

# OXLC

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Oxford Lane Capital Corp.

Investor Presentation

Quarter Ended September 30, 2017

# Disclaimer

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# Financial Highlights

<i>(FYE March 31, \$ per share)</i>	<u>Q2-18</u>	<u>Q1-18</u>	<u>Q4-17</u>	<u>Q3-17</u>	<u>Q2-17</u>
GAAP net investment income	\$ 0.37	\$ 0.42	\$ 0.45	\$ 0.38	\$ 0.37
GAAP realized (losses) gains	(0.12)	0.06	(0.11)	(0.04)	0.05
GAAP unrealized (depreciation) appreciation	(0.34)	(0.12)	(0.31)	1.04	1.30
Core net investment income <sup>1,2</sup>	\$ 0.46	\$ 0.52	\$ 0.43	\$ 0.58	\$ 0.71
Distributions paid	0.40	0.40	0.60	0.60	0.60
Net asset value	\$ 9.71	\$ 10.18	\$ 10.20	\$ 10.74	\$ 9.94
<i>(FYE March 31, \$ in millions)</i>	<u>Q2-18</u>	<u>Q1-18</u>	<u>Q4-17</u>	<u>Q3-17</u>	<u>Q2-17</u>
Total fair value of investments	\$ 395.6	\$ 393.8	\$ 356.8	\$ 340.8	\$ 297.4
Number of portfolio investments <sup>3</sup>	73	66	54	47	44

1. Refer to Appendix for reconciliation of GAAP net investment income to core net investment income.

2. The Fund may also choose to distribute, annually, net realized capital gains that are generated on a tax basis.

3. Includes CLO debt, CLO equity, Warehouse Equity, Class M Notes, Subordinated Fee Notes and other CLO equity related investments.

# Summary Portfolio Highlights

## Portfolio Activity

<i>(FYE March 31, \$ in millions)</i>	<u>Q2-18</u>	<u>Q1-18</u>	<u>Q4-17</u>	<u>Q3-17</u>	<u>Q2-17</u>
New investments	\$ 54.3	\$ 95.7	\$ 96.0	\$ 96.3	\$ 52.7
Sales <sup>1</sup>	24.0	46.1	72.9	69.0	38.0
Net investment activity	\$ 30.3	\$ 49.6	\$ 23.1	\$ 27.2	\$ 14.7

## Investment Portfolio by Asset Type<sup>2</sup>

	<u>Q2-18</u>	<u>Q1-18</u>	<u>Q4-17</u>	<u>Q3-17</u>	<u>Q2-17</u>
CLO equity <sup>3</sup>	93%	94%	96%	97%	97%
CLO debt	7%	6%	4%	3%	3%

Note: Certain figures may not tie out to financial statements due to rounding.

1. Includes Warehouse Equity repayments.
2. At fair value as of quarter end.
3. Includes Class M Notes, Warehouse Equity, Subordinated Fee Notes and other CLO Equity related investments.

# CLO Equity & Warehouse Investment Highlights

(\$ in millions)

	<u>Q2-18</u>	<u>Q1-18</u>	<u>Q4-17</u>	<u>Q3-17</u>	<u>Q2-17</u>
<b>CLO Equity</b>					
Cash income producing CLO equity at original cost <sup>1</sup>	\$ 396.4	\$ 329.5	\$ 317.4	\$ 338.7	\$ 327.5
Non-cash income producing CLO equity at original cost <sup>1,2</sup>	55.6	91.3	86.7	40.1	35.4
Total CLO Equity <sup>1</sup>	<u>\$ 452.0</u>	<u>\$ 420.8</u>	<u>\$ 404.1</u>	<u>\$ 378.8</u>	<u>\$ 362.9</u>
<b>Warehouse</b>					
Non-cash income producing warehouse investments at original cost <sup>1,2</sup>	\$ 7.5	\$ -	\$ 7.0	\$ 16.0	\$ 2.0
Total warehouse investments <sup>1</sup>	<u>\$ 7.5</u>	<u>\$ -</u>	<u>\$ 7.0</u>	<u>\$ 16.0</u>	<u>\$ 2.0</u>

(\$ in millions)

## **CLO Equity**

### **Breakdown of Non-cash Income Producing CLO Equity as of September 30, 2017<sup>1,2</sup>**

CLO Equity expected to make initial distribution by 12-31-17 at original cost	\$ 34.4
CLO Equity expected to make initial distribution by 3-31-18 at original cost	21.2
Total non-cash income producing CLO equity at original cost	<u>\$ 55.6</u>

Note: Certain figures may not tie out to financial statements due to rounding.

1. This number represents total dollar value (at original cost) of those assets held at quarter end.
2. Represents the amount of CLO equity investments (purchased in either the primary or secondary market) and warehouse financing which did not make a cash distribution payment to OXLC during the quarter. For newly issued CLOs, it can generally take up to two quarters from initial issuance to receive the inaugural distribution payment from a CLO equity investment.

# CLO Portfolio Summary

As of September 30, 2017

CLO Equity Positions	CLO Vintage Year <sup>1</sup>	Tranche Type	Non-Call Period End*	Reinvestment Period End*	AAA Spread (L+)*	Junior Tranche Overcollateralization Cushion*	Reinvestment Overcollateralization Cushion*	Weighted Average Portfolio Spread <sup>2*</sup>	Weighted Average Rating Factor*	Diversity Score*	Weighted Average Portfolio Life (Years)*
CLO Equity Position #1	2012	CLO Equity	Callable	August-16	1.25%	4.48%	NM	2.97%	2568	62	3.76
CLO Equity Position #2	2013	CLO Equity	Callable	April-17	1.10%	3.21%	NM	3.27%	2949	73	4.38
CLO Equity Position #3	2013	CLO Equity	Callable	April-17	1.15%	5.75%	NM	3.34%	2901	59	3.92
CLO Equity Position #4	2013	CLO Equity	Callable	May-17	1.15%	3.98%	NM	3.43%	3088	66	3.09
CLO Equity Position #5	2013	CLO Equity	Callable	July-17	1.15%	1.23%	NM	3.29%	2804	79	4.61
CLO Equity Position #6	2013	CLO Equity	Callable	July-17	1.30%	2.38%	NM	4.27%	3062	64	4.36
CLO Equity Position #7	2013	CLO Equity	Callable	July-17	1.16%	0.53%	NM	3.56%	2947	63	4.51
CLO Equity Position #8	2013	CLO Equity	Callable	October-17	1.65%	4.92%	3.42%	5.08%	3740	57	3.68
CLO Equity Position #9	2013	CLO Equity	Callable	January-18	1.18%	1.09%	0.09%	3.21%	2884	80	4.74
CLO Equity Position #10	2013	CLO Equity	Callable	January-18	1.14%	2.08%	0.70%	3.56%	2713	77	4.65
CLO Equity Position #11	2014	CLO Equity	Callable	April-18	1.05%	2.82%	1.50%	3.42%	2753	86	4.97
CLO Equity Position #12	2014	CLO Equity	Callable	April-18	1.40%	3.00%	1.38%	3.45%	2786	67	4.65
CLO Equity Position #13	2014	CLO Equity	Callable	July-18	1.47%	1.49%	0.98%	3.66%	3113	75	4.87
CLO Equity Position #14	2014	CLO Equity	Callable	July-18	1.08%	4.05%	2.07%	3.77%	2851	106	4.72
CLO Equity Position #15	2014	CLO Equity	Callable	July-18	0.95%	3.48%	2.98%	3.55%	2793	84	4.68
CLO Equity Position #16	2014	CLO Equity	Callable	October-18	1.20%	2.18%	0.67%	3.31%	2827	76	4.82
CLO Equity Position #17	2014	CLO Equity	Callable	October-18	1.19%	1.90%	0.60%	3.66%	2885	69	4.98
CLO Equity Position #18	2014	CLO Equity	Callable	October-18	1.22%	1.35%	0.35%	3.61%	2875	68	4.50
CLO Equity Position #19	2014	CLO Equity	Callable	October-18	1.34%	4.91%	3.58%	3.99%	2831	72	4.95
CLO Equity Position #20	2014	CLO Equity	Callable	October-18	1.20%	2.19%	1.19%	3.50%	2698	74	5.20
CLO Equity Position #21	2015	CLO Equity	Callable	January-19	1.10%	5.37%	4.40%	3.74%	2737	68	5.03
CLO Equity Position #22	2015	CLO Equity	Callable	April-19	1.37%	4.69%	3.51%	3.53%	2801	79	5.03
CLO Equity Position #23	2015	CLO Equity	Callable	April-19	1.45%	3.77%	2.76%	4.04%	2778	80	4.82
CLO Equity Position #24	2015	CLO Equity	December-17	April-19	1.39%	3.95%	3.45%	3.64%	2860	84	4.79
CLO Equity Position #25	2015	CLO Equity	Callable	July-19	0.88%	3.52%	2.36%	3.80%	2924	102	4.87
CLO Equity Position #26	2013	CLO Equity	July-18	July-19	1.30%	3.77%	NA	4.02%	2863	58	4.03
CLO Equity Position #27	2015	CLO Equity	October-17	October-19	1.55%	5.63%	4.66%	4.07%	2778	78	5.02
CLO Equity Position #28	2015	CLO Equity	October-17	October-19	1.45%	3.51%	2.51%	3.63%	2678	67	5.59
CLO Equity Position #29	2015	CLO Equity	October-17	April-20	1.46%	5.44%	4.40%	3.83%	2854	69	5.05
CLO Equity Position #30	2015	CLO Equity	July-18	July-20	1.43%	4.51%	3.51%	3.44%	2723	83	5.02
CLO Equity Position #31	2016	CLO Equity	October-18	October-20	1.65%	4.23%	3.73%	3.92%	2777	72	5.44
CLO Equity Position #32	2016	CLO Equity	July-18	January-21	1.56%	5.39%	3.89%	3.48%	2760	87	5.22
CLO Equity Position #33	2016	CLO Equity	July-18	January-21	1.53%	4.06%	3.56%	3.65%	2555	69	5.44
CLO Equity Position #34	2015	CLO Equity	January-18	January-21	1.55%	5.54%	3.95%	3.61%	2698	80	5.16
CLO Equity Position #35	2016	CLO Equity	April-19	March-21	1.49%	4.17%	3.17%	3.81%	2686	98	5.35
CLO Equity Position #36	2017	CLO Equity	April-19	April-21	1.34%	5.17%	4.10%	3.71%	2704	77	5.80
CLO Equity Position #37	2016	CLO Equity	January-19	April-21	1.58%	4.70%	3.70%	3.68%	2624	59	5.61
CLO Equity Position #38	2017	CLO Equity	July-19	July-21	1.30%	NA	4.41%	3.76%	2823	57	4.72
CLO Equity Position #39	2013	CLO Equity	August-19	August-21	1.25%	3.44%	2.44%	3.84%	2885	101	4.20
CLO Equity Position #40	2017	CLO Equity	April-19	October-21	1.33%	5.09%	4.09%	3.70%	2828	73	5.03
CLO Equity Position #41	2016	CLO Equity	July-19	January-22	1.42%	5.04%	3.97%	3.60%	2710	68	5.55
CLO Equity Position #42	2017	CLO Equity	April-19	April-22	1.22%	5.00%	4.00%	3.57%	2923	79	5.33
CLO Equity Position #43	2017	CLO Equity	October-19	April-22	NA	NA	4.00%	4.15%	2676	NA	NA
CLO Equity Position #44	2017	CLO Equity	August-19	August-22	1.27%	NA	4.00%	3.71%	NA	NA	NA
CLO Equity Position #45	2015	CLO Equity	October-19	October-22	1.51%	2.61%	3.99%	3.45%	2657	72	5.13
<b>Subtotal (Fair Value)</b>	<b>\$356,136,983</b>			<b>Dec-19<sup>3</sup></b>	<b>1.32%<sup>3</sup></b>	<b>4.28%<sup>3</sup></b>	<b>3.34%<sup>3</sup></b>	<b>3.71%<sup>3</sup></b>	<b>2814<sup>3,4</sup></b>	<b>74<sup>3</sup></b>	<b>4.93<sup>3</sup></b>
CLO Debt Positions	CLO Vintage Year <sup>1</sup>	Tranche Type	Non-Call Period End*	Reinvestment Period End*	AAA Spread (L+)*	Junior Tranche Overcollateralization Cushion*	Reinvestment Overcollateralization Cushion*	Weighted Average Portfolio Spread <sup>2*</sup>	Weighted Average Rating Factor*	Diversity Score*	Weighted Average Portfolio Life (Years)*
CLO Debt Position #1	2013	Original BB	Callable	July-17	1.15%	1.23%	NM	3.29%	2804	79	4.61
CLO Debt Position #2	2013	Original BB	Callable	July-17	1.16%	0.53%	NM	3.56%	2947	63	4.51
CLO Debt Position #3	2015	Original B	Callable	July-19	0.88%	3.52%	2.36%	3.80%	2924	102	4.87
CLO Debt Position #4	2015	Original B	October-17	October-19	1.45%	3.51%	2.51%	3.63%	2678	67	5.59
CLO Debt Position #5	2017	Original B	July-19	July-22	1.18%	NA	NA	NA	NA	NA	NA
CLO Debt Position #6	2017	Original B	October-19	October-22	1.20%	NA	NA	3.60%	NA	NA	NA
CLO Debt Position #7	2013	Original B	October-19	October-22	1.25%	NA	2.87%	3.51%	2854	75	3.79
<b>Subtotal (Fair Value)</b>	<b>\$28,743,475</b>			<b>Apr-20<sup>3</sup></b>	<b>1.19%<sup>3</sup></b>	<b>2.18%<sup>3</sup></b>	<b>2.03%<sup>3</sup></b>	<b>3.63%<sup>3</sup></b>	<b>2830<sup>3,4</sup></b>	<b>73<sup>3</sup></b>	<b>4.62<sup>3</sup></b>
<b>Total (Fair Value)</b>	<b>\$384,880,458<sup>5</sup></b>			<b>Dec-19<sup>3</sup></b>							

- Year in which the deal was issued.
- May include effective benefit of LIBOR floors against current LIBOR rate as calculated by the trustee and reported by Intex.
- Shown on a weighted average basis (based on Fair Value).
- Weighted Average Rating Factor (WARF) Score of 2814 and 2830, for OXLC's CLO Equity and Debt tranche positions respectively, is equivalent to a Moody's corporate debt rating of between B2 and B3 (B2 = 2720, B3 = 3490).
- Excludes called deals, Class M Notes, Warehouse Equity, Subordinated Fee Notes and other CLO equity related investments.

\*Source: As reported by Intex.

# CLO Collateral Characteristics\*

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*As of September 30, 2017*

Number of unique Collateral Obligations <sup>1</sup>	1,913
Number of unique Obligor <sup>2</sup>	1,403
Top 10 Collateral Obligation Positions as % of Total Collateral <sup>3</sup>	4.14%
Collateral Weighted Average Price <sup>3</sup>	98.21%
Largest Individual Obligor Exposure <sup>3</sup>	0.78%
Average Individual Obligor Exposure <sup>3</sup>	0.07%
Weighted Average Collateral LIBOR Floor <sup>3</sup>	0.96%

Note: Excludes Class M Notes, Warehouse Equity, Subordinated Fee Notes and other CLO equity related investments.

- 1) Represents the total number of Collateral Loan Investments among all of OXLC's CLO investments.
- 2) Represents the total number of unique Obligor among all of OXLC's CLO investments.
- 3) These figures are calculated based on OXLC's percentage interest in each CLO vehicle on a weighted average par basis.

\* Source: As reported by Intex.

# CLO Portfolio Metrics

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	<u>9/30/2017</u>	<u>6/30/2017</u>
Weighted average yield of CLO debt investments at current cost <sup>1</sup>	9.3%	9.4%
Weighted average effective yield of CLO equity investments at current cost	16.4%	18.7%
<b>Weighted average effective yield of total investments at current cost</b>	<b>15.8%</b>	<b>18.4%</b>
Weighted average cash distribution yield of CLO debt at current cost <sup>2</sup>	8.2%	7.8%
Weighted average cash distribution yield of CLO equity at current cost <sup>2</sup>	20.0%	26.4%
<b>Weighted average cash distribution yield of total cash income producing investments at current cost<sup>2</sup></b>	<b>19.3%</b>	<b>25.3%</b>

1. Includes non-cash amortization of OID.

2. Cash income producing investments represent those CLO debt and equity investments (excluding warehouses) which made a distribution payment to OXLC for the quarters ending 9/30/17 and 6/30/17, respectively. At current cost, OXLC had ~\$56.7 million and ~\$108.9 million of CLO equity investments which were non-cash income producing for the quarters ending 9/30/17 and 6/30/17, respectively, but are all projected to be cash income producing and make their inaugural distribution payment no later than the quarter ending 3/31/18. The yield is calculated by taking the quarterly distributions received, annualizing such amount and dividing by the current cost basis of the cash income producing investments for the quarters ending 9/30/17 and 6/30/17, respectively.



# CLO Equity Cash Distributions

	9/30/2017	6/30/2017
CLO Equity investments which had a full distribution payment (as a % of CLO Equity FV)	100.0%	100.0%
CLO Equity investments which had a partial distribution payment (as a % of CLO Equity FV)	0.0%	0.0%
CLO Equity investments which had full diversion (as a % of CLO Equity FV)	0.0%	0.0%
CLO Equity Investments as of 9/30/17 <sup>1</sup>	Payments for quarter ending 9/30/17 as a % of par <sup>2</sup>	Fair Value Change from 6/30/17 Fair Value or Purchase Price as a % of par <sup>3</sup>
AMMC CLO XII, Ltd.	1.9%	2.0%
Apidos CLO XXI, Ltd.	0.0%	0.5%
Ares XXVI CLO Ltd.	2.0%	1.4%
Ares XLIII CLO Ltd.	7.5%	-6.7%
Atrium XII, Ltd.	3.9%	4.0%
Battalion CLO VII Ltd.	3.4%	-2.0%
Benefit Street Partners CLO V Ltd.	3.4%	-2.0%
Blue Hill CLO, Ltd.	1.7%	-3.8%
B&M CLO 2014-1, Ltd.	2.9%	-4.0%
Bristol Park CLO, Ltd.	3.7%	-5.0%
Carlyle Global Market Strategies CLO 2013-2, Ltd.	2.5%	3.8%
Cent CLO 16, LP	0.9%	-1.0%
CIFC Funding 2014-III, Ltd.	1.4%	0.0%
CIFC Funding 2015-I, Ltd.	4.0%	1.0%
Dryden 42 Senior Loan Fund	2.6%	-2.4%
Golub Capital Partners CLO 35(B), Ltd.	0.0%	-2.8%
Halcyon Loan Advisors Funding 2015-1 Ltd.	3.9%	1.0%
Hull Street CLO Ltd.	4.3%	-10.0%
Ivy Hill Middle Market Credit VII, Ltd.	3.0%	3.5%
Jamestown III CLO Ltd.	2.0%	-1.0%
Jamestown IV CLO Ltd.	2.4%	-10.8%
JFIN 2015-II CLO, Ltd.	3.3%	0.7%
KVK CLO 2014-3 Ltd.	2.4%	0.0%
MidOcean Credit CLO VI	5.3%	-5.0%
Mountain Hawk II CLO, Ltd.	4.2%	-12.0%
North End CLO, Ltd.	2.5%	-5.2%
Octagon Investment Partners 27, Ltd.	2.2%	0.2%
OZLM XIV, Ltd.	2.7%	-1.7%
OFSI Fund VII, Ltd.	2.7%	-3.0%
Parallel 2015-1 Ltd.	2.4%	3.0%
Race Point IX CLO, Ltd.	2.5%	-2.9%
Regatta III Funding Ltd.	2.6%	-3.9%
Shackleton VII CLO, Ltd.	3.7%	-2.7%
Shackleton X CLO, Ltd.	0.0%	2.0%
Shackleton XI CLO, Ltd.	0.0%	0.0%
Telos CLO 2013-3, Ltd.	4.8%	1.0%
Telos CLO 2013-4, Ltd.	4.0%	0.8%
Venture XIV CLO, Ltd.	0.9%	-2.0%
Venture XVII CLO, Ltd.	3.9%	-2.1%
Venture XXI CLO, Ltd.	3.6%	3.0%
Venture XXV CLO, Ltd.	12.1%	-19.0%
Wellfleet CLO 2016-2, Ltd.	3.9%	2.0%
Wind River 2014-3 CLO Ltd.	2.5%	-3.0%
Wind River 2017-1 CLO Ltd.	8.1%	-6.0%
Zais CLO 7, Ltd.	0.0%	-6.0%
<b>Weighted Average</b>	<b>3.2%</b>	<b>-1.8%</b>

1. Excludes called deals, Warehouse Equity, Class M Notes, Subordinated Fee Notes and other CLO equity related investments.
2. Source: Intex.
3. Source: OXLC financials.

# Investment Portfolio Composition\*

- Top 30 aggregate industry exposures of the CLO vehicles represent ~99.1%<sup>1</sup> of combined investments

## Top 30 Moody's Industry Exposure<sup>1</sup>

1. High Tech Industries	9.7%
2. Healthcare & Pharmaceuticals	9.2%
3. Services: Business	7.9%
4. Banking, Finance, Insurance & Real Estate	6.5%
5. Hotel, Gaming & Leisure	6.1%
6. Telecommunications	5.7%
7. Retail	5.3%
8. Media: Broadcasting & Subscription	4.8%
9. Chemicals, Plastics & Rubber	4.5%
10. Beverage, Food & Tobacco	3.9%
11. Utilities: Electric	3.5%
12. Services: Consumer	3.1%
13. Aerospace and Defense	2.8%
14. Automotive	2.7%
15. Construction & Building	2.6%

## Top 30 Moody's Industry Exposure<sup>1</sup>

16. Capital Equipment	2.5%
17. Media: Advertising, Printing & Publishing	2.4%
18. Energy: Oil & Gas	2.2%
19. Containers, Packaging & Glass	2.1%
20. Consumer goods: Non-durable	1.9%
21. Media: Diversified & Production	1.8%
22. Consumer goods: Durable	1.7%
23. Transportation: Cargo	1.6%
24. Transportation: Consumer	1.4%
25. Metals & Mining	1.0%
26. Environmental Industries	0.8%
27. Energy: Electricity	0.7%
28. Utilities: Oil and Gas	0.4%
29. Wholesale	0.2%
30. Forest Products & Paper	0.1%
<b>Total</b>	<b>99.1%</b>

1. Exposures are determined by calculating the aggregate principal balance of the underlying corporate debt collateral held by OXLC's CLO investments within the Moody's industries indicated and dividing by the aggregate principal balance of all of the CLO vehicles' underlying corporate debt collateral (excluding cash) on a weighted average basis for OXLC's investments in each of those CLO vehicles. Weighted average exposures are as of September 30, 2017 and exclude recent CLO investments with missing or incomplete industry data, Class M Notes, Subordinated Fee Notes and other CLO equity related investments. All figures subject to rounding.

\* Source: As reported by Intex

# Capital Structure Overview

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- Oxford Lane had preferred stock with a liquidation preference of ~\$158.6 million at 9/30/17

	<u>9/30/2017</u>	<u>Dividend Rate</u>	<u>Call Date</u>	<u>Maturity</u>
Series 2023 Term Preferred Stock (OXLCO)	90,400,025	7.500%	Callable	6/30/2023
Series 2024 Term Preferred Stock (OXLCM)	68,235,375	6.750%	6/30/2020	6/30/2024
<b>Total Liquidation Preference of Preferred Stock</b>	<b>\$ 158,635,400</b>			
Total Equity	\$ 244,812,782			
Preferred Stock-to-Equity	0.65:1			

1. Certain figures may not tie out to financial statements due to rounding.

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APPENDIX

# Investment Portfolio Composition – CLO Debt

Company	Investment	Manager	Fair Value	% of Total <sup>1,2</sup>
Ares XLIV CLO, Ltd.	Class E	Ares CLO Management	\$5,829,000	1.5%
Jamestown CLO IV, Ltd.	Class D	3i Debt Management	1,290,988	0.3%
KVK CLO 2014-3 Ltd.	Class F	KVK Credit Strategies	1,600,826	0.4%
Magnetite XIX CLO, Ltd.	Class F	Blackrock Financial Management	3,869,663	1.0%
Mountain Hawk II CLO, Ltd.	Class E	Western Asset Management Company	4,522,200	1.1%
North End CLO, Ltd.	Class F	Invesco Senior Secured Management	727,050	0.2%
OZLM IV Ltd.	Class ER	Och-Ziff Loan Management	2,331,250	0.6%
Parallel 2015-1 Ltd.	Class F	DoubleLine Capital LP	2,654,498	0.7%
Sound Point CLO IV, Ltd.	Class F	Sound Point Capital Management	3,259,200	0.8%
Venture XXI CLO, Ltd.	Class F	MJX Asset Management	2,658,800	0.7%
<b>Total Collateralized Loan Obligation - Debt Investments</b>			<b>\$28,743,475</b>	<b>7.3%</b>

1. Based on percentage of total fair value of investments as of 9/30/17.
2. Certain percentages may not tie out to financial statements due to rounding.

# Investment Portfolio Composition – CLO Equity<sup>1</sup>

Company	Manager	Fair Value	% of Total <sup>2,3</sup>
AMMC CLO XII, Ltd.	American Money Management Corporation	\$3,540,000	0.9%
Apidos CLO XX, Ltd.	CVC Credit Partners	5,916,000	1.5%
Ares XXV CLO Ltd.	Ares CLO Management	-	-
Ares XXVI CLO Ltd.	Ares CLO Management	5,745,664	1.5%
Ares XLIII CLO, Ltd.	Ares CLO Management	12,480,781	3.2%
Atrium XII	Credit Suisse Asset Management	36,153,000	9.1%
Battalion CLO VII Ltd.	Brigade Capital Management	11,280,000	2.9%
Benefit Street Partners CLO V Ltd.	Benefit Street Partners	6,440,000	1.6%
Blue Hill CLO, Ltd.	Invesco Senior Secured Management	3,676,666	0.9%
Blue Hill CLO, Ltd. Fee Notes	Invesco Senior Secured Management	11,177	0.0%
B&M CLO 2014-1 LTD	Bradford & Marzec	700,000	0.2%
Bristol Park CLO, Ltd.	GSO/Blackstone Debt Funds Management	5,530,000	1.4%
Carlyle Global Market Strategies CLO 2013-2, Ltd.	Carlyle Investment Management	10,161,361	2.6%
Cent CLO 16, LP	Columbia Management Investment Advisers	6,405,000	1.6%
CIFC Funding 2014-III Ltd.	CIFC Asset Management	6,400,000	1.6%
CIFC Funding 2015-I Ltd.	CIFC Asset Management	7,410,000	1.9%
Dryden 42 Senior Loan Fund	PGIM	5,767,468	1.5%
Golub Capital Partners CLO 35(B), Ltd.	GC Advisors	3,850,000	1.0%
Halcyon 2015-1 CLO Ltd.	Halcyon Loan Advisors	3,240,000	0.8%
Hull Street CLO Ltd.	Feingold O'Keeffe Capital	4,050,000	1.0%
Ivy Hill Middle Market Credit VII, Ltd.	Ivy Hill Asset Management	5,107,664	1.3%
Jamestown III CLO, Ltd.	3i Debt Management	7,943,250	2.0%
Jamestown IV CLO, Ltd.	3i Debt Management	769,984	0.2%
JFIN CLO 2015-II Ltd.	Apex Credit Partners	4,811,186	1.2%
KVK CLO 2014-3 Ltd.	KVK Credit Strategies	3,249,900	0.8%
MidOcean Credit CLO VI	MidOcean Credit Fund Management	20,748,000	5.2%
Mountain Hawk II CLO, Ltd.	Western Asset Management Company	3,850,500	1.0%
Mountain Hawk III CLO, Ltd. M Notes	Western Asset Management Company	109,020	0.0%
Neuberger Berman CLO XII, Ltd.	Neuberger Berman Fixed Income	-	-
Neuberger Berman CLO XIII, Ltd.	Neuberger Berman Fixed Income	62,550	0.0%
North End CLO, Ltd.	Invesco Senior Secured Management	977,705	0.2%
Octagon Investment Partners 27, Ltd.	Octagon Credit Investors	3,939,724	1.0%
OFSI Fund VII, Ltd.	Orchard First Source Asset Management	17,880,800	4.5%
OZLM XIV Ltd.	Och-Ziff Loan Management	13,137,423	3.3%
Parallel 2015-1 Ltd.	DoubleLine Capital LP	6,457,500	1.6%
Race Point IX CLO, Ltd.	Sankaty Advisors	3,307,162	0.8%
Regatta III Funding Ltd.	Napier Park Global Capital	1,513,466	0.4%
Shackleton II CLO, Ltd.	Alcentra NY	-	-
Shackleton VIII CLO, Ltd.	Alcentra NY	7,798,093	2.0%
Shackleton X CLO, Ltd.	Alcentra NY	20,680,000	5.2%
Shackleton XI CLO, Ltd.	Alcentra NY	9,175,000	2.3%
Sheridan Square CLO, Ltd.	GSO/Blackstone Debt Funds Management	198,000	0.1%
Sound Point CLO VIII, Ltd. Fee Notes	Sound Point Capital Management	73,197	0.0%
Telos CLO 2013-3, Ltd.	Telos Asset Management	7,882,716	2.0%
Telos CLO 2013-4, Ltd.	Telos Asset Management	6,578,091	1.7%
Venture XIV CLO, Ltd.	MJX Asset Management	4,860,000	1.2%
Venture XVII CLO, Ltd.	MJX Asset Management	10,224,330	2.6%
Venture XVIII CLO, Ltd. Fee Notes	MJX Asset Management	263,854	0.1%
Venture XXI CLO, Ltd.	MJX Asset Management	11,552,250	2.9%
Venture XXV CLO, Ltd.	MJX Asset Management	3,440,000	0.9%
Venture XXX CLO, Ltd.	MJX Asset Management	7,500,000	1.9%
Wellfleet CLO 2016-2, Ltd.	Wellfleet Credit Partners	8,500,000	2.1%
Wind River 2014-3 CLO Ltd.	THL Credit Advisors	15,009,300	3.8%
Wind River 2017-1 CLO Ltd.	THL Credit Advisors	10,080,000	2.5%
ZAIS CLO 7, Ltd.	THL Credit Advisors	7,917,000	2.0%
Other CLO equity related investments		2,482,680	0.6%
<b>Total Collateralized Loan Obligation - Equity Investments</b>		<b>\$366,837,461</b>	<b>92.7%</b>

1. Includes Class M Notes, Subordinated Fee Notes, Warehouse Equity and other CLO equity related investments.
2. Based on percentage of total fair value of investments as of 9/30/17.
3. Certain percentages may not tie out to financial statements due to rounding.

# Reconciliation of Core Net Investment Income

On a supplemental basis, we provide information relating to core net investment income, which is a non-GAAP measure. This measure is provided in addition to, but not as a substitute for, net investment income determined in accordance with GAAP. Our non-GAAP measures may differ from similar measures by other companies, even if similar terms are used to identify such measures. Core net investment income represents net investment income adjusted for additional cash income distributions received, or entitled to be received (if any, in either case), on our CLO equity investments (excluding those cash distributions believed to represent a return of capital).

Income from investments in the “equity” class securities of CLO vehicles, for GAAP purposes, is recorded using the effective interest method based upon an effective yield to the expected redemption utilizing estimated cash flows compared to the cost, resulting in an effective yield for the investment; the difference between the actual cash received or distributions entitled to be received and the effective yield calculation is an adjustment to cost. Accordingly, investment income recognized on CLO equity securities in the GAAP statement of operations differs from the cash distributions actually received by us during the period (referred to below as “CLO equity additional distributions”).

Further, in order to continue to qualify to be taxed as a regulated investment company, we are required, among other things, to distribute at least 90% of our investment company taxable income annually. Therefore, core net investment income may provide a better indication of estimated taxable income for a reporting period than does GAAP net investment income, although we can offer no assurance that will be the case as the ultimate tax character of our earnings cannot be determined until tax returns are prepared after the end of a fiscal year. We note that these non-GAAP measures may not be useful indicators of taxable earnings, particularly during periods of market disruption and volatility and our taxable income may differ materially from our core net investment income.

(\$ in millions, except per share)	For the three months ended									
	9/30/2017		6/30/2017		3/31/2017		12/31/2016		9/30/2016	
	Amount	Per Share	Amount	Per Share	Amount	Per Share	Amount	Per Share	Amount	Per Share
GAAP Net investment income	\$ 9.1	\$ 0.373	\$ 9.8	\$ 0.424	\$ 9.8	\$ 0.451	\$ 7.7	\$ 0.380	\$ 7.0	\$ 0.367
CLO equity additional distributions	2.1	\$ 0.086	2.3	\$ 0.100	(0.5)	\$ (0.023)	4.0	\$ 0.202	6.6	\$ 0.346
Core net investment income	\$ 11.2	\$ 0.459	\$ 12.1	\$ 0.524	\$ 9.3	\$ 0.428	\$ 11.7	\$ 0.582	\$ 13.6	\$ 0.713

Note: Certain figures may not tie out to financial statements due to rounding.

# Corporate Information

## Board of Directors

### Independent

Mark J. Ashenfelter - Chairman  
David S. Shin  
John Reardon

### Interested

Jonathan H. Cohen  
Saul B. Rosenthal

## Corporate Offices

8 Sound Shore Drive  
Suite 255  
Greenwich, CT 06830

## Corporate Website

[www.oxlc.com](http://www.oxlc.com)

## Fiscal Year End

March 31

## Independent Audit Firm

PricewaterhouseCoopers LLP

## Corporate Counsel

Eversheds Sutherland (US) LLP

## Transfer Agent

Computershare Trust Company, N.A  
Tel: 1-877-498-8861  
[www.computershare.com](http://www.computershare.com)

## Securities Listing and Equity Indices

Common Stock:

"OXLC" - NasdaqGS

Preferred Stock:

"OXLCO" - NasdaqGS

"OXLCM" - NasdaqGS

## Executive Corporate Officers

Jonathan H. Cohen	Board Member and Chief Executive Officer
Saul B. Rosenthal	Board Member and President
Bruce L. Rubin	Chief Financial Officer
Jerry Cummins	Chief Compliance Officer

## Research Coverage<sup>1</sup>

Ladenburg Thalmann	Mickey Schleien
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## Investor Relations

Bruce L. Rubin  
Oxford Lane Capital Corp.  
Tel: (203) 983-5280  
[ir@oxlc.com](mailto:ir@oxlc.com)

1. Source: ThomsonOne