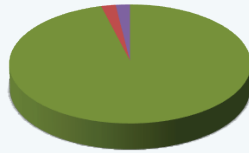


# BDC Industry Review: Third Quarter 2015

## HMS Income Fund Inc.

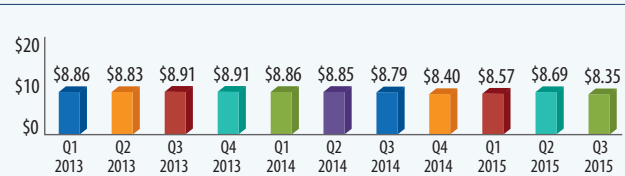
Total Assets.....	\$913.7 Million
Investments.....	\$876.7 Million
Cash & Equivalents.....	\$18.6 Million
Other.....	\$18.4 Million



Public Offering Price .....	\$9.90
Current Distribution Rate* .....	7.07%
Reinvestment Price Per Share .....	90% POP
Effective Date.....	June 4, 2012
Number of Months Effective.....	39

\*Current distribution rate based on public offering price

### Historical Price (Net Asset Value)



Cash & Equivalents to Total Assets Ratio.....	2.0%
Asset Type .....	Diversified Private Debt
Number of Companies in Portfolio .....	116
Sponsor/Advisor .....	Hines
Sub-Advisor.....	Main Street Capital Corporation
Use of Total Return Swap (TRS) .....	No
Assets of TRS .....	Not Applicable

### Investment Strategy

#### Strategy:

Generate current income and to a lesser, extent capital gains primarily through debt and equity investments in privately owned U.S. lower middle market companies as well as upper middle market firms.

#### Company Size:

Annual revenues of \$10 million to \$150 million (lower middle market) up to \$3 billion (upper middle market)

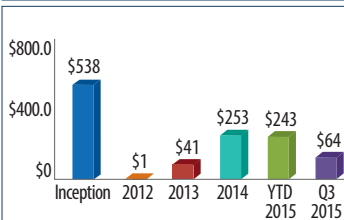
### Management

Investments are managed by HMS Advisor, a Hines subsidiary, and sub-advised by Main Street Capital. Main Street provides sourcing, evaluation, negotiation and structuring for HMS's investments.

**Hines** – A global real estate investment firm that manages or has interests in over \$84.9 billion of investments. Together with its predecessor, Hines has been investing and managing real estate for over 50 years..

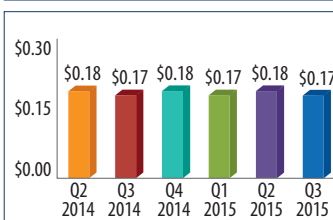
**Main Street Capital** – A manager of private debt and equity investments, Main Street Capital Corp. is a publicly traded BDC with a market capitalization of roughly \$2 billion.

### Gross Offering Proceeds



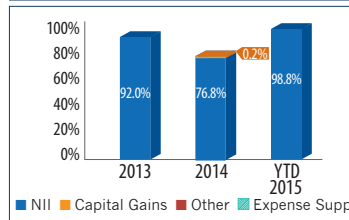
\*Includes reinvested distributions (in millions)

### Historical Distribution Per Share



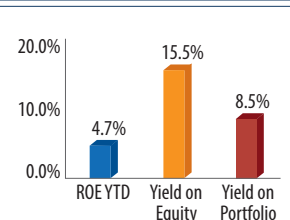
\*Does not include special distributions

### Sources of Distributions

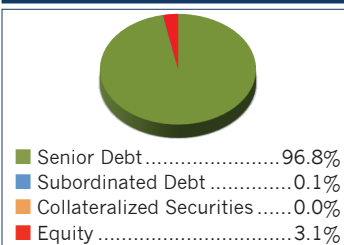


\*Other may include other taxable income items.

### Portfolio Yields



### Portfolio by Asset Type



### Portfolio Concentration – Top 5 Industries

Industry	2015 YTD	2014
Hotels, Restaurants, and Leisure	11%	8%
Media	7%	9%
IT Services	5%	7%
Health Care Providers and Services	5%	4%
Diversified Consumer Services	5%	5%

\* Short-term Treasury Investments not included

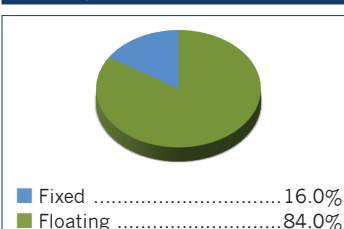
### Performance Returns

	2015 YTD	2014	2013	2012**
HMS Income Fund Inc.	5.71%	2.13%	8.47%	0.85%
S&P/LSTA Leveraged Loan Index	(0.52%)	0.99%	5.25%	9.67%
BofA Merrill Lynch High Yield Master II	(2.53%)	2.50%	7.42%	15.58%

\* YTD returns are not annualized

\*\* Limited operations for year of 2012, became effective 2/14/12

### Floating vs. Fixed Rate Investments



\*See additional notes on page 23.

### Key Statistics

Fund Operating Expense Ratio.....	5.3%
Interest Coverage Ratio.....	5.5x
Weighted-Average Interest Rate .....	3.9%
Leverage Ratio.....	43.0%
Taxable Income Payout Ratio* .....	95.0%
Net Change in Assets Payout Ratio .....	178.0%
Expense Support % of Distribution .....	1.0%

[www.HinesSecurities.com/BDCS/HMS-Income-Fund](http://www.HinesSecurities.com/BDCS/HMS-Income-Fund)

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