

# Winners and methodology

## Best new US CLO

Methodology: blended outperformance

Eligibility: CLOs with mainly US collateral that went effective in 2017 and are listed in CLO-i.

<b>Winner:</b> Zais CLO 7	Zais Group
Vibrant CLO V	DFG
Venture XXIV	MJX Asset Management
Sound Point CLO XIV	Sound Point Capital Management

## Best US Direct Lending Fund

Methodology: leverage-adjusted IRR

Eligibility: Private equity-format funds launched between 2014 and March 2017 that invest predominantly in non-syndicated debt from US companies with ebitda below \$100 million.

<b>Winner:</b> Monroe Capital Senior Secured Direct Loan Fund	Monroe Capital
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AG Direct Lending Fund	Angelo Gordon
THL Credit Direct Lending Fund III	THL Credit

## Best new European CLO

Methodology: blended outperformance

Eligibility: CLOs with mainly European collateral that went effective in 2017 and are listed in CLO-i.

<b>Winner:</b> Aurium CLO III	Spire Partners
BlackRock European CLO III	BlackRock
Halcyon Loan Advisors European Funding 2016	Halcyon Loan Management
Dryden XXVII-R Euro CLO 2017	PGIM

## Best European direct lending fund

Methodology: leverage-adjusted IRR

Eligibility: Private equity-format funds launched between January 2012 and March 2017 that invest predominantly in non-syndicated debt from European companies with ebitda below €50 million.

<b>Winner:</b> Kartesia Credit Opportunities III	Kartesia
CVC Credit Partners European Mid-Market Solutions	CVC Credit Partners
Patrimonium Middle Market Debt Fund	Patrimonium Asset Management
Tikehau Direct Lending III	Tikehau Investment Management

## Best structured finance fund

Methodology: volatility-adjusted weighted performance

Eligibility: Funds that invest primarily in bonds issued as part of a securitisation but do not invest mainly in CLOs, and that are present in Creditflux's monthly performance listing.

<b>Winner:</b> Athena (Credit Opportunities) Fund	Prytania Investment Advisors
Altum Credit Master Fund	Altum Capital Management
AG Mortgage Value Partners	Angelo Gordon
Octra II	Zencap Asset Management

## Best European boutique CLO manager

Methodology: mean blended outperformance across all manager's deals

Eligibility: US and European managers with three or fewer CLOs currently outstanding, within reinvestment and listed in CLO-i.

## Winner: Spire Partners

Accunia
CQS Management
Man GLG

## Best closed-end CLO fund

Methodology: IRR

Eligibility: Funds that invest predominantly in CLOs and that have no periodic redemption requirements.

<b>Winner:</b> Oxford Bridge	Oxford Funds
Eagle Point Credit Company	Eagle Point Credit Management
Fair Oaks Income Fund	Fair Oaks Capital
Carador Income Fund	GSO Capital Partners
Priority Income Fund	Prospect Capital

## Best US CLO

Methodology: blended outperformance

Eligibility: CLOs with mainly US collateral that are within reinvestment and listed in CLO-i.

<b>Winner:</b> Octagon Investment Partners XXIII	Octagon Credit Investors
Madison Park Funding XIX	Credit Suisse Asset Management
Sound Point CLO VI	Sound Point Capital Management
THL Credit Wind River 2015-1	THL Credit Advisors

## Best European CLO

Methodology: blended outperformance

Eligibility: CLOs with mainly European collateral that are within reinvestment and listed in CLO-i.

<b>Winner:</b> Aurium CLO II	Spire Partners
Cadogan Square V	Credit Suisse Asset Management
CVC Cordatus Loan Fund III	CVC Credit Partners
Dryden 29 Euro	PGIM

## Best CLO fund

Methodology: volatility-adjusted weighted performance

Eligibility: Funds that invest predominantly in CLOs and that are present in Creditflux's monthly performance listings.

<b>Winner:</b> Lupus alpha CLO Opportunity Notes I	Lupus alpha Asset Management
Clareant Structured Credit Opportunity Fund II	Alcentra
Alegra ABS 2	Alegra Capital
BK Opportunities Fund III	Crystal Fund

## Best US CLO redeemed in 2017

Methodology: final IRR

Eligibility: CLOs that owned primarily US collateral and that repaid all their debt in 2017.

<b>Winner:</b> Madison Park Funding V	Credit Suisse Asset Management
Carlyle McLaren	Carlyle Group
Bridgeport CLO II	CIFC Asset Management
Gale Force 3	GSO Capital Partners

## Best European high yield fund

Methodology: volatility-adjusted weighted performance

**Eligibility:** Funds that invest primarily in loans or bonds issued by European high yield borrowers on a primarily long basis, and that are present in Creditflux's monthly performance listing

**Winner:** CVC European Credit Opportunities CVC Credit Partners

M&G European High Yield Bond Fund M&G Investment

Robus German Credit Opportunities Fund Robus Capital Management

Schelcher Prince Haut Rendement Schelcher Prince Gestion

### Best European CLO redeemed in 2017

**Methodology:** final IRR

**Eligibility:** CLOs that owned primarily European collateral and that repaid all their debt in 2017.

**Winner:** Laurelin II GoldenTree Asset Management

Carlyle Euro GMS 2013-2 Carlyle Group

Cadogan Square CLO I Credit Suisse Asset Management

Green Park GSO Capital Partners

### Best middle-market CLO

**Methodology:** blended outperformance

**Eligibility:** CLOs that invested in mid-market collateral that are within reinvestment and listed on CLO-i.

**Winner:** Golub Capital Partners 18 (M)-R Golub Capital

Carlyle GMS Finance MM CLO 2015-1 Carlyle Group

Fortress Credit Opportunities V Fortress Investment Group

Monroe Capital MML CLO 2016-1 Monroe Capital

### Best US CLO manager

**Methodology:** mean blended outperformance across all manager's deals

**Eligibility:** Firms with at least four current actively-managed CLOs based on predominantly US collateral.

**Winner:** Zais Group

Credit Suisse Asset Management

Golub Capital

Sound Point Capital Management

### Best European CLO manager

**Methodology:** mean blended outperformance across all manager's deals

**Eligibility:** Firms with at least four current actively-managed CLOs based on predominantly European collateral

**Winner:** Credit Suisse Asset Management

Barings

CVC Credit Partners

PGIM

### Creditflux manager of the year

**Methodology:** highest average ranking across all Creditflux award categories where the manager is present.

**Winner:** Credit Suisse Asset Management

CVC Credit Partners

Spire Partners

Zais Group

### Methodologies

**Blended outperformance**

The average ranking of each CLO relative to its peers by five different performance metrics, in order to reward the managers who have achieved the greatest performance for all classes of investors: change in junior OC; Warf, average collateral value, weighted average spread, cash-on-cash return to equity; and equity volatility.

**Final IRR**

Equity IRR based on the notional size of the CLO equity and taking into account all payments received by 28 February 2017.

**Leverage-adjusted IRR**

IRR net of fees to 31 December 2016 assuming that there had been no fund-level leverage, adjusted for the average debt-to-ebitda leverage at inception of investment of borrowers in the portfolio.

**Volatility-adjusted weighted performance**

A measure that combines absolute change in mark-to-market net asset value during 2016 and volatility relevant to each fund's redemption profile. Funds that promise liquidity need to deliver stable returns; those that lock up investors' capital need to achieve greater absolute performance.