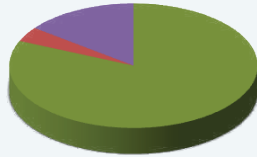


## BDC Industry Review: Second Quarter 2014



## Sierra Income Corporation

Total Assets.....	\$404.1 Million
Investments.....	\$329.3 Million
Cash & Equivalents.....	\$15.5 Million
Other.....	\$59.3 Million

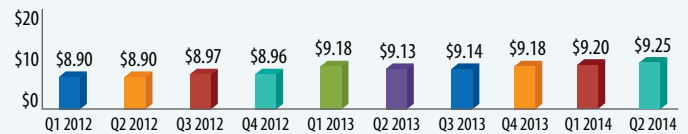


Public Offering Price: .....	\$10.25
Current Distribution Rate*: .....	7.80%
Reinvestment Price Per Share:.....	90% POP
Effective Date:.....	April 16, 2012
Number of Months Effective:.....	26

\*Current distribution rate based on public offering price

Cash & Equivalents to Total Assets Ratio:.....	3.8%
Asset Type: .....	Diversified Private Debt
Number of Companies in Portfolio: .....	59
Sponsor/Advisor: .....	SIC Advisors - Medley Capital
Sub-Advisor:.....	Not Applicable
Use of Total Return Swap (TRS): .....	Yes
Assets of TRS: .....	\$160.0 Million

## Historical Price (Net Asset Value)



## Investment Strategy

## Strategy:

To invest primarily in debt of privately owned U.S. companies with a focus on senior secured debt, second lien debt, and to a lesser extent, subordinated debt.

## Company Size:

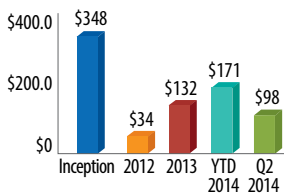
Enterprise value of \$50 million to \$4 billion

## Management

Investments are sourced, underwritten and managed by SIC Advisors, Medley Capital professionals.

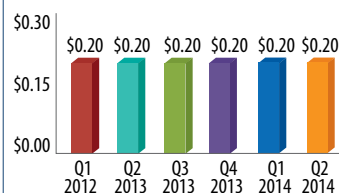
**SIC Advisors - Medley Capital** – Management team members bring an average of more than 20 years experience in principal finance, investment sourcing, credit analysis, transaction structuring, due diligence and investing. Medley Capital, the parent company of SIC Advisors has several private investment funds and a publicly traded BDC (Medley Capital Corporation) with combined assets of \$2.5 billion.

## Gross Offering Proceeds



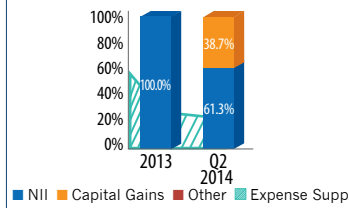
\*Includes reinvested distributions (in millions)

## Historical Distribution Per Share



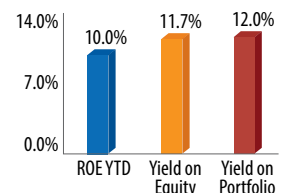
\*Does not include special distributions

## Sources of Distributions

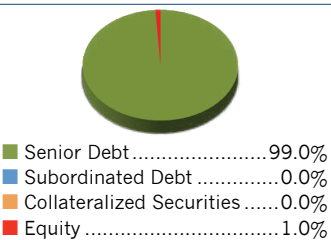


\*Other may include other taxable income items.

## Portfolio Yields



## Portfolio by Asset Type



## Portfolio Concentration - Top 5 Industries

Industry	2014 YTD	2013
Electronics	13%	10%
Beverage, Food, and Tobacco	11%	12%
Oil and Gas	10%	14%
Automobile	9%	4%
Telecommunications	7%	12%

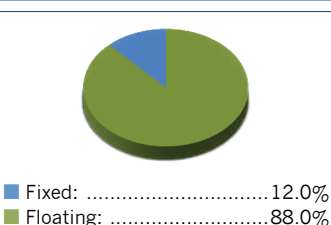
\*Includes TRS Portfolio

## Performance Returns

	2014* YTD	2013*
Sierra Income Corporation	5.20%	11.75%
S&P/LSTA Leveraged Loan Index	2.60%	5.25%
BofA Merrill Lynch High Yield Master II	5.64%	7.42%

\*Annualized Returns based on NAV plus reinvestment of distributions  
\*Limited operations for year of 2012, became effective 2/14/12

## Floating vs. Fixed Rate Investments



\*See additional notes on page 19.

## Key Statistics

Fund Operating Expense Ratio.....	6.9%
Interest Coverage Ratio.....	13.5x
Weighted Average Interest Rate .....	4.7%
Leverage Ratio.....	31.5%
Taxable Income Payout Ratio.....	100.0%
Net Change in Assets Payout Ratio.....	87.0%
Expense Support % of Distribution.....	21.0%

## Contact Information

**www.SierraincomeCorp.com**  
**SC Distributors**  
**610 Newport Center Drive**  
**Suite #350**  
**Newport Beach, CA 92660**  
**(949) 706-8640**