



BDC Industry Review: Third Quarter 2013

Sierra Income Corporation

Total Assets.....	\$111.5 Million
Investments.....	\$104.8 Million
Cash & Equivalents.....	\$0.6 Million
Other.....	\$6.1 Million



Cash & Equivalents to Total Assets Ratio.....	0.6%
Asset Type:	Diversified Private Debt
Number of Companies in Portfolio:	48
Sponsor/Advisor:	SIC Advisors - Medley Capital
Sub-Advisor:.....	Not Applicable
Use of Total Return Swap (TRS):	Yes
Assets of TRS:	\$6.9 Million

Public Offering Price:	\$10.20
Current Distribution Rate*:	7.84%
Reinvestment Price Per Share:.....	90% POP
Effective Date:.....	June 4, 2012
Number of Months Effective:.....	17

*Current distribution rate based on public offering price

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:

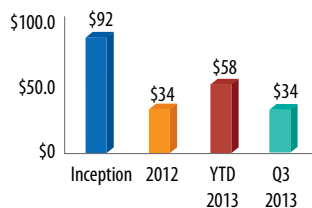
Enterprise value of \$50 million to \$4 billion

Management

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

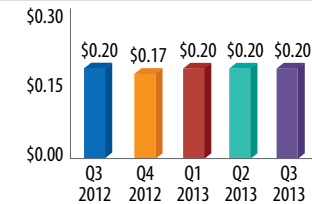
SIC Advisors - Medley Capital – Management team members bring an average of more than 20 years experience in principal finance, investment sourcing, credit analysis, transaction structuring, due diligence and investing. Medley Capital, the parent company of SIC Advisors has several private investment funds and a publicly traded BDC (Medley Capital Corporation) with combined assets of over \$1.8 billion.

Gross Offering Proceeds



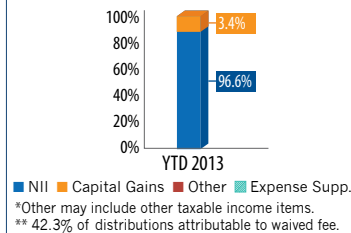
*Includes reinvested distributions (in millions)

Historical Distribution Per Share



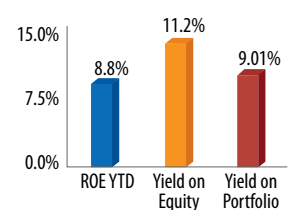
*Does not include special distributions

Sources of Distributions

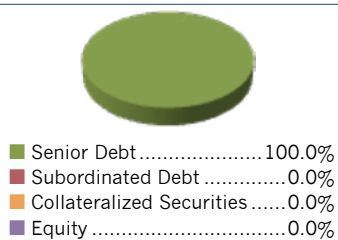


*Other may include other taxable income items.
** 42.3% of distributions attributable to waived fee.

Portfolio Yields



Portfolio by Asset Type



Portfolio Concentration - Top 5 Industries

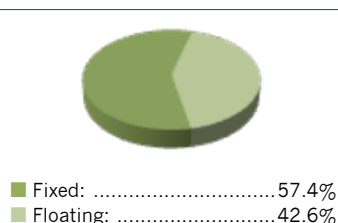
Industry	YTD 2013	2012
Oil and Gas	17%	10%
Telecommunications	11%	11%
Chemicals, Plastics, and Rubber	11%	4%
Personal and Nondurable Consumer Products (Manufacturing Only)	9%	4%
Electronics	7%	2%

Performance Returns

	YTD 2013
Sierra Income Corporation	8.86%
S&P/LSTA Leveraged Loan Index	3.53%
BofA Merrill Lynch High Yield Master II	3.79%

* Annualized Returns based on NAV plus reinvestment of distributions

Floating vs. Fixed Rate Investments



Key Statistics

Fund Operating Expense Ratio.....	10.3%
Interest Coverage Ratio.....	18.9x
Weighted Average Interest Rate	1.4%
Leverage Ratio.....	18.5%
Taxable Income Payout Ratio.....	123%
Net Change in Assets Payout Ratio.....	89%
Expense Support % of Distribution.....	81%

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* See additional notes on page 19.

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