



**Saratoga Investment  
Corp.**

(NYSE: SAR)

**July 2019**

**Q1 FY20**

# Forward Looking Statement / Overview

This presentation contains “forward looking statements” that are subject to risks and uncertainties. Actual outcomes and results could differ materially from those suggested by this presentation due to the impact of many factors beyond the control of Saratoga Investment Corp., including those listed in the "Risk Factors" section of our filings with the Securities and Exchange Commission (“SEC”). Any statement other than a statement of historical fact may constitute a forward looking statement. Any such forward-looking statements are made pursuant to the safe harbor provisions available under applicable securities laws and Saratoga Investment Corp. assumes no obligation to update or revise any such forward-looking statements.

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## Saratoga Investment Corp (“SIC” or the “Fund”)

Exchange: NYSE

Ticker: SAR

## As of July 9, 2019

Market Cap: \$191.1 million

Stock Price: \$23.83

52-Week Trading Range: \$18.60 - \$27.82

Common Stock Outstanding: 8.0 million

Management Ownership: 20%

Total Dividend Payout TTM: \$2.14

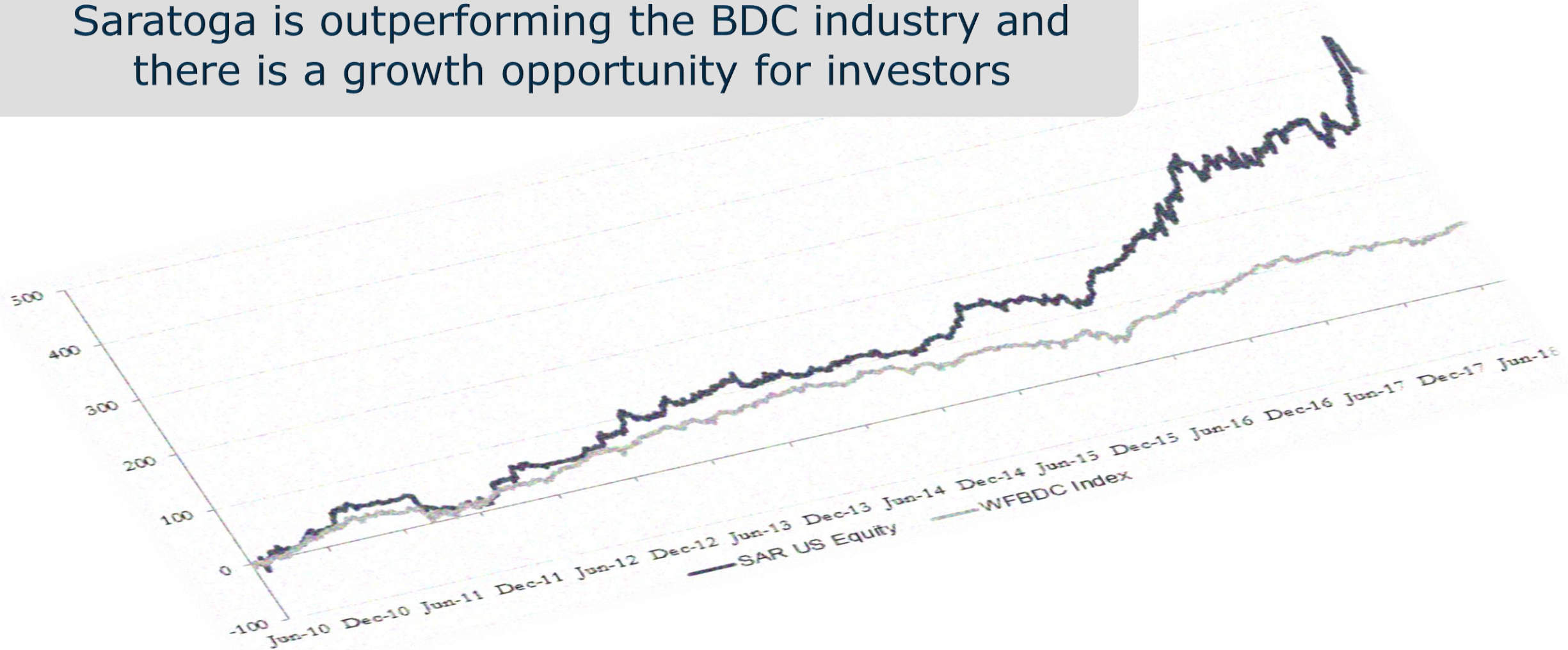
Latest Quarterly Dividend: \$0.55

Fiscal Year: February 28

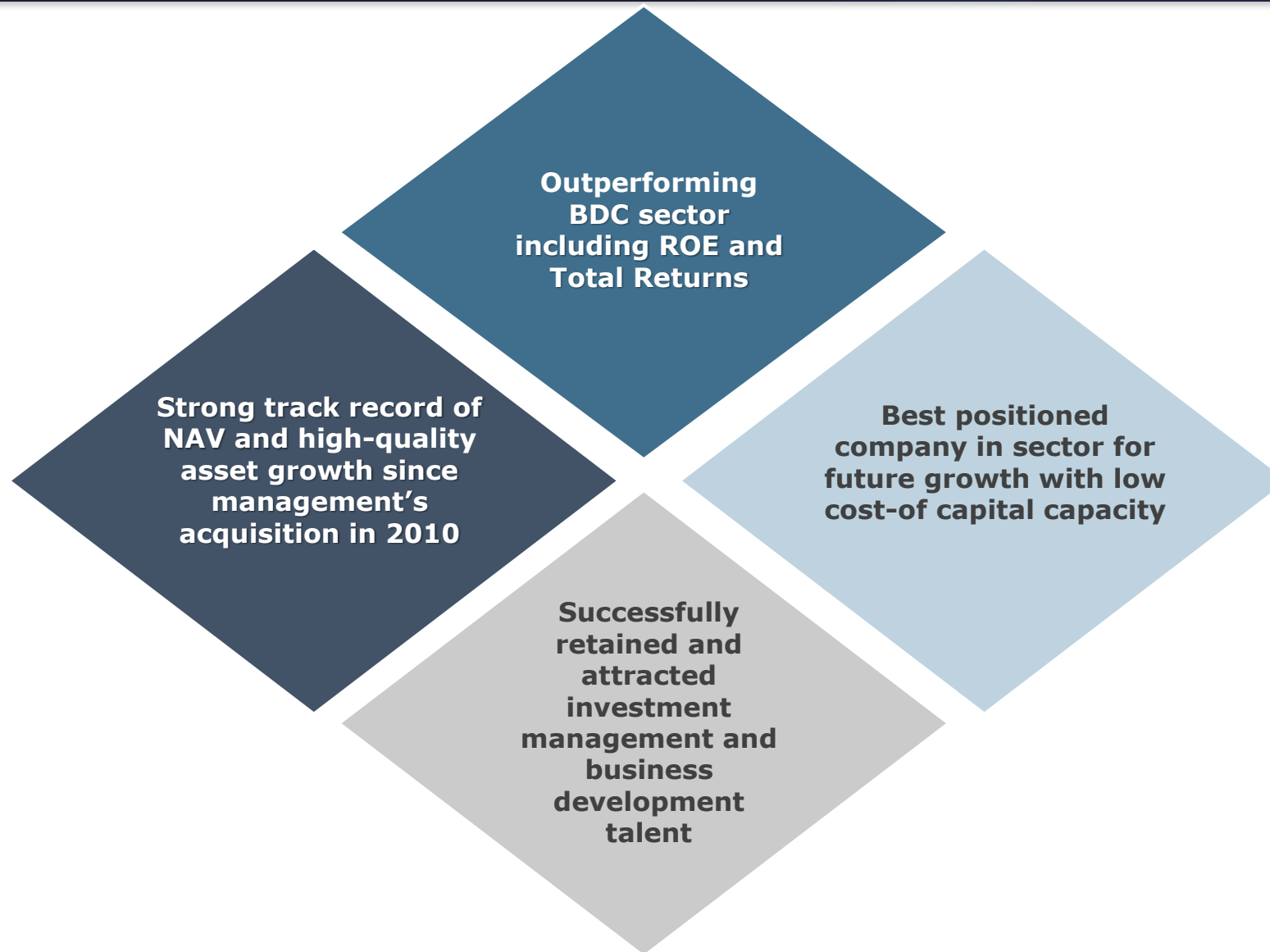
Analyst Coverage: Ladenburg Thalman & Co.  
 Compass Point  
 Janney  
 National Securities  
 Maxim Group  
 FBR

# Basic Premise of the Saratoga Opportunity

Saratoga is outperforming the BDC industry and there is a growth opportunity for investors



# Investment Highlights



# Investment Highlights / Contents

## Significant Management Ownership of 20%

Slides 6-10

### Outperforming BDC Sector including ROE and Total Returns

- LTM ROE of 11.7%, beating BDC industry mean of 8.7%
- LTM Total Return: SAR +9% vs. +8% BDC index
- Total Return since Saratoga took over management – SAR +419% v +119% BDC Index

Slides 11-14

### Best positioned company in sector for future growth with low cost-of capital capacity

- Nineteen sequential quarterly increases
- Grown dividend by 9.0% LTM
- Ability to grow assets by 26% without new external financing
- Existing capital structure fixed rate, long term
- Approximately 83% of our investments have floating interest rates
- Completed \$28.75m secondary equity offering on July 13, 2018
- Completed \$40.0m 6.25% seven-year baby bond offering on August 28, 2018 ("SAF")
- Refinanced existing CLO and upsized from \$300m to \$500m of assets on December 13, 2018
- Completed \$20.0m upsizing of SAF 6.25% baby bond on February 5, 2019

Slides 15-31

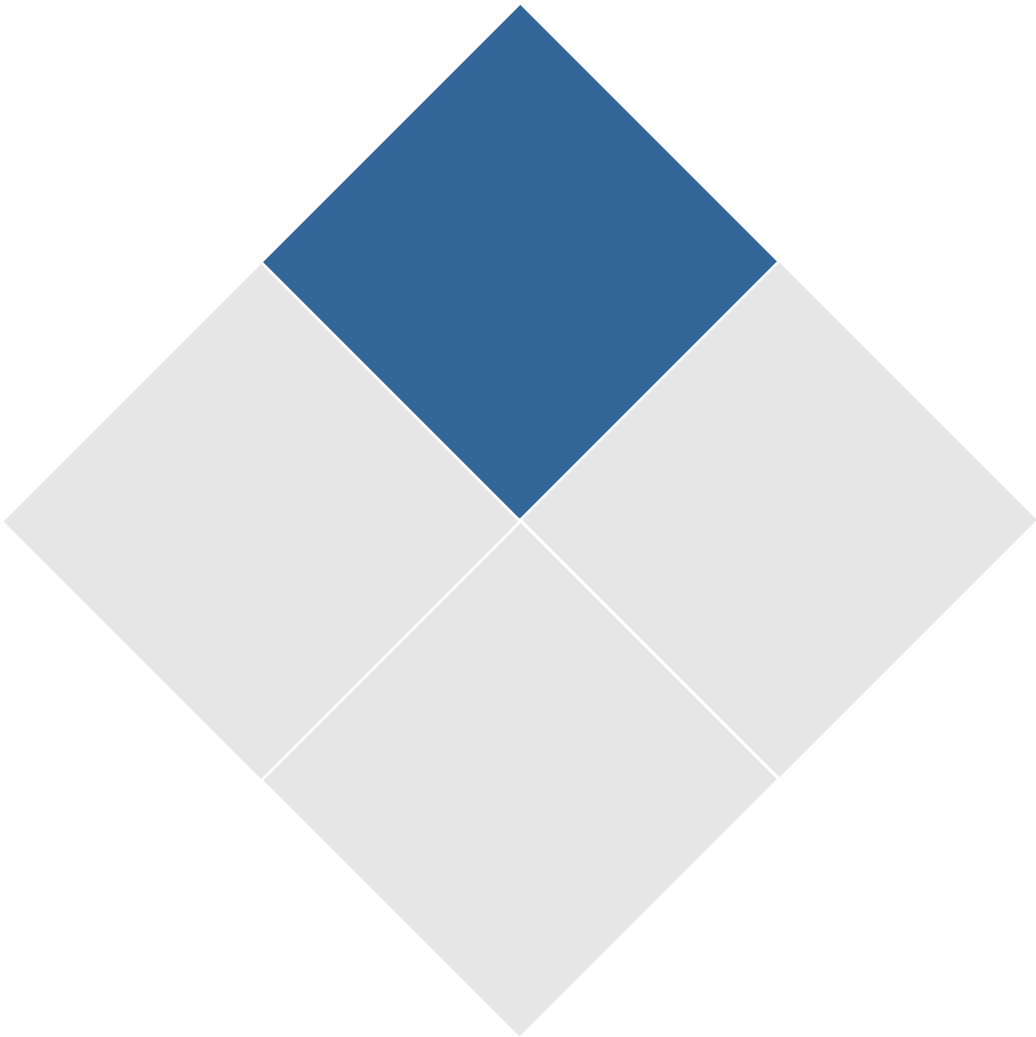
### Strong track record of NAV and high-quality asset growth since management's acquisition in 2010

- NAV up 29% since last year
- NAV per share up 4.3% since last year
- AUM up 19% last twelve months, and 412% since management took over (FY11)
- 98.7% of loan investments carry highest credit rating

Slides 32-34

### Successfully retained and attracted investment management and business development talent

- Combined 120 Years at Saratoga and team has tripled in size to 19, with 3 full-time Business Development members

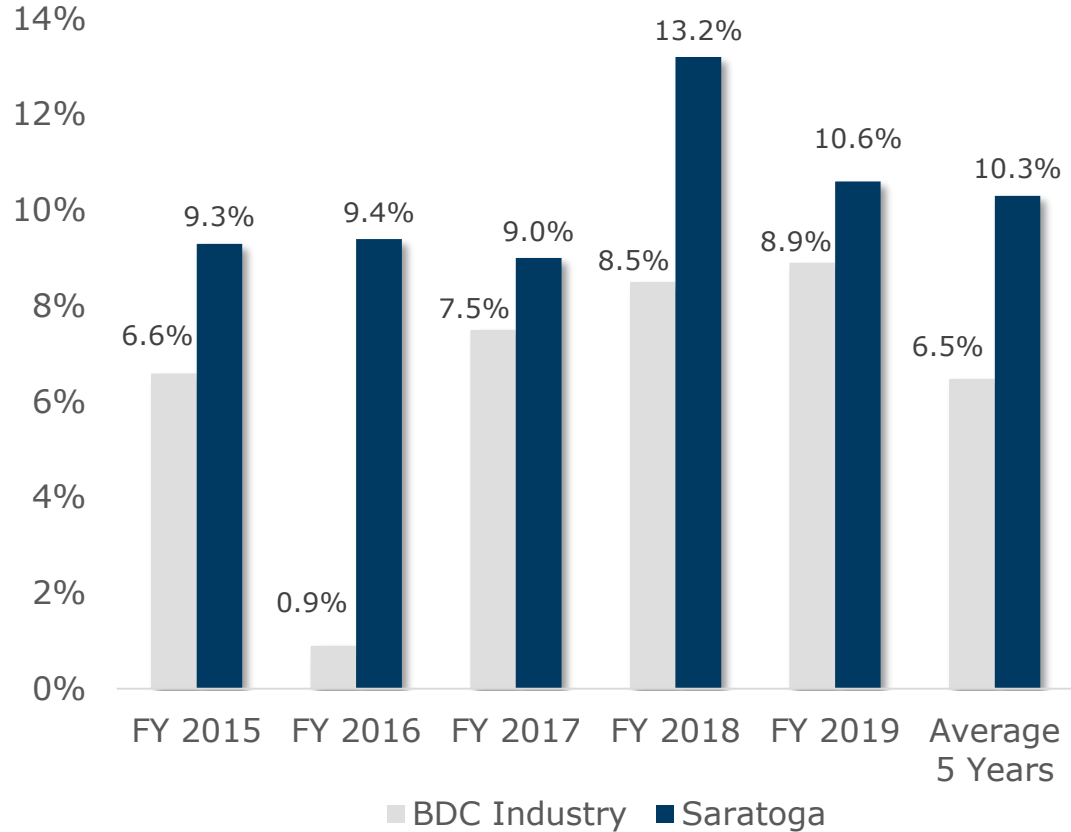


## **Outperforming BDC sector including ROE and Total Returns**

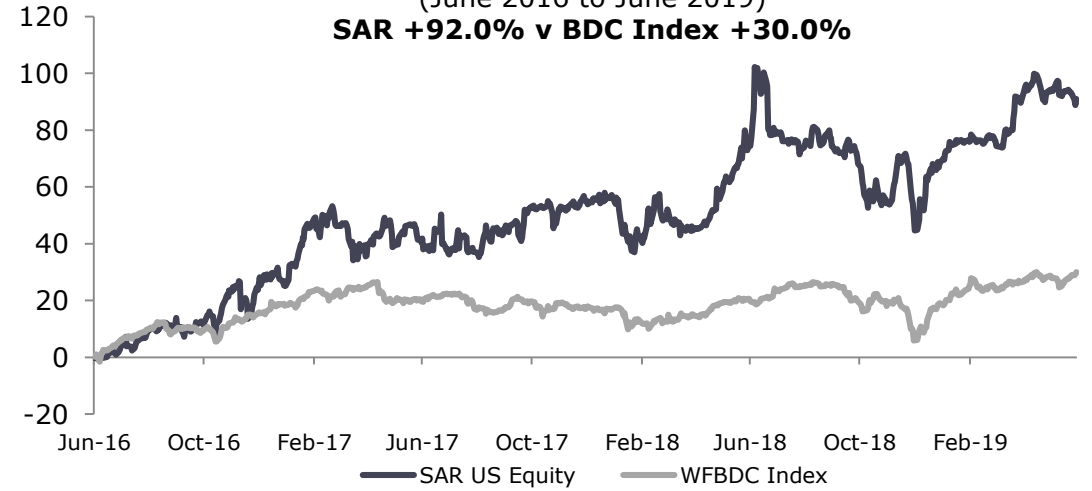


# Outperforming BDC sector in ROE and Total Returns

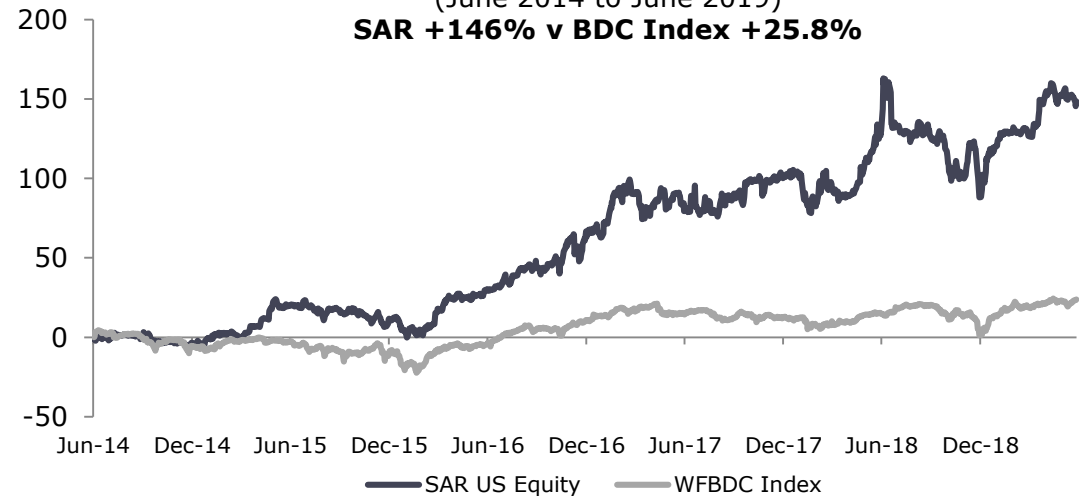
### Return on Equity



### Three-Year Total Return (%) (June 2016 to June 2019) SAR +92.0% v BDC Index +30.0%



### Five-Year Total Return (%) (June 2014 to June 2019) SAR +146% v BDC Index +25.8%

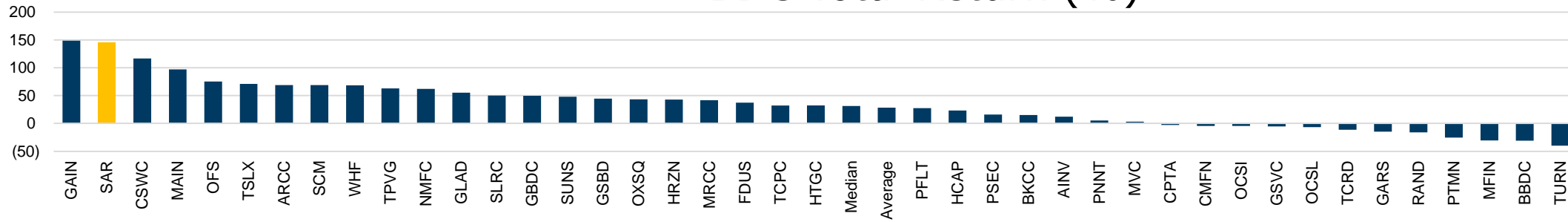


Source: Raymond James, Index derived from Wells Fargo Index



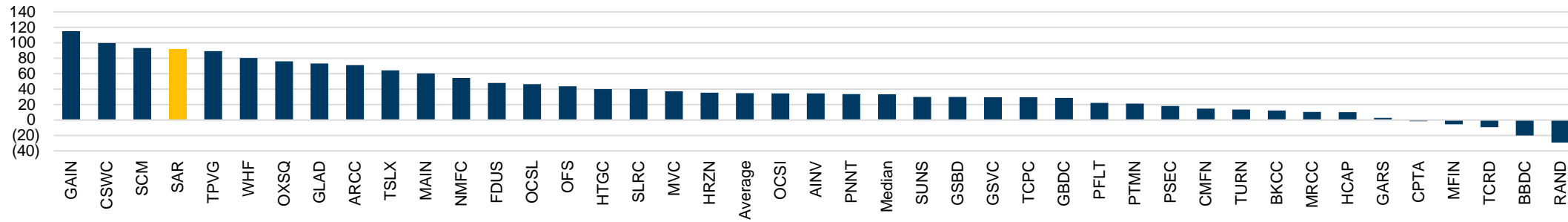
# SAR – Top of BDC Industry in Total Return

## BDC Total Return (%)



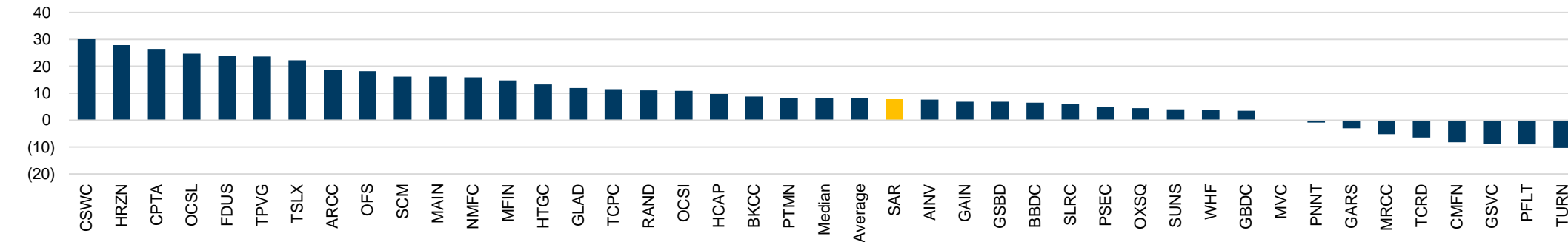
**Past 5 Years:**  
**146%**

**Top 2**



**Past 3 Years:**  
**92%**

**Top 5**

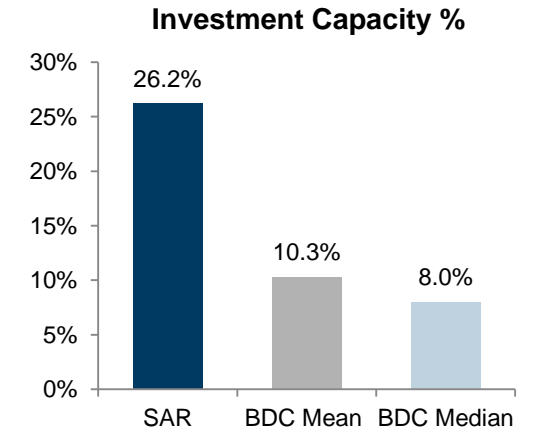
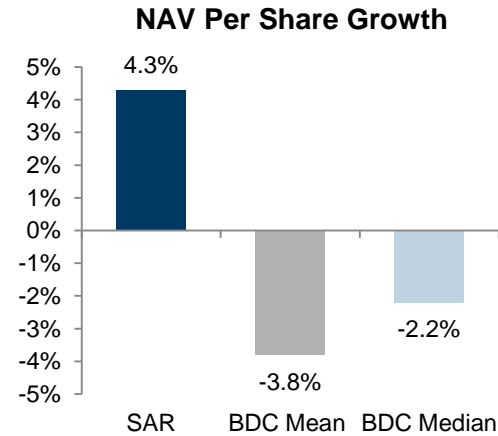
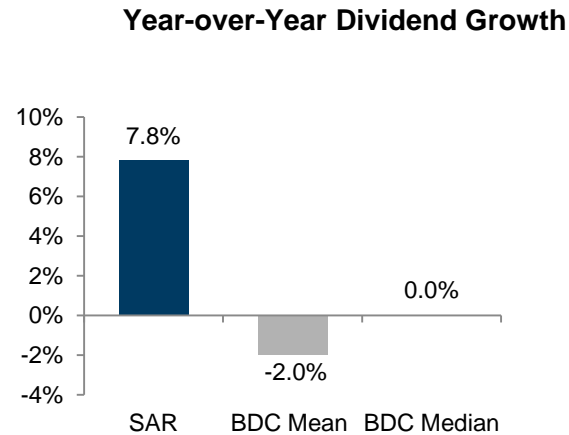
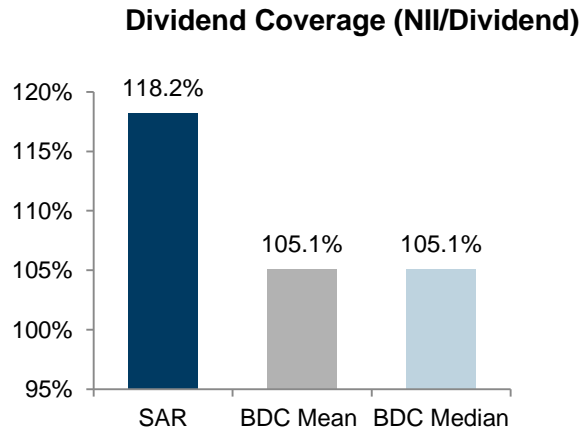
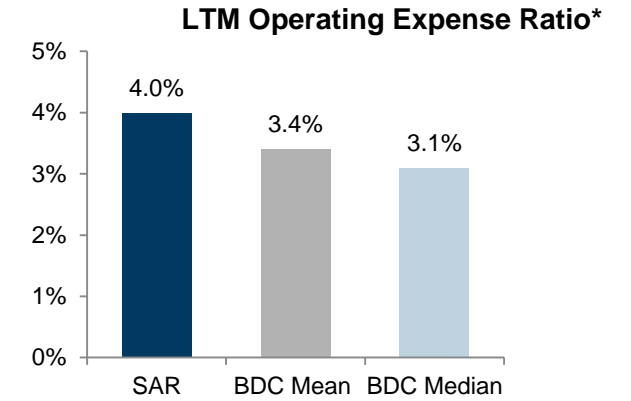
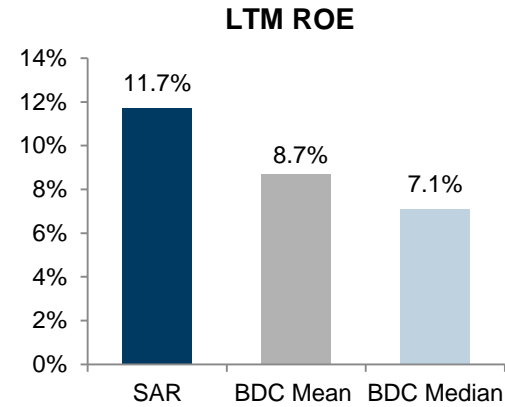
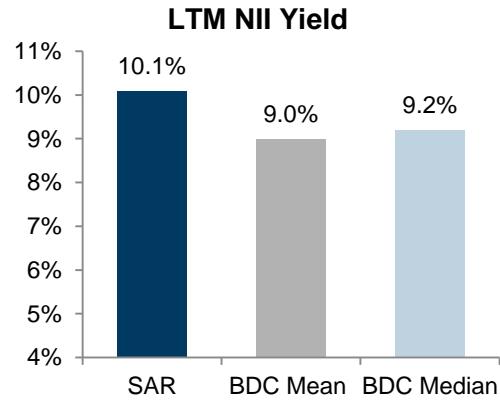
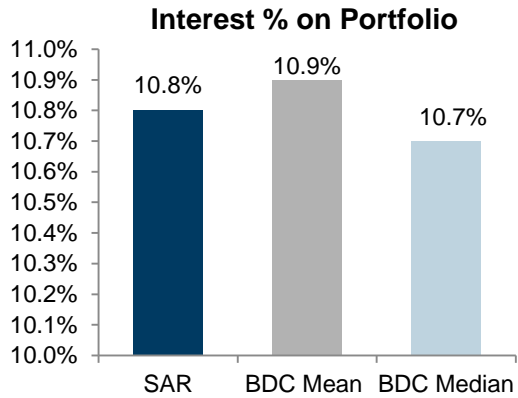


**LTM:**  
**8%**





# Strongly Differentiated Metrics Outperformance

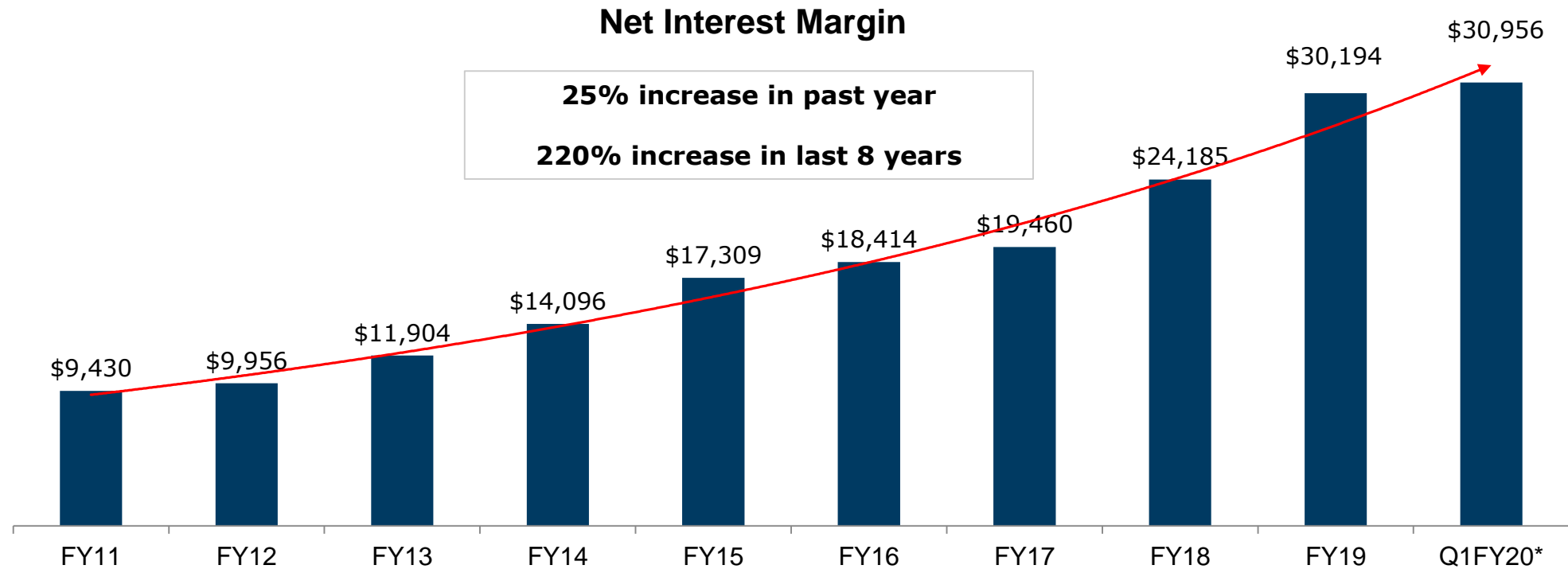


Source: SNL Financial / Company Filings / Raymond James report as of 06/19/19

\* LTM Operating Expense Ratio defined as total operating expenses, net of interest and debt financing expenses, divided by average total assets.

Total operating expenses divided by net assets is 16.8%.

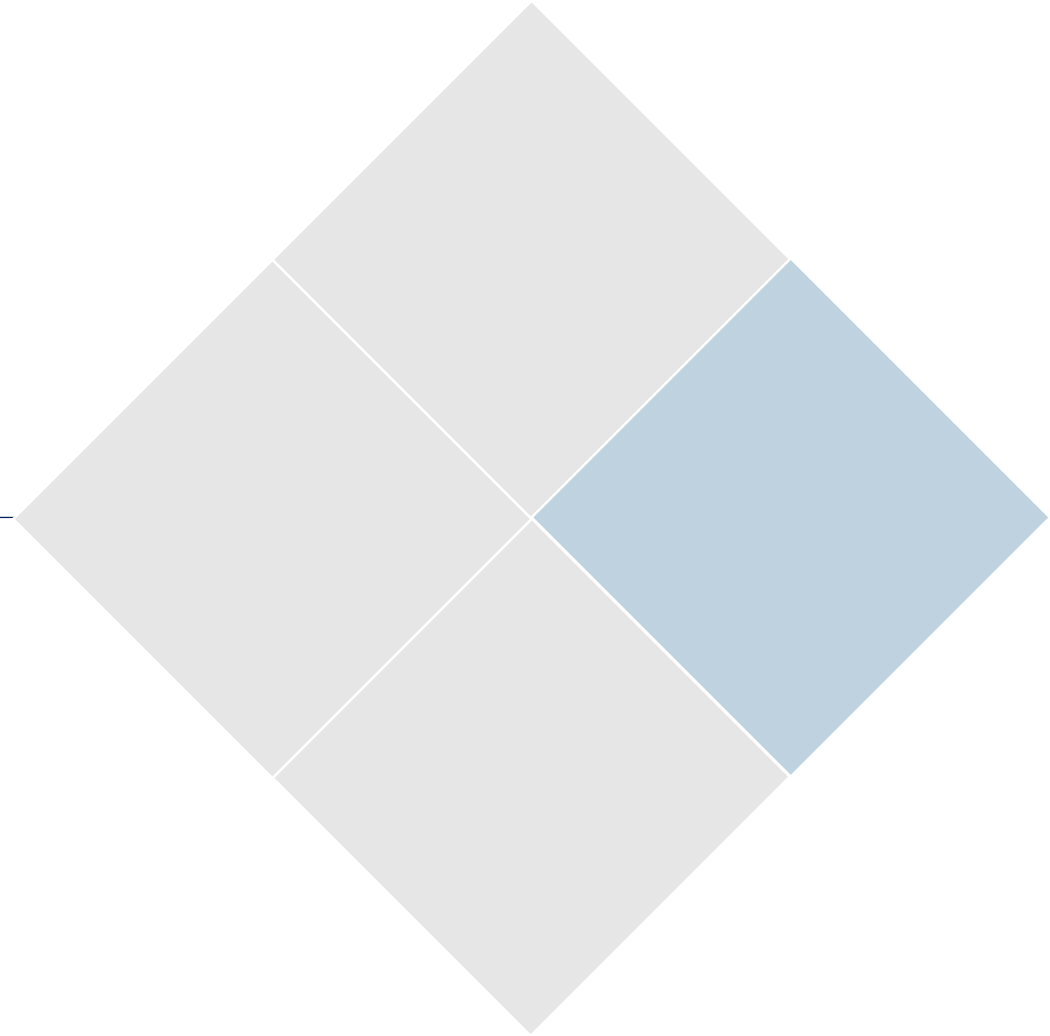
**SAR has more than tripled its Net Interest Margin since taking over management**



\* Calculated as annualization of Q1 FY2020

**Best Positioned Company in Sector  
for Future Growth with Low Cost-of  
Capital Capacity**

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# Significant Dry Powder Available

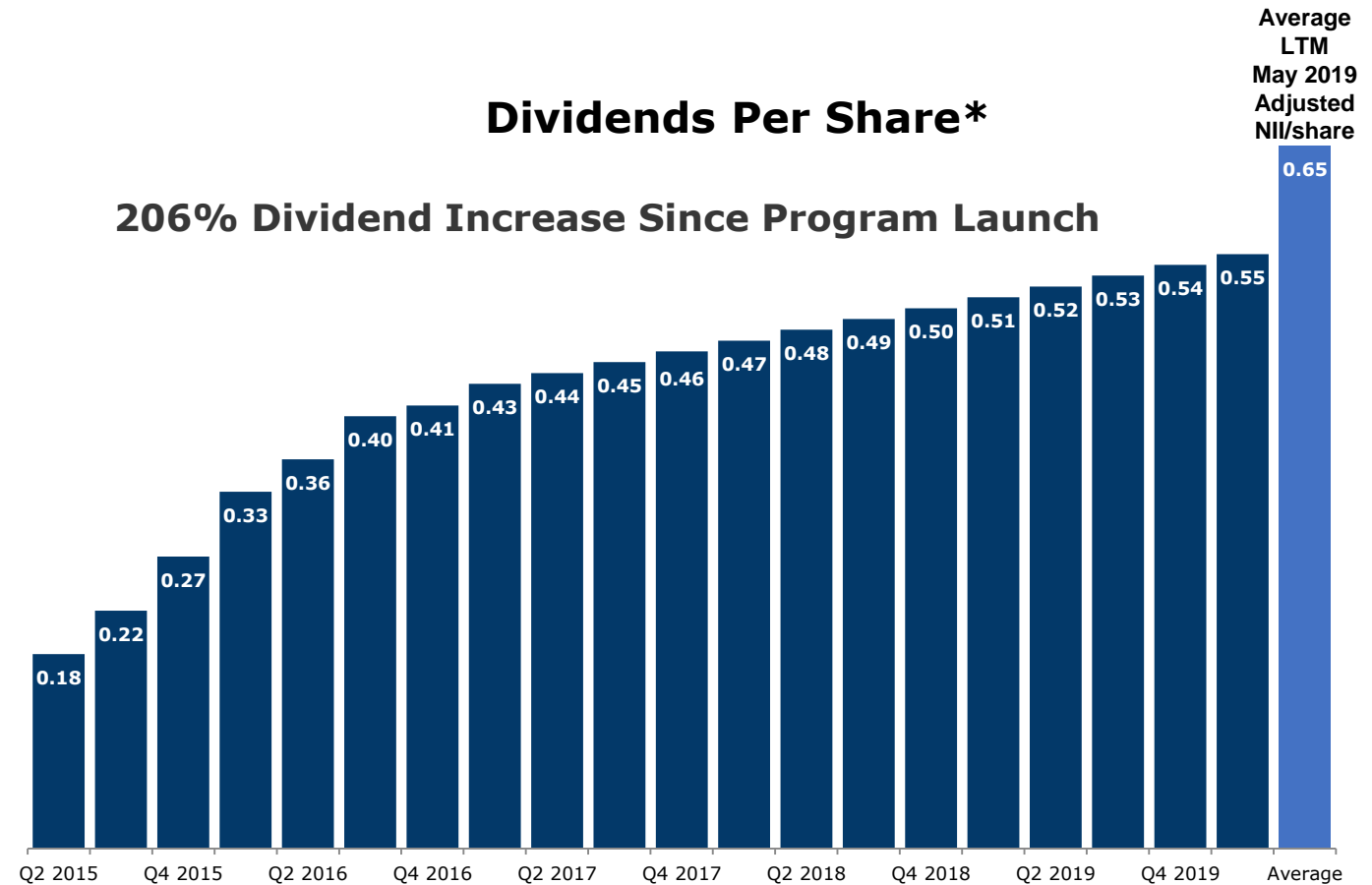
Ability to grow AUM by 26% without any external financing

(As of May 31, 2019)		Total Borrowing Capacity	Outstanding	Available Liquidity	Remaining Maturity Period	Fixed / Floating Rate
Secured Revolving Credit Facility		\$45.0 million	\$0.0 million	\$45.0 million	6 Years	Floating
SBA Debentures		\$150.0 million	\$150.0 million	\$0.0 million	4-10 years	Fixed
Publicly-Traded Notes (at fair value)	SAB	\$76.8 million	\$76.8 million	\$0.0 million	5 Years	Fixed
	SAF	\$60.7 million	\$60.7 million	\$0.0 million	6 Years	Fixed
Cash and Cash Equivalents		\$62.1 million	\$0.0 million	\$62.1 million	-	-
<b>Total Available Liquidity (at quarter-end): \$ 107.1 million</b>						



# Dividends Continue to Increase

- Established dividend policy to pay regular quarterly cash dividends to stockholders pursuant to dividend reinvestment plan (“DRIP”)
- Increased dividend by 206% since program launch
- Declared Q1 FY20 dividend of \$0.55, an increase of \$0.01 (2%)
- Overearning current dividend

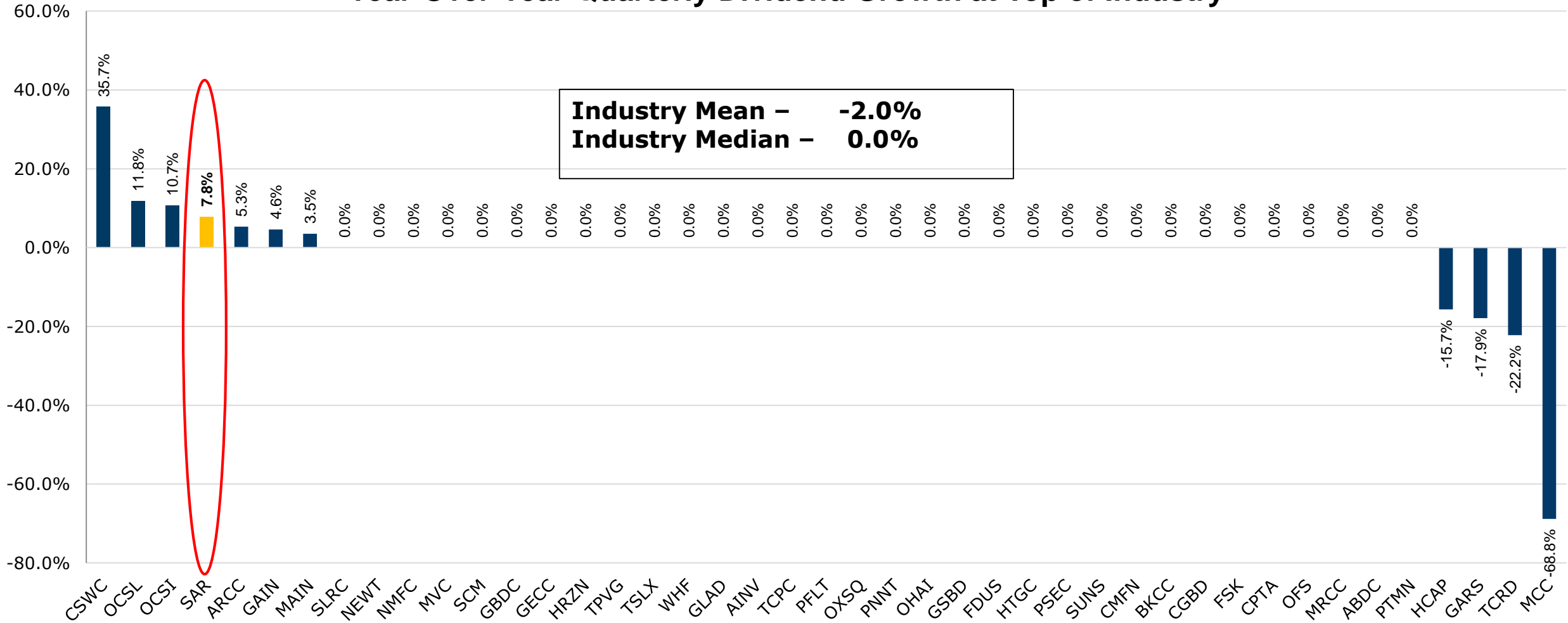


\*Excludes special dividend of \$0.20 per share paid on September 5, 2016



# Saratoga Growing Dividends the Past Nineteen Quarters

## Year-Over-Year Quarterly Dividend Growth at Top of Industry



Source: Raymond James report as of 3/29/2019



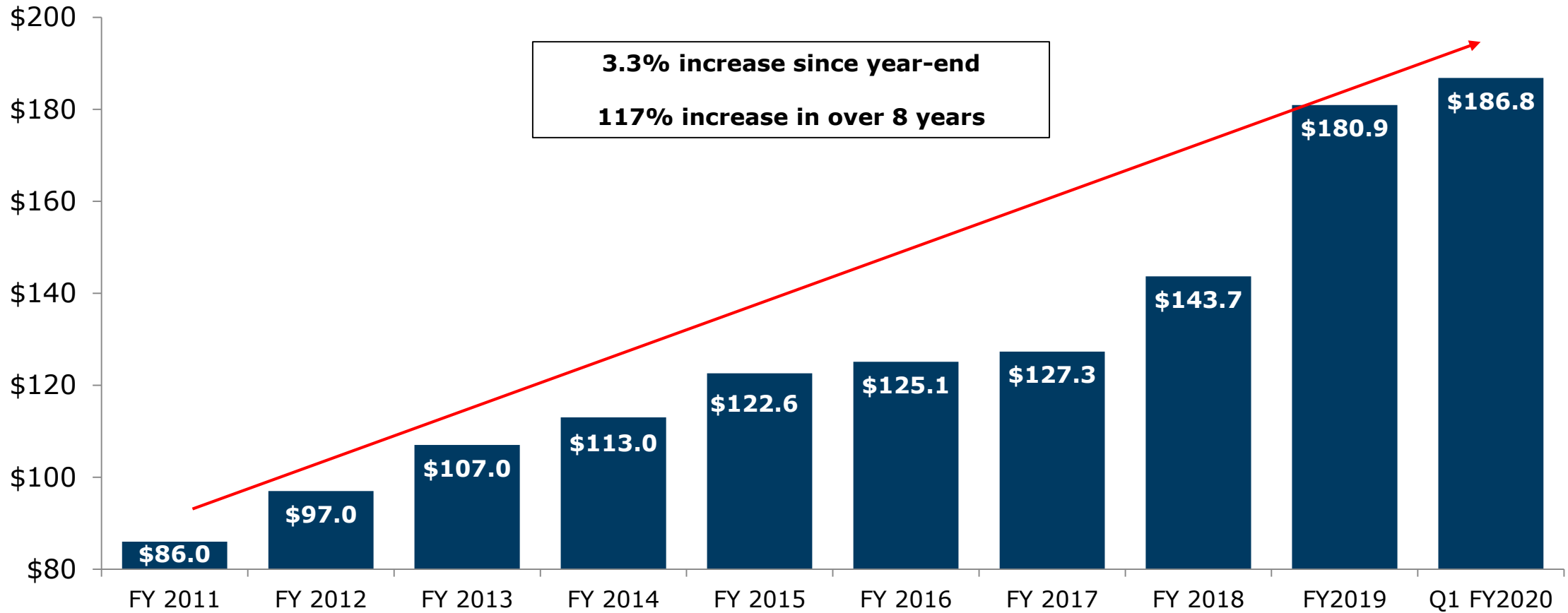
**Strong Track Record of NAV and  
High-Quality Asset Growth since  
Management's Acquisition in 2010**



# Strong Track Record of NAV Benefit from Performance

## Net Asset Value (FY11 to Q1 FY20)

in millions

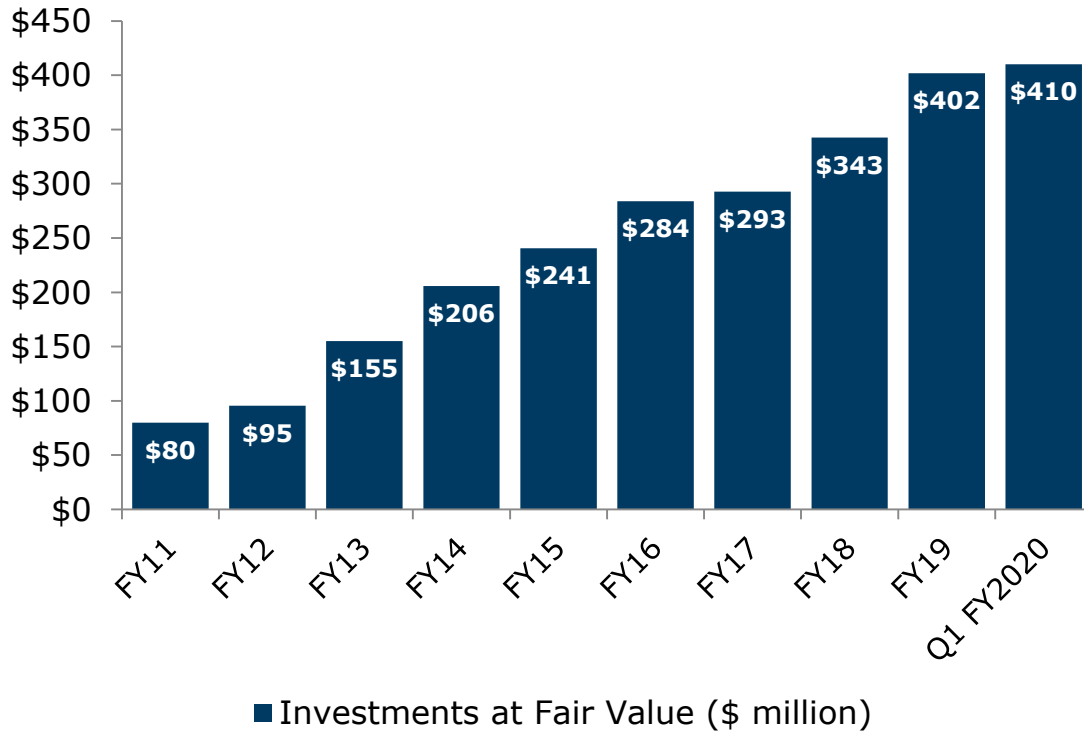






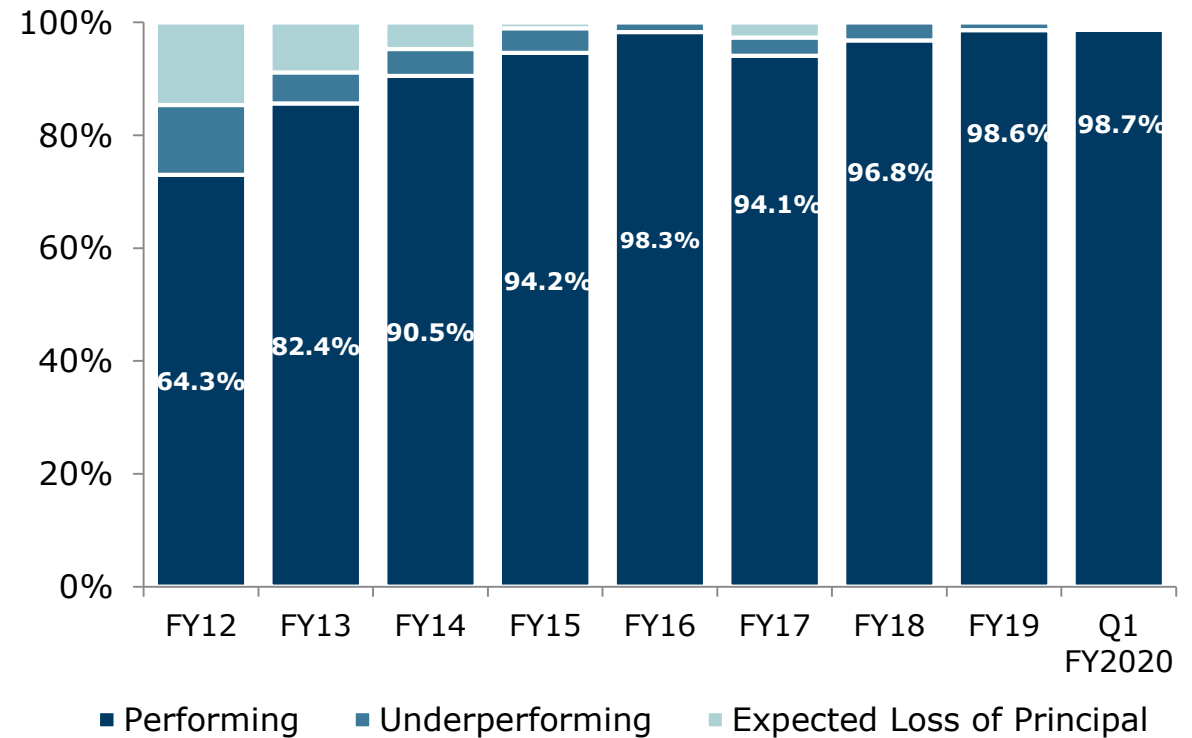
# Continued Asset Growth and Strong Credit Quality

**Asset Base Expansion Trend**



**Fair value of AUM increased 19% year-over-year, 2% this quarter and 412% since Saratoga took over management (FY11)**

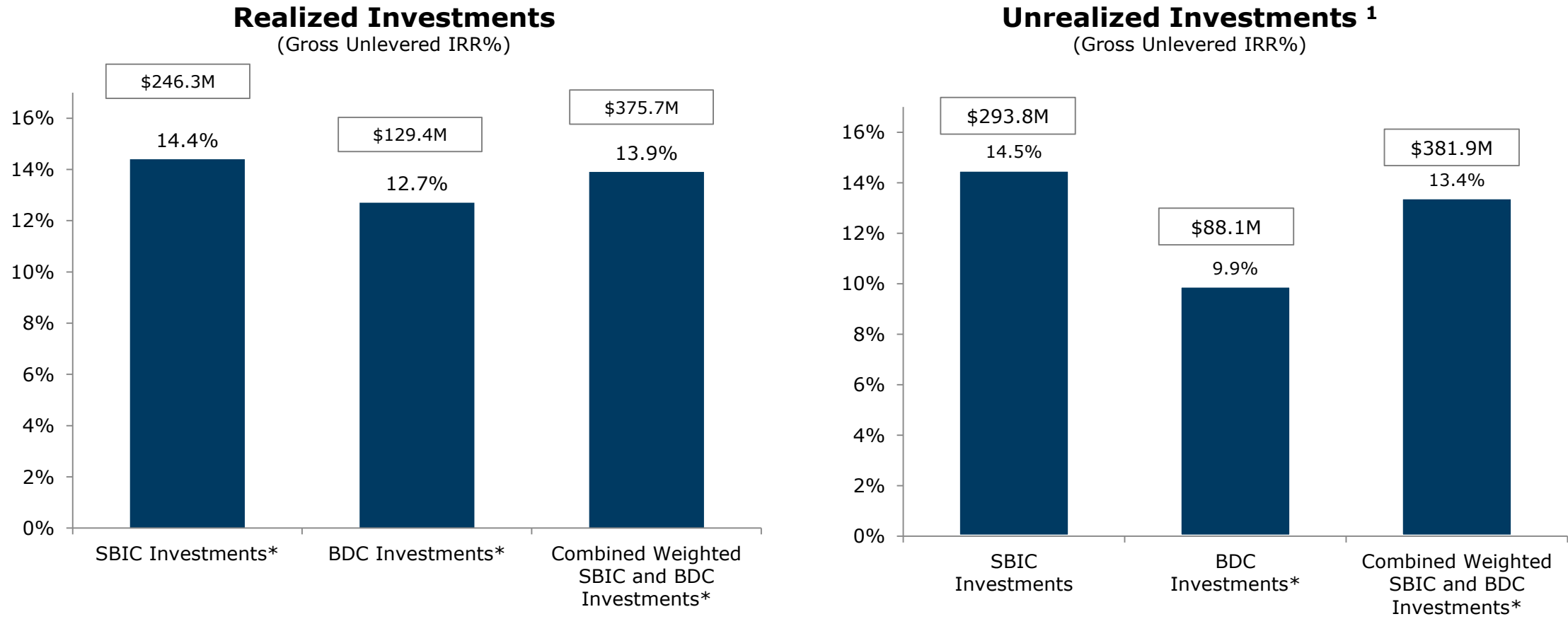
**Overall Credit Quality Continues Strong**



**Almost 99% of our SAR loan investments hold our highest internal rating; three on non-accrual at quarter-end\***

\* Excludes our investment in our CLO, and our equity and written-off legacy investments.

# Demonstrated Strong Track Record



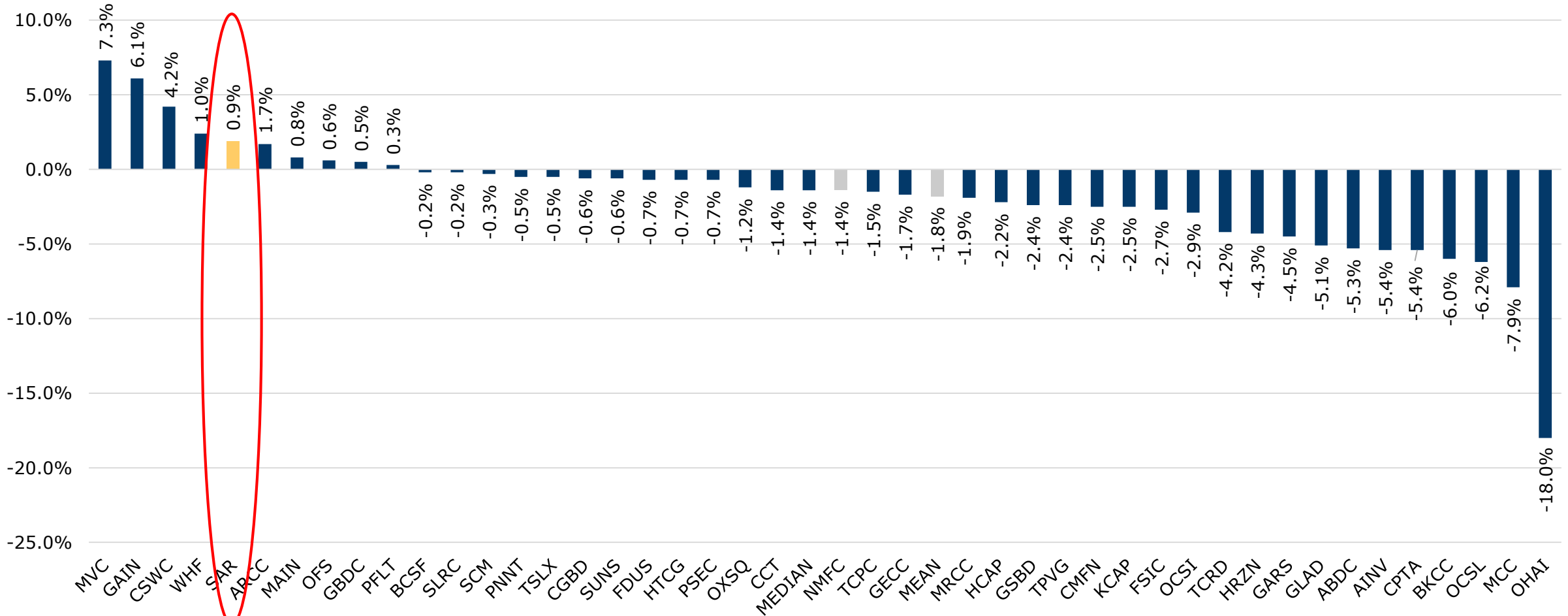
**Track Records as of 5/31/2019**

<sup>1</sup> IRRs for unrealized investments include fair value and accrued interest as of 5/31/19

\* SBIC investments represent all investments in the first license. BDC investments exclude investments existing when Saratoga management took over, and corporate financing investments.

# Consistent Leading Underwriting History

Last 3 Year Average Net Realized Gains (Loss)  
As a Percentage of Portfolio at Cost

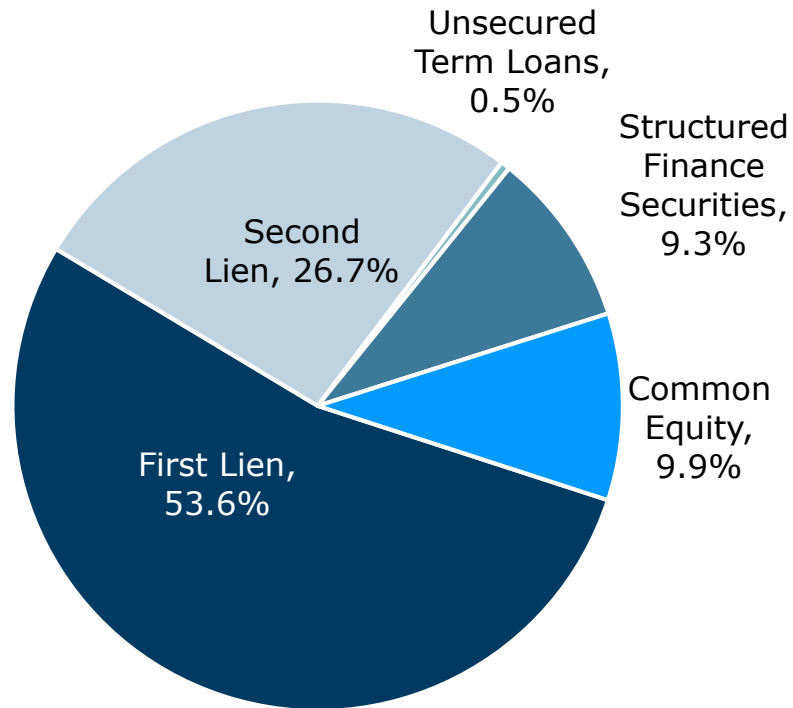


Source: Ladenburg Thalmann – BDC Industry Update 7/2/19

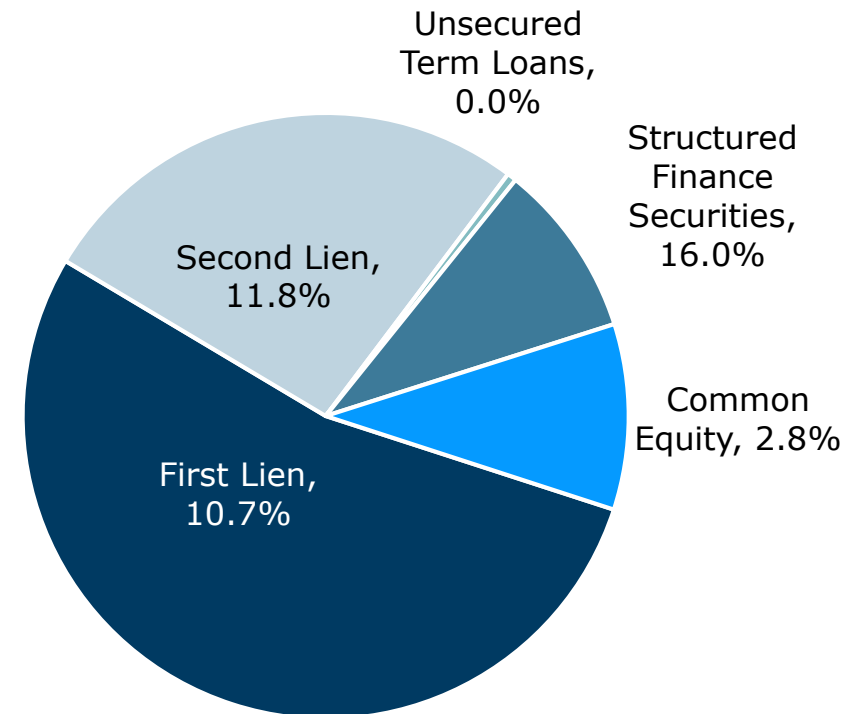


# Portfolio Composition and Yield

**Portfolio Composition – \$409.5M**  
(Based on Fair Values as of May 31, 2019)

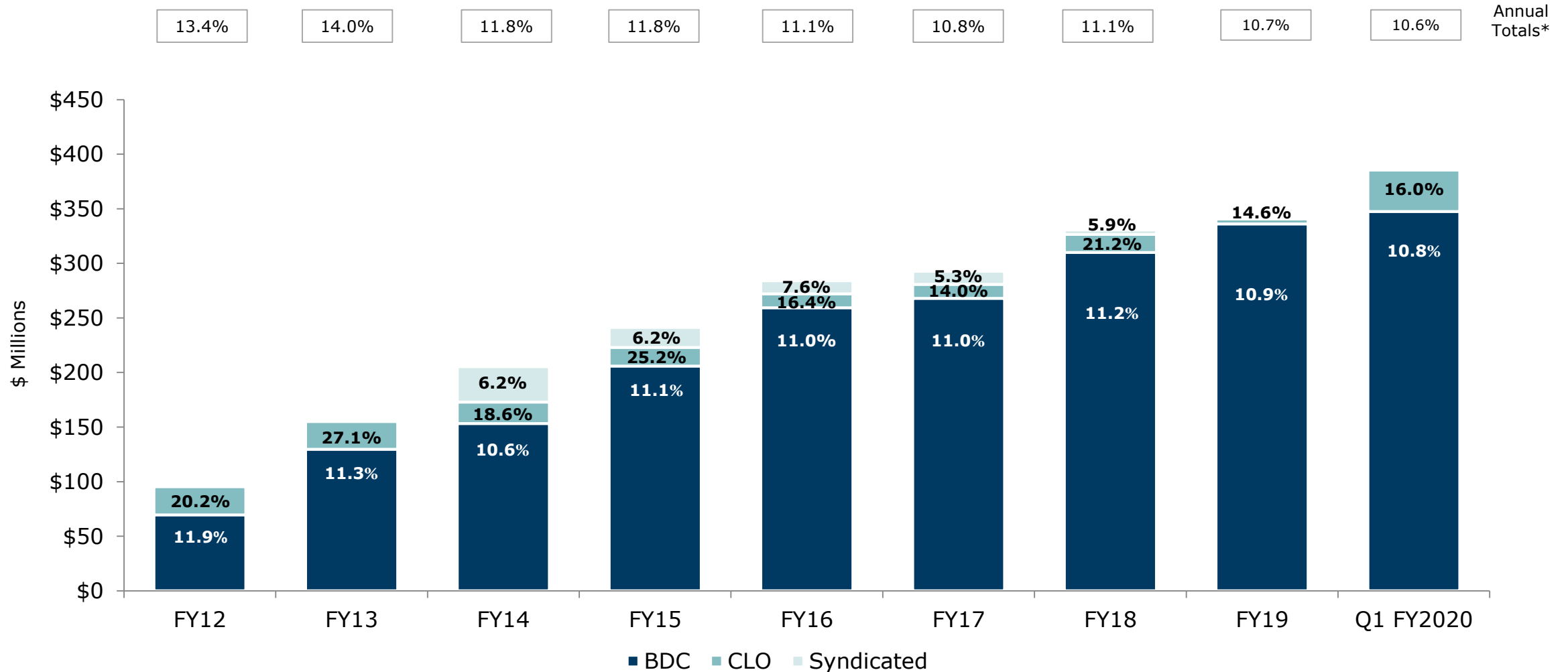


**Portfolio Yield – 10.6%**  
(Weighted Average Current Yield of Existing Portfolio)



# Yield of BDC Remains Strong and Consistent

### Weighted Average Current Yields



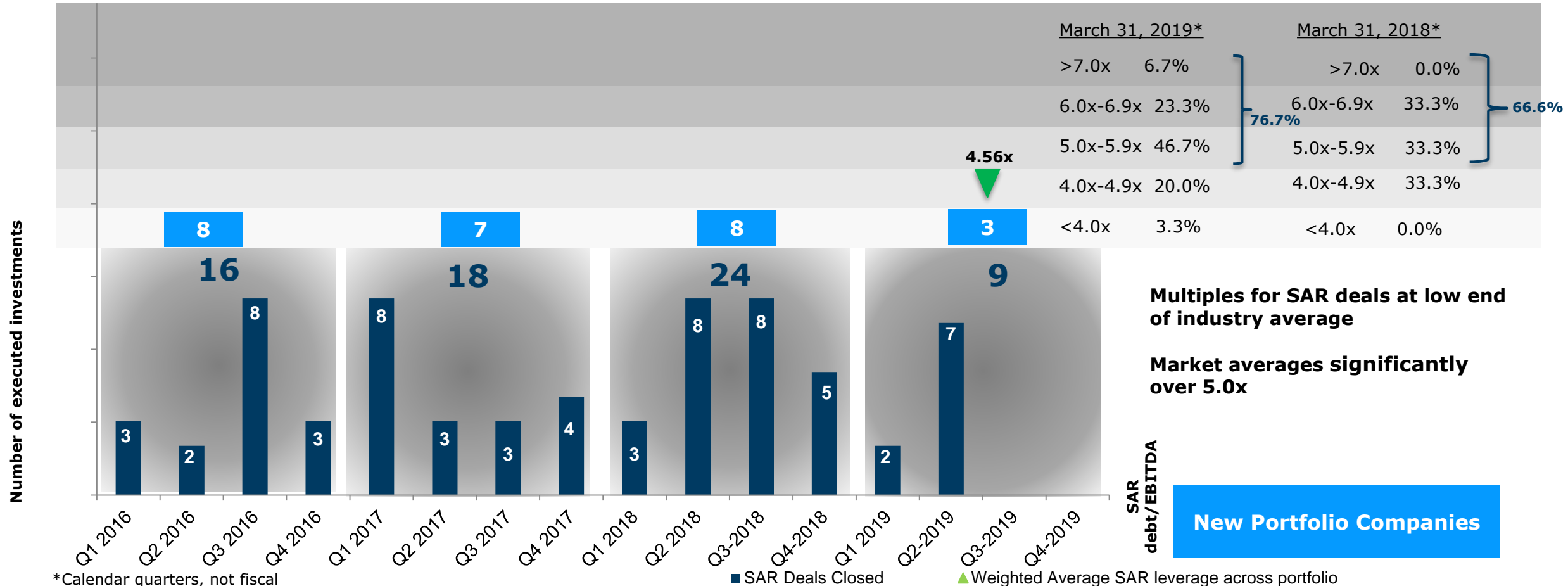
\*Annual total yields on full portfolio. BDC, CLO and Syndicated yields are annualized and calculated on fair value of interest earning assets.

# Exercising Disciplined Investment Judgment

## SAR Debt Multiples/Deals Closed (2016-2019)

**Total Portfolio Leverage is 4.56x<sup>1</sup>**

Market Average Multiples  
(Total Debt/EBITDA)

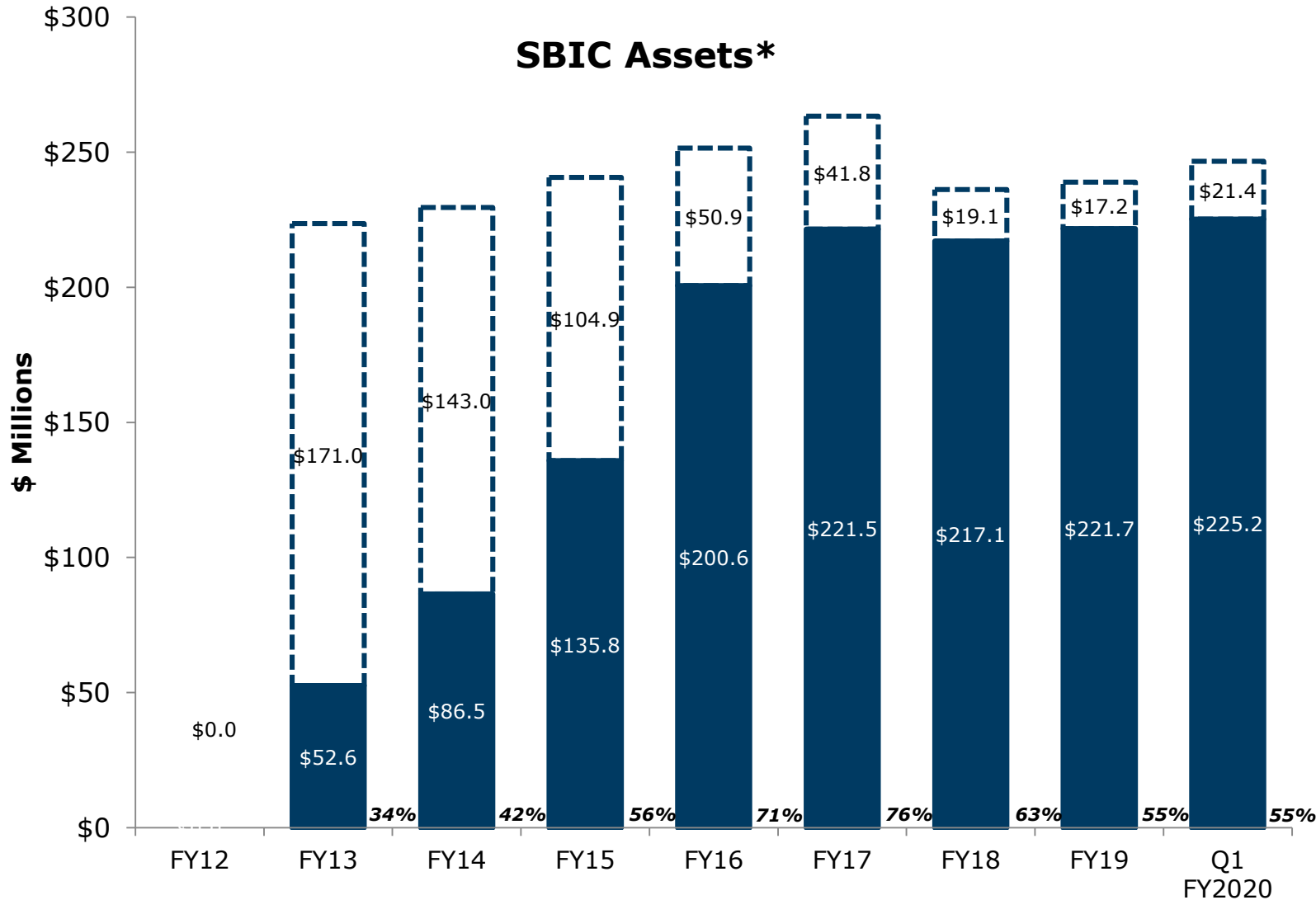


Source: S&P Global market Intelligence US:Q2 2019, issuers with EBITDA less than or equal to \$50m. The data has limitations due to a small sample size but that it does reflect trend toward increasing leverage.

<sup>1</sup>Excludes twelve loans underwritten using recurring revenue metrics.



# SBIC Assets Fully Funded in First License



SBIC first license provided \$171m, \$143m, \$105m, \$51m, \$42m, \$19m, \$17m and \$21m of available capacity in FY13, FY14, FY15, FY16, FY17, FY18, FY19 and Q1FY20, respectively (debt and equity at 2:1 leverage)

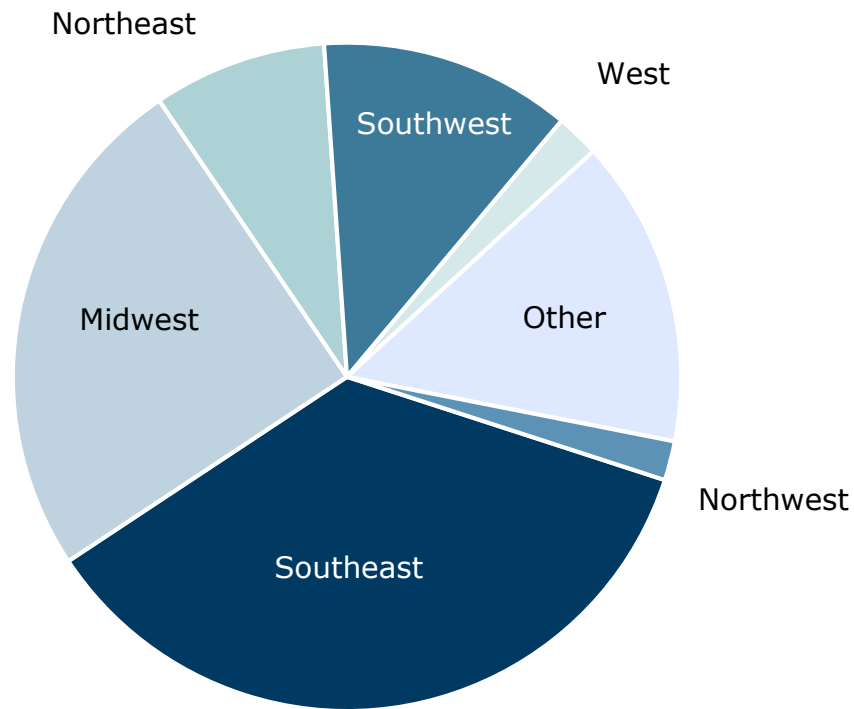
SBIC represented 34%, 42%, 56%, 71%, 76%, 63%, 55% and 55% of total assets in FY13, FY14, FY15, FY16, FY17, FY18, FY19, and Q1FY2020, respectively

\* At Fair Value as of February 28, 2019.



# Diversified Across Geography

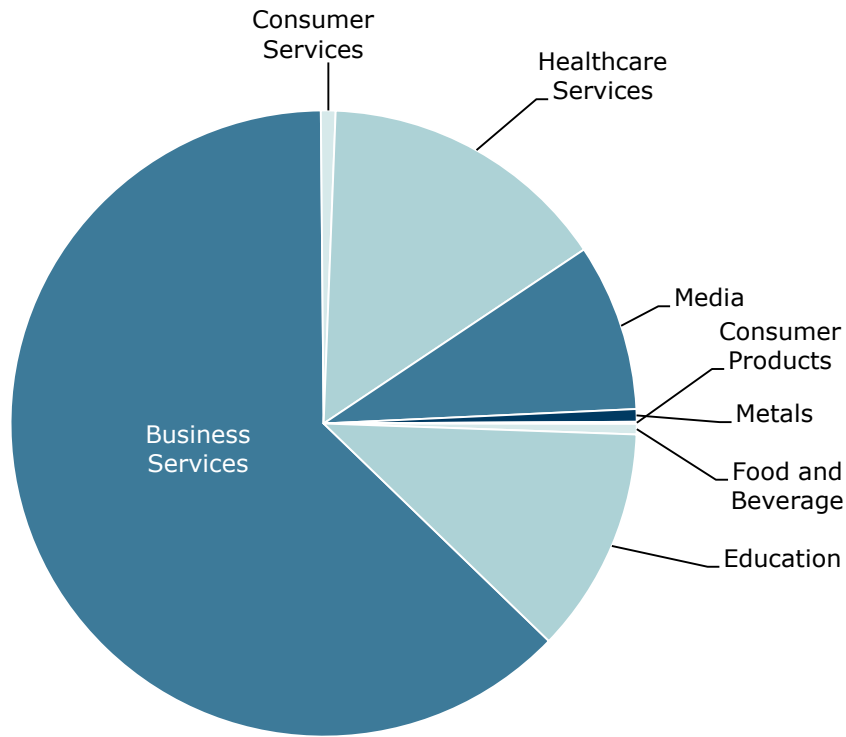
Investments Diversified Geographically







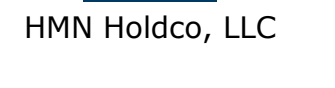
# Investments Across 8 Distinct Industries



### Business Services



### Media



### Consumer Products



### Consumer Services



### Metal



### Healthcare Services



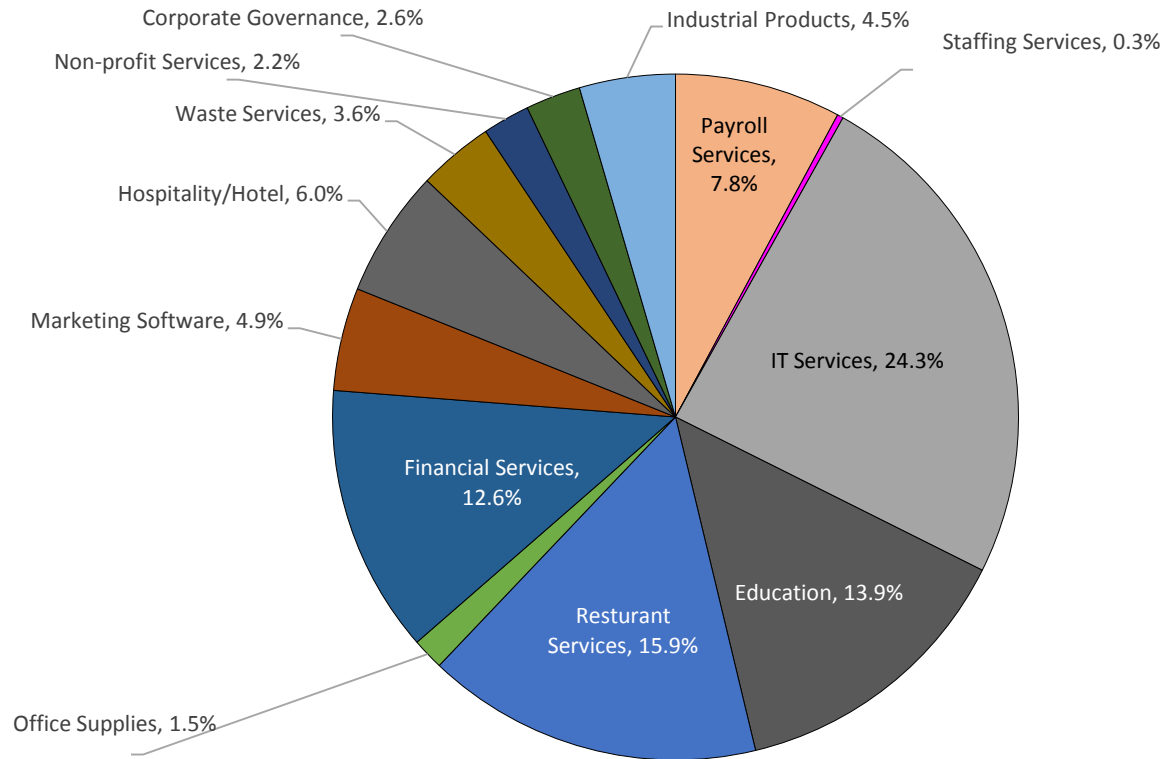
### Food and Beverage



### Structured Finance Securities (CLO)

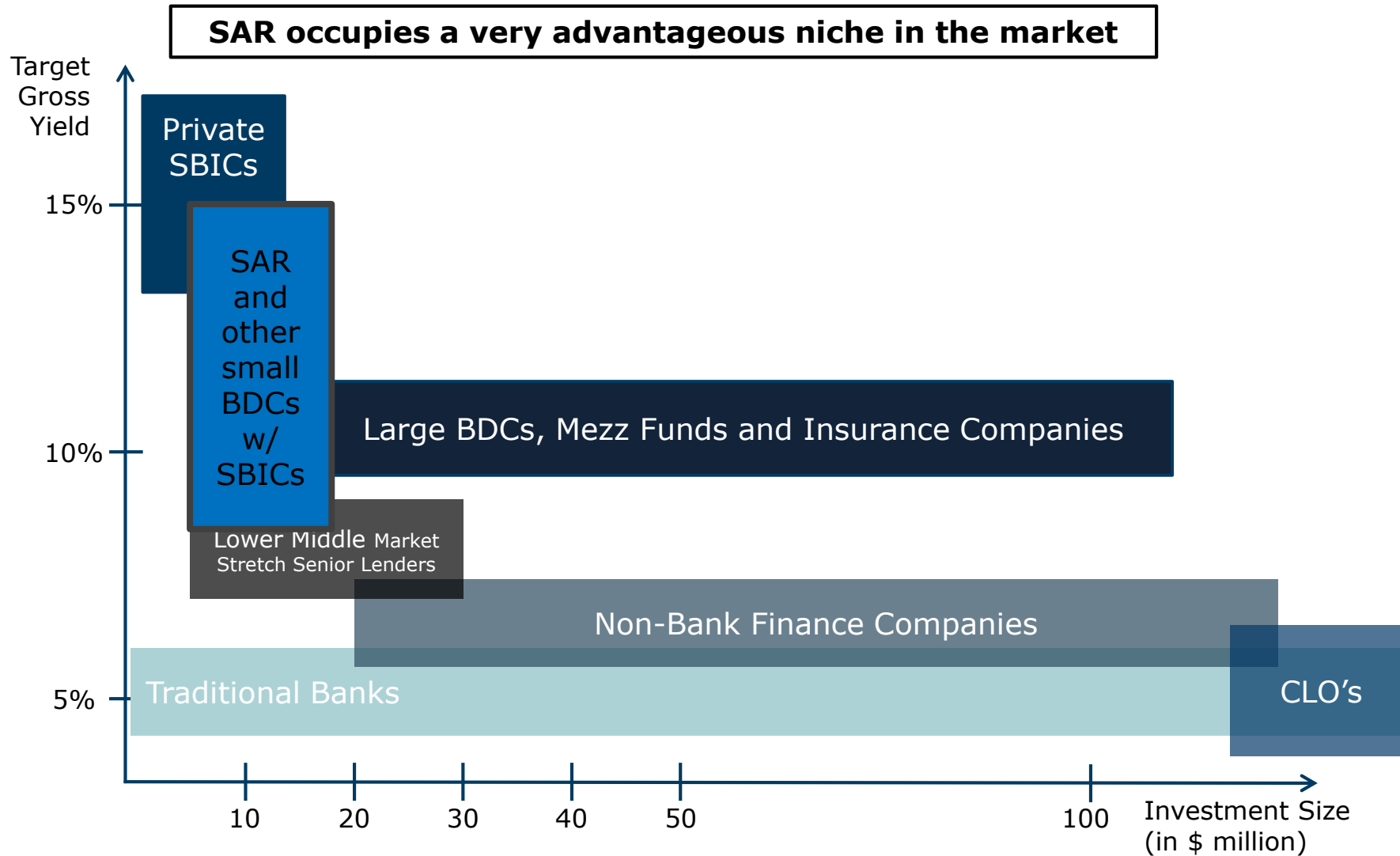



**Business Services - Breakdown— \$248.8 m**  
(Based on Fair Value  
as of May 31, 2019)





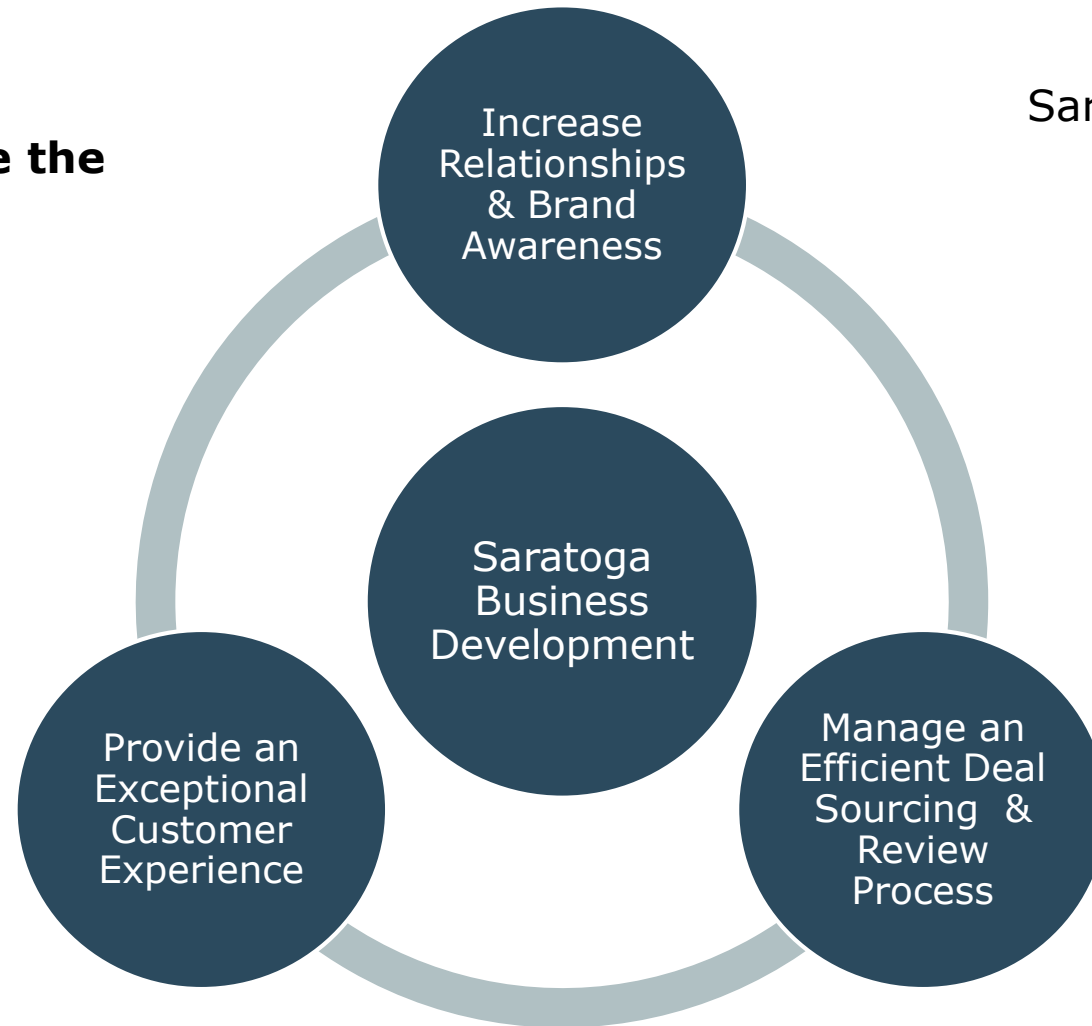
# Saratoga Has Very Favorable Competitive Positioning





# Business Development Philosophy

The main goal of business development is to **increase the number and quality of actionable investment opportunities**



Saratoga's business development strategy relies on **constant focus and improvement**

Partnership reputation builds growing base of referral sources

Efficiency creates a leveraged business model that **improves opportunities to close deals**



## Business Development Activities

- Saratoga closely monitors its business development activities and over the last 12 months we have completed over 2,600 activities including:
  - Over 700 in person meetings
  - Over 550 deal referrals to sponsors and other lenders
  - Manage communications with over 3,100 firms and over 8,000 contacts
  
- We remain active participants on the conference and networking scene:
  - Attended over 70 conferences and events in FY 2019
  - Hosted 20 formal events including golf events, dinners, and speaking panels
  
- Active members of several industry groups
  - SBIA (Steenkamp and Burkhart active board members across various committees)
  - ACG (Burkhart and team active member of NY chapter)
  - Other groups – Opus Connect, Axial, GLG



# Robust and Growing Pipeline During Tough Execution Market

The number of new business opportunities remains strong, yet we remain as disciplined as ever.

Calendar*	2016	Δ	2017	Δ	2018	Δ	LTM Q2 2019
Deals Sourced	645	28%	722	17%	846	3%	869
Term Sheets	48	2%	49	49%	73	5%	77
Deals Executed (new and follow-on)	16	13%	18	33%	24	(8%)	22
New portfolio companies	8		7		8		8

- 50% of deal flow from private equity sponsors
- 40% of deals from private companies without institutional ownership
- Saratoga maintains investment discipline which is demonstrated by passing on ~70 deals a year that other firms close

- Saratoga issues an average of 19 term sheets per quarter, or 9% of deals reviewed
- ~ 80% of term sheets are issued for transactions involving a private equity sponsor

- Saratoga closes an average of 6 new deals or follow-ons per quarter, ~3% of deals reviewed

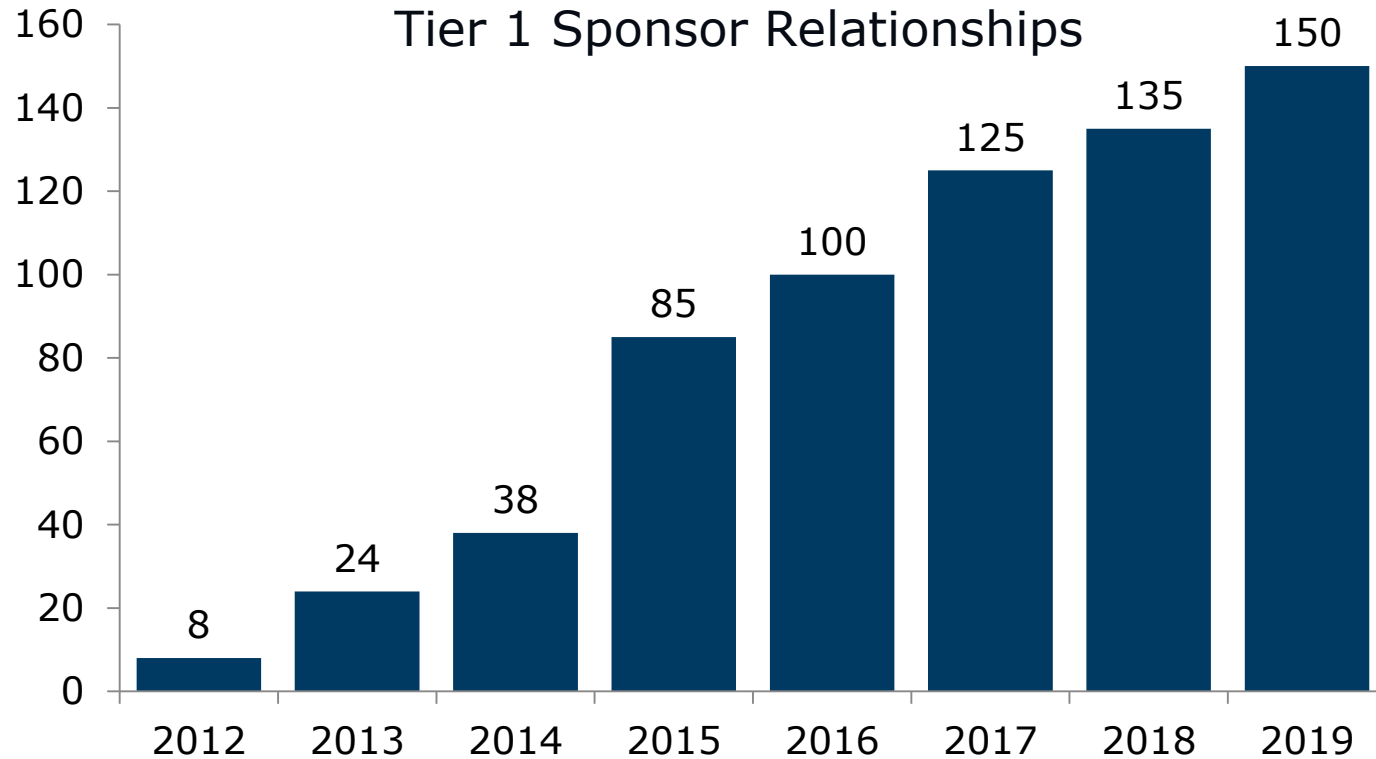
- Eight new portfolio companies in the past twelve months

\*Calendar quarters, not fiscal quarters.



# Tier 1 Sponsor Relationships Increased from 8 to 150 in Seven Years

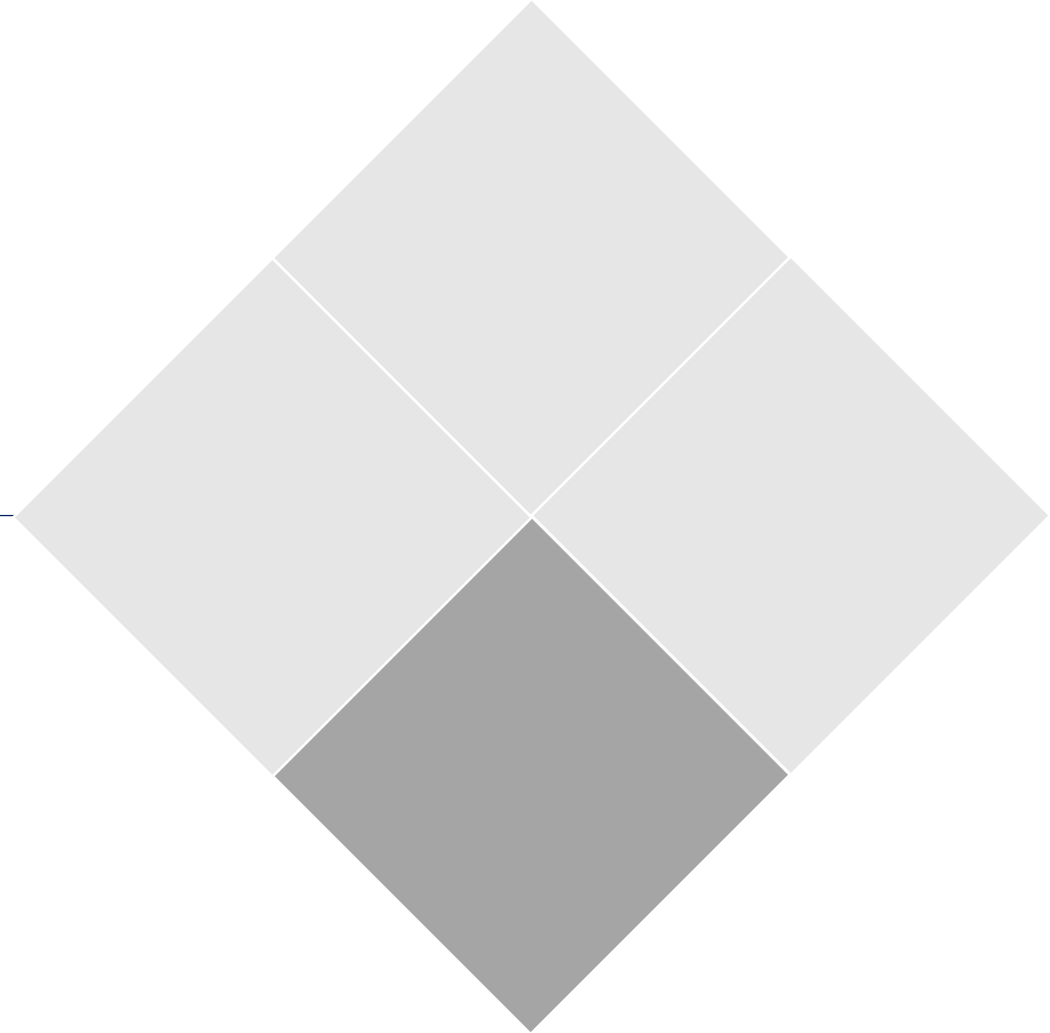
Helps Drive Strong Originations and Pipeline



- Investments in business development expanding our relationship base
- Second full-time business development professional added in 2015 and third in 2017
- Growing reputation in marketplace

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**Successfully Retained and Attracted  
Investment Management and Business  
Development Talent**

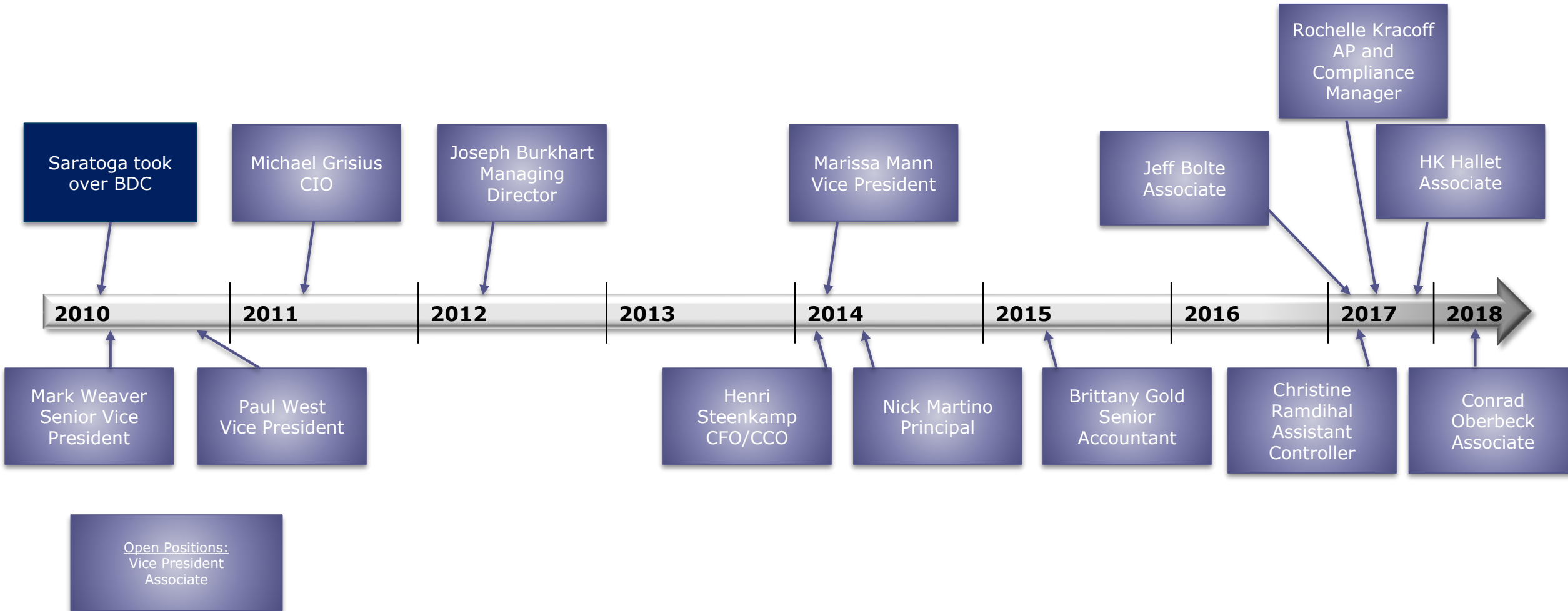






# Saratoga Team Has Continued to Grow to Meet Opportunity

~ Saratoga's Established Management Team  
Combined have over 120 Years with the Company. ~





# Introductions: Best in Class Team

## Professional Team

Christian Oberbeck, CEO

Michael Grisius, President and CIO

Henri Steenkamp, CFO, CCO, Treasurer and Secretary

Charles Phillips, MD

Joe Burkhart, MD Business Development

Thomas Inglesby, MD

John MacMurray, MD

Nick Martino, Principal

Mark Weaver, CFA, Senior Vice President

Paul West, Vice President

Marissa Mann, Vice President

Jeff Bolte, Associate

HK Hallett, Associate

Conrad Oberbeck, Associate

Christine Ramdihal, Assistant Controller

Jeannette Hill, Controller

Brittany Gold, Senior Accountant

Rochelle Kracoff, AP & Compliance Manager

Petal Valme

## Tenure at Saratoga

23 years

8 years at firm

16 years at prior firm

5 years, 15 years prior capital markets and controls experience

21 years

7 years

9 years (10 years including GSC), 15 years at prior firm

11 years

5 years

9 years

9 years

5 years

2 years

2 years

1 year

2 years

2 years

4 years

2 years

21 years

## Background

BS/BA - Brown University, MBA - Columbia University, Dillon Read, Castle Harlan

BS - Georgetown University, MBA - Cornell

University, Allied Capital, Chemical Bank, KPMG

Honors in Finance – University of Johannesburg, CA(SA), PwC

AB - Harvard College, MBA - Harvard Business School, Dillon Read, McCown De Leeuw

BBA – Notre Dame, MBA – Virginia, Allied, ACAS

BS - University of Maryland, JD/MBA - Virginia

GSC Group, Harbour Group

AB - Princeton University, MBA – Columbia, EuroConsult

BA – Bucknell University, Prospect, Credit Suisse

BSBA - University of North Carolina, Chapel Hill

MS - University of Cambridge, GSC

BSBA - University of North Carolina, Chapel Hill

BS – Washington and Lee University, JP Morgan

BS – Fordham University, CIT

BSBA – University of North Carolina, Chapel Hill, Piper Jaffray

BA – Yale University, Cushman & Wakefield

BA Accounting and Economics – Queens College, Cbiz, BDO, Marsh, Augentius, CPA

BBA – Pace, CPA, Pepsico, Xylem, Shake Shack

BS - Florida State, MS – University South FL

BS –Brooklyn College, Abrams, Cohen and Associates, Visium

# Conclusion



## Growth Objectives

- Expand our asset base without sacrificing credit quality while benefitting from scale
- Increase our capacity to source, analyze, close and manage our investments by adding to our management team and processes
- Utilize benefits of fully deploying available financing to build scale and increase our AUM and net investment income/yield, enabling us to achieve growth in:
  - Net Asset Value
  - Return on Equity
  - Earnings per Share
  - Stock Values



# Conclusion: Defined Growth Strategy and Unique Niche Focus

## Best-in-Class Team

Outperforming BDC  
sector in Total Return

*Total Return of +9% LTM  
vs. +8% for BDC industry*

Management Ownership  
*20%*

Exceptional Track  
Record of NAV and  
High-Quality  
Asset Growth  
Since Management's  
Acquisition in 2010

*Fair value of assets under  
management quintupled  
since FY 2011*

Significant Available  
Liquidity

*Existing available  
liquidity allow SAR to  
increase AUM by 26%*

*Capital structure ~  
Fixed rate and long-term*

Remaining  
Room for Growth

*Overearning dividend*

*Available capacity to  
grow will be accretive to  
NII*

Saratoga is outperforming the BDC industry  
and there is a valuation gap opportunity for  
investors.



**Appendix:**  
Saratoga: Basics from Inception  
Investment Process  
Long-term Market Dynamics  
Case Studies

# Saratoga: The Basics From Inception to Today

## Saratoga Investment Advisors, LLC (“SIA” or the “Fund Manager”)

- Fund Manager since July 2010 after Saratoga Partners recapitalized the Fund
- Grown Fund from \$80M assets under management (“AUM”) in 2010 to \$410M at Q1 FY 2020 (excluding CLO AUM)
- Successfully retained and attracted investment management talent – more than tripled from 6 to 19 with five new hires since 2017
- Top performing SBIC on first license in 2012
  - Realized unlevered IRR of 14.4%; Total unrealized unleveraged IRR of 14.5%
- Successfully manages CLO with approx. \$500M AUM
- Grown Net Asset Value (“NAV”) from \$71M in 2010 to \$187M at Q1 FY2020
- Total Stockholder Return (including dividends) consistently outperforms the BDC Industry average
  - One Year: SAR +8% v +8% BDC Index
  - Three Year: SAR +92% v +30% BDC Index
  - Since Saratoga took over management of the BDC: SAR +419% v +119% BDC Index

Note: Standard Management Agreements –

- Base Management Fee of 1.75%, plus 20% incentive fee on Net Investment Income (“NII”) exceeding 7.5% and 20% on “incentive fee capital gains”
- Administrative agreement pays a capped \$2.0M/year

# Key Performance Metrics – Most Recent Quarterly Analysis

For the quarter ended and as of (\$ in millions except per share)	May 31, 2018	Feb 28, 2019	May 31, 2019
Net investment income	\$3,928	\$4,091	\$3,681
Adjusted net investment income*	\$4,000	\$4,942	\$4,635
Net investment income per share	\$0.63	\$0.54	\$0.48
Adjusted net investment income per share*	\$0.64	\$0.66	\$0.60
Net investment income yield	10.9%	9.2%	8.0%
Adjusted net investment income yield*	11.1%	11.2%	10.1%
Return on Equity – Last Twelve Months	14.9%	10.6%	11.7%
Fair value of investment portfolio	\$343.4	\$402.0	\$409.5
Total net assets	\$144.8	\$180.9	\$186.8
Investments in new/existing portfolio companies	\$35.2	\$29.3	\$27.4
Loan Investments held in “Performing” credit ratings	99.3%	98.6%	98.7%

\*Adjusted for accrued capital gains incentive fee expense, and interest during call period and loss on extinguishment of existing baby bonds debt, reconciliation to GAAP net investment income included in our fiscal first quarter 2019 earnings release.



# Investment Approach: How We've Focused

Focused on middle market companies in the United States

\$3 Million to \$25 Million Investments in:

Leveraged & Management Buyouts

Recapitalizations

Growth Financings

Acquisition Financings

Transitional Financings

Diverse Investment Strategy: No potential write-downs as a result of exposure to energy inv.

## Qualitative Parameters

- Leading market position
- Exceptional management with meaningful stake
- Growth prospects in healthy end markets
- Ability to withstand industry cycles

## Financial Parameters

- Revenues of \$10 - \$150 million
- EBITDA of \$2M or above
- Strong margins and free cash flow
- Recurring revenues and stable historical performance
- Modest capital expenditures



# Investment Process

## Types of Deals

- Debt: investment size \$5-25MM
- Equity co-investment: size \$0.5-3MM
- Typical coupon: 9%-14%
- Average maturity of 5 years
- Conservative capital structure
- Unitranche target IRR: 9%-14%
- Mezzanine target IRR: 11%-15%
- Equity target IRR: >25%
- Use of proceeds - acquisitions, MBOs, LBOs, recaps and growth strategies (no turnaround situations)

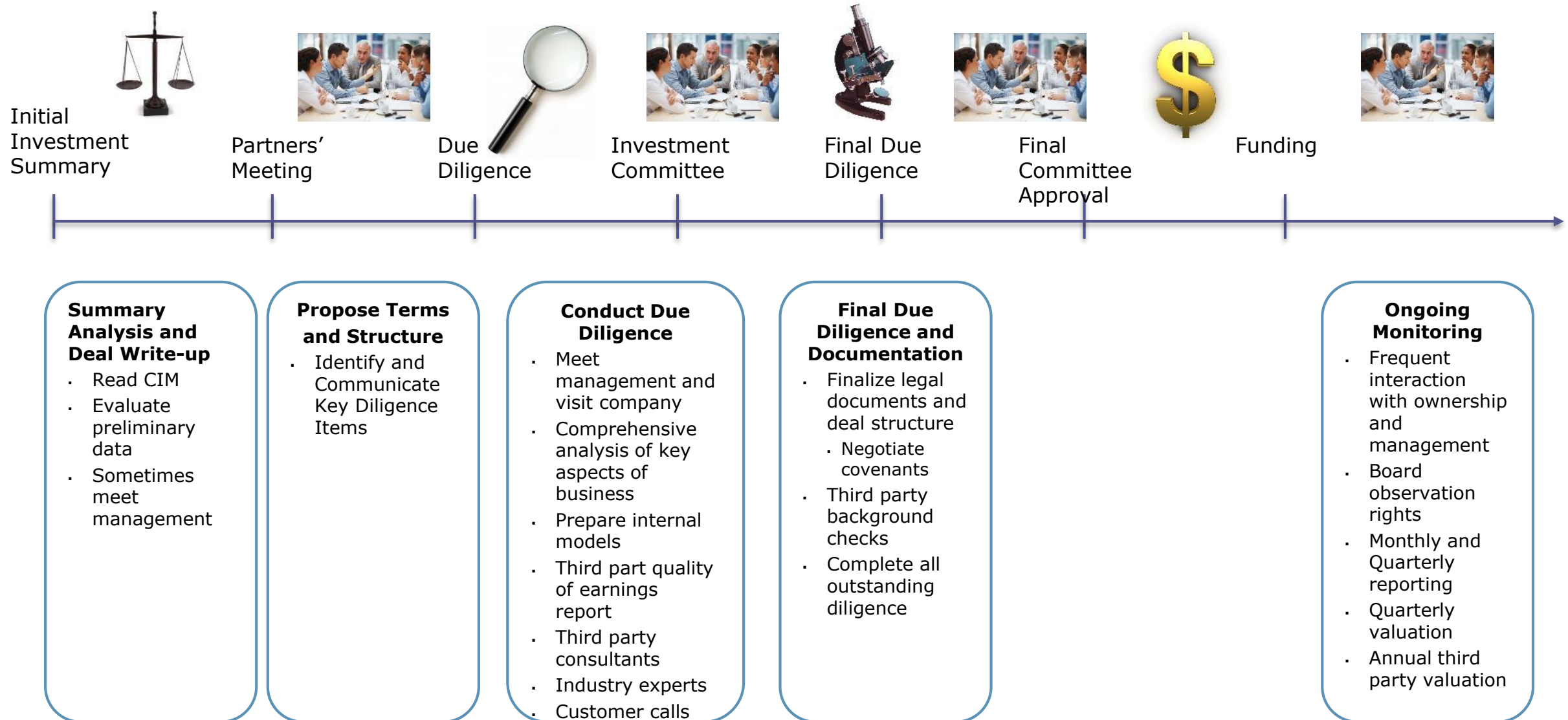
## Company Characteristics

- Later stage, small and middle market companies (\$10-150MM in revenue, \$2+MM in EBITDA)
- Strong margins and free cash flow
- Exceptional management team with a meaningful stake in the business
- Leading market position or niche with sustainable competitive advantages
- Recurring or repeatable revenue with loyal customers and attractive margins
- Modest capital expenditures and working capital requirements

## Industry Profile

- Established, well defined industries with solid growth characteristics in healthy end markets
- Business services, light manufacturing, franchise businesses, consumer and healthcare services industries
- High barriers to entry
- No high R&D, early stage technology, or pure commodity industries
- Ability to withstand business cycles

# Investment Selection and Portfolio Management Process



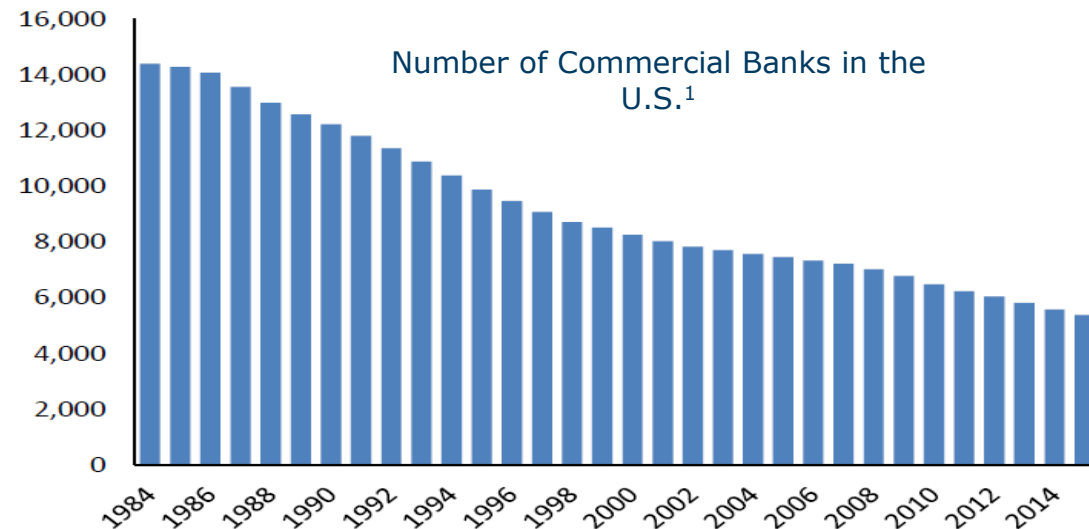
# Long-Term Market Dynamics Are Positive

## Powerful Secular Trends

- Banks continue to shift toward large borrowers
- Regulatory environment is a headwind for banks in the middle-market

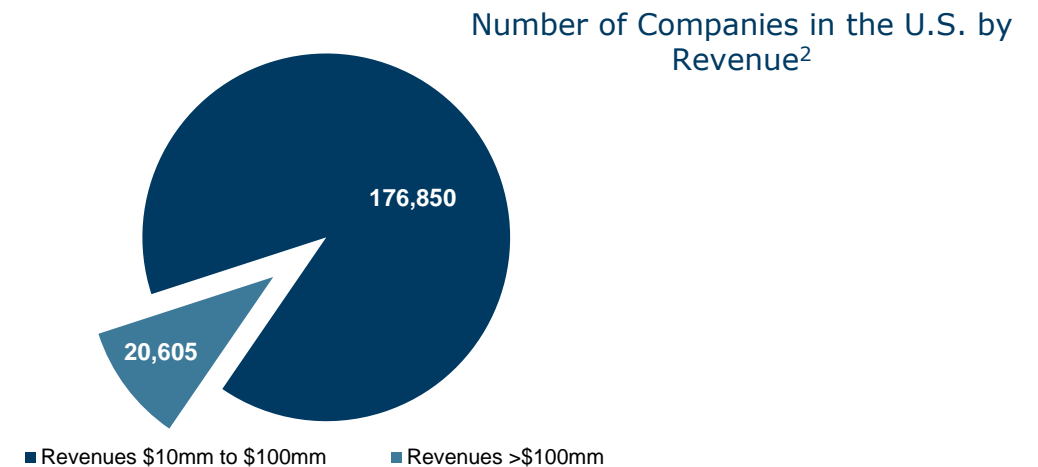
### Consistent Decline in Small Business Bank Lending Due to Consolidation and Regulation

- Banks historically the main source of loans for small businesses
- Consistent decline in number of banks due to consolidation; larger banks focus on larger companies
- Increased regulation has made it more onerous for remaining banks to make small business loans



### Large Market of Small Businesses Underserved by Traditional Asset Managers

- Over 175,000 companies in small business target market –businesses with between \$10mm and \$150mm in revenues
- Small businesses represent nearly 90% of all businesses
- Large asset managers not focused on small businesses
- Less than 8% of private capital is focused on small businesses



(1) Federal Financial Institutions Examination Council (US) -Commercial Banks in the U.S.

(2) U.S. Census, Dunn & Bradstreet. Businesses with between \$10 million and \$100 million of annual revenue represents a large segment of Star Mountain target marketplace.

# Market Dynamics – Regulatory Changes Benefit BDCs

## Proposed Regulatory Changes

- BDCs poised to fill void left by banks

Proposed Regulation	Key Dates	Detail	Effects on Banks	Effect on BDCs
<b>Basel III</b>	Phase-in 2015-2019	New capital requirements require banks to reserve more equity capital against leveraged loans, with higher risk weightings against non-investment grade securities	X	✓
<b>FDIC Guidance on Leveraged Loans</b>	Guidance effective May 2013	Establishes minimum lending standards, changes in “criticized loans” (loans levered >6x) make underwriting higher leverage transactions (i.e. LBOs) more difficult for the largest banks, “no exceptions policy” on new issuance	X	✓
<b>SIFI<sup>1</sup></b>	Ongoing	An objective of Dodd-Frank, SIFI regulation requires the enhanced monitoring of systemic risk and supervision of systemically important financial institutions (SIFIs)	X	✓
<b>Volcker Rule</b>	Finalized Dec. 2013 Implement July 2017	Limits ability of banks to own or sponsor hedge funds or private equity funds	X	✓
<b>Risk Retention</b>	Rules passed October 2014	CLO sponsors required to retain a 5% interest in the CLO on their own balance sheet		✓
<b>S. 2136</b>	Rule passed December 2015	Passed law that would allow SBICs to access \$350 million of SBA debentures, up from \$225 million		✓
<b>H.R. 1800</b>	Ongoing	Proposed law that would raise allowable BDC leverage to 2:1 debt / equity and allow preferred equity to count as equity		✓

Source: Wall Street equity research (May 2013).

(1) SIFI regulation can be viewed as having a negative impact on insurance companies. AIG and Prudential Financial have been designated SIFIs by the Financial Stability Oversight Council (FSOC) and MetLife is in “Stage 3,” the final stage of review before being designated a SIFI

# Investment Case Studies



## Provider of ice machine service contracts to small businesses.

### Investment Thesis

- **Strong Value Proposition**
  - Customers avoid a large upfront equipment purchase, receive repair and regular maintenance at no extra charge, emergency ice delivery in the event of machine downtime.
- **Subscription-based Recurring Revenue Model**
  - Cash flow supported by over 9,400 monthly subscriptions (installed machines) spanning locations in 47 states.
- **Highly Diversified Customer Base**
  - Largest customer represented less than 1.0% of revenues; over 95% of Easy Ice's customers reflected single-unit subscribers.
- **Strong Operating Leverage**
  - Monthly recurring revenue business model has few fixed costs beyond the core operating management and sales/call center. Dedicated (fixed cost) service technicians utilized only in the most dense markets.

### Investment

- In March 2013, Dec 2014, February 2015, and February 2017 Saratoga provided financing to support the recapitalization of the business and to support installed ice machine growth.
- Initial \$7.5M of senior debt has grown to over \$20m in debt and equity over the course of investment to support growth via additional fleet purchases.
- In February 2017, Saratoga led a recapitalization in conjunction with management that resulted in Saratoga owning approximately 40% of the company.
- Easy Ice continues to grow its footprint of installed machines.

### Investment Summary

- **Revenue and EBITDA more than tripled over our investment period.**
- **As installed base of machines has grown, revenue visibility and operating leverage has improved.**
- **Attractive subscription model continues to improve, experiencing lower churn rates as customers are more "seasoned."**



**HEALTH Media NETWORK**

## Point of care media company with over 9,500 digital screens and wallboards in medical offices and healthcare facilities

### Investment Thesis

- **Value Proposition**
  - HMN provides advertisers access to an engaged, captive audience of highly targeted customers at the point of care.
  - HMN offers a strong, measurable ROI for its customers.
- **Blue Chip Customer Base**
  - HMN's customers include many of the world's largest and most sophisticated pharmaceutical companies, including Pfizer and Bayer, and advertising agencies, including Carat, FCB Health and Target Health, which have endorsed HMN's platform by using it to advertise key drugs in their portfolios.
- **Attractive Unit Economics and Margins**
  - HMN's assets offer very quick payback (less than one year)
  - Highly leverageable business model with strong incremental revenue flow through to EBITDA.
  - Modest maintenance capex leads to high FCF.

# Contacts

## Board of Directors

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### Independent:

Steven M. Looney  
Charles S. Whitman III  
G. Cabell Williams

### Interested:

Christian Oberbeck (Chairman)  
Michael Grisius

## Senior Management

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Christian L. Oberbeck  
Director (Chairman), Chief  
Executive Officer

Michael J. Grisius  
Director, President

Henri J. Steenkamp  
Chief Financial Officer, Chief  
Compliance Officer, Treasurer,  
Secretary

## Research Coverage

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Compass Point  
Casey Alexander

Ladenburg Thalmann  
Mickey Schleien

National Securities Corporation

Maxim Group  
Michael Diana

Janney  
Mitchel Penn

FBR  
Tim Hayes

## Security Listing

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Common Stock:  
NYSE: SAR

## Fiscal Year End

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February 28<sup>th</sup>  
Accelerated filer

## Transfer Agent

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## Investor Relations

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## Independent Audit Firm

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Ernst & Young LLP

## Corporate Headquarters

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