequent equity sale occurs, we will consider the pricing indicated by the external event to corroborate the private equity valuation. Due to the inherent uncertainty of determining the fair value of investments that do not have a readily available market value, the fair value of the investments may differ significantly from the values that would have been used had a readily available market value existed for such investments and may differ materially from values that may ultimately be received or settled.

Our board of directors is ultimately and solely responsible for determining, in good faith, the fair value of investments that are not publicly traded, whose market prices are not readily available on a quarterly basis or any other situation where portfolio investments require a fair value determination.

With respect to investments for which market quotations are not readily available, our board of directors undertakes a multi-step valuation process each quarter, as described below:

Our quarterly valuation process begins with each portfolio company investment being initially valued by the investment professionals of GC Advisors responsible for credit monitoring.

Preliminary valuation conclusions are then documented and discussed with our senior management and GC Advisors.

The audit committee of our board of directors reviews these preliminary valuations.



At least once annually, the valuation for each portfolio investment is reviewed by an independent valuation firm. The board of directors discusses valuations and determines the fair value of each investment in our portfolio in good faith.

Determination of fair values involves subjective judgments and estimates. Under current auditing standards, the notes to our consolidated financial statements refer to the uncertainty with respect to the possible effect of such valuations, and any change in such valuations, on our consolidated financial statements.

S-46

---

## TABLE OF CONTENTS

We follow ASC Topic 820 for measuring fair value. Fair value is the price that would be received in the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Where available, fair value is based on observable market prices or parameters, or derived from such prices or parameters. Where observable prices or inputs are not available, valuation models are applied. These valuation models involve some level of management estimation and judgment, the degree of which is dependent on the price transparency for the assets or liabilities or market and the assets' or liabilities' complexity. Our fair value analysis includes an analysis of the value of any unfunded loan commitments. Assets and liabilities are categorized for disclosure purposes based upon the level of judgment associated with the inputs used to measure their value. The valuation hierarchical levels are based upon the transparency of the inputs to the valuation of the asset or liability as of the measurement date. The three levels are defined as follows:

Level 1: Inputs are unadjusted, quoted prices in active markets for identical assets or liabilities at the measurement date.

Level 2: Inputs include quoted prices for similar assets or liabilities in active markets and inputs that are observable for the assets or liabilities, either directly or indirectly, for substantially the full term of the assets or liabilities.

Level 3: Inputs include significant unobservable inputs for the assets or liabilities and include situations where there is little, if any, market activity for the assets or liabilities. The inputs into the determination of fair value are based upon the best information available and may require significant management judgment or estimation.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an asset's or a liability's categorization within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. Our assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and we consider factors specific to the asset or liability. We assess the levels of assets and liabilities at each measurement date, and transfers between levels are recognized on the actual date of the event or change in circumstances that caused the transfers. There were no transfers among Level 1, 2 and 3 of the fair value hierarchy for assets and liabilities during the three and nine months ended June 30, 2016 and 2015. The following section describes the valuation techniques used by us to measure different assets and liabilities at fair value and includes the level within the fair value hierarchy in which the assets and liabilities are categorized.

## **Valuation of Investments**

Level 1 investments are valued using quoted market prices. Level 2 investments are valued using market consensus prices that are corroborated by observable market data and quoted market prices for similar assets and liabilities. Level 3 investments are valued at fair value as determined in good faith by our board of directors, based on input of management, the audit committee and independent valuation firms that have been engaged at the direction of our board of directors to assist in the valuation of each portfolio investment without a readily available market quotation at least once during a trailing twelve-month period under a valuation policy and a consistently applied valuation process. This valuation process is conducted at the end of each fiscal quarter, with approximately 25% (based on the number of portfolio companies) of our valuations of debt and equity investments without readily available market quotations subject to review by an independent valuation firm. All investments as of June 30, 2016 and September 30, 2015, with the exception of money market funds included in cash and cash equivalents (Level 1 investments) and investments measured at fair value using the net asset value, were valued using Level 3 inputs of the fair value hierarchy.

When determining fair value of Level 3 debt and equity investments, we may take into account the following factors, where relevant: the enterprise value of a portfolio company, the nature and realizable value of any collateral, the

portfolio company's ability to make payments and its earnings and discounted cash flows, the markets in which the portfolio company does business, comparisons to publicly traded securities, and changes in the interest rate environment and the credit markets generally that may affect the price at which similar investments may be made and other relevant factors. The primary method for determining enterprise value uses a multiple analysis whereby appropriate multiples are applied to the portfolio company's EBITDA. The enterprise value analysis is performed to determine the value of equity investments and to

S-47

---

## TABLE OF CONTENTS

determine if debt investments are credit impaired. If debt investments are credit impaired, we will use the enterprise value analysis or a liquidation basis analysis to determine fair value. For debt investments that are not determined to be credit impaired, we use a market interest rate yield analysis to determine fair value.

In addition, for certain debt investments, we may base our valuation on indicative bid and ask prices provided by an independent third party pricing service. Bid prices reflect the highest price that we and others may be willing to pay. Ask prices represent the lowest price that we and others may be willing to accept. We generally use the midpoint of the bid/ask range as our best estimate of fair value of such investment.

Due to the inherent uncertainty of determining the fair value of Level 3 investments that do not have a readily available market value, the fair value of the investments may differ significantly from the values that would have been used had a ready market existed for such investments and may differ materially from the values that may ultimately be received or settled. Further, such investments are generally subject to legal and other restrictions or otherwise are less liquid than publicly traded instruments. If we were required to liquidate a portfolio investment in a forced or liquidation sale, we may realize significantly less than the value at which such investment had previously been recorded.

Our investments are subject to market risk. Market risk is the potential for changes in the value due to market changes. Market risk is directly impacted by the volatility and liquidity in the markets in which the investments are traded.

## **Valuation of Secured Borrowings**

We have elected the fair value option under ASC Topic 825 relating to accounting for debt obligations at their fair value for our secured borrowings which arose due to partial loan sales which did not meet the criteria for sale treatment under ASC Topic 860. All secured borrowings as of June 30, 2016 and September 30, 2015 were valued using Level 3 inputs under the fair value hierarchy, and our approach to determining fair value of Level 3 secured borrowings is consistent with our approach to determining fair value of the Level 3 investments that are associated with these secured borrowings as previously described.

## **Valuation of Other Financial Assets and Liabilities**

Fair value of our debt is estimated using Level 3 inputs by discounting remaining payments using comparable market rates or market quotes for similar instruments at the measurement date, if available.

### **Revenue Recognition:**

Our revenue recognition policies are as follows:

*Investments and Related Investment Income:* Interest income is accrued based upon the outstanding principal amount and contractual interest terms of debt investments. Premiums, discounts, and origination fees are amortized or accreted into interest income over the life of the respective debt investment. For investments with contractual PIK interest, which represents contractual interest accrued and added to the principal balance that generally becomes due at maturity, we do not accrue PIK interest if the portfolio company valuation indicates that the PIK interest is not likely to be collectible. In addition, we may generate revenue in the form of amendment, structuring or due diligence fees, fees for providing managerial assistance, consulting fees and prepayment premiums on loans and record these fees as fee income when received. Loan origination fees, original issues discount and market discount or premium are

capitalized, and we accrete or amortize such amounts as interest income. We record prepayment premiums on loans as fee income. Dividend income on preferred equity securities is recorded as dividend income on an accrual basis to the extent that such amounts are payable by the portfolio company and are expected to be collected. Dividend income on common equity securities is recorded on the record date for private portfolio companies or on the ex-dividend date for publicly traded portfolio companies. Distributions received from LLC and limited partnership, or LP, investments are evaluated to determine if the distribution should be recorded as dividend income or a return of capital. Generally, we will not record distributions from equity investments in LLCs and LPs as dividend income unless there are sufficient accumulated tax-basis earnings and profits in the LLC or LP prior to the distribution. Distributions that are classified as a return of capital are recorded as a reduction in the cost basis of the investment.

S-48

---

## TABLE OF CONTENTS

We account for investment transactions on a trade-date basis. Realized gains or losses on investments are measured by the difference between the net proceeds from the disposition and the cost basis of investment, without regard to unrealized gains or losses previously recognized. We report changes in fair value of investments from the prior period that is measured at fair value as a component of the net change in unrealized appreciation (depreciation) on investments in our consolidated statements of operations.

*Non-accrual:* Loans may be left on accrual status during the period we are pursuing repayment of the loan. Management reviews all loans that become past due 90 days or more on principal and interest or when there is reasonable doubt that principal or interest will be collected for possible placement on non-accrual status. We generally reverse accrued interest when a loan is placed on non-accrual. Additionally, any original issue discount and market discount are no longer accreted to interest income as of the date the loan is placed on non-accrual status. Interest payments received on non-accrual loans may be recognized as income or applied to principal depending upon management's judgment. We restore non-accrual loans to accrual status when past due principal and interest are paid and, in our management's judgment, are likely to remain current. The total fair value of our non-accrual loans was \$1.3 million as of June 30, 2016 and \$6.5 million as of September 30, 2015.

*Partial loan sales:* We follow the guidance in ASC Topic 860 when accounting for loan participations and other partial loan sales. Such guidance requires a participation or other partial loan sale to meet the definition of a participating interest, as defined in the guidance, in order for sale treatment to be allowed. Participations or other partial loan sales that do not meet the definition of a participating interest remain on our statements of assets and liabilities and the proceeds are recorded as a secured borrowing until the definition is met. Secured borrowings are carried at fair value to correspond with the related investments, which are carried at fair value.

### **Income taxes:**

See Consolidated Results of Operations Expenses Excise Tax Expense.

## **Quantitative and Qualitative Disclosures about Market Risk**

We are subject to financial market risks, including changes in interest rates. Many of the loans in our portfolio have floating interest rates, and we expect that our loans in the future may also have floating interest rates. These loans are usually based on a floating LIBOR and typically have interest rate reset provisions that adjust applicable interest rates under such loans to current market rates on a quarterly basis. The loans that are subject to floating LIBOR are also subject to a minimum base rate, or floor, that we charge on our loans if the current market rates are below the respective floors. As of June 30, 2016 and September 30, 2015, the weighted average LIBOR floor on the loans subject to floating interest rates was 1.04% and 1.08%, respectively. In addition, the Class A and B 2010 Notes issued as a part of the 2010 Debt Securitization and the Class A-1, A-2 and B 2014 Notes issued as part of the 2014 Debt Securitization have floating interest rate provisions based on three-month LIBOR that resets quarterly and the Credit Facility has a floating interest rate provision based on one-month LIBOR that resets daily. As of June 30, 2016 and September 30, 2015, the weighted average LIBOR floor on the secured borrowings, which reset quarterly, was 1.00% and 1.00%, respectively. We expect that other credit facilities into which we enter in the future may have floating interest rate provisions.

Assuming that the interim and unaudited consolidated statement of financial condition as of June 30, 2016 were to remain constant and that we took no actions to alter our existing interest rate sensitivity, the following table shows the annualized impact of hypothetical base rate changes in interest rates.



TABLE OF CONTENTS

Change in interest rates	Increase (decrease) in interest income (in thousands)	Increase (decrease) in interest expense	Net increase (decrease) in investment income
Down 25 basis points	\$ (206 )	\$ (1,518 )	\$ 1,312
Up 50 basis points	2,246	3,036	(790 )
Up 100 basis points	9,546	6,073	3,473
Up 150 basis points	17,109	9,110	7,999
Up 200 basis points	24,674	12,146	12,528

Although we believe that this analysis is indicative of our sensitivity to interest rate changes as of June 30, 2016, it does not adjust for changes in the credit market, credit quality, the size and composition of the assets in our portfolio and other business developments, including borrowing under the Debt Securitizations and the Credit Facility, or other borrowings, that could affect net increase in net assets resulting from operations, or net income. Accordingly, we can offer no assurances that actual results would not differ materially from the analysis above.

We may in the future hedge against interest rate fluctuations by using standard hedging instruments such as interest rate swaps, futures, options and forward contracts to the limited extent permitted under the 1940 Act and applicable commodities laws. While hedging activities may insulate us against adverse changes in interest rates, they may also limit our ability to participate in the benefits of lower interest rates with respect to the investments in our portfolio with fixed interest rates.

S-50



TABLE OF CONTENTS**PRICE RANGE OF COMMON STOCK**

Our common stock began trading on April 15, 2010 and is currently traded on The NASDAQ Global Select Market under the symbol GBDC. The following table lists the high and low closing sale price for our common stock, the closing sale price as a percentage of net asset value, or NAV, and quarterly distributions per share since October 1, 2013.

Period	NAV <sup>(1)</sup>	Closing Sales Price		Premium of High Sales Price to NAV <sup>(2)</sup>	Premium (Discount) of Low Sales Price to NAV <sup>(2)</sup>	Dividends and Distributions Declared
		High	Low			
<b>Fiscal year ending September 30, 2016</b>						
Fourth quarter (through August 15, 2016)	N/A	\$19.04	\$18.18	N/A	N/A	\$0.32 <sup>(3)</sup>
Third quarter	\$15.88	\$18.08	\$16.84	13.9 %	6.0 %	\$0.32
Second quarter	\$15.85	\$17.38	\$15.23	9.7 %	(3.9)%	\$0.32
First quarter	\$15.89	\$17.47	\$16.12	9.9 %	1.4 %	\$0.32
<b>Fiscal year ended September 30, 2015</b>						
Fourth quarter	\$15.80	\$17.13	\$15.90	8.4 %	0.6 %	\$0.32
Third quarter	\$15.74	\$17.90	\$16.56	13.7 %	5.2 %	\$0.32
Second quarter	\$15.61	\$18.04	\$17.05	15.6 %	9.2 %	\$0.32
First quarter	\$15.55	\$18.15	\$16.15	16.7 %	3.9 %	\$0.32
<b>Fiscal year ended September 30, 2014</b>						
Fourth quarter	\$15.55	\$17.80	\$15.95	14.5 %	2.6 %	\$0.32
Third quarter	\$15.44	\$17.97	\$15.94	16.4 %	3.2 %	\$0.32
Second quarter	\$15.41	\$19.26	\$17.64	25.0 %	14.5 %	\$0.32
First quarter	\$15.23	\$19.11	\$16.74	25.5 %	9.9 %	\$0.32

NAV per share is determined as of the last day in the relevant quarter and therefore may not reflect the NAV per (1) share on the date of the high and low closing sales prices. The NAVs shown are based on outstanding shares at the end of each period.

(2) Calculated as of the respective high or low closing sales price divided by the quarter end NAV.

(3) On August 3, 2016, our board of directors declared a quarterly distribution of \$0.32 per share payable on September 29, 2016 to holders of record as of September 5, 2016.

Shares of business development companies may trade at a market price that is less than the NAV that is attributable to those shares. Our NAV per share was \$15.88 as of June 30, 2016. The closing sales price of our shares on The NASDAQ Global Select Market on June 30, 2016 was \$18.07, which represented a premium to NAV of 13.8%. The possibility that our shares of common stock will trade at a discount from NAV or at a premium that is unsustainable over the long term is separate and distinct from the risk that our NAV will decrease. It is not possible to predict whether our shares will trade at, above or below NAV in the future.

Edgar Filing: Golub Capital BDC, Inc. - Form 497

On August 15, 2016, the last reported closing price of our common stock was \$18.72 per share. As of August 12, 2016, we had 301 stockholders of record.

S-51

---

TABLE OF CONTENTS

## UNDERWRITING

We are offering the common stock described in this prospectus supplement and the accompanying prospectus through Wells Fargo Securities, LLC, which is acting as sole book-running manager and underwriter. We have entered into an underwriting agreement with the underwriter. Subject to the terms and conditions of the underwriting agreement, we have agreed to sell to the underwriter, and the underwriter has agreed to purchase, 1,750,000 shares of our common stock at the public offering price less the underwriting discounts and commissions set forth on the cover page of this prospectus supplement.

The underwriter is committed to purchase all of the shares of common stock offered by us if it purchases any common stock. The underwriting agreement also provides that if the underwriter defaults, this offering may be terminated.

We, GC Advisors and the Administrator have agreed to indemnify the underwriter against certain liabilities, including liabilities under the Securities Act.

The underwriter proposes to offer the shares of common stock directly to the public at the public offering price set forth on the cover page of this prospectus supplement and to certain dealers at that price less a concession not in excess of \$0.342 per share. After the public offering of the shares, the offering price and other selling terms may be changed by the underwriter. Sales of shares made outside of the United States may be made by affiliates of the underwriter.

Mr. John T. Baily, one of our directors, has agreed to purchase an aggregate of 8,250 shares in this offering at the public offering price per share.

## Option

The underwriter has an option to buy up to 262,500 additional shares of common stock from us. The underwriter has 30 days from the date of this prospectus supplement to exercise this option. If any additional shares of common stock are purchased, the underwriter will offer the additional shares on the same terms as those on which the shares are being offered.

## Commissions and Discounts

The underwriting fee is equal to the public offering price per share of common stock less the amount paid by the underwriter to us per share of common stock. The underwriting fee is \$0.57 per share. The following table shows the public offering price, underwriting discounts and commissions to be paid to the underwriter and proceeds to us before expenses, on a per share of common stock and total basis, assuming both no exercise and full exercise of the underwriter's option to purchase additional shares of our common stock.

	Per Share		Total	
	Without Option	With Option	Without Option	With Option
Public offering price	\$ 18.35	\$ 18.35	\$ 32,112,500	\$ 36,929,375
Sales load (underwriting discounts and commissions)	\$ 0.57	\$ 0.57	\$ 997,500	\$ 1,147,125
Proceeds before expenses	\$ 17.78	\$ 17.78	\$ 31,115,000	\$ 35,782,250

We estimate that the total expenses of this offering, including registration, filing and listing fees, printing fees and legal and accounting expenses, but excluding the underwriting discounts and commissions, will be approximately \$255,000, or approximately \$0.15 per share excluding the underwriter's option to purchase additional shares of our common stock and approximately \$0.13 per share including the underwriter's option to purchase additional shares of our common stock. All of these offering expenses will be borne indirectly by investors in this offering and, therefore, immediately reduce the net asset value of each investor's shares. The underwriter will reimburse us for certain other expenses related to this offering.

S-52

---

TABLE OF CONTENTS

## **Lock-Up Agreements**

During the period from the date of this prospectus supplement continuing through the date 45 days after the date of this prospectus supplement, we, GC Advisors, the Administrator, our officers and directors, and Golub Capital and certain of its affiliates have agreed with the underwriter, subject to certain exceptions, not to:

- (1) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of any shares of our common stock or preferred stock or other capital stock or any securities convertible into or exercisable or exchangeable for common stock or preferred stock or other capital stock, whether now owned or hereafter acquired, or enter into any swap or other agreement, arrangement or transaction that transfers to another, in whole or in part,
- (2) directly or indirectly, any of the economic consequences of ownership of any common stock or preferred stock or other capital stock or any securities convertible into or exercisable or exchangeable for any common stock or preferred stock or other capital stock.

In addition, during the period from the date of this prospectus supplement continuing through the date 45 days after the date of this prospectus supplement, we have agreed with the underwriter not to file or cause the filing of any registration statement under the Securities Act with respect to any common stock or other capital stock or any securities convertible into or exercisable or exchangeable for our capital stock or our common stock.

## **Price Stabilizations and Short Positions**

In connection with this offering, the underwriter may purchase and sell shares of common stock in the open market. These transactions may include short sales, covering transactions and stabilizing transactions. Short sales involve sales by the underwriter of common stock in excess of the number of securities required to be purchased by the underwriter in the offering, which creates a short position. Covered short sales are sales of securities made in an amount up to the number of securities represented by the underwriter's option to purchase up to 262,500 shares of our common stock.

Transactions to close out the covered short involve either purchases of such securities in the open market after the distribution has been completed or the exercise of the underwriter's option to purchase additional shares of our common stock. In determining the source of securities to close out the covered short position, the underwriter may consider the price of securities available for purchase in the open market as compared to the price at which it may purchase securities through the option. The underwriter may also make naked short sales, or sales in excess of the option. The underwriter must close out any naked short position by purchasing securities in the open market. A naked short position is more likely to be created if the underwriter is concerned that there may be downward pressure on the price of the securities in the open market after pricing that could adversely affect investors who purchase in this offering. Stabilizing transactions consist of bids for or purchases of securities in the open market while this offering is in progress for the purpose of fixing or maintaining the price of the securities.

The underwriter also may impose a penalty bid. Penalty bids permit the underwriter to reclaim a selling concession from an underwriter or syndicate member when the underwriter repurchases securities originally sold by the underwriter or syndicate member in order to cover syndicate short positions or make stabilizing purchases.

Any of these activities may have the effect of raising or maintaining the market price of the securities or preventing or retarding a decline in the market price of the securities. As a result, the price of the securities may be higher than the price that might otherwise exist in the open market. The underwriter may conduct these transactions on the NASDAQ Global Select Market or otherwise. Neither we nor the underwriter makes any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of our securities. In addition, neither we nor the underwriter makes any representation that the underwriter will engage in these

transactions. If the underwriter commences any of these transactions, it may discontinue them at any time.

In connection with this offering, the underwriter may engage in passive market making transactions in our securities on the NASDAQ Global Select Market in accordance with Rule 103 of Regulation M under the

S-53

---

## TABLE OF CONTENTS

Exchange Act during a period before the commencement of offers or sales of securities and extending through the completion of distribution. A passive market maker must display its bid at a price not in excess of the highest independent bid of that security. However, if all independent bids are lowered below the passive market maker's bid, that bid must then be lowered when specified purchase limits are exceeded. Passive market making may cause the price of our common stock to be higher than the price that otherwise would exist in the open market in the absence of those transactions. The underwriter is not required to engage in passive market making and may end passive market making activities at any time.

## **Electronic Delivery**

The underwriter may make this prospectus supplement and accompanying prospectus available in an electronic format. The prospectus supplement and accompanying prospectus in electronic format may be made available on a website maintained by the underwriter, and the underwriter may distribute such documents electronically. The underwriter may agree with us to allocate a limited number of securities for sale to its online brokerage customers. Any such allocation for online distributions will be made by the underwriter on the same basis as other allocations.

## **Additional Relationships**

The underwriter and its affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services.

The underwriter and its affiliates have from time to time performed and may in the future perform various commercial banking, financial advisory and investment banking services for us and our affiliates for which they have received or will receive customary compensation. Wells Fargo Securities, LLC acted as an underwriter in our initial public offering, which was completed in April 2010 and our subsequent public offerings, the most recent of which were completed in March 2014 and April 2015, and received customary underwriting discounts and commissions. Wells Fargo Securities, LLC also served as initial purchaser for the Class A 2010 Notes and the Class B 2010 Notes sold in the 2010 Debt Securitization and the amendment to the 2010 Debt Securitization for which it received structuring and placement fees of \$1.74 million and \$0.75 million, respectively, with respect to the Class A 2010 Notes and a structuring fee of \$50,000 and \$0, respectively, with respect to the Class B 2010 Notes. Wells Fargo Securities, LLC also served as initial purchaser for the Class A 2014 Notes and the Class B 2014 Notes sold in the 2014 Debt Securitization for which it received structuring and placement fees of \$1.8 million. Additionally, on July 21, 2011, Funding, our wholly owned subsidiary, entered into the Credit Facility with Wells Fargo Securities, LLC, as administrative agent, and Wells Fargo Bank, N.A., as lender, collateral agent, account bank and collateral custodian. We may use a portion of the net proceeds from this offering to repay amounts outstanding under the Credit Facility, and Wells Fargo Securities, LLC and its affiliates may receive a part of such proceeds by reason of repayment of certain amounts outstanding under the Credit Facility. On June 5, 2013, Wells Fargo Bank, N.A. entered into a custodial agreement with SLF to act as custodian for assets of SLF. SLF II, a wholly owned subsidiary of SLF, entered into a senior secured revolving credit facility with Wells Fargo Securities, LLC, as the administrative agent, and Wells Fargo Bank, N.A., as lender, collateral agent, account bank and collateral custodian. Golub Capital Employee Grant Program Rabbi Trust, a trust organized for the purpose of awarding equity incentive compensation to employees of Golub Capital, purchased \$1.0 million of shares in February 2014 in a block trade at a price of \$18.40 per share. An affiliate of Wells Fargo Securities, LLC serves as trustee of Golub Capital Employee Grant Program Rabbi Trust and receives customary fees in connection with its role as trustee.

In addition the underwriter or its affiliates may execute transactions with or on behalf of Golub Capital. The underwriter or its affiliates may act as arrangers, underwriters or placement agents for companies whose securities are sold to Golub Capital. The underwriter or its affiliates may also trade in our securities, securities of our portfolio companies or other financial instruments related thereto for their own accounts or for the account of others and may extend loans or financing directly or through derivative transactions to Golub Capital or any of the portfolio companies.

S-54

---



## TABLE OF CONTENTS

We may purchase securities of third parties from the underwriter or its affiliates after the offering. However, we have not entered into any agreement or arrangement regarding the acquisition of any such securities, and we may not purchase any such securities. We would only purchase any such securities if, among other things, we identified securities that satisfied our investment needs and completed our due diligence review of such securities.

After the date of this prospectus supplement, the underwriter and its affiliates may from time to time obtain information regarding specific portfolio companies or us that may not be available to the general public. Any such information is obtained by the underwriter and its affiliates in the ordinary course of their business and not in connection with the offering of the common stock. In addition, after the offering period for the sale of our common stock, the underwriter or its affiliates may develop analyses or opinions related to Golub Capital or our portfolio companies and buy or sell interests in one or more of our portfolio companies on behalf of their proprietary or client accounts and may engage in competitive activities. There is no obligation on behalf of these parties to disclose their respective analyses, opinions or purchase and sale activities regarding any portfolio company or regarding Golub Capital to our stockholders.

The principal business address of the underwriter is: Wells Fargo Securities, LLC, 550 South Tryon Street, Charlotte, North Carolina 28299.

## **Sales Outside the United States**

No action has been taken in any jurisdiction (except in the United States) that would permit a public offering of our common stock, or the possession, circulation or distribution of this prospectus supplement or accompanying prospectus or any other material relating to us or the common stock in any jurisdiction where action for that purpose is required. Accordingly, our common stock may not be offered or sold, directly or indirectly, and none of this prospectus supplement, the accompanying prospectus or any other offering material or advertisements in connection with our common stock may be distributed or published, in or from any country or jurisdiction except in compliance with any applicable rules and regulations of any such country or jurisdiction.

The underwriter may arrange to sell our common stock offered hereby in certain jurisdictions outside the United States, either directly or through affiliates, where it is permitted to do so.

## **Notice to Prospective Investors in Australia**

No placement document, prospectus, product disclosure statement or other disclosure document has been lodged with the Australian Securities and Investments Commission (ASIC), in relation to the offering. This prospectus does not constitute a prospectus, product disclosure statement or other disclosure document under the Corporations Act 2001 (the Corporations Act), and does not purport to include the information required for a prospectus, product disclosure statement or other disclosure document under the Corporations Act.

Any offer in Australia of the shares may only be made to persons (the Exempt Investors) who are sophisticated investors (within the meaning of section 708(8) of the Corporations Act), professional investors (within the meaning of section 708(11) of the Corporations Act), or otherwise pursuant to one or more exemptions contained in section 708 of the Corporations Act so that it is lawful to offer the shares without disclosure to investors under Chapter 6D of the Corporations Act.

The shares applied for by Exempt Investors in Australia must not be offered for sale in Australia in the period of twelve months after the date of allotment under the offering, except in circumstances where disclosure to investors

under Chapter 6D of the Corporations Act would not be required pursuant to an exemption under section 708 of the Corporations Act or otherwise or where the offer is pursuant to a disclosure document which complies with Chapter 6D of the Corporations Act. Any person acquiring shares must observe such Australian on-sale restrictions.

This prospectus contains general information only and does not take account of the investment objectives, financial situation or particular needs of any particular person. It does not contain any securities recommendations or financial product advice. Before making an investment decision, investors need to consider whether the information in this prospectus is appropriate to their needs, objectives and circumstances, and, if necessary, seek expert advice on those matters.

S-55

---

TABLE OF CONTENTS

## LEGAL MATTERS

Certain legal matters regarding the securities offered by this prospectus supplement will be passed upon for us by Dechert LLP, Washington, D.C. Dechert LLP has from time to time represented GC Advisors and the underwriter on unrelated matters. Certain legal matters in connection with the securities offered hereby will be passed upon for the underwriter by Fried, Frank, Harris, Shriver & Jacobson LLP, New York, New York.

## INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The consolidated financial statements as of and for the year ended September 30, 2015 and the effectiveness of internal control over financial reporting appearing in this prospectus supplement and the registration statement have been audited by RSM US LLP, an independent registered public accounting firm located at One South Wacker Drive, Suite 800, Chicago, IL 60606, as stated in their reports appearing elsewhere herein, and are included in reliance upon such reports and upon the authority of such firm as experts in accounting and auditing. RSM US LLP was our independent registered public accounting firm until November 17, 2015. Our current independent registered public accounting firm, Ernst & Young LLP, is located at 155 North Wacker Drive, Chicago, IL 60606.

## AVAILABLE INFORMATION

We have filed with the SEC a registration statement on Form N-2, together with all amendments and related exhibits, under the Securities Act, with respect to our shares of common stock offered by this prospectus supplement and the accompanying prospectus. The registration statement contains additional information about us and our shares of common stock being offered by this prospectus supplement and the accompanying prospectus.

We file with or submit to the SEC annual, quarterly and current reports, proxy statements and other information meeting the informational requirements of the Exchange Act. You may inspect and copy these reports, proxy statements and other information, as well as the registration statement and related exhibits and schedules, at the SEC's Public Reference Room at 100 F Street, NE, Washington, D.C. 20549-0102. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. We maintain a website at [www.golubcapitalbdc.com](http://www.golubcapitalbdc.com) and make all of our annual, quarterly and current reports, proxy statements and other publicly filed information available, free of charge, on or through our website. Information contained on our website is not incorporated into this prospectus supplement and the accompanying prospectus, and you should not consider information on our website to be part of this prospectus supplement and the accompanying prospectus. You may also obtain such information by contacting us in writing at 150 South Wacker Drive, Suite 800, Chicago, IL 60606, Attention: Investor Relations. The SEC maintains a website that contains reports, proxy statements and other information we file with the SEC at [www.sec.gov](http://www.sec.gov). Copies of these reports, proxy statements and other information may also be obtained, after paying a duplicating fee, by electronic request at the following e-mail address: [publicinfo@sec.gov](mailto:publicinfo@sec.gov), or by writing the SEC's Public Reference Section, 100 F Street, N.E., Washington, D.C. 20549-0102.

TABLE OF CONTENTS

# INDEX TO FINANCIAL STATEMENTS

	Page
<u>Consolidated Statements of Financial Condition as of June 30, 2016 (unaudited) and September 30, 2015</u>	<u>SF-2</u>
<u>Consolidated Statements of Operations for the three and nine months ended June 30, 2016 (unaudited) and 2015 (unaudited)</u>	<u>SF-3</u>
<u>Consolidated Statements of Changes in Net Assets for the nine months ended June 30, 2016 (unaudited) and 2015 (unaudited)</u>	<u>SF-5</u>
<u>Consolidated Statements of Cash Flows for the nine months ended June 30, 2016 (unaudited) and 2015 (unaudited)</u>	<u>SF-6</u>
<u>Consolidated Schedules of Investments as of June 30, 2016 (unaudited) and September 30, 2015</u>	<u>SF-7</u>
<u>Notes to Consolidated Financial Statements (unaudited)</u>	<u>SF-36</u>

SF-1

---

TABLE OF CONTENTS**Golub Capital BDC, Inc. and Subsidiaries****Consolidated Statements of Financial Condition***(In thousands, except share and per share data)*

	June 30, 2016 (unaudited)	September 30, 2015
<b>Assets</b>		
Investments, at fair value		
Non-controlled/non-affiliate company investments	\$ 1,507,898	\$ 1,425,325
Non-controlled affiliate company investments	9,547	5,523
Controlled affiliate company investments	111,064	98,936
Total investments, at fair value (amortized cost of \$1,610,427 and \$1,517,314, respectively)	1,628,509	1,529,784
Cash and cash equivalents	3,167	5,468
Restricted cash and cash equivalents	58,727	92,016
Interest receivable	5,707	5,700
Other assets	586	458
<b>Total Assets</b>	<b>\$ 1,696,696</b>	<b>\$ 1,633,426</b>
<b>Liabilities</b>		
Debt	\$ 862,050	\$ 813,250
Less unamortized debt issuance costs	6,051	7,624
Debt less unamortized debt issuance costs	855,999	805,626
Secured borrowings, at fair value (proceeds of \$323 and \$351, respectively)	326	355
Interest payable	5,300	2,722
Management and incentive fees payable	11,335	11,754
Payable for open trades	1,949	
Accounts payable and accrued expenses	1,750	2,042
Accrued trustee fees	56	57
<b>Total Liabilities</b>	<b>876,715</b>	<b>822,556</b>
Commitments and contingencies (Note 8)		
<b>Net Assets</b>		
Preferred stock, par value \$0.001 per share, 1,000,000 shares authorized, zero shares issued and outstanding as of June 30, 2016 and September 30, 2015		
Common stock, par value \$0.001 per share, 100,000,000 shares authorized, 51,623,325 and 51,300,193 shares issued and outstanding as of June 30, 2016 and September 30, 2015, respectively	52	51
Paid in capital in excess of par	796,060	790,713
Undistributed net investment income	2,640	4,230
Net unrealized appreciation (depreciation) on investments and secured borrowings	20,747	15,134
Net realized gain (loss) on investments	482	742
<b>Total Net Assets</b>	<b>819,981</b>	<b>810,870</b>
<b>Total Liabilities and Total Net Assets</b>	<b>\$ 1,696,696</b>	<b>\$ 1,633,426</b>

Edgar Filing: Golub Capital BDC, Inc. - Form 497

Number of common shares outstanding	51,623,325	51,300,193
Net asset value per common share	\$ 15.88	\$ 15.80

See Notes to Consolidated Financial Statements.

SF-2

---

TABLE OF CONTENTS**Golub Capital BDC, Inc. and Subsidiaries****Consolidated Statements of Operations (unaudited)***(In thousands, except share and per share data)*

	Three months ended		Nine months ended	
	June 30,		June 30,	
	2016	2015	2016	2015
<b>Investment income</b>				
From non-controlled/non-affiliate company investments:				
Interest income	\$28,752	\$28,782	\$83,641	\$82,388
Dividend income	111	74	393	155
Fee income	60	80	834	883
Total investment income from non-controlled/non-affiliate company investments	28,923	28,936	84,868	83,426
From non-controlled affiliate company investments:				
Interest income	316		337	
Total investment income from non-controlled affiliate company investments	316		337	
From controlled affiliate company investments:				
Interest income	1,799	1,056	5,192	2,258
Dividend income	1,068	418	2,971	732
Total investment income from controlled affiliate company investments	2,867	1,474	8,163	2,990
<b>Total investment income</b>	<b>32,106</b>	<b>30,410</b>	<b>93,368</b>	<b>86,416</b>
<b>Expenses</b>				
Interest and other debt financing expenses	7,019	6,142	20,583	17,853
Base management fee	5,567	5,226	16,286	14,902
Incentive fee	2,311	2,383	4,262	5,712
Professional fees	692	741	2,123	2,210
Administrative service fee	531	575	1,643	1,766
General and administrative expenses	101	138	386	457
<b>Total expenses</b>	<b>16,221</b>	<b>15,205</b>	<b>45,283</b>	<b>42,900</b>
<b>Net investment income before excise tax</b>	<b>15,885</b>	<b>15,205</b>	<b>48,085</b>	<b>43,516</b>
Excise tax			333	
<b>Net investment income after excise tax</b>	<b>15,885</b>	<b>15,205</b>	<b>47,752</b>	<b>43,516</b>
<b>Net gain (loss) on investments and secured borrowings</b>				
Net realized gain (loss) on investments:				
Non-controlled/non-affiliate company investments	(5,416)	(1,746)	(2,982)	4,503
Non-controlled affiliate company investments			2,722	
Net realized gain (loss) on investments	(5,416)	(1,746)	(260)	4,503

See Notes to Consolidated Financial Statements.

SF-3

---



TABLE OF CONTENTS**Golub Capital BDC, Inc. and Subsidiaries****Consolidated Statements of Operations (unaudited) (continued)***(In thousands, except share and per share data)*

	Three months ended June 30,		Nine months ended June 30,	
	2016	2015	2016	2015
Net change in unrealized appreciation (depreciation) on investments:				
Non-controlled/non-affiliate company investments	7,254	4,792	10,203	2,371
Non-controlled affiliate company investments	(253 )	56	(3,052 )	727
Controlled affiliate company investments	818	(19 )	(1,539 )	203
Net change in unrealized appreciation (depreciation) on investments	7,819	4,829	5,612	3,301
Net change in unrealized depreciation (appreciation) on secured borrowings	1		1	1
<b>Net gain (loss) on investments and secured borrowings</b>	2,404	3,083	5,353	7,805
<b>Net increase in net assets resulting from operations</b>	\$ 18,289	\$ 18,288	\$ 53,105	\$ 51,321
<b>Per Common Share Data</b>				
Basic and diluted earnings per common share	\$ 0.35	\$ 0.36	\$ 1.03	\$ 1.06
Dividends and distributions declared per common share	\$ 0.32	\$ 0.32	\$ 0.96	\$ 0.96
Basic and diluted weighted average common shares outstanding	51,513,685	50,491,035	51,399,363	48,262,048

See Notes to Consolidated Financial Statements.

SF-4

TABLE OF CONTENTS

# **Golub Capital BDC, Inc. and Subsidiaries**

## **Consolidated Statements of Changes in Net Assets (unaudited)**

*(In thousands, except share data)*

See Notes to Consolidated Financial Statements.

SF-5

---

TABLE OF CONTENTS**Golub Capital BDC, Inc. and Subsidiaries****Consolidated Statements of Cash Flows (unaudited)***(In thousands)*

	Nine months ended June 30,	
	2016	2015
<b>Cash flows from operating activities</b>		
Net increase in net assets resulting from operations	\$53,105	\$ 51,321
Adjustments to reconcile net increase in net assets resulting from operations to net cash (used in) provided by operating activities:		
Amortization of debt issuance costs	3,227	3,252
Accretion of discounts and amortization of premiums	(5,895 )	(6,076 )
Net realized (gain) loss on investments	260	(4,503 )
Net change in unrealized (appreciation) depreciation on investments	(5,612 )	(3,301 )
Net change in unrealized appreciation (depreciation) on secured borrowings	(1 )	(1 )
Proceeds from (fundings of) revolving loans, net	(2,624 )	(2,865 )
Fundings of investments	(471,480)	(667,096 )
Proceeds from principal payments and sales of portfolio investments	387,316	461,515
PIK interest	(689 )	(748 )
Changes in operating assets and liabilities:		
Interest receivable	(7 )	323
Receivable from investments sold		(4,626 )
Other assets	(128 )	(39 )
Interest payable	2,578	1,406
Management and incentive fees payable	(419 )	231
Payable for open trades	1,949	
Accounts payable and accrued expenses	(292 )	545
Accrued trustee fees	(1 )	7
<b>Net cash (used in) provided by operating activities</b>	<b>(38,713 )</b>	<b>(170,655 )</b>
<b>Cash flows from investing activities</b>		
Net change in restricted cash and cash equivalents	33,289	24,608
<b>Net cash (used in) provided by investing activities</b>	<b>33,289</b>	<b>24,608</b>
<b>Cash flows from financing activities</b>		
Borrowings on debt	288,050	347,350
Repayments of debt	(239,250)	(221,400 )
Capitalized debt issuance costs	(1,654 )	(1,509 )
Repayments on secured borrowings	(29 )	(26 )
Proceeds from shares sold, net of underwriting costs		67,602
Offering costs paid		(350 )
Dividends and distributions paid	(43,994 )	(44,268 )
<b>Net cash (used in) provided by financing activities</b>	<b>3,123</b>	<b>147,399</b>
<b>Net change in cash and cash equivalents</b>	<b>(2,301 )</b>	<b>1,352</b>
<b>Cash and cash equivalents, beginning of period</b>	<b>5,468</b>	<b>5,135</b>
<b>Cash and cash equivalents, end of period</b>	<b>\$3,167</b>	<b>\$ 6,487</b>

**Supplemental information:**

Cash paid during the period for interest	\$14,766	\$13,184
Dividends and distributions declared during the period	49,342	46,566

See Notes to Consolidated Financial Statements.

SF-6

---

TABLE OF CONTENTS**Golub Capital BDC, Inc. and Subsidiaries****Consolidated Schedule of Investments (unaudited)****June 30, 2016***(In thousands)*

	Investment Type	Spread Above Index <sup>(1)</sup>	Interest Rate <sup>(2)</sup>	Maturity Date	Principal/ Par (\$), Shares/ Units <sup>(3)</sup>	Amortized Cost	Percentage of Net Assets	Fair Value
<b>Investments</b>								
<b>Non-controlled/non-affiliate company investments</b>								
<b>Debt investments</b>								
<b>Aerospace and Defense</b>								
ILC Dover, LP	One stop	P + 6.00%	9.50%	03/2019	\$781	\$772	0.1 %	\$630
ILC Dover, LP* #	One stop	P + 6.00%	9.50%	03/2020	17,771	17,623	1.8	15,105
NTS Technical Systems <sup>(4)</sup>	One stop	L + 6.25%	N/A <sup>(5)</sup>	06/2021		(87 )		(35 )
NTS Technical Systems <sup>(4)</sup>	One stop	L + 6.25%	N/A <sup>(5)</sup>	06/2021		(41 )		(28 )
NTS Technical Systems* #	One stop	L + 6.25%	7.25%	06/2021	26,242	25,864	3.2	25,980
Tresys Technology Holdings, Inc.	One stop	L + 6.75%	8.00%	12/2017	525	522	0.1	525
Tresys Technology Holdings, Inc. <sup>(6)</sup>	One stop	L + 6.75%	8.00%	12/2017	3,899	3,845	0.1	1,170
Whitcraft LLC <sup>(4)</sup>	One stop	L + 6.50%	N/A <sup>(5)</sup>	05/2020		(1 )		
Whitcraft LLC*	One stop	L + 6.50%	7.50%	05/2020	13,538	13,431	1.7	13,538
					62,756	61,928	7.0	56,885
<b>Automobile</b>								
American Driveline Systems, Inc.	Senior loan	P + 4.75%	8.25%	03/2020	114	107		104
American Driveline Systems, Inc.*	Senior loan	L + 5.75%	6.75%	03/2020	1,803	1,759	0.2	1,713
American Driveline Systems, Inc.	Senior loan	L + 5.75%	6.75%	03/2020	233	229		233
CH Hold Corp. (Caliber Collision)*#	Senior loan	L + 5.25%	6.25%	11/2019	5,157	5,118	0.6	5,157
Dent Wizard International Corporation*	Senior loan	L + 4.75%	5.75%	04/2020	2,476	2,465	0.3	2,476
K&N Engineering, Inc. <sup>(4)</sup>			N/A <sup>(5)</sup>	07/2019		(3 )		

Edgar Filing: Golub Capital BDC, Inc. - Form 497

	Senior loan	L + 4.25%						
K&N Engineering, Inc.	Senior loan	L + 4.25%	5.25%	07/2019	2,828	2,800	0.4	2,828
K&N Engineering, Inc.	Senior loan	L + 4.25%	5.25%	07/2019	133	122		133
OEConnection LLC <sup>(4)</sup>	Senior loan	L + 5.00%	N/A <sup>(5)</sup>	06/2021		(1 )		(1 )
OEConnection LLC*	Senior loan	L + 5.00%	6.00%	06/2022	4,895	4,769	0.6	4,822
Polk Acquisition Corp.	Senior loan	P + 4.00%	7.50%	06/2022	13	11		12
Polk Acquisition Corp.	Senior loan	L + 5.00%	N/A <sup>(5)</sup>	06/2022				
Polk Acquisition Corp. <sup>(4)</sup>	Senior loan	L + 5.00%	N/A <sup>(5)</sup>	06/2022		(2 )		
Polk Acquisition Corp.*	Senior loan	L + 5.00%	6.00%	06/2022	4,746	4,670	0.6	4,722
T5 Merger Corporation <sup>(4)</sup>	One stop	L + 6.25%	N/A <sup>(5)</sup>	03/2022		(2 )		
T5 Merger Corporation	One stop	L + 6.25%	7.25%	03/2022	2,400	2,360	0.3	2,400
					24,798	24,402	3.0	24,599
<b>Banking</b>								
HedgeServ Holding L.P. <sup>(4)</sup>	One stop	L + 8.00%	N/A <sup>(5)</sup>	02/2019		(5 )		
HedgeServ Holding L.P.* #	One stop	L + 8.00%	7.00% cash/ 2.00% PIK	02/2019	17,440	17,352	2.1	17,440
					17,440	17,347	2.1	17,440
<b>Beverage, Food and Tobacco</b>								
Abita Brewing Co., L.L.C. <sup>(4)</sup>	One stop	L + 5.75%	6.75%	04/2021	4	3		(11 )
Abita Brewing Co., L.L.C.	One stop	L + 5.75%	6.75%	04/2021	8,013	7,884	0.9	7,212
ABP Corporation	Senior loan	P + 3.50%	7.25%	09/2018	209	205		204
ABP Corporation*	Senior loan	L + 4.75%	6.00%	09/2018	4,709	4,675	0.6	4,662
Atkins Nutritionals, Inc* #	One stop	L + 5.00%	6.25%	01/2019	16,873	16,738	2.1	16,873
Atkins Nutritionals, Inc*	One stop	L + 8.50%	9.75%	04/2019	21,636	21,447	2.6	21,636
Benihana, Inc.	One stop	P + 4.25%	7.75%	07/2018	760	727	0.1	760
Benihana, Inc.*	One stop	L + 5.50%	6.75%	01/2019	15,318	15,079	1.9	15,318
C. J. Foods, Inc. <sup>(4)</sup>	One stop	L + 5.50%	N/A <sup>(5)</sup>	05/2019		(6 )		
C. J. Foods, Inc.	One stop	L + 5.50%	6.50%	05/2019	664	657	0.1	664
C. J. Foods, Inc.*			6.50%	05/2019	3,150	3,122	0.4	3,150

One L +  
stop 5.50%

See Notes to Consolidated Financial Statements.

SF-7

---

TABLE OF CONTENTS

**Golub Capital BDC, Inc. and Subsidiaries**

**Consolidated Schedule of Investments  
(unaudited) (continued)**

**June 30, 2016**

***(In thousands)***

See Notes to Consolidated Financial Statements.

SF-8

---



TABLE OF CONTENTS

**Golub Capital BDC, Inc. and Subsidiaries**

**Consolidated Schedule of Investments  
(unaudited) (continued)**

**June 30, 2016**

***(In thousands)***

See Notes to Consolidated Financial Statements.

SF-9

---

TABLE OF CONTENTS

**Golub Capital BDC, Inc. and Subsidiaries**

**Consolidated Schedule of Investments  
(unaudited) (continued)**

**June 30, 2016**

***(In thousands)***

See Notes to Consolidated Financial Statements.

SF-10

---

TABLE OF CONTENTS

**Golub Capital BDC, Inc. and Subsidiaries**

**Consolidated Schedule of Investments  
(unaudited) (continued)**

**June 30, 2016**

***(In thousands)***

See Notes to Consolidated Financial Statements.

SF-11

---

TABLE OF CONTENTS

**Golub Capital BDC, Inc. and Subsidiaries**

**Consolidated Schedule of Investments  
(unaudited) (continued)**

**June 30, 2016**

***(In thousands)***

See Notes to Consolidated Financial Statements.

SF-12

---

TABLE OF CONTENTS

**Golub Capital BDC, Inc. and Subsidiaries**

**Consolidated Schedule of Investments**

**(unaudited) (continued)**

**June 30, 2016**

***(In thousands)***