



HOULIHAN LOKEY

# DIRECT LENDING UPDATE

FALL 2020



# Introduction

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Dear Clients and Friends,

Houlihan Lokey's Portfolio Valuation and Fund Advisory Services team is pleased to present the fall 2020 edition of the Direct Lending Update.

We have included key trends for more than 80 business development companies (BDCs) to help you stay ahead in this constantly evolving industry. We hope you find this update to be informative and that it serves as a valuable resource to you in staying abreast of the market. If there is additional content you would find useful for future updates, please do not hesitate to call or email us with your suggestions. We look forward to staying in touch with you.

Regards,

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# Key Trends

## Private Credit Valuation During the COVID-19 Pandemic<sup>(1)</sup>

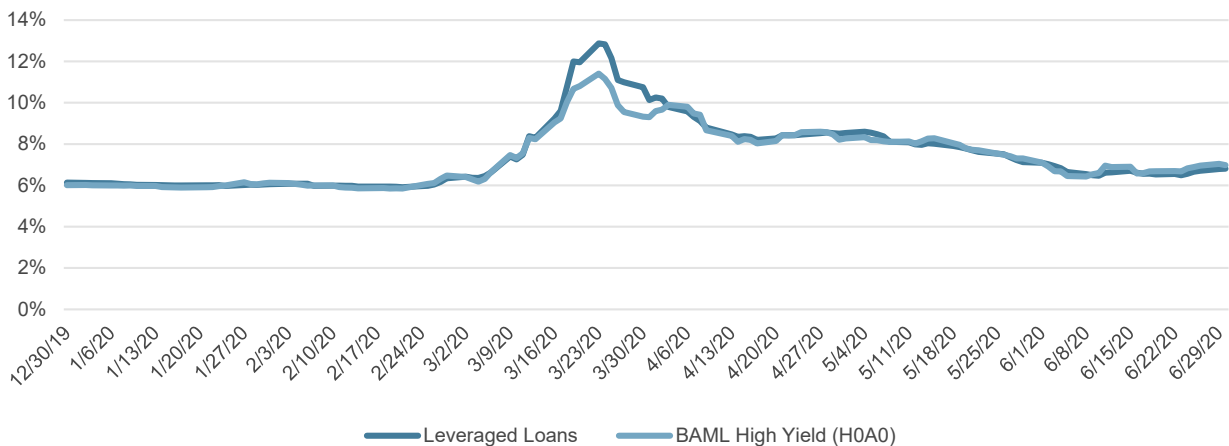
- Q1 2020 was a volatile time in the public credit markets, and with it brought unprecedented valuation challenges for private credit investments. The public credit market dislocation observed during Q1 2020 resulted in substantial widening of spreads for broadly syndicated loan indices and high-yield bond indices. While there was volatility in the private credit market during this same time period, it was more muted.
- Private credit valuation requires professional judgement in balancing market inputs (like public credit spreads and yields) and individual portfolio company information. Historically private credit markets do not always move one-for-one or in the same direction as the public credit markets. We can see this when observing the movement in average yields of BDC portfolios during the height of the market volatility in Q1 2020.
- From Q4 2019 to Q1 2020, the average yield for BDC first lien loans increased 48 basis points from 8.99% to 9.47%. During this same time period, the S&P first lien loan index yield increased 389 basis points from 5.90% to 9.79%.
- From Q4 2019 to Q1 2020, the average yield for BDC second lien loans increased 126 basis points from 10.87% to 12.13%. During this same time period, the S&P second lien loan index yield increased 696 basis points from 13.11% to 20.07%.
- In each case, the change in yield for the BDC investments—which is predominantly composed of private, middle-market, Level 3 loans—was much more muted than the change in the public credit market yields. However, this time period is an extreme example and was very volatile for the public credit market, driven by short-term liquidity issues at the fund level for many asset managers, which only further accelerated the observed market selloff.
- If we look at a less volatile period, from Q1 2020 to Q2 2020, we still observe that changes in private credit market yields (as measured by BDC portfolios) are more muted than the public credit market. From Q1 2020 to Q2 2020, the average yield for BDC first lien loans decreased 49 basis points from 9.47% to 8.98%. During this same time period, the S&P first lien loan index yield decreased 321 basis points from 9.79% to 6.58%.
- From Q1 2020 to Q2 2020, the average yield for BDC second lien loans decreased 82 basis points from 12.13% to 11.31%. During this same time period, the S&P second lien loan index yield decreased 597 basis points from 20.07% to 14.10%. Again, the observed change in yields for the BDC investments was much more muted than that of the public credit market.

## BDC Trends<sup>(1)</sup>

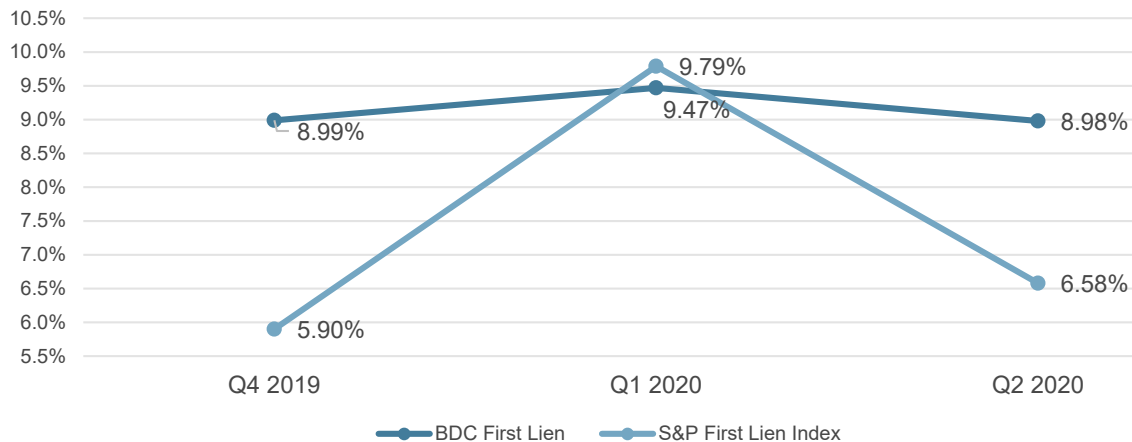
- BDC assets under management grew from \$18.9 billion in Q4 2009 to \$112.0 billion at the end of Q2 2020, an increase of nearly 5x. The number of investments held by BDCs grew from 2,517 to 12,903 over the same period.
- The percentage of BDC assets categorized as nonaccrual was 5.3% as of the end of Q2 2020, representing an increase relative to the past several quarters.
- Average first lien fair value yields were 8.98% as of the end of Q2 2020, down 47 and 49 basis points from Q2 2019 and Q1 2020 yields, respectively. Average second lien fair value yields were 11.31% as of the end of Q2 2020, flat from Q2 2019 and down 82 basis points from Q1 2020.
- As of the end of Q2 2020, portfolio company industries with the highest first lien fair value yields were business services (9.31%); consumer, food, and retail (9.15%); and technology, media, and telecom (9.08%).
- As of the end of Q2 2020, portfolio company industries with the highest second lien fair value yields were energy (13.25%); technology, media, and telecom (12.08%); and industrials (11.92%).

<sup>(1)</sup> Sources for data in these sections are Advantage Data and S&P Capital IQ.

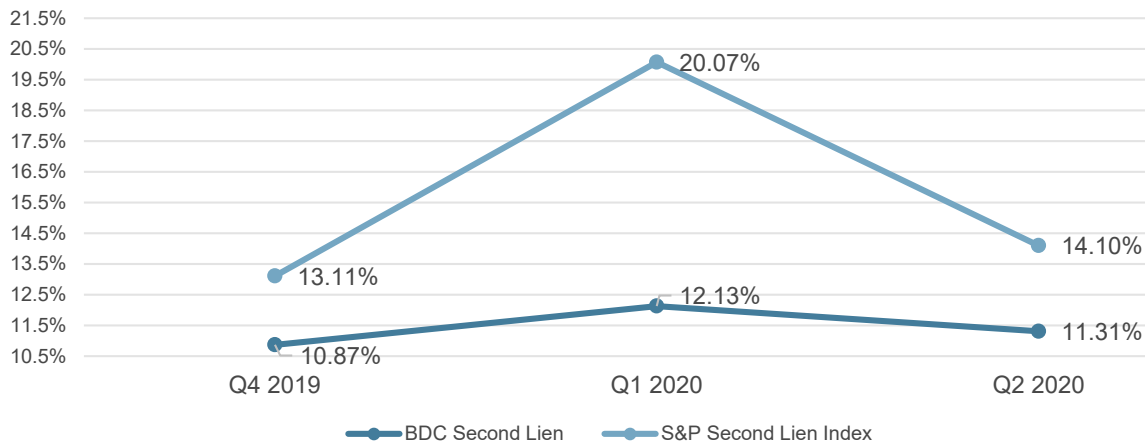
## Public Credit Market Yield to Maturity: Loans<sup>(1)</sup> and Bonds



## First Lien Yields: BDCs vs. S&P Index<sup>(2)</sup>



## Second Lien Yields: BDCs vs. S&P Index<sup>(3)</sup>



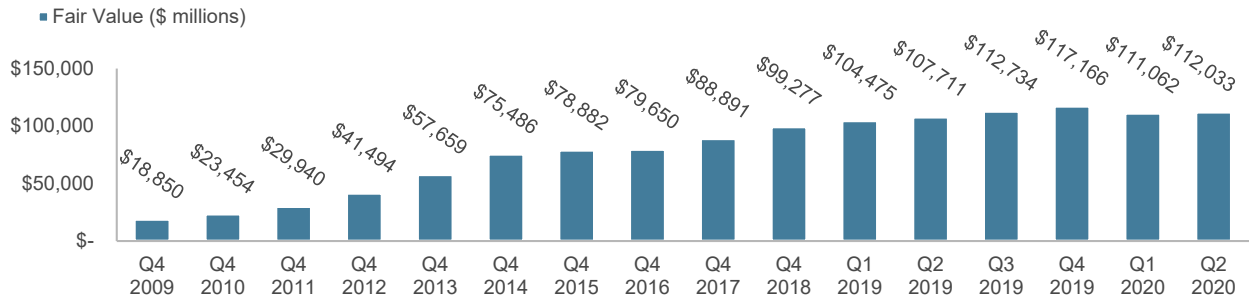
Source: S&P LCD, S&P Capital IQ.

(1) Represents all loans tracked by S&P LCD.

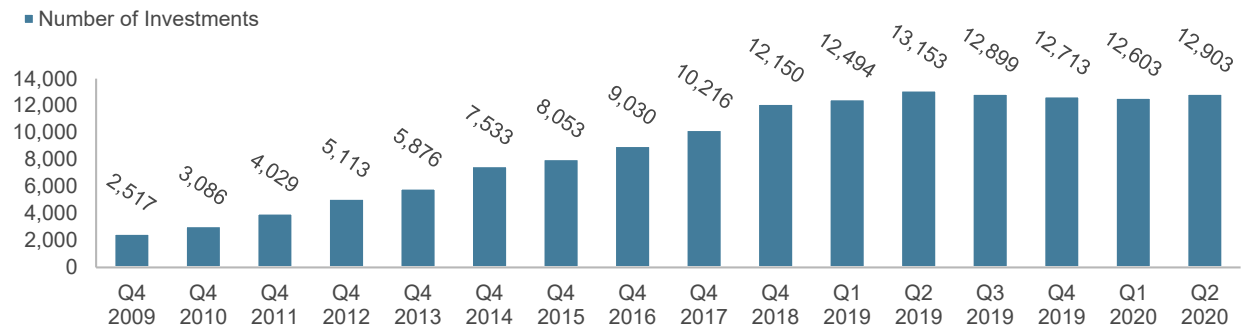
(2) Represents the first lien loans from the S&P leveraged loan index.

(3) Represents the second lien loans from the S&P leveraged loan index.

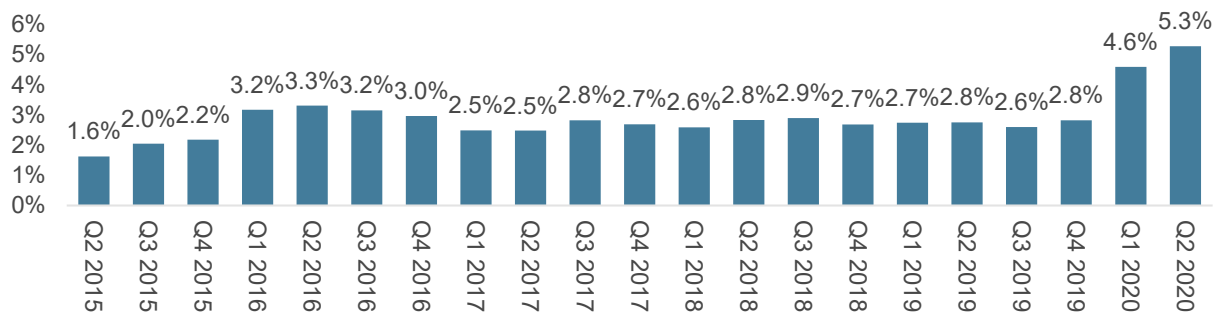
## Fair Value of BDC Portfolios<sup>(1)</sup> (\$ in millions)



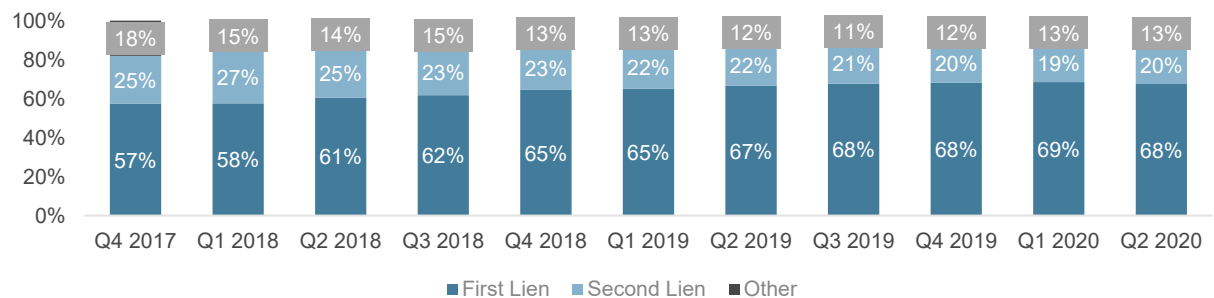
## Total Number of Investments in BDC Portfolios<sup>(2)</sup>



## Nonaccrual Investments as a Percentage of Total Portfolio<sup>(3)</sup>



## BDC Portfolio Composition by Seniority Based on Fair Value<sup>(4)</sup>



Source: Advantage Data.

(1) Reflects the fair value for BDC portfolios tracked by Advantage Data.

(2) Reflects the total number of investments for all BDCs tracked by Advantage Data.

(3) Reflects cost of nonaccrual investments as a percentage of total portfolio cost for BDCs tracked by Advantage Data.

(4) Represents the aggregate composition of all BDC portfolios tracked by Advantage Data.

## Average BDC Fair Value Yields by Seniority<sup>(1)</sup>

|             | Q2 2019 | Q3 2019 | Q4 2019 | Q1 2020 | Q2 2020 | Change From |         |
|-------------|---------|---------|---------|---------|---------|-------------|---------|
|             |         |         |         |         |         | Q2 2019     | Q1 2020 |
| First Lien  | 9.45%   | 9.18%   | 8.99%   | 9.47%   | 8.98%   | -0.47%      | -0.49%  |
| Second Lien | 11.31%  | 11.00%  | 10.87%  | 12.13%  | 11.31%  | 0.00%       | -0.82%  |

## Average BDC Fair Value Yields by Industry—First Lien<sup>(1)</sup>

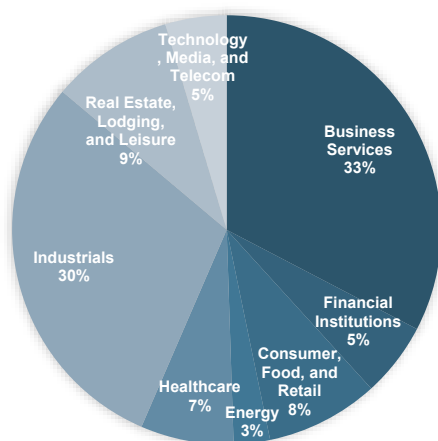
| Industry                          | Q2 2019 | Q3 2019 | Q4 2019 | Q1 2020 | Q2 2020 | Change From |         |
|-----------------------------------|---------|---------|---------|---------|---------|-------------|---------|
|                                   |         |         |         |         |         | Q2 2019     | Q1 2020 |
| Business Services                 | 9.96%   | 9.54%   | 9.45%   | 9.69%   | 9.31%   | -0.65%      | -0.38%  |
| Financial Institutions            | 8.85%   | 8.50%   | 8.32%   | 8.74%   | 8.28%   | -0.57%      | -0.47%  |
| Consumer, Food, and Retail        | 9.39%   | 9.29%   | 9.06%   | 9.50%   | 9.15%   | -0.24%      | -0.36%  |
| Energy                            | 9.27%   | 9.36%   | 8.95%   | 9.99%   | 8.95%   | -0.32%      | -1.04%  |
| Healthcare                        | 9.29%   | 9.00%   | 8.59%   | 9.25%   | 8.43%   | -0.86%      | -0.82%  |
| Industrials                       | 9.31%   | 9.03%   | 8.82%   | 9.53%   | 8.91%   | -0.40%      | -0.62%  |
| Real Estate, Lodging, and Leisure | 8.77%   | 8.50%   | 8.41%   | 9.09%   | 8.61%   | -0.16%      | -0.48%  |
| Technology, Media, and Telecom    | 9.56%   | 9.47%   | 9.01%   | 9.28%   | 9.08%   | -0.48%      | -0.20%  |

## Average BDC Fair Value Yields by Industry—Second Lien<sup>(1)</sup>

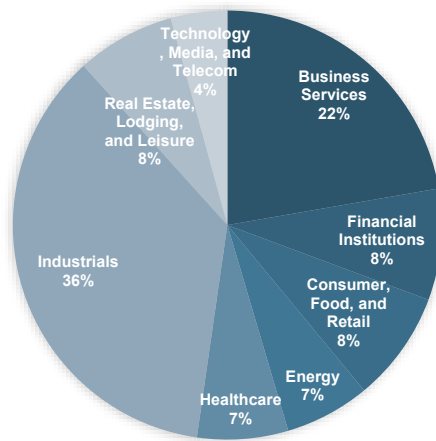
| Industry                          | Q2 2019 | Q3 2019 | Q4 2019 | Q1 2020 | Q2 2020 | Change From |         |
|-----------------------------------|---------|---------|---------|---------|---------|-------------|---------|
|                                   |         |         |         |         |         | Q2 2019     | Q2 2020 |
| Business Services                 | 11.28%  | 11.03%  | 10.62%  | 11.61%  | 10.67%  | -0.61%      | -0.94%  |
| Financial Institutions            | 11.02%  | 10.99%  | 10.37%  | 11.42%  | 10.31%  | -0.71%      | -1.11%  |
| Consumer, Food, and Retail        | 11.76%  | 10.88%  | 11.60%  | 11.55%  | 11.02%  | -0.74%      | -0.53%  |
| Energy                            | 10.85%  | 10.65%  | 11.26%  | 13.48%  | 13.25%  | 2.40%       | -0.24%  |
| Healthcare                        | 11.13%  | 10.91%  | 10.52%  | 12.12%  | 11.63%  | 0.50%       | -0.49%  |
| Industrials                       | 11.33%  | 10.94%  | 11.00%  | 12.58%  | 11.92%  | 0.59%       | -0.67%  |
| Real Estate, Lodging, and Leisure | 11.09%  | 11.29%  | 10.65%  | 12.06%  | 10.85%  | -0.24%      | -1.21%  |
| Technology, Media, and Telecom    | 11.87%  | 11.52%  | 11.24%  | 14.27%  | 12.08%  | 0.21%       | -2.19%  |

## BDC Investments by Industry as of Q2 2020<sup>(2)</sup>

First Lien



Second Lien

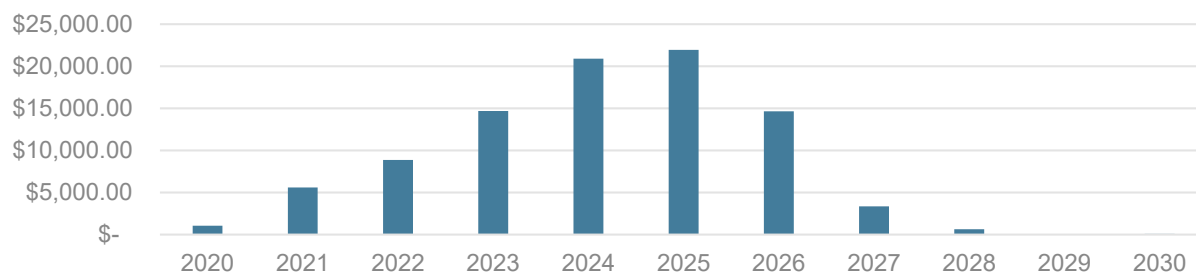


Source: Advantage Data.

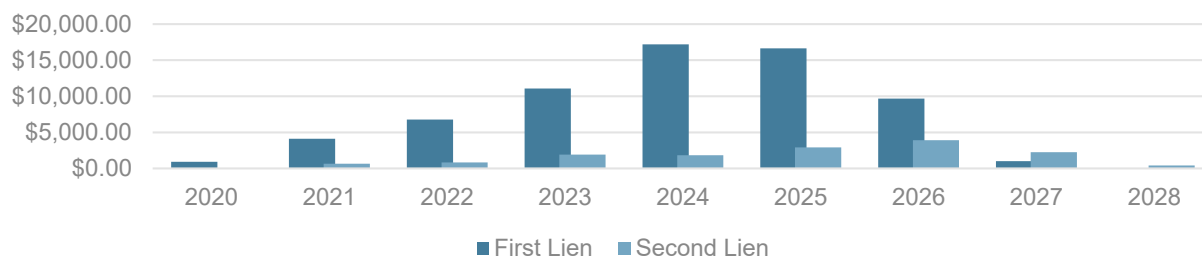
(1) Fair value yield is based off of reported fair value, stated maturity, and stated interest rate. Represents data for all BDCs tracked by Advantage Data. Excludes outliers.

(2) Based on the fair value as of Q2 2020.

## Maturity of LIBOR-Based Debt Securities for BDC Portfolio Companies by Year<sup>(1)</sup> (principal in \$ millions)

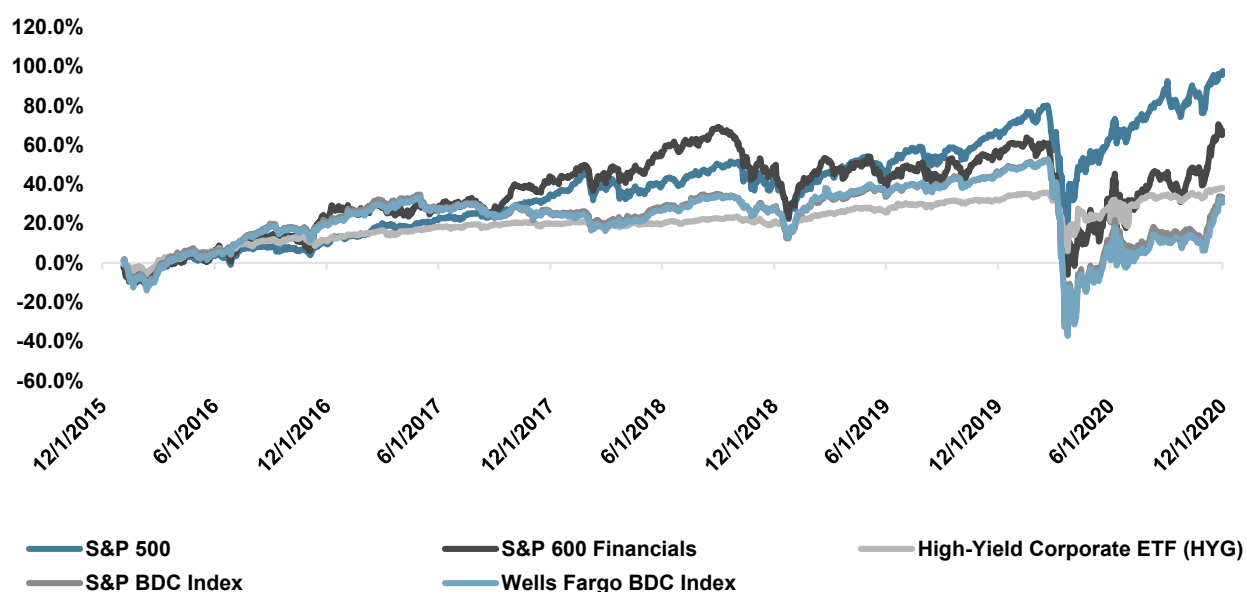


## Debt Maturity for BDC Portfolio Companies by Year<sup>(2)</sup> (principal in \$ millions)



## Cumulative Total Return (%) as of December 1, 2020

|                                | One Year | Five Years |
|--------------------------------|----------|------------|
| S&P 500                        | 18.5%    | 94.6%      |
| S&P 600 Financials             | 7.0%     | 59.4%      |
| High-Yield Corporate ETF (HYG) | 4.5%     | 34.7%      |
| S&P BDC Index                  | -9.7%    | 24.5%      |
| Wells Fargo BDC Index          | -8.7%    | 23.0%      |



Source: Bloomberg.

(1) Represents the principal balance of maturities for debt securities with a LIBOR component for all BDCs tracked by Advantage Data.

(2) Represents the principal balance of maturities for all BDCs tracked by Advantage Data.



# BDC Market Snapshot

(Dollars in millions, except per share data)

| Company Name                           | Ticker | Market Cap. | Price at 12/1/2020 | Price/52-Wk High | LTM Price Change | Price as a Multiple of NAV | LTM ROA | LTM ROE | Div. Yield | Debt/Equity |
|--|--------|-------------|--------------------|------------------|------------------|----------------------------|---------|---------|------------|-------------|
| <b>Large Cap</b>                       |        |             |                    |                  |                  |                            |         |         |            |             |
| Ares Capital Corp.                     | ARCC   | \$ 7,104.28 | \$ 16.81           | 87%              | -9.9%            | 1.02x                      | 4.1%    | 4.3%    | 9.5%       | 1.1x        |
| Owl Rock Capital Corp.                 | ORCC   | \$ 5,225.55 | \$ 13.46           | 70%              | -24.8%           | 0.92x                      | 5.2%    | 6.0%    | 11.6%      | 0.8x        |
| FS KKR Capital Corp. II                | FSKR   | \$ 2,979.01 | \$ 17.51           | 98%              | NM               | 0.71x                      | -6.3%   | -16.0%  | 12.6%      | 0.8x        |
| Golub Capital BDC, Inc.                | GBDC   | \$ 2,365.05 | \$ 14.14           | 76%              | -23.4%           | 0.99x                      | 2.9%    | 2.4%    | 9.1%       | 0.8x        |
| FS KKR Capital Corp.                   | FSK    | \$ 2,253.60 | \$ 18.21           | 71%              | -25.7%           | 0.74x                      | -5.4%   | -16.3%  | 13.2%      | 1.3x        |
| Main Street Capital Corp.              | MAIN   | \$ 2,099.51 | \$ 31.68           | 70%              | -26.5%           | 1.47x                      | 0.6%    | -2.3%   | 7.8%       | 0.8x        |
| Prospect Capital Corp.                 | PSEC   | \$ 2,032.36 | \$ 5.34            | 79%              | -17.1%           | 0.64x                      | 4.8%    | 4.1%    | 13.5%      | 0.7x        |
| Goldman Sachs BDC, Inc.                | GSBD   | \$ 1,889.55 | \$ 18.61           | 83%              | -12.5%           | 1.20x                      | 3.1%    | 1.9%    | 9.7%       | 1.5x        |
| Hercules Capital, Inc.                 | HTGC   | \$ 1,541.47 | \$ 13.54           | 83%              | -3.4%            | 1.31x                      | 7.7%    | 10.7%   | 10.2%      | 1.1x        |
| Sixth Street Specialty Lending, Inc.   | TSXL   | \$ 1,423.57 | \$ 21.05           | 89%              | -2.0%            | 1.25x                      | 9.5%    | 14.4%   | 8.6%       | 0.8x        |
| New Mountain Finance Corp.             | NMFC   | \$ 1,173.55 | \$ 12.12           | 84%              | -11.8%           | 0.99x                      | 3.1%    | 1.2%    | 9.9%       | 1.5x        |
| Mean                                   |        |             |                    | 81%              | -15.7%           | 1.02x                      | 2.7%    | 0.9%    | 10.5%      | 1.02x       |
| <b>Mid Cap</b>                         |        |             |                    |                  |                  |                            |         |         |            |             |
| Oaktree Specialty Lending Corp.        | OCSI   | \$ 790.79   | \$ 5.61            | 99%              | 2.7%             | 0.86x                      | 4.2%    | 4.3%    | 7.5%       | 0.8x        |
| Bain Capital Specialty Finance, Inc.   | BCSF   | \$ 787.01   | \$ 12.19           | 60%              | -38.3%           | 0.75x                      | 2.2%    | -1.0%   | 11.2%      | 1.4x        |
| Solar Capital Ltd.                     | SLRC   | \$ 747.59   | \$ 17.69           | 83%              | -14.2%           | 0.88x                      | 1.2%    | -0.6%   | 9.3%       | 0.6x        |
| Apollo Investment Corp.                | AINV   | \$ 717.85   | \$ 11.00           | 60%              | -37.0%           | 0.71x                      | -1.6%   | -9.8%   | 16.4%      | 1.6x        |
| BlackRock TCP Capital Corp.            | TCPC   | \$ 698.41   | \$ 12.09           | 82%              | -14.0%           | 0.95x                      | 3.7%    | 2.9%    | 9.9%       | 1.3x        |
| TCG BDC, Inc.                          | CGBD   | \$ 626.15   | \$ 11.12           | 77%              | -16.9%           | 0.74x                      | 1.8%    | -0.5%   | 12.3%      | 1.2x        |
| Mean                                   |        |             |                    | 77%              | -19.6%           | 0.82x                      | 1.9%    | -0.8%   | 11.1%      | 1.15x       |
| <b>Small Cap</b>                       |        |             |                    |                  |                  |                            |         |         |            |             |
| Barings BDC, Inc.                      | BBDC   | \$ 418.71   | \$ 8.73            | 82%              | -15.1%           | 0.80x                      | 1.4%    | -0.7%   | 7.3%       | 1.3x        |
| PennantPark Floating Rate Capital Ltd. | PFLT   | \$ 414.47   | \$ 10.69           | 84%              | -12.2%           | 0.87x                      | 4.0%    | 3.8%    | 10.7%      | 1.4x        |
| TriplePoint Venture Growth BDC Corp.   | TPVG   | \$ 401.68   | \$ 13.03           | 89%              | -8.4%            | 0.98x                      | 8.2%    | 9.7%    | 11.1%      | 0.6x        |
| Newtek Business Services Corp.         | NEWT   | \$ 396.65   | \$ 18.21           | 77%              | -19.6%           | 1.20x                      | 6.7%    | 9.8%    | 11.8%      | 1.2x        |
| Fidus Investment Corp.                 | FDUS   | \$ 349.70   | \$ 14.31           | 88%              | -3.6%            | 0.90x                      | 5.5%    | 5.5%    | 8.7%       | 0.9x        |
| Gladstone Investment Corp.             | GAIN   | \$ 334.37   | \$ 10.07           | 66%              | -24.0%           | 0.93x                      | -0.6%   | -4.6%   | 9.2%       | 0.7x        |
| Capital Southwest Corp.                | CSWC   | \$ 322.00   | \$ 17.29           | 77%              | -16.9%           | 1.13x                      | 1.7%    | -2.1%   | 11.8%      | 1.3x        |
| PennantPark Investment Corp.           | PNNT   | \$ 300.36   | \$ 4.48            | 65%              | -31.4%           | 0.57x                      | 1.3%    | -2.9%   | 10.7%      | 1.1x        |
| WhiteHorse Finance, Inc.               | WHF    | \$ 278.40   | \$ 13.55           | 94%              | -1.1%            | 0.93x                      | 5.4%    | 5.7%    | 10.5%      | 0.8x        |
| Gladstone Capital Corp.                | GLAD   | \$ 269.03   | \$ 8.41            | 80%              | -15.3%           | 1.14x                      | 2.2%    | -0.8%   | 9.3%       | 0.9x        |
| Saratoga Investment Corp.              | SAR    | \$ 247.18   | \$ 22.12           | 77%              | -11.3%           | 0.83x                      | 9.6%    | 15.2%   | 7.4%       | 0.9x        |
| SuRo Capital Corp.                     | SSSS   | \$ 240.16   | \$ 12.06           | 81%              | 84.1%            | 0.97x                      | 5.1%    | 7.0%    | 4.1%       | 0.2x        |
| Solar Senior Capital Ltd.              | SUNS   | \$ 236.72   | \$ 14.75           | 81%              | -16.2%           | 0.93x                      | 3.5%    | 5.0%    | 8.1%       | 0.5x        |
| Horizon Technology Finance Corp.       | HRZN   | \$ 231.98   | \$ 12.63           | 92%              | -2.3%            | 1.13x                      | 5.7%    | 5.7%    | 9.5%       | 0.8x        |
| Oaktree Strategic Income Corp.         | OCSI   | \$ 228.07   | \$ 7.74            | 91%              | -5.5%            | 0.86x                      | 1.9%    | -0.5%   | 6.5%       | 1.0x        |
| Stellus Capital Investment Corp.       | SCM    | \$ 217.27   | \$ 11.15           | 74%              | -21.6%           | 0.85x                      | 3.3%    | 2.0%    | 9.0%       | 1.5x        |
| BlackRock Capital Investment Corp.     | BKCC   | \$ 212.60   | \$ 2.94            | 57%              | -40.8%           | 0.69x                      | -14.5%  | -30.6%  | 13.6%      | 1.0x        |
| Monroe Capital Corp.                   | MRCC   | \$ 192.16   | \$ 9.02            | 75%              | -16.9%           | 0.83x                      | 2.5%    | -1.4%   | 11.1%      | 1.4x        |
| Oxford Square Capital Corp.            | OXSQ   | \$ 155.22   | \$ 3.13            | 50%              | -42.5%           | 0.81x                      | -9.6%   | -19.0%  | 13.4%      | 0.6x        |
| MVC Capital, Inc.                      | MVC    | \$ 152.44   | \$ 8.60            | 82%              | -6.2%            | 0.84x                      | -8.2%   | -17.3%  | 7.9%       | 0.5x        |
| OFS Capital Corp.                      | OFS    | \$ 92.37    | \$ 6.89            | 58%              | -38.3%           | 0.62x                      | 2.3%    | -4.4%   | 10.4%      | 2.2x        |
| Great Elm Capital Corp.                | GECC   | \$ 79.55    | \$ 3.62            | 44%              | -53.5%           | 0.66x                      | -5.2%   | -31.5%  | 27.5%      | 1.9x        |
| Portman Ridge Finance Corp.            | PTMN   | \$ 72.00    | \$ 1.63            | 68%              | -23.1%           | 0.57x                      | -1.6%   | -10.8%  | 14.7%      | 1.3x        |
| Medley Capital Corp.                   | MCC    | \$ 71.52    | \$ 26.26           | 58%              | -39.8%           | 0.48x                      | -19.3%  | -49.7%  | 0.0%       | 1.0x        |
| Investcorp Credit Management BDC, Inc. | ICMB   | \$ 69.54    | \$ 5.00            | 65%              | -25.4%           | 0.64x                      | -3.9%   | -16.9%  | 12.6%      | 1.5x        |
| Harvest Capital Credit Corp.           | HCAP   | \$ 35.75    | \$ 6.00            | 64%              | -31.6%           | 0.59x                      | -1.0%   | -7.9%   | 16.0%      | 1.2x        |
| Capitala Finance Corp.                 | CPTA   | \$ 35.73    | \$ 13.18           | 24%              | -74.8%           | 0.33x                      | -5.4%   | -27.7%  | 0.0%       | 2.0x        |
| Firsthand Technology Value Fund, Inc.  | SVVC   | \$ 33.22    | \$ 4.82            | 70%              | -25.0%           | 0.35x                      | -42.5%  | -44.2%  | 0.0%       | NM          |
| Rand Capital Corp.                     | RAND   | \$ 32.29    | \$ 12.50           | 34%              | -48.2%           | 0.65x                      | 6.0%    | 6.7%    | NM         | 0.2x        |
| Princeton Capital Corp.                | PIAC   | \$ 18.07    | \$ 0.15            | 33%              | -57.1%           | 0.84x                      | -45.0%  | -46.4%  | 0.0%       | NM          |
| Equus Total Return, Inc.               | EQS    | \$ 16.09    | \$ 1.19            | 63%              | -34.8%           | 0.43x                      | -16.7%  | -27.2%  | 0.0%       | 0.7x        |
| Mean                                   |        |             |                    | 69%              | -21.9%           | 0.78x                      | -3.1%   | -8.7%   | 9.1%       | 1.06x       |
| High                                   |        |             |                    | 99%              | 84.1%            | 1.47x                      | 9.6%    | 15.2%   | 27.5%      | 2.17x       |
| Mean                                   |        |             |                    | 73%              | -20.3%           | 0.84x                      | -1.2%   | -5.5%   | 9.7%       | 1.06x       |
| Median                                 |        |             |                    | 77%              | -17.1%           | 0.85x                      | 2.2%    | -0.6%   | 9.9%       | 1.01x       |
| Low                                    |        |             |                    | 24%              | -74.8%           | 0.33x                      | -45.0%  | -49.7%  | 0.0%       | 0.15x       |

Source: S&P Capital IQ.

Note: As of December 1, 2020.

NM refers to not meaningful.

ROA = (Net Change in Net Assets + Interest Expense)/Average Net Assets.

ROE = Net Change in Net Assets/Average Equity.



# About Portfolio Valuation and Fund Advisory Services

Houlihan Lokey’s Portfolio Valuation and Fund Advisory Services practice is a leading advisor to many of the world’s largest asset managers, who rely on our strong reputation with regulators, auditors, and investors; private company, structured product, and derivative valuation experience; and independent voice. We value illiquid assets on behalf of hundreds of hedge funds, private equity firms, financial institutions, corporations, and investors. We rapidly mobilize the right team for the job, drawing on our expertise in a wide variety of asset classes and industries along with our real-world transaction experience and market knowledge from our dedicated global Financial and Valuation Advisory business.

## Our Service Areas

|   |  |
|---|--|
| Derivatives Valuation and Risk Management | Fair Valuation for Financial Reporting         |
| Fund Manager Valuation                    | Fund Opinions                                  |
| LIBOR Transition Advisory                 | Portfolio Acquisition and Divestiture Services |
| Securitization and Regulatory Compliance  | Structured Products Valuation Advisory         |
| Valuation Governance and Best Practices   |  |

## Our Office Locations



## HOULIHAN LOKEY



Houlihan Lokey is the trusted advisor to more top decision-makers than any other independent global investment bank.

### Corporate Finance

#### 2019 M&A Advisory Rankings All U.S. Transactions

|   | Advisor            | Deals |
|---|--------------------|-------|
| 1 | Houlihan Lokey     | 184   |
| 2 | Goldman Sachs & Co | 167   |
| 3 | JP Morgan          | 141   |
| 4 | Morgan Stanley     | 122   |
| 5 | Evercore Partners  | 112   |

Source: Refinitiv (formerly known as Thomson Reuters)

**No. 1** U.S. M&A Advisor

**Top 10** Global M&A Advisor

**Leading** Capital Markets Advisor

### Financial Restructuring

#### 2019 Global Distressed Debt & Bankruptcy Restructuring Rankings

|   | Advisor          | Deals |
|---|------------------|-------|
| 1 | Houlihan Lokey   | 76    |
| 2 | PJT Partners Inc | 43    |
| 3 | Moelis & Co      | 36    |
| 4 | Lazard           | 29    |
| 5 | AlixPartners     | 19    |

Source: Refinitiv (formerly known as Thomson Reuters)

**No. 1** Global Investment Banking  
Restructuring Advisor

**1,000+** Transactions Completed  
Valued at More Than  
\$2.5 Trillion Collectively

### Financial and Valuation Advisory

#### 2000 to 2019 Global M&A Fairness Advisory Rankings

|   | Advisor                       | Deals |
|---|-------------------------------|-------|
| 1 | Houlihan Lokey                | 1,057 |
| 2 | JP Morgan                     | 929   |
| 3 | Duff & Phelps                 | 734   |
| 4 | Morgan Stanley                | 621   |
| 5 | Bank of America Merrill Lynch | 612   |

Refinitiv (formerly known as Thomson Reuters). Announced or completed transactions.

**No. 1** Global M&A Fairness  
Opinion Advisor Over the Past  
20 Years

**1,000+** Annual Valuation  
Engagements

### Awards



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