
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

SCHEDULE TO

**TENDER OFFER STATEMENT UNDER SECTION 14(d)(1) OR 13(e)(1) OF
THE SECURITIES EXCHANGE ACT OF 1934**

BARINGS BDC, INC.

(Name of Subject Company (Issuer))

BARINGS BDC, INC.

(Names of filing Person (Offeror and Issuer))

Common Stock, Par Value \$0.001 per share
(Title of Class of Securities)

06759L 103

(CUSIP Number of Class of Securities)

**Eric Lloyd
Chief Executive Officer
Barings BDC, Inc.**

**300 South Tryon Street, Suite 2500
Charlotte, North Carolina 28202
(704) 805-7200**

(Name, address and telephone number of person authorized to
receive notices and communications on behalf of filing person)

Copy to:

**Richard Goldberg
Gregory Scherneck
Dechert LLP
1095 Avenue of the Americas
New York, New York 10036
(212) 698-3500**

CALCULATION OF FILING FEE

Transaction Valuation⁽¹⁾
\$50,000,000

Amount of Filing Fee⁽²⁾
\$6,225

- (1) Calculated solely for purposes of determining the amount of the filing fee. This amount is based upon the offer to purchase for cash, for an aggregate purchase price of not more than \$50,000,000 in value of shares of common stock, par value \$0.001 per share, of Barings BDC, Inc.
- (2) The amount of the filing fee, calculated in accordance with Rule 0-11 under the Securities Exchange Act of 1934, as amended, as modified by Fee Rate Advisory No. 1 for fiscal year 2018, equals \$124.50 per million dollars of the value of the transaction.

- Check the box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

Amount Previously Paid: Not Applicable
Form or Registration No.: Not Applicable
Filing Party: Not Applicable
Date Filed: Not Applicable

- Check the box if filing relates solely to preliminary communications made before the commencement of a tender offer.

Check the appropriate boxes below to designate any transactions to which the statement relates:

- Third-party tender offer subject to Rule 14d-1.
- Issuer tender offer subject to Rule 13e-4.
- Going-private transaction subject to Rule 13e-3.

Amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer:

This Tender Offer Statement on Schedule TO (this "**Schedule TO**") relates to the offer by Barings BDC, Inc., an externally managed, non-diversified, closed-end management investment company incorporated in Maryland that has elected to be regulated as a business development company under the Investment Company Act of 1940, as amended ("**Barings BDC**" or the "**Company**"), to purchase for cash, for an aggregate purchase price of not more than \$50,000,000, the Company's shares of common stock, par value \$0.001 per share (the "**Shares**"), at a price specified by the tendering stockholders of not greater than \$11.72 or less than \$10.20 per Share, net to the seller in cash, less any applicable withholding taxes and without interest, upon the terms and subject to the conditions described in the Offer to Purchase, dated August 7, 2018 (the "**Offer to Purchase**"), a copy of which is filed herewith as Exhibit (a)(1)(A), and the related Letter of Transmittal (the "**Letter of Transmittal**," which, together with the Offer to Purchase, as each may be amended or supplemented from time to time, constitute the "**Offer**"), a copy of which is filed herewith as Exhibit (a)(1)(B). This Schedule TO is intended to satisfy the reporting requirements of Rule 13e-4(c)(2) promulgated under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**").

The information contained in the Offer to Purchase and the Letter of Transmittal, respectively, as each may be amended or supplemented from time to time, is hereby incorporated by reference in response to certain items of this Schedule TO.

ITEM 1. SUMMARY TERM SHEET.

The information under the heading "Summary Term Sheet" included in the Offer to Purchase is incorporated herein by reference.

ITEM 2. SUBJECT COMPANY INFORMATION.

(a) **Name and Address.** The name of the issuer is Barings BDC, Inc. The address and telephone number of the issuer's principal executive offices are: 300 South Tryon Street, Suite 2500, Charlotte, North Carolina 28202 and (704) 805-7200.

(b) **Securities.** The subject securities are Barings BDC's shares of common stock, par value \$0.001 per share. As of August 6, 2018, there were 56,186,025 Shares issued and outstanding.

(c) **Trading Market and Price.** Information regarding the trading market and price of the Shares is incorporated herein by reference from the Offer to Purchase under the heading "Section 8—Price Range of Shares; Distributions."

ITEM 3. IDENTITY AND BACKGROUND OF FILING PERSON.

(a) **Name and Address.** The filing person and subject company to which this Schedule TO relates is Barings BDC, Inc. The address and telephone number of Barings BDC is set forth under Item 2(a) above. The names of the directors and executive officers of Barings BDC are as set forth in the Offer to Purchase under the heading "Section 10—Interests of Directors, Executive Officers and Affiliates; Transactions and Arrangements Concerning the Shares," and such information is incorporated herein by reference. The business address and business telephone number of each director and executive officer of Barings BDC is c/o Barings BDC, Inc., 300 South Tryon Street, Suite 2500, Charlotte, North Carolina 28202.

ITEM 4. TERMS OF THE TRANSACTION.

(a) **Material Terms.** The material terms of the transaction are incorporated herein by reference from the Offer to Purchase under the headings "Summary Term Sheet," "Introduction," "Section 1—Number of Shares; Purchase Price; Odd Lots; Proration," "Section 2—Purpose of the Offer; Certain Effects of the Offer; Plans or Proposals," "Section 3—Procedures for Tendering Shares," "Section 4—Withdrawal Rights," "Section 5—Purchase of Shares and Payment of Purchase Price," "Section 7—Conditions of the Offer," "Section 9—Source and Amount of Funds," "Section 11—Interests of Directors, Executive Officers and Affiliates; Transactions and Arrangements Concerning the Shares," "Section 14—Material U.S. Federal Income Tax Consequences" and "Section 14—Extension of the Offer; Termination; Amendment." There will be no material differences in the rights of the remaining security holders of the Company as a result of this transaction.

(b) **Purchases.** None of our directors, executive officers or, to our knowledge, any of our affiliates intend to tender any of their Shares in the Offer. Therefore, the Offer will increase the proportional holdings of our directors, executive officers and affiliates. See “Section 2—Purpose of the Offer; Certain Effects of the Offer; Plans or Proposals” of the Offer to Purchase.

ITEM 5. PAST CONTACTS, TRANSACTIONS, NEGOTIATIONS AND AGREEMENTS.

(e) **Agreements Involving the Subject Company’s Securities.** Information regarding agreements involving Barings BDC’s securities is incorporated herein by reference from the Offer to Purchase under the heading “Section 11—Interests of Directors, Executive Officers and Affiliates; Transactions and Arrangements Concerning the Shares.” Except as set forth therein, the Company does not know of any agreement, arrangement or understanding, whether or not legally enforceable, between the Company and any other person with respect to the Company’s securities.

ITEM 6. PURPOSES OF THE TRANSACTION AND PLANS OR PROPOSALS.

(a) **Purposes.** Information regarding the purpose of the transaction is incorporated herein by reference from the Offer to Purchase under the heading “Section 2—Purpose of the Offer; Certain Effects of the Offer; Plans or Proposals.”

(b) **Use of Securities Acquired.** Information regarding the treatment of Shares acquired pursuant to the Offer is incorporated herein by reference from the Offer to Purchase under the heading “Section 2—Purpose of the Offer; Certain Effects of the Offer; Plans or Proposals.”

(c) **Plans.** Information regarding any plans or proposals is incorporated herein by reference from the Offer to Purchase under the headings “Section 2—Purpose of the Offer; Certain Effects of the Offer; Plans or Proposals,” “Section 8—Price Range of Shares; Distributions,” and “Section 11—Interests of Directors, Executive Officers and Affiliates; Transactions and Arrangements Concerning the Shares.”

ITEM 7. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION.

(a) **Source of Funds.** Information regarding the source of funds is incorporated herein by reference from the Offer to Purchase under the heading “Section 9—Source and Amount of Funds.”

(b) **Conditions.** There are no material conditions to the financing discussed in paragraph (a) above. In the event the primary financing plans fall through, the Company does not have any alternative financing arrangements or alternative financing plans.

(d) **Borrowed Funds.** The Company does not intend to use any borrowed funds to finance the Offer.

ITEM 8. INTEREST IN SECURITIES OF THE SUBJECT COMPANY.

(a) **Securities Ownership.** The information under the heading “Section 11—Interests of Directors, Executive Officers and Affiliates; Transactions and Arrangements Concerning the Shares” in the Offer to Purchase is incorporated herein by reference.

(b) **Securities Transactions.** The information under the heading “Section 11—Interests of Directors, Executive Officers and Affiliates; Transactions and Arrangements Concerning the Shares” in the Offer to Purchase is incorporated herein by reference.

ITEM 9. PERSONS/ASSETS, RETAINED, EMPLOYED, COMPENSATED OR USED.

(a) **Solicitations or Recommendations.** The information under the headings “Summary Term Sheet” and “Section 16—Fees and Expenses” in the Offer to Purchase is incorporated herein by reference.

ITEM 10. FINANCIAL STATEMENTS.

(a) **Financial Information.** Not applicable. The consideration offered to security holders consists solely of cash. The Offer is not subject to any financing condition, and Barings BDC is a public reporting company under Section 13(a) of the Exchange Act that files reports electronically on EDGAR.

(b) **Pro Forma Financial Information.** Not applicable.

ITEM 11. ADDITIONAL INFORMATION.

(a) Agreements, Regulatory Requirements and Legal Proceedings.

(1) The information under the heading “Section 11—Interests of Directors, Executive Officers and Affiliates; Transactions and Arrangements Concerning the Shares” in the Offer to Purchase is incorporated herein by reference. The Company will amend this Schedule TO to reflect material changes to information incorporated by reference in the Offer to Purchase to the extent required by Rule 13e-4(d)(2) promulgated under the Exchange Act.

(2) The information under the heading “Section 13—Certain Legal Matters; Regulatory Approvals” in the Offer to Purchase is incorporated herein by reference.

(3) Not applicable.

(4) Not applicable.

(5) None.

(c) **Other Material Information.** The information set forth in the Offer to Purchase and the Letter of Transmittal, copies of which are filed herewith as Exhibits (a)(1)(A) and (a)(1)(B), respectively, as each may be amended or supplemented from time to time, is incorporated herein by reference. The Company will amend this Schedule TO to include documents that the Company may file with the Securities and Exchange Commission after the date of the Offer to Purchase pursuant to Sections 13(a), 13(c), or 14 of the Exchange Act and prior to the expiration of the Offer to the extent required by Rule 13e-4(d)(2) promulgated under the Exchange Act.

ITEM 12. EXHIBITS.

- (a)(1)(A) Offer to Purchase, dated August 7, 2018.
- (a)(1)(B) Letter of Transmittal.
- (a)(1)(C) Notice of Guaranteed Delivery.
- (a)(1)(D) Letter to Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees, dated August 7, 2018.
- (a)(1)(E) Letter to Clients for use by Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees, dated August 7, 2018.
- (a)(1)(F) Notice of Withdrawal of Tender for Individual Investors (other than DTC Participants).
- (a)(1)(G) Notice of Withdrawal of Tender for Brokers, Dealers, Banks, Trust Companies and other Nominees and DTC Participants.
- (a)(1)(H) Summary Advertisement, dated August 7, 2018.
- (a)(5)(A) Press release issued August 7, 2018.
- (a)(5)(B) Email to Financial Advisors, dated August 7, 2018.

ITEM 13. INFORMATION REQUIRED BY SCHEDULE 13E-3.

Not applicable.

SIGNATURE

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: August 7, 2018

BARINGS BDC, INC.

By: /s/ JONATHAN BOCK

Name: **Jonathan Bock**

Title: **Chief Financial Officer**

EXHIBIT INDEX

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BARINGS BDC, INC.

**Offer to Purchase for Cash
Shares of its Common Stock
for an Aggregate Purchase Price of Not More Than \$50,000,000
at a Purchase Price of Not Greater Than \$11.72
or Less Than \$10.20 Per Share of Common Stock**

THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON SEPTEMBER 6, 2018, UNLESS THE OFFER IS EXTENDED OR WITHDRAWN (SUCH TIME AND DATE, AS THEY MAY BE EXTENDED, THE "EXPIRATION TIME").

Barings BDC, Inc., an externally managed, non-diversified, closed-end management investment company incorporated in Maryland that has elected to be regulated as a business development company under the Investment Company Act of 1940, as amended (the "**Company**," "**Barings BDC**," "**we**" or "**us**"), is offering to purchase for cash shares of its common stock, par value \$0.001 per share (the "**Shares**"), for an aggregate purchase price of not more than \$50,000,000 at a price specified by the tendering stockholders of not greater than \$11.72 or less than \$10.20 per Share, net to the seller in cash, less any applicable withholding taxes and without interest, on the terms and subject to the conditions described in this Offer to Purchase, dated August 7, 2018 (this "**Offer to Purchase**"), and the related Letter of Transmittal (the "**Letter of Transmittal**," which, together with this Offer to Purchase, as each may be amended or supplemented from time to time, constitute the "**Offer**").

The Offer will expire at 5:00 p.m., New York City time, on September 6, 2018, unless the Offer is extended or withdrawn. To tender your Shares you must follow the procedures, including choosing the price or prices at which you wish to tender your Shares, described in this Offer to Purchase, the Letter of Transmittal and the other documents related to the Offer.

On July 24, 2018, the Company's stockholders approved, among other matters, (i) the Asset Purchase Agreement, dated as of April 3, 2018, by and between the Company and BSP Asset Acquisition I, LLC (the "**Asset Buyer**"), and the transactions contemplated thereby, including the sale of substantially all of the Company's portfolio investments to the Asset Buyer (the "**Asset Sale**"), (ii) the issuance and sale by the Company to Barings LLC (the "**Advisor**") of up to, under certain circumstances, \$150,000,000 worth of Shares pursuant to the terms of the Stock Purchase and Transaction Agreement, dated as of April 3, 2018, by and between the Company and the Advisor (the "**Externalization Agreement**" and the transactions contemplated thereby, the "**Externalization Transaction**"), and (iii) the Investment Advisory Agreement, dated as of August 2, 2018, pursuant to which the Advisor was appointed as the investment advisor of the Company effective as of the closing of the Externalization Transaction. The Asset Sale was consummated on July 31, 2018, and the Externalization Transaction was consummated on August 2, 2018. Pursuant to the Externalization Agreement, the Company agreed, among other things, to (a) commence the Offer immediately following the closing of the Externalization Transaction and (b) change the name of the Company from Triangle Capital Corporation to Barings BDC, Inc. As of August 2, 2018, there were 56,186,025 Shares issued and outstanding. The Offer is being made pursuant to the terms of the Externalization Agreement.

Upon the terms and subject to the conditions set forth in this Offer to Purchase, including the provisions relating to "odd lot" priority, proration and conditional tenders described in this Offer to Purchase, we will determine a single price per Share (the "**Purchase Price**"), which will be not more than \$11.72 and not less than \$10.20 per Share, that we will pay for Shares properly tendered in the Offer and not properly withdrawn, and accepted for purchase, taking into account the number of Shares tendered pursuant to the Offer and the prices specified by the tendering stockholders. The Purchase Price will be the lowest price per Share (in increments of \$0.10, except for the first increment above the minimum purchase price, which is \$0.12) of not more than \$11.72 and not less than \$10.20 per Share, at which Shares have been properly tendered or have been deemed to be tendered in the Offer, that will enable us to purchase the maximum number of Shares properly tendered in the Offer and not properly withdrawn for an aggregate purchase price of \$50,000,000 or such lesser number if less than \$50,000,000 of Shares are properly tendered in the Offer after giving effect to any Shares properly withdrawn.

All Shares purchased in the Offer will be purchased at the same Purchase Price regardless of whether any stockholder tendered at a lower price. However, because of the proration provisions described in this Offer to Purchase, all of the Shares properly tendered and not properly withdrawn at or below the Purchase Price may not be purchased if those Shares have an aggregate purchase price in excess of \$50,000,000.

Only Shares properly tendered at prices at or below the Purchase Price, and not properly withdrawn, will be eligible to be purchased, on the terms and subject to the conditions of the Offer, including the proration and “odd lot” priority provisions. We will not purchase Shares tendered at prices greater than the Purchase Price or Shares that we do not accept for purchase under the terms of the Offer because of the Offer’s proration and priority provisions. Shares tendered but not purchased pursuant to the Offer will be returned promptly following the Expiration Time. See Sections 3 and 4.

No fractional Shares will be purchased in the Offer. If any tendered Shares are not purchased for any reason, the Letter of Transmittal with respect to such Shares not purchased will be of no force or effect and Shares tendered through The Depository Trust Company’s (“**DTC**”) Automated Tender Offer Program (“**ATOP**”) (pursuant to Section 3) will be credited to the account maintained with DTC by the participant who delivered the Shares at our expense.

We reserve the right, in our sole discretion, to change the Purchase Price range and to increase or decrease the value of Shares sought in the Offer, subject to applicable law. In accordance with the rules promulgated by the Securities and Exchange Commission (the “**SEC**”), we may increase the number of Shares accepted for purchase in the Offer by up to 2% of the outstanding Shares without amending or extending the Offer. See Sections 1, 3 and 4.

Our Shares are listed and traded on the New York Stock Exchange (“**NYSE**”) under the trading symbol “BBDC.” Until the closing of the Externalization Transaction, the Company’s trading symbol was “TCAP.” On August 6, 2018, the last trading day prior to the commencement by the Company of the Offer, the last reported sale price of the Shares on the NYSE was \$10.48 per Share. **Tendering stockholders whose Shares are accepted for purchase will lose the opportunity to trade such Shares and the chance to participate in any future market upside and future growth of the Company. The trading price of our Shares on the NYSE may be higher or lower than the Purchase Price. Stockholders are urged to obtain current market quotations for the Shares before deciding whether and at what price or prices to tender their Shares.** See Section 8. As of August 2, 2018, the net asset value per Share was estimated to be \$11.72.

At the minimum Purchase Price of \$10.20 per Share, we could purchase approximately 4,901,960 Shares if the Offer is fully subscribed, which would represent approximately 8.7% of the issued and outstanding Shares as of August 6, 2018. At the maximum Purchase Price of \$11.72 per Share, we could purchase approximately 4,266,211 Shares if the Offer is fully subscribed, which would represent approximately 7.6% of the issued and outstanding Shares as of August 6, 2018. See Section 1.

Subject to the applicable rules and regulations promulgated by the SEC, we expressly reserve the right, in our sole discretion, at any time and from time to time, (i) to extend the period of time during which the Offer is open and thereby delay acceptance for purchase of, and the payment for, any Shares, subject to the restrictions below, (ii) to increase or decrease the value of Shares sought in the Offer, (iii) to amend the Offer in any respect prior to the Expiration Time, and (iv) if any condition specified in Section 7 is not satisfied or waived at or prior to the Expiration Time, to terminate the Offer and not accept any Shares for purchase. Notice of any such extension, amendment or termination will be distributed promptly to stockholders in a manner reasonably designed to inform them of such change in compliance with Rule 13e-4(e)(3) promulgated under the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”). In the case of an extension of the Offer, such extension will be followed by a press release or other public announcement, which will be issued no later than 9:00 a.m., New York City time, on the next business day after the previously scheduled Expiration Time, in accordance with Rule 14e-1(d) promulgated under the Exchange Act. See Sections 1, 3, 4 and 15.

The Offer is not conditioned upon the receipt of financing or any minimum number of Shares being tendered. The Offer is, however, subject to a number of other terms and conditions described in this Offer to Purchase. See Section 7.

We expect to use available cash, consisting of a portion of the proceeds from the Advisor's purchase pursuant to the Externalization Agreement of \$100,000,000 in newly-issued Shares at the closing of the Externalization Transaction, to fund any purchases of Shares in the Offer and to pay all related fees and expenses. See Section 9.

ALTHOUGH OUR BOARD OF DIRECTORS HAS AUTHORIZED THE OFFER, NONE OF THE COMPANY, ANY MEMBER OF OUR BOARD OF DIRECTORS, THE ADVISOR, THE DEALER MANAGER, THE DEPOSITARY, THE INFORMATION AGENT (EACH AS DEFINED HEREIN) OR ANY OF THEIR RESPECTIVE AFFILIATES HAS MADE, OR IS MAKING, ANY RECOMMENDATION TO YOU AS TO WHETHER TO TENDER OR REFRAIN FROM TENDERING YOUR SHARES OR AS TO THE PRICE OR PRICES AT WHICH YOU MAY CHOOSE TO TENDER YOUR SHARES. YOU MUST MAKE YOUR OWN DECISION AS TO WHETHER TO TENDER YOUR SHARES, HOW MANY SHARES TO TENDER AND THE PRICE OR PRICES AT WHICH YOU MAY CHOOSE TO TENDER THEM. IN DOING SO, YOU SHOULD READ CAREFULLY THE INFORMATION IN OR INCORPORATED BY REFERENCE IN THIS OFFER TO PURCHASE AND THE LETTER OF TRANSMITTAL, INCLUDING THE PURPOSES AND EFFECTS OF THE OFFER. SEE SECTION 2. YOU ARE URGED TO DISCUSS YOUR DECISION WITH YOUR TAX ADVISOR, FINANCIAL ADVISOR AND/OR BROKER.

IF YOUR TENDERED SHARES ARE ACCEPTED AND YOU ARE A U.S. HOLDER (AS DEFINED IN SECTION 14), THE RECEIPT OF CASH FOR YOUR TENDERED SHARES WILL BE A TAXABLE TRANSACTION FOR U.S. FEDERAL INCOME TAX PURPOSES AND GENERALLY WILL BE TREATED FOR U.S. FEDERAL INCOME TAX PURPOSES EITHER AS A (I) SALE OR EXCHANGE ELIGIBLE FOR CAPITAL GAIN OR LOSS TREATMENT OR (II) DISTRIBUTION TAXABLE AS ORDINARY INCOME TO THE EXTENT IT IS OUT OF OUR CURRENT OR ACCUMULATED EARNINGS AND PROFITS (AND NOT DESIGNATED BY US AS A CAPITAL GAIN DIVIDEND OR QUALIFIED DIVIDEND INCOME). IF YOU ARE A NON-U.S. HOLDER (AS DEFINED IN SECTION 14), WE WILL WITHHOLD ON THE PAYMENT OF CASH FOR YOUR TENDERED SHARES. SEE SECTION 14. WE URGE YOU TO CONSULT YOUR TAX ADVISORS AS TO THE PARTICULAR TAX CONSEQUENCES TO YOU TENDERING YOUR SHARES.

NONE OF THE SEC, ANY STATE SECURITIES COMMISSION NOR ANY OTHER REGULATORY BODY HAS APPROVED OR DISAPPROVED OF THIS TRANSACTION, PASSED UPON THE MERITS OR FAIRNESS OF THIS TRANSACTION OR PASSED UPON THE ADEQUACY OR ACCURACY OF THE INFORMATION INCLUDED OR INCORPORATED BY REFERENCE IN THIS OFFER TO PURCHASE AND ANY RELATED DOCUMENTS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

Questions and requests for assistance by institutional stockholders may be directed to Wells Fargo Securities, LLC, the exclusive dealer manager for the Offer (the "**Dealer Manager**"), and questions and requests for assistance by retail stockholders may be directed to Alliance Advisors, LLC, the information agent for the Offer (the "**Information Agent**"), in each case at the telephone numbers and addresses set forth on the back cover page of this Offer to Purchase. Stockholders may also contact their broker, dealer, commercial bank, trust company or other nominee for assistance concerning the Offer.

You may request additional copies of this Offer to Purchase, the Letter of Transmittal and the other documents related to the Offer from the Information Agent at the telephone numbers and address on the back cover page of this Offer to Purchase. The Information Agent will promptly furnish to stockholders additional copies of these materials at the Company's expense.

The Dealer Manager for the Offer is:

Wells Fargo Securities, LLC

375 Park Avenue
New York, NY 10152
Call: (212) 214-6400
Call Toll Free: (877) 450-7515

Offer to Purchase dated August 7, 2018

IMPORTANT

WE HAVE NOT AUTHORIZED ANY PERSON TO MAKE ANY RECOMMENDATION ON OUR BEHALF AS TO WHETHER YOU SHOULD TENDER OR REFRAIN FROM TENDERING YOUR SHARES IN THE OFFER OR AS TO THE PRICE OR PRICES AT WHICH YOU MAY CHOOSE TO TENDER YOUR SHARES IN THE OFFER. YOU SHOULD RELY ONLY ON THE INFORMATION IN, OR INCORPORATED BY REFERENCE IN, THIS OFFER TO PURCHASE AND THE LETTER OF TRANSMITTAL OR IN THE OTHER DOCUMENTS TO WHICH WE HAVE REFERRED YOU. OUR DELIVERY OF THIS OFFER TO PURCHASE SHALL NOT UNDER ANY CIRCUMSTANCES CREATE ANY IMPLICATION THAT THE INFORMATION IN THIS OFFER TO PURCHASE IS CORRECT AS OF ANY TIME OTHER THAN THE DATE OF THIS OFFER TO PURCHASE OR THAT THERE HAVE BEEN NO CHANGES IN THE INFORMATION IN OR INCORPORATED BY REFERENCE HEREIN OR IN THE AFFAIRS OF BARINGS BDC OR ANY OF ITS SUBSIDIARIES SINCE THE DATE HEREOF. WE HAVE NOT AUTHORIZED ANYONE TO PROVIDE YOU WITH INFORMATION IN CONNECTION WITH THE OFFER OTHER THAN THE INFORMATION IN THIS OFFER TO PURCHASE OR THE LETTER OF TRANSMITTAL. IF ANYONE MAKES ANY RECOMMENDATION OR GIVES ANY INFORMATION, YOU MUST NOT RELY UPON THAT RECOMMENDATION OR INFORMATION AS HAVING BEEN AUTHORIZED BY US, ANY MEMBER OF OUR BOARD OF DIRECTORS, THE ADVISOR, THE COMPANY'S INVESTMENT ADVISOR, THE DEALER MANAGER, THE DEPOSITARY, THE INFORMATION AGENT OR ANY OF OUR OR THEIR RESPECTIVE AFFILIATES.

THIS OFFER TO PURCHASE AND THE LETTER OF TRANSMITTAL CONTAIN IMPORTANT INFORMATION, AND YOU SHOULD CAREFULLY READ BOTH IN THEIR ENTIRETY BEFORE MAKING A DECISION WITH RESPECT TO THE OFFER.

If you want to tender all or any portion of your Shares, you must do one of the following prior to 5:00 p.m. New York City time on September 6, 2018, or any later time and date to which the Offer may be extended:

- *Holders Whose Shares Are Held by Brokers:* if your Shares are registered in the name of a broker, dealer, commercial bank, trust company or other nominee, contact the nominee and have the nominee tender your Shares for you according to the procedures described in Section 3 of this Offer to Purchase;
- *Registered Holders:* if you hold Shares in book-entry form as a registered holder in your own name, complete and sign the Letter of Transmittal (or manually sign a photocopy of the Letter of Transmittal (facsimile signatures will not be accepted)) according to its instructions and deliver it (by regular mail or overnight courier), together with any required signature guarantees and any other documents required by the Letter of Transmittal, to Computershare Trust Company, N.A., the depository for the Offer (the "**Depository**"), at the address shown on the Letter of Transmittal; or
- *DTC Participants:* if you are an institution participating in DTC, tender your Shares according to the procedure for book-entry transfer described in Section 3 of this Offer to Purchase.

If a nominee holds your Shares, it is likely that they will have an earlier deadline for you to act to instruct them to accept the Offer on your behalf. We urge you to contact the nominee that holds your Shares to find out its deadline.

We recommend that you consult your broker and your financial advisor to determine the status of your account and the best way to tender your Shares. If you have any questions related to the status of the Shares in your registered account, or need to confirm the number of Shares held in your registered account, please call the Company's transfer agent, Computershare, Inc., at (866) 228-7201 or contact your financial advisor. If you have any questions related to how that status impacts how you may tender your Shares, please contact the Information Agent, Alliance Advisors, LLC, at (888) 991-1291 or baringsbdc@allianceadvisors.com.

Notwithstanding anything contained in this Offer to Purchase, the Letter of Transmittal or any other documents relating to the Offer, brokers, dealers, commercial banks, trust companies and other nominees and DTC participants are not required to, and should not, submit the written Letter of Transmittal to the Depository or DTC in connection with any tender submitted through DTC's ATOP system. DTC participants should submit any documentation required for processing through the ATOP system. Similarly, notwithstanding anything contained in this Offer to Purchase, the Letter of Transmittal or any other documents relating to the Offer, brokers, dealers, commercial banks, trust companies and other nominees and DTC participants are not required to, and should not, submit a written notice of withdrawal in

connection with the withdrawal of any tender submitted through DTC's ATOP system. DTC participants should submit any documentation required for processing through the ATOP system. All tenders and withdrawals through DTC's ATOP system must be completed in accordance with the terms and conditions of the ATOP system.

If you want to tender your Shares but you cannot comply with the procedure for book-entry transfer by the Expiration Time or your other required documents cannot be delivered to the Depositary prior to the Expiration Time, you may still tender your Shares if you comply with the guaranteed delivery procedure described in Section 3 of this Offer to Purchase.

Stockholders properly tendering Shares at \$10.20 per Share (the minimum Purchase Price pursuant to the Offer) can reasonably expect to have at least a portion of such Shares purchased at the Purchase Price if any Shares are purchased pursuant to the Offer (subject to the provisions relating to proration).

We are not aware of any jurisdiction where the making of the Offer is prohibited by any administrative or judicial action pursuant to any valid state statute. If we become aware of any valid state statute prohibiting the making of the Offer or the acceptance of the Shares, we will make a good faith effort to comply with that state statute or seek to have such statute declared inapplicable to the Offer. If, after a good faith effort, we cannot comply with the state statute, we will not make the Offer to, nor will we accept tenders from or on behalf of, the holders of Shares in that state. In any jurisdiction where the securities, "blue sky" or other laws require the Offer to be made by a licensed broker or dealer, the Offer shall be deemed to be made on our behalf by the Dealer Manager or by one or more registered brokers or dealers licensed under the laws of that jurisdiction.

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SUMMARY TERM SHEET

We are providing this summary term sheet for your convenience. This summary term sheet highlights certain material information in this Offer to Purchase (as defined below), but you should realize that it does not describe all of the details of the Offer (as defined below) to the same extent described elsewhere in this Offer to Purchase. To understand the Offer fully and for a more complete description of the terms and conditions of the Offer, you should read carefully this entire Offer to Purchase, the Letter of Transmittal (as defined below) and the other documents related to the Offer in their entirety. We have included in this summary term sheet references to the sections of this Offer to Purchase where you will find a more complete description of the topics in this summary term sheet.

Who is offering to purchase my Shares (as defined below)?

Barings BDC, Inc., which we refer to as the “**Company**,” “**Barings BDC**,” “**we**” or “**us**.”

On July 24, 2018, the Company’s stockholders approved, among other matters, (i) the Asset Purchase Agreement, dated as of April 3, 2018, by and between the Company and BSP Asset Acquisition I, LLC (the “**Asset Buyer**”), and the transactions contemplated thereby, including the sale of substantially all of the Company’s portfolio investments to the Asset Buyer (the “**Asset Sale**”), (ii) the issuance and sale by the Company to Barings LLC (the “**Advisor**”) of up to, under certain circumstances, \$150,000,000 worth of Shares pursuant to the terms of the Stock Purchase and Transaction Agreement, dated as of April 3, 2018, by and between the Company and the Advisor (the “**Externalization Agreement**”) and the transactions contemplated thereby, the “**Externalization Transaction**”), and (iii) the Investment Advisory Agreement, dated as of August 2, 2018, pursuant to which the Advisor was appointed as the investment advisor of the Company effective as of the closing of the Externalization Transaction. The Asset Sale was consummated on July 31, 2018, and the Externalization Transaction was consummated on August 2, 2018. Pursuant to the Externalization Agreement, the Company agreed, among other things, to (a) commence the Offer immediately following the closing of the Externalization Transaction and (b) change the name of the Company from Triangle Capital Corporation to Barings BDC, Inc. The Offer is being made pursuant to the terms of the Externalization Agreement. See Section 2.

What will be the purchase price for the Shares and what will be the form of payment?

We are conducting the Offer by means of a procedure commonly called a modified “Dutch auction.” We are offering to purchase for cash our shares of common stock, par value \$0.001 per share (the “**Shares**”), for an aggregate purchase price of not more than \$50,000,000 pursuant to tenders at a price specified by the tendering stockholders of not greater than \$11.72 or less than \$10.20 per Share, net to the seller in cash, less any applicable withholding taxes and without interest, upon the terms and subject to the conditions described in this Offer to Purchase, dated August 7, 2018 (this “**Offer to Purchase**”), and the related Letter of Transmittal (the “**Letter of Transmittal**,” which together, as they may be amended or supplemented from time to time, constitute the “**Offer**”). Promptly after 5:00 p.m., New York City time, on September 6, 2018, unless the Offer is extended or withdrawn (such time and date, as they may be extended, the “**Expiration Time**”), we will, upon the terms and subject to the conditions of the Offer, determine a single price per Share (the “**Purchase Price**”), which will be not more than \$11.72 and not less than \$10.20 per Share, that we will pay for Shares properly tendered in the Offer and not properly withdrawn, and accepted for purchase, taking into account the number of Shares tendered pursuant to the Offer and the prices specified by the tendering stockholders.

The Purchase Price will be the lowest price per Share (in increments of \$0.10, except for the first increment above the minimum purchase price, which is \$0.12) of not more than \$11.72 and not less than \$10.20 at which Shares have been properly tendered or have been deemed to be tendered in the Offer, that will enable us to purchase the maximum number of Shares properly tendered and not properly withdrawn, having an aggregate purchase price of \$50,000,000 or

such lesser number if less than \$50,000,000 of Shares are properly tendered in the Offer after giving effect to any Shares properly withdrawn. We will publicly announce the Purchase Price promptly after we have determined it and, upon the terms and subject to the conditions of the Offer (including the proration provisions), promptly following expiration of the Offer, we will pay the Purchase Price in cash, less any applicable withholding taxes and without interest, to all stockholders who have properly tendered (and have not properly withdrawn) their Shares at prices equal to or less than the Purchase Price. See Section 1. We will not purchase any Shares tendered at a price above the Purchase Price.

If you wish to maximize the chance that your Shares will be purchased in the Offer, you should check the box in the section of the Letter of Transmittal captioned "Shares Tendered at Price Determined Pursuant to the Offer." Note that this election will mean that your Shares will be deemed to be tendered at the minimum price of \$10.20 per Share. You should understand that this election may lower the Purchase Price and could result in your Shares being purchased at the minimum price of \$10.20 per Share.

No fractional Shares will be purchased in the Offer. See Section 1.

How many Shares is Barings BDC offering to purchase?

We are offering to purchase, at the Purchase Price, Shares properly tendered in the Offer and not properly withdrawn up to a maximum aggregate purchase price of \$50,000,000. Since the Purchase Price will only be determined after the Expiration Time, the number of Shares that will be purchased will not be known until after that time. Assuming the Offer is fully subscribed at the minimum Purchase Price of \$10.20 per Share, the number of Shares that we could purchase pursuant to the Offer is approximately 4,901,960, which would represent approximately 8.7% of the issued and outstanding Shares as of August 6, 2018. Assuming the Offer is fully subscribed at the maximum Purchase Price of \$11.72 per Share, the number of Shares that we could purchase pursuant to the Offer is approximately 4,266,211, which would represent approximately 7.6% of the issued and outstanding Shares as of August 6, 2018.

We expressly reserve the right to purchase additional Shares in the Offer, subject to applicable law. In accordance with the rules promulgated by the Securities and Exchange Commission (the "**SEC**"), we may increase the number of Shares accepted for purchase in the Offer by up to 2% of the outstanding Shares without amending or extending the Offer. See Section 1.

The Offer is not conditioned upon the receipt of financing or any minimum number of Shares being tendered. The Offer is, however, subject to a number of other terms and conditions described in this Offer to Purchase. See Section 7.

How was the price range under the Offer determined?

Pursuant to the Externalization Agreement, the Company agreed to commence the Offer immediately following the closing of the Externalization Transaction, with the maximum Purchase Price being equal to the net asset value per Share. As of August 2, 2018, the net asset value per Share was estimated to be \$11.72. We determined the minimum Purchase Price based on consultations among our management, our professional advisors and our Board of Directors. Based on such consultations, we arrived at the minimum Purchase Price of \$10.20 per Share. We believe that the range of the Purchase Price is a range within which (i) our stockholders might sell their Shares to us and (ii) we can prudently effect repurchases for the benefit of the Company. The actual value and trading price of our Shares on the NYSE may be lower or higher than the range at which we are offering to purchase Shares. **Stockholders are urged to obtain current market quotations for the Shares before deciding whether and at what price or prices to tender their Shares.** See Section 8.

How will Barings BDC pay for the Shares?

We will pay for your properly tendered and not properly withdrawn Shares by depositing the Purchase Price in cash, less any applicable withholding taxes and without interest, with Computershare Trust Company, N.A., the depository for the

Offer (the “**Depository**”), which will act as your agent for the purpose of receiving payments from us and transmitting such payments to you. In all cases, payment for properly tendered Shares will be made only after timely (i) receipt by the Depository of a properly completed and duly executed Letter of Transmittal, and any required signature guarantees and other documents required by the Letter of Transmittal or (ii) if you are tendering Shares through the Automated Tender Offer Program (“**ATOP**”) of The Depository Trust Company (“**DTC**”), confirmation of book-entry transfer of the Shares into the Depository’s account at DTC. See Sections 3 and 5.

We reserve the right, in our sole discretion, to change the Purchase Price range and to increase or decrease the value of Shares sought in the Offer, subject to applicable law. See Sections 1, 3 and 4.

We expect to fund any purchases of Shares pursuant to the Offer, including related fees and expenses, from available cash, consisting of a portion of the proceeds from the Advisor’s purchase pursuant to the Externalization Agreement of \$100,000,000 in newly-issued Shares at the closing of the Externalization Transaction. The Offer is not conditioned upon the receipt of financing. See Section 9.

How long do I have to tender my Shares?

You may tender your Shares until the Offer expires at the Expiration Time. If a broker, dealer, commercial bank, trust company or other nominee holds your Shares, it is likely that they will have an earlier deadline for you to act to instruct them to accept the Offer on your behalf. We urge you to immediately contact your broker, dealer, commercial bank, trust company or other nominee to find out their deadline. See Sections 1 and 3.

Can the Offer be extended, amended or terminated and, if so, under what circumstances?

We can extend the Offer, in our sole discretion, at any time, subject to applicable laws. We may, however, decide not to extend the Offer. If we were to extend the Offer, we cannot indicate, at this time, the length of any extension that we may provide. If we extend the Offer, we will delay the acceptance of any Shares that have been tendered. We can also amend or terminate the Offer under certain circumstances. See Sections 7 and 15.

How will I be notified if the Offer is extended, amended or terminated?

If the Offer is extended, we will issue a press release announcing the extension and the new expiration time no later than 9:00 a.m., New York City time, on the first business day after the previously scheduled expiration time. We will announce any other amendment to or termination of the Offer by promptly issuing a press release announcing the amendment or termination. See Section 15.

What is the purpose of the Offer?

Pursuant to the Externalization Agreement, the Company agreed to commence the Offer immediately following the closing of the Externalization Transaction. Also pursuant to the Externalization Agreement, the Company agreed, if less than \$50,000,000 of Shares are properly tendered in the Offer after giving effect to any Shares properly withdrawn, to carry out subsequent tender offers at successive approximately semi-annual intervals until a total of \$50,000,000 has been utilized by the Company to repurchase Shares at a price per Share up to and including the net asset value per Share.

The Offer provides stockholders with liquidity and an efficient way to sell their Shares without incurring most broker’s fees or commissions associated with open market sales. In addition, stockholders who wish to achieve a greater percentage of equity ownership in the Company will be able to do so by not tendering their Shares in the Offer. If the Company completes the Offer, stockholders who retain all or a portion of their Shares, including the Advisor, will have a greater percentage ownership in Barings BDC and the potential to share in its future earnings and assets, while also bearing the attendant risks associated with owning Shares. See Section 2 and Section 11, “Interests of Directors, Executive Officers and Certain Stockholders—Stockholders Beneficially Owning More than 5%.”

After completing the Offer, we may consider from time to time, subject to approval by our Board of Directors, various forms of stock repurchases after taking into account the results of the Offer, our results of operations, financial position and capital requirements, general business conditions, legal, regulatory, rating agency and contractual constraints or restrictions and other factors our Board of Directors deems relevant. These purchases may be made from time to time on the open market, through privately negotiated transactions or other self-tender offers, and may be on the same terms or on terms and prices that are more or less favorable to stockholders than the terms of the Offer. See Section 2.

What are the conditions to the Offer?

Our obligation to accept for purchase and pay for Shares tendered in the Offer depends upon the following conditions that must be satisfied or waived (to the extent permitted by law) at or prior to the Expiration Time:

- no action, suit, proceeding or application by any government or governmental, regulatory or administrative agency, authority or tribunal or by any other person, domestic, foreign or supranational, before any court, authority, agency, other tribunal or arbitrator or arbitration panel shall have been instituted or shall be pending, nor shall we have received notice of any such action, that directly or indirectly (i) challenges or seeks to challenge, restrain, prohibit, delay or otherwise affect the making of the Offer, the acquisition by us of some or all of the Shares pursuant to the Offer or otherwise relates in any manner to the Offer or seeks to obtain damages in respect of the Offer, (ii) seeks to make the purchase of, or payment for, some or all of the Shares pursuant to the Offer illegal or may result in a delay in our ability to accept for purchase or pay for some or all of the Shares, (iii) otherwise could reasonably be expected to materially adversely affect the business, properties, assets, liabilities, capitalization, stockholders' equity, financial condition, operations, results of operations or prospects of us or any of our subsidiaries or affiliates or (iv) otherwise, in our reasonable judgment, could reasonably be expected to adversely affect us or any of our subsidiaries or affiliates or the value of our Shares;
- our acceptance for purchase of, or payment for, any Shares tendered in the Offer shall not violate or conflict with, or otherwise be contrary to, any applicable law, statute, rule, regulation, decree or order;
- no action shall have been taken nor any statute, rule, regulation, judgment, decree, injunction or order (preliminary, permanent or otherwise) shall have been proposed, sought, enacted, entered, promulgated, enforced or deemed to be applicable to the Offer or us or any of our subsidiaries by any court, other tribunal, government or governmental agency or other regulatory or administrative authority or body, domestic or foreign, that (i) indicates that any approval, waiver or other action of any such court, other tribunal, agency, authority or body may be required in connection with the Offer or the purchase of Shares thereunder and which has not been obtained or taken, as applicable, (ii) is reasonably likely to make the purchase of, or payment for, some or all of the Shares pursuant to the Offer illegal or to prohibit, restrict or delay consummation of the Offer, (iii) materially impairs, in our reasonable judgment, the contemplated benefits to us of the Offer, (iv) seeks to impose limitations on our or our affiliates' ability to acquire or hold or to exercise full rights of ownership, including, but not limited to, the right to vote their Shares on all matters validly presented to our stockholders, or (v) otherwise could reasonably be expected to materially adversely affect the business, properties, assets, liabilities, capitalization, stockholders' equity, condition (financial or otherwise), operations, licenses, franchises, permits, permit applications, results of operations or prospects of us or any of our subsidiaries or affiliates;
- no general suspension of trading in, or limitation on prices for, securities on any U.S. national securities exchange or in the over-the-counter market, declaration of a banking moratorium or any suspension of payments in respect of banks in the United States, whether or not mandatory, or any limitation, whether or not mandatory, by any governmental, regulatory or administrative agency, authority or body on, or any event that is likely, in our reasonable judgment, to materially adversely affect, the extension of credit by banks or other lending institutions in the United States (or if existing at the time of commencement of the Offer, a material worsening thereof) shall have occurred;

- no commencement or escalation, on or after August 7, 2018, of war, armed hostilities or other international or national calamity, including, but not limited to, an act of terrorism directly or indirectly involving the United States or any other jurisdiction in which Barings BDC or any of our subsidiaries maintains an office or conducts business (or if existing at the time of commencement of the Offer, a material worsening thereof) shall have occurred;
- no change, condition, event or development or any condition, event or development involving a prospective change, in general political, market, economic, financial or industry conditions in the United States or internationally that, in our reasonable judgment, has, or could reasonably be expected to have, a material adverse effect on the business, properties, assets, liabilities, capitalization, stockholders' equity, condition (financial or otherwise), operations, licenses, franchises, permits, permit applications, results of operations or prospects of Barings BDC and our subsidiaries, taken as a whole, on the value of or trading in the Shares, on our ability to consummate the Offer or on the benefits of the Offer to us (or if existing at the time of commencement of the Offer, a material worsening thereof), shall have occurred;
- no change, condition, event or development (including any act of nature oman-made disaster) or any condition, event or development involving a prospective change, in the business, properties, assets, liabilities, capitalization, stockholders' equity, condition (financial or otherwise), operations, licenses, franchises, permits, permit applications, results of operations or prospects of Barings BDC or any of our subsidiaries that, in our reasonable judgment, has, or could reasonably be expected to have, a material adverse effect on Barings BDC and our subsidiaries, taken as a whole, on the value of or trading in the Shares, on our ability to consummate the Offer or on the benefits of the Offer to us (or if existing at the time of commencement of the Offer, a material worsening thereof), shall have occurred;
- no decrease or increase of more than 10% in the market price for the Shares or in the Dow Jones Industrial Average, New York Stock Exchange Index, NASDAQ Composite Index, the Standard and Poor's 500 Composite Index or the Wells Fargo Business Development Company Index measured from the close of trading on August 6, 2018 shall have occurred;
- no tender or exchange offer for any or all of the outstanding Shares, or any merger, acquisition, business combination or other similar transaction with or involving Barings BDC or any of our subsidiaries, shall have been proposed, announced or made by any person or entity or shall have been publicly disclosed, nor shall we have entered into a definitive agreement or an agreement in principle with any person with respect to a merger, acquisition, business combination or other similar transaction, in each case, other than the Offer or otherwise described herein;
- we shall not have become aware that any entity, "group" (as that term is used in Section 13(d)(3) of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**")) or person (i) has acquired or proposes to acquire beneficial ownership of more than 5% of the outstanding Shares, whether through the acquisition of stock, the formation of a group, the grant of any option or right (options for and other rights to acquire Shares that are acquired or proposed to be acquired being deemed to be immediately exercisable or convertible for purposes of this clause), or otherwise (other than by virtue of consummation of the Offer or anyone who publicly disclosed such ownership in a filing with the SEC on or before August 6, 2018), (ii) who has filed a Schedule 13D or Schedule 13G with the SEC on or before August 6, 2018, has acquired or proposes to acquire, whether through the acquisition of Shares, the formation of a group, the grant of any option or right (options for and other rights to acquire Shares that are acquired or proposed to be acquired being deemed to be immediately exercisable or convertible for purposes of this clause), or otherwise (other than by virtue of consummation of the Offer), beneficial ownership of an additional 1% or more of the outstanding Shares or (iii) shall have filed a Notification and Report Form under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, reflecting an intent to acquire us or any of our subsidiaries or any of our or any of our subsidiaries' assets or securities;
- no approval, permit, authorization, favorable review or consent or waiver of or filing with any domestic or foreign governmental or regulatory authority, agency or body or any third party consent or notice, required to

be obtained or made in connection with the Offer shall not have been obtained or made on terms and conditions satisfactory to us in our reasonable judgment;

- we shall not have determined that the consummation of the Offer and the purchase of the Shares pursuant to the Offer is likely, in our reasonable judgment, to cause the Shares to be (i) held of record by less than 300 persons, (ii) delisted from the NYSE or (iii) eligible for deregistration under the Exchange Act; or
- we do not determine, in our reasonable judgment, that the consummation of the Offer or the purchase of Shares from any stockholder could jeopardize our qualification and taxation as a regulated investment company under Subchapter M of the Internal Revenue Code of 1986, as amended, for U.S. federal income tax purposes.

The Offer is subject to these conditions, all of which are also described in Section 7. Each of these conditions is for our sole benefit and may be asserted or waived by us, in whole or in part, at any time and from time to time in our discretion prior to the Expiration Time. In certain circumstances, if we waive any of the conditions described above, we may be required to extend the Expiration Time. The Offer is not conditioned upon the receipt of financing or any minimum number of Shares being tendered.

How do I tender my Shares?

If you want to tender all or any portion of your Shares, you must do one of the following prior to the Expiration Time:

- *Holders Whose Shares Are Held by Brokers* if your Shares are registered in the name of a broker, dealer, commercial bank, trust company or other nominee, contact the nominee and have the nominee tender your Shares for you;
- *Registered Holders*: if you hold Shares in book-entry form as a registered holder in your own name, complete and sign the Letter of Transmittal according to its instructions and deliver it, together with any required signature guarantees and any other documents required by the Letter of Transmittal, to the Depository at the address shown on the Letter of Transmittal; or
- *DTC Participants*: if you are an institution participating in DTC, tender your Shares according to the procedure for book-entry transfer described in Section 3.

If a nominee holds your Shares, it is likely that they will have an earlier deadline for you to act to instruct them to accept the Offer on your behalf. We urge you to contact the nominee that holds your Shares to find out their deadline.

We recommend that you consult your broker and your financial advisor to determine the status of your account and the best way to tender your Shares. If you have any questions related to the status of the Shares in your registered account, or need to confirm the number of Shares held in your registered account, please call the Company's transfer agent, Computershare, Inc., at (866) 228-7201 or contact your financial advisor. If you have any questions related to how that status impacts how you may tender your Shares, please contact the Information Agent, Alliance Advisors, LLC (the "**Information Agent**"), at (888) 991-1291 or baringsbdc@allianceadvisors.com.

Brokers, dealers, commercial banks, trust companies and other nominees and DTC participants are not required to, and should not, submit the written Letter of Transmittal to the Depository or DTC in connection with any tender submitted through ATOP. DTC participants should submit any documentation required for processing through the ATOP system.

If you want to tender your Shares but you cannot comply with the procedure for book-entry transfer by the Expiration Time or your other required documents cannot be delivered to the Depository prior to the Expiration Time, you may still tender your Shares if you comply with the guaranteed delivery procedure described in Section 3.

You may contact the Information Agent, Wells Fargo Securities, LLC, the exclusive dealer manager for the Offer (the "**Dealer Manager**"), or your broker for assistance. The contact information for the Dealer Manager and the Information Agent is on the back cover page of this Offer to Purchase. See Section 3 and the instructions to the Letter of Transmittal.

In accordance with Instructions 4 and 5 to the Letter of Transmittal, each stockholder who is not tendering through DTC and who desires to tender Shares in the Offer must either check (i) one, and only one, of the boxes in the section of the Letter of Transmittal captioned "Shares Tendered at Price Determined by Stockholder," indicating the price (in increments of \$0.10, except for the first increment above the minimum purchase price, which is \$0.12) at which Shares are being tendered, or (ii) the box in the section of the Letter of Transmittal captioned "Shares Tendered at Price Determined Pursuant to the Offer," in which case you will be deemed to have tendered your Shares at the minimum price of \$10.20 per Share (YOU SHOULD UNDERSTAND THAT THIS ELECTION MAY CAUSE THE PURCHASE PRICE TO BE LOWER AND COULD RESULT IN THE TENDERED SHARES BEING PURCHASED AT THE MINIMUM PRICE OF \$10.20 PER SHARE).

If tendering stockholders wish to maximize the chance that their Shares will be purchased, they should check the box in the section of the Letter of Transmittal captioned "Shares Tendered at Price Determined Pursuant to the Offer." Shares tendered pursuant to Purchase Price tenders will be deemed to have been tendered at a price of \$10.20 per Share (which is the minimum price per Share under the Offer) for purposes of determining the Purchase Price. Accordingly, Purchase Price tenders could lower the Purchase Price and could result in your Shares being purchased at the minimum price of \$10.20 per Share. See Section 8 for recent market prices for Shares.

The method of delivery of all documents, including the Letter of Transmittal and any other required documents, including delivery through DTC, is at the sole election and risk of the tendering stockholder. Shares will be deemed delivered only when actually received by the Depository (including by book-entry confirmation). If delivery is by mail, then registered mail with return receipt requested, properly insured, is recommended. In all cases, sufficient time should be allowed to ensure timely delivery.

IF YOU ARE A REGISTERED HOLDER AND WANT TO TENDER ALL OR A PORTION OF YOUR SHARES, YOU MUST DELIVER THE LETTER OF TRANSMITTAL AND OTHER REQUIRED DOCUMENTS TO THE DEPOSITARY. ANY DOCUMENTS DELIVERED TO US, THE DEALER MANAGER, THE INFORMATION AGENT, DTC OR ANY OTHER PERSON WILL NOT BE FORWARDED TO THE DEPOSITARY AND WILL NOT BE DEEMED TO BE PROPERLY TENDERED.

In what order will the Company purchase the tendered Shares?

If the conditions to the Offer have been satisfied or waived and Shares having an aggregate purchase price of less than \$50,000,000 are properly tendered and not properly withdrawn prior to the Expiration Time, we will buy all Shares properly tendered at prices at or below the Purchase Price and not properly withdrawn.

If the conditions to the Offer have been satisfied or waived and Shares having an aggregate purchase price in excess of \$50,000,000, measured at the maximum price at which such Shares were properly tendered, have been properly tendered and not properly withdrawn prior to the Expiration Time, we will purchase Shares:

- first, from all stockholders of "odd lots" (persons who own fewer than 100 Shares) who properly tender all of their Shares at or below the Purchase Price and do not properly withdraw them prior to the Expiration Time;
- second, subject to the conditional tender provisions described in Section 6, on a pro rata basis from all other stockholders who properly tender Shares at or below the Purchase Price and do not properly withdraw them before the expiration of the Offer; and

- third, if necessary to permit us to purchase Shares having an aggregate purchase price of \$50,000,000 (or such greater amount as we may elect to purchase, subject to applicable law), from holders who have tendered Shares at or below the Purchase Price conditionally (for which the condition was not initially satisfied) by random lot, to the extent feasible. To be eligible for purchase by random lot, holders whose Shares are conditionally tendered must have properly tendered all of their Shares and not properly withdrawn them prior to the Expiration Time.

Therefore, it is possible that we will not purchase any or all of the Shares that you tender. See Section 1.

Has the Board of Directors or Barings BDC adopted a position on the Offer?

Our Board of Directors has authorized the Offer. However, none of the Company, any member of our Board of Directors, the Advisor, the Dealer Manager, the Information Agent, the Depository or any of their respective affiliates has made, or is making, any recommendation to you as to whether you should tender or refrain from tendering your Shares or as to the price or prices at which you may choose to tender your Shares. You must make your own decision as to whether to tender your Shares, how many Shares to tender and the price or prices at which you will tender them. In doing so, you should read carefully the information in or incorporated by reference in this Offer to Purchase and the Letter of Transmittal, including the purposes and effects of the Offer. You are urged to discuss your decision with your tax advisor, financial advisor and/or broker. See Section 2.

Do Barings BDC's directors or executive officers or the Advisor intend to tender their Shares in the Offer?

None of Barings BDC's directors or executive officers intend to tender any of their Shares in the Offer. After the expiration of the Offer, our directors and executive officers may, subject to applicable law and applicable policies and practices of the Company, sell their Shares from time to time in open market transactions at prices that may be more or less favorable than the Purchase Price to be paid to our stockholders in the Offer.

Pursuant to the Externalization Agreement, the Advisor purchased \$100,000,000 in newly-issued Shares at the closing of the Externalization Transaction. The Advisor does not intend to tender its Shares in the Offer. Therefore, if the Company completes the Offer, the Advisor's percentage ownership in Barings BDC will increase. See Section 11, "Interests of Directors, Executive Officers and Certain Stockholders—Stockholders Beneficially Owning More than 5%."

What happens if the number of Shares tendered in the Offer would result in an aggregate purchase price of more than \$50,000,000?

If the number of Shares properly tendered at or below the Purchase Price and not properly withdrawn prior to the Expiration Time would result in an aggregate purchase price of more than \$50,000,000, we will purchase Shares from all stockholders who properly tender Shares at or below the Purchase Price, on a *pro rata* basis, with appropriate adjustments to avoid the purchase of fractional Shares, until we have purchased Shares resulting in an aggregate purchase price of not more than \$50,000,000. See Sections 1, 3, 4 and 5.

Because of the proration provisions described above, it is possible that we will not purchase all of the Shares that you tender even if you tender them at or below the Purchase Price.

Once I have tendered Shares in the Offer, can I withdraw my tender?

Yes. You may withdraw your tendered Shares at any time prior to the Expiration Time, or such later time and date to which we may extend the Offer. In addition, unless we have already accepted your tendered Shares for purchase, you may withdraw your tendered Shares at any time at or after 12:01 a.m., New York City time, on October 3, 2018. See Section 4.

How do I withdraw Shares previously tendered?

To properly withdraw your previously tendered Shares, you must deliver (by regular mail, overnight courier or a manually signed facsimile transmission), prior to the Expiration Time, a properly completed and duly executed Notice of Withdrawal ("**Notice of Withdrawal**") (attached as Exhibit (a)(1)(F) to the Tender Offer Statement on Schedule TO (the "**Schedule TO**") for individual investors (other than custodians and DTC participants), and Exhibit (a)(1)(G) to the Schedule TO for custodians and DTC participants). Custodians and DTC participants who tendered Shares through DTC must comply with DTC's procedures for withdrawal of tenders. Brokers, dealers, banks, trust companies and other nominees and DTC participants are not required to, and should not, submit the written Notice of Withdrawal in connection with the withdrawal of any tender submitted through DTC's ATOP system, but need to submit any documentation required for processing through the ATOP system. If you have tendered your Shares by giving instructions to a broker, dealer, commercial bank, trust company or other nominee, you must instruct that person to arrange for the timely withdrawal of your Shares. See Section 4.

What will happen if I do not tender my Shares?

Stockholders who do not participate in the Offer will retain their Shares and, if the Company completes the Offer, their relative ownership interest in the Company will automatically increase. See Section 2.

When and how will Barings BDC pay for my tendered Shares that are accepted for purchase pursuant to the Offer?

We will announce the preliminary results of the Offer, including the Purchase Price and preliminary information about any expected proration and pay the Purchase Price in cash, less any applicable withholding taxes and without interest, for the Shares we accepted for purchase promptly after the Expiration Time. In the event of proration, the Depositary will determine the proration factor and pay for those tendered Shares accepted for purchase promptly after the Expiration Time. We will pay for the Shares accepted for purchase by depositing the aggregate purchase price in cash with the Depositary promptly after the Expiration Time. The Depositary will act as your agent and will transmit to you the payment for all of your Shares accepted for purchase pursuant to the Offer. See Section 5.

What is a recent market price for the Shares?

On August 6, 2018, the last trading day prior to the commencement by the Company of the Offer, the closing price of the Shares on the NYSE was \$10.48 per Share. You are urged to obtain current market quotations for the Shares. See Section 8.

We can give no assurance as to the price at which stockholders may be able to sell Shares in the future. On the other hand, Shares properly tendered and accepted for purchase and paid for will no longer entitle the former owners to participate in the performance of the Company as evidenced by any Share price appreciation (or depreciation) and any payment of dividends or distributions on the Shares.

Will I have to pay brokerage fees and commissions if I tender my Shares?

If you are a holder of record of your Shares and you tender your Shares directly to the Depositary, you will not incur any brokerage fees or commissions. If you hold your Shares through a broker, dealer, commercial bank, trust company or other nominee and that person tenders Shares on your behalf, that person may charge you a fee for doing so. We urge you to consult your broker, dealer, commercial bank, trust company or other nominee to determine whether any such charges will apply. See Section 3.

Does the Company or the Advisor intend to repurchase any Shares other than pursuant to the Offer during or after the Offer?

Rule 13e-4(f)(6) promulgated under the Exchange Act prohibits us and our affiliates from purchasing any Shares, other than pursuant to the Offer, until the expiration of at least ten business days after the expiration of the Offer, except pursuant to certain limited exceptions provided in Rule 14e-5 promulgated under the Exchange Act. Beginning on the 11th business day after the Expiration Time of the Offer, we and our affiliates may make stock repurchases from time to time on the open market and/or in private transactions. Whether we make additional repurchases will depend on many factors, including, without limitation, the number of Shares, if any, that we purchase in the Offer, our business and financial performance and situation, the business and market conditions at the time, including the price of the Shares, and such other factors as we may consider relevant. Any of these repurchases may be on the same terms or on terms that are more or less favorable to the selling stockholders in those transactions than the terms of the Offer.

Pursuant to the Externalization Agreement, the Company agreed, if less than \$50,000,000 of Shares are properly tendered in the Offer after giving effect to any Shares properly withdrawn, to carry out subsequent tender offers at successive approximately semi-annual intervals until a total of \$50,000,000 has been utilized by the Company to repurchase Shares at a price per Share up to and including the net asset value per Share.

Also pursuant to the Externalization Agreement, the Advisor agreed to (i) establish a trading plan designed in accordance with Rule 10b5-1(c) promulgated under the Exchange Act providing for the purchase by the Advisor of \$50,000,000 worth of Shares in open market transactions over a two-year period at prices not greater than the net asset value per Share (the "**Advisor Trading Plan**") and (ii) use any funds remaining under the trading plan after such two-year period to purchase Shares directly from the Company at the greater of the then-current net asset value per Share or the then-current market price per Share. Pursuant to the terms of the Advisor Trading Plan, no purchases of Shares shall be made that would violate Rule 13e-4(f)(6) promulgated under the Exchange Act.

What is the accounting treatment of the Offer?

The purchase of Shares pursuant to the Offer will result in a reduction of our stockholders' equity in an amount equal to the aggregate purchase price of the Shares we purchase and a corresponding reduction in total cash and cash equivalents depending on the source of funding. See Section 16.

Are there any governmental or regulatory approvals, consents or filings to be made or obtained in connection with the Offer?

We are not aware of any approval or other action by any governmental, administrative or regulatory authority, agency or body, domestic, foreign or supranational, that would be required for our acquisition or ownership of Shares as contemplated by the Offer. Should any such approval or other action or notice filings be required, we presently contemplate that we will seek that approval or other action and make or cause to be made such notice filings. We cannot predict whether we will be required to delay the acceptance for purchase of or payment for Shares tendered in the Offer pending the outcome of any such approval or other action. There can be no assurance that any such approval or other action, if needed, would be obtained or would be obtained without substantial cost or conditions or that the failure to obtain the approval or other action might not result in adverse consequences to our business and financial condition. Our obligations pursuant to the Offer to accept for purchase and pay for Shares are subject to the satisfaction of certain conditions. See Sections 7 and 13.

What are the material U.S. federal income tax consequences if I tender my Shares?

Generally, if you are a U.S. Holder (as defined in Section 14), the receipt of cash from us in exchange for the Shares you tender in the Offer will be a taxable event for U.S. federal income tax purposes. The receipt of cash for your tendered

Shares will generally be treated for U.S. federal income tax purposes either as (i) proceeds from a sale or exchange generally eligible for capital gain or loss treatment or (ii) a distribution in respect of stock from the Company. If you are a U.S. Holder, you should complete the Internal Revenue Service ("**IRS**") Form W-9 included as part of the Letter of Transmittal. Any tendering stockholder or other payee who is a U.S. Holder and who fails to timely complete, sign and return to the Depository the IRS Form W-9 included in the Letter of Transmittal (or such other IRS form as may be applicable) may be subject to U.S. backup withholding tax. See Section 3. Non-U.S. Holders (as defined in Section 14) are urged to consult their tax advisors regarding the applicability of U.S. federal income tax withholding, including eligibility for a withholding tax reduction or exemption and the refund procedure, upon the cash received in exchange for Shares. **All stockholders should review the discussion in Sections 3 and 14 regarding material U.S. federal income tax consequences and consult their tax advisor regarding the tax consequences of the Offer.**

Will I have to pay a stock transfer tax if I tender my Shares?

If you instruct the Depository in the Letter of Transmittal to make the payment for the tendered Shares to the registered holder, you will not bear the incidence of any stock transfer tax for any Shares that are accepted in the Offer. See Section 5.

Following the Offer, will the Company continue as a public company?

Yes. The Offer is conditioned upon, among other things, our having determined in our reasonable judgment that the consummation of the Offer will not cause the Shares to be delisted from the NYSE or to be eligible for deregistration under the Exchange Act. See Sections 2, 7 and 12.

If I own fewer than 100 Shares and I tender all of my Shares, will I be subject to proration?

If you own, beneficially or of record, fewer than an aggregate of 100 Shares, you properly tender all of such Shares at or below the Purchase Price prior to the Expiration Time (and do not properly withdraw such Shares) and you complete the section entitled "Odd Lots" in the Letter of Transmittal and, if applicable, in the Notice of Guaranteed Delivery, and all conditions to the Offer are satisfied or waived, we will purchase all of your Shares without subjecting them to proration. See Section 1.

Whom do I contact if I have questions about the Offer?

Questions and requests for assistance by institutional stockholders may be directed to the Dealer Manager and questions and requests for assistance by retail stockholders may be directed to the Information Agent, in each case at the telephone numbers and addresses set forth on the back cover page of this Offer to Purchase. You may request additional copies of this Offer to Purchase, the Letter of Transmittal and the other documents related to the Offer from the Information Agent at the telephone numbers and address on the back cover page of this Offer to Purchase. The Information Agent will promptly furnish to stockholders additional copies of these materials at the Company's expense. Stockholders may also contact their broker, dealer, commercial bank, trust company or other nominee for assistance concerning the Offer.

FORWARD-LOOKING STATEMENTS

Cautionary Note Regarding Forward-Looking Statements

This Offer to Purchase and the documents incorporated by reference herein contain forward-looking statements regarding the plans and objectives of management for future operations. Any such forward-looking statements may involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements to be materially different from future results, performance or achievements expressed or implied by any forward-looking statements. Forward-looking statements, which involve assumptions and describe our future plans, strategies and expectations, are generally identifiable by use of the words “may,” “will,” “should,” “expect,” “anticipate,” “estimate,” “believe,” “intend,” “target,” “goals,” “plan,” “forecast,” “project,” other variations on these words or comparable terminology, or the negative of these words. These forward-looking statements are based on assumptions that may be incorrect, and we cannot assure you that the projections included in these forward-looking statements will come to pass. Our actual results could differ materially from those expressed or implied by the forward-looking statements as a result of various factors, including the factors discussed in the documents incorporated by reference herein. Other factors that could cause actual results to differ materially include changes in the economy and future changes in laws or regulations and conditions in our operating areas.

We have based the forward-looking statements included in this Offer to Purchase on information available to us on the date of this Offer to Purchase, and we assume no obligation to update any such forward-looking statements, unless we are required to do so by applicable law. However, you are advised to consult any additional disclosures that we may make directly to you or through reports that we in the future may file with the SEC, including current reports on Form 8-K.

The forward-looking statements are based on our beliefs, assumptions and expectations of our future performance, taking into account all information currently available to us. These beliefs, assumptions and expectations are subject to risks and uncertainties and can change as a result of many possible events or factors, not all of which are known to us. If a change occurs, our business, financial condition, liquidity and results of operations may vary materially from those expressed in our forward-looking statements. You should carefully consider these risks before you make a decision whether to tender your Shares, how many Shares to tender and the price or prices at which you choose to tender such Shares with respect to our Shares, along with the following factors that could cause actual results to vary from our forward-looking statements:

- changes in the economy;
- risks associated with possible disruption in our operations or the economy generally due to terrorism or natural disasters;
- future changes in laws or regulations and conditions in our operating area;
- our ability to complete the Offer;
- the price at which our Shares may trade on the NYSE, which may be higher or lower than the Purchase Price; and
- the price and time at which we may make additional repurchases of Shares following completion of the Offer, the number of Shares acquired in such repurchases and the terms, timing, costs and interest rate on any indebtedness incurred to fund such repurchases.

The foregoing review of important factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included herein and elsewhere, including the risk factors included in Barings BDC’s (i) Quarterly Reports on Form 10-Q for the fiscal quarters ended March 31, 2018 and June 30, 2018, as filed with the SEC on May 2, 2018 and August 1, 2018, respectively, (ii) Definitive Proxy Statement on Schedule 14A, as filed with the SEC on June 1, 2018, (iii) Annual Report on Form 10-K for the fiscal year ended December 31, 2017 and (iv) other documents on file with or furnished to the SEC. Any forward-looking statements made in this Offer to Purchase are

qualified by these cautionary statements, and there can be no assurance that the actual results or developments anticipated by Barings BDC will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, Barings BDC or its business or operations. Except as required by law, Barings BDC undertakes no obligation to update publicly or revise any forward-looking statement, whether as a result of new information, future developments or otherwise. We caution you that actual outcomes and results may differ materially from what is expressed, implied or forecast by our forward-looking statements. The forward-looking statements and projections contained in this Offer to Purchase are excluded from the safe harbor protection provided by Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Exchange Act.

INTRODUCTION

To the Stockholders of Barings BDC, Inc.:

Barings BDC, Inc. (the "**Company**," "**Barings BDC**," "**we**" or "**us**") invites its stockholders to tender their shares of its common stock, par value \$0.001 per share (the "**Shares**"), for purchase by us. Upon the terms and subject to the conditions of this Offer to Purchase, dated August 7, 2018 (this "**Offer to Purchase**"), and the related Letter of Transmittal (the "**Letter of Transmittal**," which, together with this Offer to Purchase, as each may be amended or supplemented from time to time, constitute the "**Offer**"), we are offering to purchase an aggregate of not more than \$50,000,000 of Shares pursuant to tenders at a price specified by the tendering stockholders of not greater than \$11.72 or less than \$10.20 per Share, net to the seller in cash, less any applicable withholding taxes and without interest.

The Offer will expire on September 6, 2018, at 5:00 p.m., New York City time, unless the Offer is extended or withdrawn (such date and time, as they may be extended, the "Expiration Time"). To tender your Shares you must follow the procedures described in this Offer to Purchase, the Letter of Transmittal and the other documents related to the Offer, including choosing the price or prices at which you wish to tender Shares.

On July 24, 2018, the Company's stockholders approved, among other matters, (i) the Asset Purchase Agreement, dated as of April 3, 2018, by and between the Company and BSP Asset Acquisition I, LLC (the "**Asset Buyer**"), and the transactions contemplated thereby, including the sale of substantially all of the Company's portfolio investments to the Asset Buyer (the "**Asset Sale**"), (ii) the issuance and sale by the Company to Barings LLC (the "**Advisor**") of up to, under certain circumstances, \$150,000,000 worth of Shares pursuant to the terms of the Stock Purchase and Transaction Agreement, dated as of April 3, 2018, by and between the Company and the Advisor (the "**Externalization Agreement**" and the transactions contemplated thereby, the "**Externalization Transaction**"), and (iii) the Investment Advisory Agreement, dated as of August 2, 2018, pursuant to which the Advisor was appointed as the investment advisor of the Company effective as of the closing of the Externalization Transaction. The Asset Sale was consummated on July 31, 2018, and the Externalization Transaction was consummated on August 2, 2018. Pursuant to the Externalization Agreement, the Company agreed, among other things, to (a) commence the Offer immediately following the closing of the Externalization Transaction and (b) change the name of the Company from Triangle Capital Corporation to Barings BDC, Inc. As of August 6, 2018, there were 56,186,025 Shares issued and outstanding. The Offer is being made pursuant to the terms of the Externalization Agreement.

Upon the terms and subject to the conditions of this Offer to Purchase, including the provisions relating to "odd lot" priority, proration and conditional tenders described in this Offer to Purchase, we will determine a single price per Share (the "**Purchase Price**"), which will be not more than \$11.72 and not less than \$10.20 per Share, that we will pay for Shares properly tendered in the Offer and not properly withdrawn, and accepted for purchase, taking into account the number of Shares tendered pursuant to the Offer and the prices specified by the tendering stockholders. The Purchase Price will be the lowest price per Share (in increments of \$0.10, except for the first increment above the minimum purchase price, which is \$0.12) of not more than \$11.72 and not less than \$10.20 per Share at which Shares have been properly tendered or have been deemed to be tendered in the Offer that will enable us to purchase the maximum number of Shares properly tendered in the Offer and not properly withdrawn, having an aggregate purchase price of \$50,000,000 or such lesser number if less than \$50,000,000 of Shares are properly tendered in the Offer after giving effect to any Shares properly withdrawn.

All Shares purchased pursuant to the Offer will be purchased at the same Purchase Price regardless of whether any stockholder tendered at a lower price. However, because of the proration provisions described in this Offer to Purchase, all of the Shares properly tendered and not properly withdrawn at or below the Purchase Price may not be purchased if those Shares have an aggregate purchase price in excess of \$50,000,000.

Only Shares properly tendered at prices at or below the Purchase Price, and not properly withdrawn, will be eligible to be purchased, on the terms and subject to the conditions of the Offer, including the proration and "odd lot" priority

provisions. We will not purchase Shares tendered at prices greater than the Purchase Price or Shares that we do not accept for purchase under the terms of the Offer because of the Offer's proration and priority provisions. Shares tendered but not purchased pursuant to the Offer will be returned promptly following the Expiration Time. No fractional shares will be purchased in the Offer. See Sections 3 and 4.

Registered stockholders must submit a Letter of Transmittal in order to tender their Shares. See Section 3.

Subject to the applicable rules and regulations promulgated by the Securities and Exchange Commission (the "**SEC**"), we expressly reserve the right, in our sole discretion, at any time and from time to time, (i) to extend the period of time during which the Offer is open and thereby delay acceptance for purchase of, and the payment for, any Shares, subject to the restrictions below, (ii) to increase or decrease the value of Shares sought in the Offer, (iii) to amend the Offer in any respect prior to the Expiration Time, and (iv) if any condition specified in Section 7 is not satisfied or waived at or prior to the Expiration Time, to terminate the Offer and not accept any Shares for purchase. Notice of any such extension, amendment or termination will be distributed promptly to stockholders in a manner reasonably designed to inform them of such change in compliance with Rule 13e-4(e) promulgated under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"). In the case of an extension of the Offer, such extension will be followed by a press release or other public announcements which will be issued no later than 9:00 a.m., New York City time, on the next business day after the previously scheduled Expiration Time, in accordance with Rule 14e-1(d) promulgated under the Exchange Act. See Sections 1, 3, 4 and 15.

THE OFFER IS NOT CONDITIONED UPON THE RECEIPT OF FINANCING OR ANY MINIMUM NUMBER OF SHARES BEING TENDERED. THE OFFER IS, HOWEVER, SUBJECT TO A NUMBER OF OTHER TERMS AND CONDITIONS DESCRIBED IN THIS OFFER TO PURCHASE. SEE SECTION 7.

ALTHOUGH OUR BOARD OF DIRECTORS HAS AUTHORIZED THE OFFER, NONE OF THE COMPANY, ANY MEMBER OF OUR BOARD OF DIRECTORS, THE ADVISOR, THE DEALER MANAGER, THE DEPOSITARY, THE INFORMATION AGENT (EACH AS DEFINED HEREIN) OR ANY OF THEIR RESPECTIVE AFFILIATES HAS MADE, OR IS MAKING, ANY RECOMMENDATION TO YOU AS TO WHETHER TO TENDER OR REFRAIN FROM TENDERING YOUR SHARES OR AS TO THE PRICE OR PRICES AT WHICH YOU MAY CHOOSE TO TENDER YOUR SHARES. YOU MUST MAKE YOUR OWN DECISION AS TO WHETHER TO TENDER YOUR SHARES, HOW MANY SHARES TO TENDER AND THE PRICE OR PRICES AT WHICH YOU WILL TENDER THEM. IN DOING SO, YOU SHOULD READ CAREFULLY THE INFORMATION IN OR INCORPORATED BY REFERENCE IN THIS OFFER TO PURCHASE AND THE LETTER OF TRANSMITTAL, INCLUDING THE PURPOSES AND EFFECTS OF THE OFFER. SEE SECTION 2. YOU ARE URGED TO DISCUSS YOUR DECISION WITH YOUR TAX ADVISOR, FINANCIAL ADVISOR AND/OR BROKER.

Upon the terms and subject to the conditions of the Offer, if the number of Shares properly tendered at or below the Purchase Price and not properly withdrawn prior to the Expiration Time would result in an aggregate purchase price of more than \$50,000,000, we will purchase Shares from all stockholders who properly tender Shares at or below the Purchase Price, on a *pro rata* basis, with appropriate adjustments to avoid the purchase of fractional Shares, until we have purchased Shares resulting in an aggregate purchase price of not more than \$50,000,000. See Sections 1, 3, 4 and 5.

Because of the proration provisions described above, we may not purchase all of the Shares that you tender even if you tender them at or below the Purchase Price. See Section 1.

If the conditions to the Offer have been satisfied or waived and Shares having an aggregate purchase price of less than \$50,000,000 are properly tendered and not properly withdrawn prior to the Expiration Time, we will buy all Shares properly tendered at prices at or below the Purchase Price and not properly withdrawn.

If the conditions to the Offer have been satisfied or waived and Shares having an aggregate purchase price in excess of \$50,000,000, measured at the maximum price at which such Shares were properly tendered, have been properly tendered and not properly withdrawn prior to the Expiration Time, we will purchase Shares:

- first, from all stockholders of “odd lots” (persons who own fewer than 100 Shares) who properly tender all of their Shares at or below the Purchase Price and do not properly withdraw them prior to the Expiration Time;
- second, subject to the conditional tender provisions described in Section 6, on a pro rata basis from all other stockholders who properly tender Shares at or below the Purchase Price and do not properly withdraw them before the expiration of the Offer; and
- third, if necessary to permit us to purchase Shares having an aggregate purchase price of \$50,000,000 (or such greater amount as we may elect to purchase, subject to applicable law), from holders who have tendered Shares at or below the Purchase Price conditionally (for which the condition was not initially satisfied) by random lot, to the extent feasible. To be eligible for purchase by random lot, holders whose Shares are conditionally tendered must have properly tendered all of their Shares and not properly withdrawn them prior to the Expiration Time.

Therefore, it is possible that we will not purchase any or all of the Shares that you tender. See Sections 1, 5 and 6, respectively, for additional information concerning priority, proration and conditional tender procedures.

The Purchase Price will be paid in cash, less any applicable withholding taxes and without interest, to tendering stockholders for all Shares purchased. Tendering stockholders who hold Shares registered in their own name and who tender their Shares directly to Computershare Trust Company, N.A., the depository for the Offer (the “**Depository**”), will not be obligated to pay brokerage commissions, solicitation fees or, except as set forth in Section 5, stock transfer taxes on the purchase of Shares by us pursuant to the Offer. Stockholders holding Shares in a brokerage account or otherwise through a broker, dealer, commercial bank, trust company or other nominee are urged to consult their broker, dealer, commercial bank, trust company or other nominee to determine whether any charges may apply if stockholders tender Shares through such nominees and not directly to the Depository. See Section 3.

Also, any tendering stockholder or other payee who is a U.S. Holder (as defined in Section 14) and who fails to timely complete, sign and return to the Depository the Internal Revenue Service (“**IRS**”) Form W-9 included with the Letter of Transmittal (or such other IRS form as may be applicable) may be subject to U.S. federal backup withholding tax on the gross proceeds paid to the U.S. Holder pursuant to the Offer. See Section 3. Also, see Section 14 regarding the material U.S. federal income tax consequences of the Offer.

We will pay the reasonable and customary fees and expenses incurred in connection with the Offer by Wells Fargo Securities, LLC, the exclusive dealer manager for the Offer (the “**Dealer Manager**”), the Depository and Alliance Advisors, LLC, the information agent for the Offer (the “**Information Agent**”). See Section 16.

Our Shares are listed and traded on the New York Stock Exchange (“**NYSE**”) under the trading symbol “BBDC.” Until the closing of the Externalization Transaction, the Company’s trading symbol was “TCAP.” On August 6, 2018, the last trading day prior to the commencement by the Company of the Offer, the last reported sale price of the Shares on the NYSE was \$10.48 per Share. **Tendering stockholders whose Shares are accepted for purchase will lose the opportunity to trade such Shares and the chance to participate in any future market upside and future growth of the Company. The trading price of our Shares on the NYSE may be higher or lower than the Purchase Price. Stockholders are urged to obtain current market quotations for the Shares before deciding whether and at what price or prices to tender their Shares.** See Section 8. As of August 2, 2018, the net asset value per Share was estimated to be \$11.72.

As of August 6, 2018, there were 56,186,025 Shares issued and outstanding. Assuming the Offer is fully subscribed at the minimum Purchase Price of \$10.20 per Share, the number of Shares that we could purchase pursuant to the Offer is approximately 4,901,960, which would represent approximately 8.7% of the issued and outstanding Shares as of

August 6, 2018. Assuming the Offer is fully subscribed at the maximum Purchase Price of \$11.72 per Share, the number of Shares that we could purchase pursuant to the Offer is approximately 4,266,211, which would represent approximately 7.6% of the issued and outstanding Shares as of August 6, 2018. See Section 1.

References in this Offer to Purchase to “dollars” and “\$” are to the lawful currency of the United States of America.

This Offer to Purchase and Letter of Transmittal contain important information, and you should carefully read both in their entirety before you make a decision with respect to the Offer.

THE OFFER

1. Number of Shares; Purchase Price; Odd Lots; Proration

General. Upon the terms and subject to the conditions of the Offer, we are offering to an aggregate of \$50,000,000 of Shares pursuant to tenders at a price specified by the tendering stockholders of not greater than \$11.72 or less than \$10.20 per Share, net to the seller in cash, less any applicable withholding taxes and without interest.

The Offer will expire at the Expiration Time, unless the Offer is extended or withdrawn. To tender your Shares you must follow the procedures described in this Offer to Purchase, the Letter of Transmittal and the other documents related to the Offer.

Upon the terms and subject to the conditions of this Offer to Purchase, including the provisions relating to “odd lot” priority, proration and conditional tenders described in this Offer to Purchase, we will determine a single Purchase Price (which will be not more than \$11.72 and not less than \$10.20 per Share) that we will pay for Shares properly tendered in the Offer and not properly withdrawn, and accepted for purchase, taking into account the number of Shares tendered pursuant to the Offer and the prices specified by the tendering stockholders. The Purchase Price will be the lowest price (in increments of \$0.10, except for the first increment above the minimum purchase price, which is \$0.12) of not more than \$11.72 and not less than \$10.20 per Share at which Shares have been properly tendered and not properly withdrawn in the Offer that will enable us to purchase the maximum number of tendered Shares having an aggregate purchase price of \$50,000,000 or such lesser number if less than \$50,000,000 of Shares are properly tendered in the Offer after giving effect to any Shares properly withdrawn.

Only Shares properly tendered at prices at or below the Purchase Price, and not properly withdrawn, will be purchased, on the terms and subject to the conditions of the Offer, including the proration and “odd lot” priority provisions. We will not purchase Shares tendered at prices greater than the Purchase Price or Shares that we do not accept for purchase under the terms of the Offer because of the Offer’s proration and priority provisions. Because of the proration provisions described in this Offer to Purchase, all of the Shares properly tendered and not properly withdrawn at or below the Purchase Price may not be purchased if those Shares have an aggregate purchase price in excess of \$50,000,000. All Shares tendered and not purchased in the Offer, including Shares tendered at or below the Purchase Price and Shares not purchased because of proration, will be returned to the tendering stockholders at our expense promptly following the Expiration Time.

If we (i) increase the price that may be paid for the Shares above \$11.72 per Share or decrease the price that may be paid for the Shares below \$10.20 per Share, (ii) increase the maximum number of Shares that we may purchase in the Offer by more than 2% of our outstanding Shares or (iii) decrease the number of Shares that we may purchase in the Offer, then the Offer must remain open for at least 10 business days following the date that notice of the increase or decrease is first published, sent or given in the manner specified in Section 15.

In accordance with the instructions to the Letter of Transmittal, stockholders desiring to tender Shares must specify the price, not less than \$10.20 per Share and not more than \$11.72 per Share, at which they are willing to sell their Shares to the Company. Alternatively, stockholders desiring to tender Shares can choose not to specify a price and, instead, specify that they will sell their Shares at the Purchase Price that the Company determines pursuant to the terms of the Offer, which could be a price per Share as low as \$10.20 or as high as \$11.72. If tendering stockholders wish to maximize the chance that the Company will purchase their Shares, they should check the box in the section of the Letter of Transmittal captioned “Shares Tendered at Price Determined Pursuant to the Offer.” Note that this election will mean that such stockholder’s Shares will be deemed to be tendered at the minimum price of \$10.20 per Share. Tendering stockholders who make this election should understand that this election may lower the Purchase Price and could result in such stockholder’s Shares being purchased at the minimum price of \$10.20 per Share.

Shares acquired pursuant to the Offer will be acquired by Barings BDC free and clear of all liens, charges, encumbrances, security interests, claims, restrictions and equities whatsoever, together with all rights and benefits

arising therefrom, provided that any distributions which may be declared, paid, issued, distributed, made or transferred on or in respect of such Shares to stockholders of record on or prior to the date on which the Shares are accepted for purchase pursuant to the Offer shall be for the account of such stockholders.

The Offer is not conditioned upon the receipt of financing or any minimum number of Shares being tendered. The Offer is, however, subject to a number of other terms and conditions described in this Offer to Purchase. See Section 7.

Priority of Purchases. If the conditions to the Offer have been satisfied or waived and Shares having an aggregate purchase price of less than \$50,000,000 are properly tendered and not properly withdrawn prior to the Expiration Time, we will buy all Shares properly tendered at prices at or below the Purchase Price and not properly withdrawn.

If the conditions to the Offer have been satisfied or waived and Shares having an aggregate purchase price in excess of \$50,000,000, measured at the maximum price at which such Shares were properly tendered, have been properly tendered and not properly withdrawn prior to the Expiration Time, we will purchase properly tendered Shares on the basis set forth below:

- first, from all stockholders of “odd lots” (persons who own fewer than 100 Shares) who:
 - tender at or below the Purchase Price all Shares owned beneficially or of record by such holders (partial tenders will not qualify for this preference); and
 - complete the section entitled “Odd Lots” in the Letter of Transmittal and, if applicable, the Notice of Guaranteed Delivery;
- second, subject to the conditional tender provisions described in Section 6, we will purchase all other Shares tendered at or below the Purchase Price on a pro rata basis with appropriate adjustments to avoid purchases of fractional shares, as described below; and
- third, if necessary to permit us to purchase Shares having an aggregate purchase price of \$50,000,000 (or such greater amount as we may elect to purchase, subject to applicable law), from holders who have tendered Shares at or below the Purchase Price conditionally (for which the condition was not initially satisfied) by random lot, to the extent feasible. To be eligible for purchase by random lot, holders whose Shares are conditionally tendered must have properly tendered all of their Shares and not properly withdrawn them prior to the Expiration Time.

Therefore, it is possible that we will not purchase any or all of the Shares that you tender. It is also possible that none of the Shares conditionally tendered will be purchased.

Odd Lots. The term “odd lots” means all Shares tendered by any person who owned beneficially or of record a total of fewer than 100 Shares and so certified in the appropriate place on the Letter of Transmittal and, if applicable, the Notice of Guaranteed Delivery. To qualify for the odd lot preference, an odd lot holder must tender at or below the Purchase Price all Shares owned by such holder in accordance with the procedures described in Section 3. Odd lots will be accepted for purchase before any proration of the purchase of other tendered Shares. Any odd lot holder wishing to tender all of such stockholder’s Shares pursuant to the Offer must complete the section entitled “Odd Lots” in the Letter of Transmittal and, if applicable, the Notice of Guaranteed Delivery.

Proration. Upon the terms and subject to the conditions of the Offer, if the number of Shares properly tendered at or below the Purchase Price and not properly withdrawn prior to the Expiration Time would result in an aggregate purchase price of more than \$50,000,000, we will purchase all Shares properly tendered and not properly withdrawn, at prices at or below the Purchase Price, on a *pro rata* basis, with appropriate adjustments to avoid purchases of fractional Shares, as described below, until we have purchased Shares resulting in an aggregate of not more than \$50,000,000.

As a result of the proration applicable to the purchase of Shares tendered, it is possible that all of the Shares that a stockholder tenders in the Offer at or below the Purchase Price may not be purchased. In addition, if a tender is conditioned upon the purchase of a specified number of Shares, none of those Shares will be purchased.

If proration of tendered Shares is required, the Depositary will determine the proration factor promptly following the Expiration Time. Subject to adjustment to avoid the purchase of fractional Shares, proration for each stockholder tendering Shares at or below the Purchase Price will be based on the ratio of the number of Shares properly tendered at or below the Purchase Price and not properly withdrawn by the stockholder to the total number of Shares properly tendered at or below the Purchase Price and not properly withdrawn by all stockholders. In the event of proration, the Depositary will determine the proration factor and pay for those tendered Shares accepted for purchase promptly after the Expiration Time. The preliminary results of any proration will be announced by press release promptly after the Expiration Time. After the Expiration Time, stockholders may obtain preliminary proration information from the Information Agent and also may be able to obtain the information from their brokers.

As described in Section 14, the extent to which a stockholder's Shares are purchased pursuant to the Offer may affect the U.S. federal income tax consequences of the purchase to the stockholder and, therefore, may be relevant to a stockholder's decision whether to tender Shares. **All stockholders should review the discussion in Sections 3 and 14 regarding material U.S. federal income tax consequences and consult their tax advisor regarding the tax consequences of the Offer.**

This Offer to Purchase and the Letter of Transmittal will be mailed to record holders of the Shares and will be furnished to brokers, dealers, commercial banks, trust companies and other nominees and similar persons whose names, or the names of whose nominees, appear on Barings BDC's stockholder list or, if applicable, who are listed as participants in a clearing agency's security position listing for subsequent transmittal to beneficial owners of Shares.

We are not aware of any jurisdiction where the making of the Offer is prohibited by any administrative or judicial action pursuant to any valid state statute. If we become aware of any valid state statute prohibiting the making of the Offer or the acceptance of the Shares, we will make a good faith effort to comply with that state statute or seek to have such statute declared inapplicable to the Offer. If, after a good faith effort, we cannot comply with the state statute, we will not make the Offer to, nor will we accept tenders from or on behalf of, the holders of Shares in that state. In any jurisdiction where the securities, "blue sky" or other laws require the Offer to be made by a licensed broker or dealer, the Offer shall be deemed to be made on our behalf by the Dealer Manager or by one or more registered brokers or dealers licensed under the laws of that jurisdiction.

2. Purpose of the Offer; Certain Effects of the Offer; Plans or Proposals

Purpose of the Offer

Pursuant to the Externalization Agreement, the Company agreed to commence the Offer immediately following the closing of the Externalization Transaction. Also pursuant to the Externalization Agreement, the Company agreed, if less than \$50,000,000 of Shares are properly tendered in the Offer after giving effect to any Shares properly withdrawn, to carry out subsequent tender offers at successive approximately semi-annual intervals until a total of \$50,000,000 has been utilized by the Company to repurchase Shares at a price per Share up to and including the net asset value per Share.

The Offer provides stockholders with liquidity and an efficient way to sell their Shares without incurring most broker's fees or commissions associated with open market sales. In addition, stockholders who wish to achieve a greater percentage of equity ownership in the Company will be able to do so by not tendering their Shares in the Offer. If the Company completes the Offer, stockholders who retain all or a portion of their Shares, including the Advisor, will have a greater percentage ownership in the Company and the potential to share in its future earnings and assets, while also bearing the attendant risks associated with owning Shares. See Section 11, "Interests of Directors, Executive Officers and Certain Stockholders—Stockholders Beneficially Owning More than 5%."

The purchase of Shares pursuant to the Offer will result in a reduction of our stockholders' equity in an amount equal to the aggregate purchase price of the Shares we purchase and a corresponding reduction in total cash and cash equivalents depending on the source of funding. After the Offer is completed, we believe that our capital structure,

including the available balance of our financing facilities and cash flow from operations, will provide us with sufficient liquidity to meet our current operating expenses and other expenses directly associated with our business for the foreseeable future. However, actual experience may differ significantly from our expectations. See “Forward-Looking Statements.” In considering the Offer, our management and our Board of Directors took into account the expected financial impact of the Offer.

ALTHOUGH OUR BOARD OF DIRECTORS HAS AUTHORIZED THE OFFER, NONE OF THE COMPANY, ANY MEMBER OF OUR BOARD OF DIRECTORS, THE ADVISOR, THE DEALER MANAGER, THE DEPOSITARY, THE INFORMATION AGENT OR ANY OF THEIR RESPECTIVE AFFILIATES MADE, OR IS MAKING, ANY RECOMMENDATION TO YOU AS TO WHETHER TO TENDER OR REFRAIN FROM TENDERING YOUR SHARES OR AS TO THE PRICE OR PRICES AT WHICH YOU MAY CHOOSE TO TENDER YOUR SHARES. WE HAVE NOT AUTHORIZED ANY PERSON TO MAKE ANY SUCH RECOMMENDATION. YOU MUST MAKE YOUR OWN DECISION AS TO WHETHER TO TENDER YOUR SHARES, HOW MANY SHARES TO TENDER AND THE PRICE OR PRICES AT WHICH YOU WILL TENDER THEM. IN DOING SO, YOU SHOULD READ CAREFULLY THE INFORMATION IN OR INCORPORATED BY REFERENCE IN THIS OFFER TO PURCHASE AND THE LETTER OF TRANSMITTAL, INCLUDING THE PURPOSES AND EFFECTS OF THE OFFER. YOU ARE URGED TO DISCUSS YOUR DECISION WITH YOUR TAX ADVISOR, FINANCIAL ADVISOR AND/OR BROKER.

Certain Effects of the Offer

Stockholders who do not tender their Shares in the Offer and stockholders who otherwise retain an equity interest in the Company as a result of a partial tender of Shares or proration will continue to be owners of the Company. Stockholders who wish to achieve a greater percentage of equity ownership in the Company will be able to do so by not tendering their Shares in the Offer. If the Company completes the Offer, stockholders who retain all or a portion of their Shares, including the Advisor, will have a greater percentage ownership in Barings BDC and the potential to share in its future earnings and assets, while also bearing the attendant risks associated with owning Shares. See Section 11, “Interests of Directors, Executive Officers and Certain Stockholders—Stockholders Beneficially Owning More than 5%.”

Stockholders may be able to sell non-tendered Shares in the future at a net price significantly higher or lower than the Purchase Price pursuant to the Offer. We can give no assurance as to the price at which stockholders may be able to sell Shares in the future. On the other hand, Shares properly tendered and accepted for purchase and paid for will no longer entitle the former owners to participate in the performance of the Company as evidenced by any Share price appreciation (or depreciation) and any payment of dividends or distributions on the Shares.

The Offer will reduce our “public float” (the number of Shares owned by non-affiliated stockholders and available for trading in the securities markets) and may reduce the number of our stockholders.

None of Barings BDC’s directors or executive officers intend to tender any of their Shares in the Offer. After the expiration of the Offer, our directors and executive officers may, subject to applicable law and applicable policies and practices of the Company, sell their Shares from time to time in open market transactions at prices that may be more or less favorable than the Purchase Price to be paid to our stockholders in the Offer.

Pursuant to the Externalization Agreement, the Advisor purchased \$100,000,000 in newly-issued Shares at the closing of the Externalization Transaction. The Advisor does not intend to tender its Shares in the Offer. Therefore, if the Company completes the Offer, the Advisor’s percentage ownership in Barings BDC will increase. See Section 11, “Interests of Directors, Executive Officers and Certain Stockholders—Stockholders Beneficially Owning More than 5%.”

Based on the published guidelines of the NYSE and the conditions of the Offer, we believe that our purchase of an aggregate of \$50,000,000 of Shares pursuant to the Offer will not result in delisting of the remaining Shares on the NYSE. The Shares are registered under the Exchange Act, which requires, among other things, that we furnish certain information to our stockholders and the SEC and comply with the SEC’s proxy rules in connection with meetings of our stockholders. We believe that our purchase of Shares pursuant to the Offer will not result in the deregistration of the

Shares under the Exchange Act. The Offer is conditioned upon, among other things, our having determined in our reasonable judgment that the consummation of the Offer will not cause the Shares to be delisted from the NYSE or to be eligible for deregistration under the Exchange Act. See Section 7.

Shares we acquire pursuant to the Offer will no longer be outstanding and will constitute authorized but unissued shares of capital stock of the Company. Rule 13e-4 promulgated under the Exchange Act prohibits us and our affiliates from purchasing any Shares, other than pursuant to the Offer, until at least 10 business days following the Expiration Time.

Plans or Proposals

Except as disclosed or incorporated by reference in this Offer to Purchase, neither Barings BDC nor the Advisor currently has any plans, proposals or negotiations underway that relate to or would result in:

- any extraordinary transaction, such as a merger, reorganization or liquidation, involving Barings BDC or any of its subsidiaries;
- any purchase, sale or transfer of a material amount of assets of Barings BDC or any of its subsidiaries;
- any material change in the present distribution rate or policy or capitalization of Barings BDC;
- any change in the present Board of Directors or management of Barings BDC, including, but not limited to, any plans or proposals to change the number or the term of directors or to fill any existing vacancies on the Board of Directors;
- any other material change in Barings BDC's corporate structure or business;
- any class of equity securities of Barings BDC becoming eligible for termination of registration under Section 12(g)(4) of the Exchange Act or, in the case of the Shares, ceasing to be authorized for listing on the NYSE;
- the suspension of Barings BDC's obligation to file reports under Section 15(d) of the Exchange Act;
- the acquisition by any person of additional securities of Barings BDC or the disposition by any person of securities of Barings BDC (other than by the Advisor pursuant to the terms of the Externalization Agreement); or
- any changes in Barings BDC's charter, bylaws or other governing instruments or other actions that could impede the acquisition of control of Barings BDC.

Rule 13e-4(f)(6) promulgated under the Exchange Act prohibits us and our affiliates from purchasing any Shares, other than pursuant to the Offer, until the expiration of at least ten business days after the expiration of the Offer, except pursuant to certain limited exceptions provided in Rule 14e-5 promulgated under the Exchange Act. Beginning on the 11th business day after the Expiration Time of the Offer, we and our affiliates may make stock repurchases from time to time on the open market and/or in private transactions. Whether we make additional repurchases will depend on many factors, including, without limitation, the number of Shares, if any, that we purchase in the Offer, our business and financial performance and situation, the business and market conditions at the time, including the price of the Shares, and such other factors as we may consider relevant. Any of these repurchases may be on the same terms or on terms that are more or less favorable to the selling stockholders in those transactions than the terms of the Offer.

Pursuant to the Externalization Agreement, the Company agreed, if less than \$50,000,000 of Shares are properly tendered in the Offer after giving effect to any Shares properly withdrawn, to carry out subsequent tender offers at successive approximately semi-annual intervals until a total of \$50,000,000 has been utilized by the Company to repurchase Shares at a price per Share up to and including the net asset value per Share.

Also pursuant to the Externalization Agreement, the Advisor agreed to (i) establish a trading plan designed in accordance with Rule 10b5-1(c) promulgated under the Exchange Act providing for the purchase by the Advisor of

\$50,000,000 worth of Shares in open market transactions over a two-year period at prices not greater than the net asset value per Share (the “**Advisor Trading Plan**”) and (ii) use any funds remaining under the trading plan after such two-year period to purchase Shares directly from the Company at the greater of the then-current net asset value per Share or the then-current market price per Share. Pursuant to the terms of the Advisor Trading Plan, no purchases of Shares shall be made that would violate Rule 13e-4(f)(6) promulgated under the Exchange Act.

As of June 30, 2018, the Company had approximately \$30.2 million of undistributed investment company taxable income and approximately \$144.0 million of net long-term capital loss carryforwards. The Company discontinued paying a quarterly dividend starting with the second quarter of 2018 in anticipation of the Asset Sale and the Externalization Transaction that were under negotiation. The Company will begin paying quarterly dividends to its stockholders as soon as is practicable after the closing of the Externalization Transaction, initially based on the investment income generated by its liquid, non-investment grade debt portfolio and then based on the investment income generated by its private senior secured debt portfolio. There can be no assurance as to the timing or amount of any future dividends.

Although we do not currently have any plans, other than as disclosed or incorporated by reference in this Offer to Purchase, that relate to or would result in any of the events discussed above, we reserve the right to change our plans and intentions at any time as we deem appropriate. After completing the Offer, we may consider various forms of stock repurchases after taking into account the results of the Offer, our results of operations, financial position and capital requirements, general business conditions, legal, regulatory, rating agency and contractual constraints or restrictions and other factors our Board of Directors deems relevant. These purchases may be made from time to time on the open market or through privately-negotiated transactions, and may be on the same terms or on terms and prices that are more or less favorable to stockholders than the terms of the Offer.

3. Procedures for Tendering Shares

Proper Tenders of Shares by Registered Holders. If your Shares are registered in your name (i.e., if you are an individual who is the record and beneficial owner of the Shares), you may tender your Shares in the Offer by delivering (by regular mail or overnight courier) a properly completed and duly executed Letter of Transmittal (or a manually signed photocopy of the Letter of Transmittal (facsimile signatures will not be accepted)), together with any required signature guarantees, and any other required documents to the Depository which must be received by the Depository at its address set forth on the back cover of this Offer to Purchase before the Expiration Time. Stockholders holding their Shares through a broker, dealer, commercial bank, trust company or other nominee must contact their nominee to tender their Shares on their behalf.

Proper Tenders of Shares by Custodians or DTC Participants. If you are a broker, dealer, commercial bank, trust company or other nominee tendering Shares on behalf of your client or an institution participating in The Depository Trust Company (“**DTC**”), you may tender Shares in the Offer by:

- delivering (by regular mail or overnight courier) a properly completed and duly executed Letter of Transmittal (or a manually signed photocopy of the Letter of Transmittal (facsimile signatures will not be accepted)), together with any required signature guarantees, and any other required documents to the Depository, which must be received by the Depository at its address set forth on the back cover of this Offer to Purchase before the Expiration Time; or
- tendering the applicable Shares electronically through DTC’s Automated Tender Offer Program (“**ATOP**”) into the Depository’s account at DTC by book-entry transfer, subject to the terms and procedures of that system, at or prior to the Expiration Time.

Brokers, dealers, commercial banks, trust companies and other nominees and DTC participants are not required to, and should not, submit the written Letter of Transmittal to the Depository or DTC in connection with any tender submitted through DTC’s ATOP system. DTC participants should submit any documentation required for processing through the ATOP system. If you are tendering Shares through ATOP and wish to tender portions of your Shares at more than one price, you will need to complete a separate ATOP transfer for each price at which you are tendering your Shares.

In accordance with the instructions to the Letter of Transmittal, each stockholder wishing to tender Shares in the Offer must properly indicate in the section captioned (i) "Shares Tendered at Price Determined by Stockholder" in the Letter of Transmittal the price (in increments of \$0.10, except for the first increment above the minimum purchase price, which is \$0.12) at which they are tendering Shares or (ii) "Shares Tendered at Price Determined Pursuant to the Offer" in the Letter of Transmittal that they will accept the Purchase Price determined by us in accordance with the terms of the Offer.

If tendering stockholders wish to maximize the chance that we will purchase their Shares, they should check the box in the section of the Letter of Transmittal captioned "Shares Tendered at Price Determined Pursuant to the Offer." Note that this election will mean that tendered Shares will be deemed to be tendered at the minimum price of \$10.20 per Share. Tendering stockholders who make this election should understand that this election may lower the Purchase Price and could result in their Shares being purchased at the minimum price of \$10.20 per Share.

A stockholder who desires to tender Shares at more than one price must complete a separate Letter of Transmittal for the different Shares and different prices at which such stockholder is tendering Shares. In no event may a stockholder tender the same Shares at more than one price (unless the Shares are first properly withdrawn previously in accordance with Section 4).

Stockholders holding Shares in a brokerage account or otherwise through a broker, dealer, commercial bank, trust company or other nominee, must contact their broker, dealer, commercial bank, trust company or other nominee in order to tender their Shares. Stockholders who hold Shares through nominee stockholders are urged to consult their nominees to determine whether any charges may apply if stockholders tender Shares through such nominees and not directly to the Depository.

Signature Guarantees and Method of Delivery. No signature guarantee is required if:

- the Letter of Transmittal is signed by the registered holder of the Shares tendered and the holder has not completed either the section entitled "Special Delivery Instructions" or the section entitled "Special Payment Instructions" in the Letter of Transmittal; or
- Shares are tendered for the account of a bank, broker, dealer, credit union, savings association or other entity which is a member in good standing of the Securities Transfer Agents Medallion Program, the New York Stock Exchange, Inc. Medallion Signature Program, the Stock Exchange Medallion Program, or an "eligible guarantor institution," as the term is defined in Rule 17Ad-15 promulgated under the Exchange Act (each of the foregoing constituting an "**Eligible Institution**").

In all cases, payment for Shares tendered and accepted for purchase pursuant to the Offer will be made only after:

- a timely confirmation of the book-entry transfer of the Shares into the Depository's account at DTC if Shares are tendered through DTC's ATOP system, as described below; or
- timely receipt by the Depository of a properly completed and duly executed Letter of Transmittal (or a manually signed photocopy of the Letter of Transmittal (facsimile signatures will not be accepted)), including any required signature guarantees, or an Agent's Message (as defined below), and any other documents required by the Letter of Transmittal, including documents required pursuant to the guaranteed delivery procedures.

The method of delivery of all documents, including the Letter of Transmittal and any other required documents, including delivery through DTC, is at the sole election and risk of the tendering stockholder. Shares will be deemed delivered only when actually received by the Depository (including by book-entry confirmation). If delivery is by mail, then registered mail with return receipt requested, properly insured, is recommended. In all cases, sufficient time should be allowed to ensure timely delivery.

IF YOU ARE A REGISTERED HOLDER AND WANT TO TENDER ALL OR A PORTION OF YOUR SHARES, YOU MUST DELIVER THE LETTER OF TRANSMITTAL AND OTHER REQUIRED DOCUMENTS TO THE DEPOSITARY. ANY DOCUMENTS DELIVERED TO US, THE DEALER MANAGER, THE INFORMATION AGENT, DTC OR ANY OTHER PERSON WILL NOT BE FORWARDED TO THE DEPOSITARY AND WILL NOT BE DEEMED TO BE PROPERLY TENDERED.

Odd lot holders who tender all their Shares must also complete the section captioned “Odd Lots” in the Letter of Transmittal and, if applicable, the Notice of Guaranteed Delivery, to qualify for the preferential treatment available to odd lot holders as set forth in Section 1.

Book-Entry Delivery. The Depository will take steps to establish an account with respect to the Shares for purposes of the Offer at DTC within two business days after the date of this Offer to Purchase, and any financial institution that is a participant in DTC’s system may make book-entry delivery of the Shares by causing DTC to transfer those Shares into the Depository’s account in accordance with DTC’s ATOP system. Although delivery of Shares may be effected through a book-entry transfer into the Depository’s account at DTC, either (i) a properly completed and duly executed Letter of Transmittal (or a manually signed photocopy of the Letter of Transmittal (facsimile signatures will not be accepted)), with any required signature guarantees, or an Agent’s Message, and any other required documents must, in any case, be transmitted to, and received by, the Depository at its address set forth on the back cover page of this Offer to Purchase prior to the Expiration Time or (ii) the guaranteed delivery procedure described below must be followed if book-entry transfer of the Shares cannot be effected prior to the Expiration Time.

The confirmation of a book-entry transfer of Shares into the Depository’s account at DTC is referred to in this Offer to Purchase as a “book-entry confirmation.” Delivery of documents to DTC in accordance with DTC’s procedures will not constitute delivery to the Depository.

The term “**Agent’s Message**” means a message transmitted by DTC to, and received by, the Depository and forming a part of a book-entry confirmation, which states that DTC has received an express acknowledgement from the participant tendering Shares through DTC that such participant has received, and agrees to be bound by, the terms of the Letter of Transmittal and that Barings BDC may enforce such agreement against that participant.

Guaranteed Delivery. If a stockholder desires to tender Shares in the Offer and the procedures for book-entry transfer cannot be completed on a timely basis, or if time will not permit delivery of all required documents to the Depository prior to the Expiration Time, the Shares may still be tendered if all of the following conditions are satisfied:

- the tender is made by or through an Eligible Institution;
- the Depository receives by mail or overnight courier, prior to the Expiration Time, a properly completed and duly executed Notice of Guaranteed Delivery substantially in the form Barings BDC has provided with this Offer to Purchase (“**Notice of Guaranteed Delivery**”), including (where required) a signature guarantee by an Eligible Institution in the form set forth in the Notice of Guaranteed Delivery; and
- confirmation of book-entry transfer of the Shares into the Depository’s account at DTC if you are tendering through DTC’s ATOP system, or a manually signed photocopy of the Letter of Transmittal (facsimile signatures will not be accepted), or an Agent’s Message, and any required signature guarantees and other documents required by the Letter of Transmittal, are received by the Depository within two business days after the date of receipt by the Depository of the Notice of Guaranteed Delivery.

Stockholders may contact the Information Agent, the Dealer Manager or their broker for assistance. The contact information for the Information Agent and Dealer Manager is on the back cover page of this Offer to Purchase.

Return of Unpurchased Shares. If any tendered Shares are not purchased or are properly withdrawn prior to the Expiration Time, such Shares will be returned to the tendering stockholder promptly after the expiration or termination of the Offer or the proper withdrawal of the Shares, without expense to the stockholder.

U.S. Federal Backup Withholding Tax. Under the U.S. federal backup withholding tax rules, unless an exemption applies under the applicable law and regulations, a portion of the gross proceeds payable to a tendering stockholder or other payee who is a U.S. Holder pursuant to the Offer must be withheld and remitted to the IRS, unless the tendering stockholder or other payee provides its taxpayer identification number (employer identification number or social security number) to the Depository (as payor) and certifies under penalties of perjury, among other things, that the number is

correct. Therefore, each tendering stockholder that is a U.S. Holder should complete and sign the IRS Form W-9 included as part of the Letter of Transmittal so as to provide the information and certification necessary to avoid U.S. federal backup withholding tax, unless the stockholder or other payee otherwise establishes to the satisfaction of the Depositary that the stockholder or other payee is not subject to such backup withholding tax. If a U.S. Holder does not provide the Depositary with the correct taxpayer identification number, the U.S. Holder may be subject to penalties imposed by the IRS. If U.S. federal backup withholding tax results in an overpayment of taxes, a refund may be obtained from the IRS in accordance with its refund procedures.

Certain “exempt recipients” (including, among others, “C corporations” and certain Non-U.S. Holders (as defined in Section 14)), are not subject to U.S. federal backup withholding tax. In order for a Non-U.S. Holder to qualify as an exempt recipient, that stockholder must submit an IRS Form W-8BEN, W-8BEN-E, W-8IMY (with any required attachments), W-8ECI or W-8EXP, as applicable (which may be obtained on the IRS website (www.irs.gov)) signed under penalties of perjury, attesting to that stockholder’s exempt status. See Instruction 10 to the Letter of Transmittal. Information reporting to the IRS may also apply to proceeds from the Offer.

Stockholders are urged to consult with their tax advisors regarding information reporting and possible qualifications for exemption from U.S. federal backup withholding tax and the procedure for obtaining any applicable exemption.

For a more complete discussion of the U.S. federal income tax consequences to tendering stockholders, see Section 14.

Accounting Treatment. The purchase of Shares pursuant to the Offer will result in a reduction of our stockholders’ equity in an amount equal to the aggregate purchase price of the Shares we purchase and a corresponding reduction in total cash and cash equivalents depending on the source of funding.

Determination of Validity; Rejection of Shares; Waiver of Defects; No Obligation to Give Notice of Defects All questions as to the number of Shares to be accepted, the Purchase Price to be paid for Shares to be accepted and the validity, form, eligibility, including time of receipt, and acceptance for purchase of any tender of Shares will be determined by Barings BDC, in its sole discretion, and such determination will be final and binding on all parties, except as finally determined in a subsequent judicial proceeding if Barings BDC’s determinations are challenged by stockholders. Barings BDC reserves the absolute right to reject any or all tenders of any Shares that it determines are not in proper form or the acceptance for purchase of or payment for which may, in the opinion of the Company’s counsel, be unlawful. Barings BDC also reserves the absolute right to waive any of the conditions of the Offer at or prior to the Expiration Time with respect to all tendered Shares in accordance with applicable law. Barings BDC also reserves the absolute right to waive any defect or irregularity in any tender with respect to any particular Shares, whether or not Barings BDC waives similar defects or irregularities in the case of any other stockholder. No tender of Shares will be deemed to have been properly made until all defects or irregularities have been cured by the tendering stockholder or waived by Barings BDC. Barings BDC will not be liable for failure to waive any condition of the Offer, or any defect or irregularity in any tender of Shares. None of Barings BDC, the Advisor, the Dealer Manager, the Depositary, the Information Agent or any other person will be obligated to give notice of any defects or irregularities in tenders, nor will any of them incur any liability for failure to give any such notice.

Tendering Stockholder’s Representation and Warranty; Our Acceptance Constitutes an Agreement It is a violation of Rule 14e-4 promulgated under the Exchange Act (“**Rule 14e-4**”) for a person acting alone or in concert with others, directly or indirectly, to tender Shares for such person’s own account unless, at the time of tender, such person has a “net long position” (i.e., more Shares held in long positions than in short positions) in (i) a number of Shares that is equal to or greater than the amount tendered and will deliver or cause to be delivered such Shares for the purpose of tendering to us within the period specified in the Offer or (ii) other securities immediately convertible into, exercisable for or exchangeable into a number of Shares (“**Equivalent Securities**”) that are equal to or greater than the number of Shares tendered and, upon the acceptance of such tender, will acquire such Shares by conversion, exchange, or exercise of such Equivalent Securities and will deliver or cause to be delivered such Shares so acquired for the purpose of tender to us within the period specified in the Offer. Rule 14e-4 also provides a similar restriction

applicable to the tender or guarantee of a tender on behalf of another person. A tender of Shares made pursuant to any method of delivery set forth herein will constitute the tendering stockholder's acceptance of the terms and conditions of the Offer, as well as the tendering stockholder's representation and warranty to us that (i) such stockholder has a "net long position" in a number of Shares or Equivalent Securities at least equal to the Shares being tendered within the meaning of Rule 14e-4 and (ii) such tender of Shares complies with Rule 14e-4. Our acceptance for purchase of Shares tendered in the Offer will constitute a binding agreement between the tendering stockholder and us upon the terms and subject to the conditions of the Offer.

4. Withdrawal Rights

Shares tendered in the Offer may be withdrawn at any time prior to the Expiration Time. In addition, unless Barings BDC has already accepted your tendered Shares for purchase, you may withdraw your tendered Shares at any time at or after 12:01 a.m., New York City time, on October 3, 2018. Except as otherwise provided in this Section 4, tenders of Shares pursuant to the Offer are irrevocable.

Withdrawals by Registered Holders. If your Shares are registered in your name (i.e., if you are an individual who is the record and beneficial owner of the Shares), for a withdrawal to be effective, the Depositary must receive (by regular mail, overnight courier or by a manually signed facsimile transmission), prior to the Expiration Time, a properly completed and duly executed Notice of Withdrawal ("**Notice of Withdrawal**") (attached as Exhibit (a)(1)(F) to the Tender Offer Statement on Schedule TO (the "**Schedule TO**")) at the Depositary's address set forth on the back cover page of this Offer to Purchase. If you tendered your Shares using more than one Letter of Transmittal, you may withdraw Shares using either separate Notices of Withdrawal or a combined Notice of Withdrawal specifying the Shares to be withdrawn.

Withdrawals by Custodians and DTC Participants. If you are a broker, dealer, commercial bank, trust company or other nominee tendering Shares on behalf of your client or an institution participating in DTC who tendered Shares in accordance with DTC's ATOP system, for a withdrawal to be effective, you must comply with DTC's procedures for withdrawal of tenders. If you tendered your Shares using more than one Letter of Transmittal, you may withdraw Shares using either separate Notices of Withdrawal (attached as Exhibit (a)(1)(G) to the Schedule TO) or a combined Notice of Withdrawal specifying the Shares to be withdrawn. Holders who tendered their Shares to the Depositary through DTC's ATOP system should electronically transmit their withdrawal through DTC's ATOP system, subject to the terms and conditions of that system. Holders transmitting their withdrawal through DTC's ATOP system must allow sufficient time for completion of the ATOP procedures during the normal business hours of DTC.

Determination of Validity of Withdrawals. All questions as to the form and validity, including the time of receipt, of any Notice of Withdrawal will be determined by us, in our sole discretion and will be final and binding on all parties, except as finally determined in a subsequent judicial proceeding if our determinations are challenged by stockholders. We reserve the absolute right to waive any defect or irregularity in the Notice of Withdrawal or method of withdrawal of Shares by any stockholder, whether or not we waive similar defects or irregularities in the case of any other stockholder. None of Barings BDC, the Advisor, the Dealer Manager, the Depositary, the Information Agent or any other person will be obligated to give notice of any defects or irregularities in any Notice of Withdrawal, nor will any of them incur liability for failure to give any such notice.

Withdrawals may not be rescinded, and any Shares properly withdrawn will be deemed not properly tendered for purposes of the Offer. However, properly withdrawn Shares may be re-tendered prior to the Expiration Time by following one of the procedures described in Section 3.

If we extend the Offer, are delayed in our purchase of Shares, or are unable to purchase Shares pursuant to the Offer for any reason, then, without prejudice to our rights pursuant to the Offer, the Depositary may, subject to applicable law, retain tendered Shares on our behalf, and such Shares may not be withdrawn, except to the extent tendering stockholders are entitled to withdrawal rights as described in this Section 4.

Our reservation of the right to delay payment for Shares that we have accepted for purchase is limited by Rule 13e-4(f)(5) and Rule 14e-1(c) promulgated under the Exchange Act, which require that we must pay the consideration offered or return the Shares tendered promptly after termination or withdrawal of the Offer.

5. Purchase of Shares and Payment of Purchase Price

Upon the terms and subject to the conditions of the Offer, including the proration provisions of the Offer, promptly following the Expiration Time, we will (i) determine the Purchase Price we will pay for Shares properly tendered and not properly withdrawn prior to the Expiration Time, taking into account the number of Shares so tendered and the prices specified by tendering stockholders, and (ii) accept for purchase and pay an aggregate purchase price not more than \$50,000,000 for Shares that are properly tendered at prices at or below the Purchase Price and not properly withdrawn prior to the Expiration Time. For purposes of the Offer, we will be deemed to have accepted for purchase, subject to the "odd lot" priority, proration and conditional tender provisions of the Offer, Shares that are properly tendered at or below the Purchase Price and not properly withdrawn, only when, as and if we give oral or written notice to the Depositary of our acceptance of the Shares for purchase pursuant to the Offer.

In accordance with the rules promulgated by the SEC, we may increase the number of Shares accepted for purchase in the Offer by up to 2% of the outstanding Shares without amending or extending the Offer.

Upon the terms and subject to the conditions of the Offer, we will accept for purchase and pay the Purchase Price per Share for all of the Shares accepted for purchase pursuant to the Offer promptly after the Expiration Time. In all cases, payment for Shares tendered and accepted for purchase pursuant to the Offer will be made promptly, taking into account any time necessary to determine any proration, but only after timely receipt by the Depositary of (i) a book-entry confirmation of the deposit of Shares into the Depositary's account at DTC if Shares are tendered through DTC's ATOP system, (ii) a properly completed and duly executed Letter of Transmittal (or a manually signed photocopy of the Letter of Transmittal (facsimile signatures will not be accepted)) including any required signature guarantees, or an Agent's Message and (iii) any other required documents, including documents required pursuant to guaranteed delivery procedures.

We will pay for Shares purchased pursuant to the Offer by depositing the aggregate purchase price for the Shares with the Depositary, which will act as agent for tendering stockholders for the purpose of receiving payment from us and transmitting payment to the tendering stockholders.

In the event of proration, the Depositary will determine the proration factor and pay for those tendered Shares accepted for purchase promptly after the Expiration Time. All Shares tendered and not purchased, including all Shares tendered at prices in excess of the Purchase Price and Shares not purchased due to proration, will be credited to the account maintained with DTC by the participant who delivered the Shares at our expense promptly after the Expiration Time or termination of the Offer.

Under no circumstances will we pay interest on the Purchase Price, even if there is any delay in making payment. In addition, if certain events occur prior to the Expiration Time, we may not be obligated to purchase Shares pursuant to the Offer. See Section 7.

We will pay all stock transfer taxes, if any, payable on the transfer to us of Shares purchased pursuant to the Offer. If, however, payment of the Purchase Price is to be made to, or (in the circumstances permitted by the Offer) if unpurchased Shares are to be registered in the name of, any person other than the registered holder, the amount of all stock transfer taxes, if any (whether imposed on the registered holder or the other person), payable on account of the transfer to the person, will be deducted from the Purchase Price unless satisfactory evidence of the payment of the stock transfer taxes, or exemption from payment of the stock transfer taxes, is submitted to the Depositary.

6. Conditional Tender of Shares

Subject to the exception for holders of odd lots, in the event of an oversubscription of the Offer, Shares tendered prior to the Expiration Time will be subject to proration. See Section 1. Accordingly, a stockholder may tender Shares subject to

the condition that a specified minimum number of the stockholder's Shares tendered pursuant to a Letter of Transmittal must be purchased if any Shares tendered are purchased. Any stockholder wishing to make a conditional tender must so indicate in the box entitled "Conditional Tender" in the Letter of Transmittal and indicate the minimum number of Shares that must be purchased if any are to be purchased. We urge each stockholder to consult with his, her or its own financial and tax advisors. No assurances can be provided that a conditional tender will achieve the intended U.S. federal income tax result for any tendering stockholder.

After the Expiration Time, if the number of Shares properly tendered and not properly withdrawn pursuant to the Offer at a price equal to or less than the Purchase Price and pursuant to the "Shares Tendered at Price Determined Pursuant to the Offer" alternative set forth in the Letter of Transmittal would result in an aggregate purchase price of more than \$50,000,000, so that we must prorate our acceptance of and payment for tendered Shares, we will calculate a preliminary proration percentage, after taking into account the priority given to tenders of odd lots, based upon all Shares properly tendered, conditionally or unconditionally, and not properly withdrawn. If the effect of this preliminary proration would be to reduce the number of Shares to be purchased from any stockholder tendered pursuant to a Letter of Transmittal below the minimum number specified, the Shares conditionally tendered will automatically be regarded as withdrawn (except as provided in the next paragraph). All Shares tendered by a stockholder subject to a conditional tender and that are withdrawn as a result of proration will be returned at our expense to the tendering stockholder.

After giving effect to these withdrawals, we will accept the remaining Shares properly tendered, conditionally or unconditionally, on a pro rata basis, if necessary. If the withdrawal of conditional tenders would cause the total number of Shares to be purchased to fall below an aggregate purchase price of \$50,000,000, then, to the extent feasible, we will select enough of the Shares conditionally tendered that would otherwise have been withdrawn to permit us to purchase such number of Shares. In selecting among the conditional tenders, we will select by random lot, treating all tenders by a particular stockholder as a single lot, and will limit our purchase in each case to the designated minimum number of Shares to be purchased. To be eligible for purchase by random lot, stockholders whose Shares are conditionally tendered must have tendered all of their Shares.

We note that if Shares having an aggregate purchase price of more than \$50,000,000 are tendered in the Offer at or below the Purchase Price and not properly withdrawn, we reserve the right to accept for purchase at the Purchase Price pursuant to the Offer up to an additional 2% of our outstanding Shares without extending the Offer.

7. Conditions of the Offer

The Offer is not conditioned upon the receipt of financing or on a minimum number of Shares being tendered. Notwithstanding any other provision of the Offer, we will not be required to accept for purchase or pay for any Shares tendered, and may terminate or amend the Offer or may postpone the acceptance for purchase of, or the purchase of or the payment for Shares tendered, subject to the rules promulgated under the Exchange Act, if at any time prior to the Expiration Time, any of the following events or circumstances shall have occurred (or shall have been reasonably determined by us to have occurred):

- no action, suit, proceeding or application by any government or governmental, regulatory or administrative agency, authority or tribunal or by any other person, domestic, foreign or supranational, before any court, authority, agency, other tribunal or arbitrator or arbitration panel shall have been instituted or shall be pending, nor shall we have received notice of any such action, that directly or indirectly (i) challenges or seeks to challenge, restrain, prohibit, delay or otherwise affect the making of the Offer, the acquisition by us of some or all of the Shares pursuant to the Offer or otherwise relates in any manner to the Offer or seeks to obtain damages in respect of the Offer, (ii) seeks to make the purchase of, or payment for, some or all of the Shares pursuant to the Offer illegal or may result in a delay in our ability to accept for purchase or pay for some or all of the Shares, (iii) otherwise could reasonably be expected to materially adversely affect the business, properties, assets, liabilities, capitalization, stockholders' equity, financial condition, operations, results of operations or prospects of us or any of our subsidiaries or affiliates or (iv) otherwise, in our reasonable judgment, could reasonably be expected to adversely affect us or any of our subsidiaries or affiliates or the value of our Shares;

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- our acceptance for purchase of, or payment for, any Shares tendered in the Offer shall not violate or conflict with, or otherwise be contrary to, any applicable law, statute, rule, regulation, decree or order;
 - no action shall have been taken nor any statute, rule, regulation, judgment, decree, injunction or order (preliminary, permanent or otherwise) shall have been proposed, sought, enacted, entered, promulgated, enforced or deemed to be applicable to the Offer or us or any of our subsidiaries by any court, other tribunal, government or governmental agency or other regulatory or administrative authority or body, domestic or foreign, that (i) indicates that any approval, waiver or other action of any such court, other tribunal, agency, authority or body may be required in connection with the Offer or the purchase of Shares thereunder and which has not been obtained or taken, as applicable, (ii) is reasonably likely to make the purchase of, or payment for, some or all of the Shares pursuant to the Offer illegal or to prohibit, restrict or delay consummation of the Offer, (iii) materially impairs, in our reasonable judgment, the contemplated benefits to us of the Offer, (iv) seeks to impose limitations on our or our affiliates' ability to acquire or hold or to exercise full rights of ownership, including, but not limited to, the right to vote their Shares on all matters validly presented to our stockholders, or (v) otherwise could reasonably be expected to materially adversely affect the business, properties, assets, liabilities, capitalization, stockholders' equity, condition (financial or otherwise), operations, licenses, franchises, permits, permit applications, results of operations or prospects of us or any of our subsidiaries or affiliates;
 - no general suspension of trading in, or limitation on prices for, securities on any U.S. national securities exchange or in the over-the-counter market, declaration of a banking moratorium or any suspension of payments in respect of banks in the United States, whether or not mandatory, or any limitation, whether or not mandatory, by any governmental, regulatory or administrative agency, authority or body on, or any event that is likely, in our reasonable judgment, to materially adversely affect, the extension of credit by banks or other lending institutions in the United States (or if existing at the time of commencement of the Offer, a material worsening thereof) shall have occurred;
 - no commencement or escalation, on or after August 7, 2018, of war, armed hostilities or other international or national calamity, including, but not limited to, an act of terrorism directly or indirectly involving the United States or any other jurisdiction in which Barings BDC or any of our subsidiaries maintains an office or conducts business (or if existing at the time of commencement of the Offer, a material worsening thereof) shall have occurred;
 - no change, condition, event or development or any condition, event or development involving a prospective change, in general political, market, economic, financial or industry conditions in the United States or internationally that, in our reasonable judgment, has, or could reasonably be expected to have, a material adverse effect on the business, properties, assets, liabilities, capitalization, stockholders' equity, condition (financial or otherwise), operations, licenses, franchises, permits, permit applications, results of operations or prospects of Barings BDC and our subsidiaries, taken as a whole, on the value of or trading in the Shares, on our ability to consummate the Offer or on the benefits of the Offer to us (or if existing at the time of commencement of the Offer, a material worsening thereof), shall have occurred;
 - no change, condition, event or development (including any act of nature or man-made disaster) or any condition, event or development involving a prospective change, in the business, properties, assets, liabilities, capitalization, stockholders' equity, condition (financial or otherwise), operations, licenses, franchises, permits, permit applications, results of operations or prospects of Barings BDC or any of our subsidiaries that, in our reasonable judgment, has, or could reasonably be expected to have, a material adverse effect on Barings BDC and our subsidiaries, taken as a whole, on the value of or trading in the Shares, on our ability to consummate the Offer or on the benefits of the Offer to us (or if existing at the time of commencement of the Offer, a material worsening thereof), shall have occurred;
 - no decrease or increase of more than 10% in the market price for the Shares or in the Dow Jones Industrial Average, New York Stock Exchange Index, NASDAQ Composite Index, the Standard and Poor's 500 Composite Index or the Wells Fargo Business Development Company Index measured from the close of trading on August 6, 2018 shall have occurred;

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- no tender or exchange offer for any or all of the outstanding Shares, or any merger, acquisition, business combination or other similar transaction with or involving Barings BDC or any of our subsidiaries, shall have been proposed, announced or made by any person or entity or shall have been publicly disclosed, nor shall we have entered into a definitive agreement or an agreement in principle with any person with respect to a merger, acquisition, business combination or other similar transaction, in each case, other than the Offer or otherwise described herein;
 - we shall not have become aware that any entity, “group” (as that term is used in Section 13(d)(3) of the Exchange Act) or person (i) has acquired or proposes to acquire beneficial ownership of more than 5% of the outstanding Shares, whether through the acquisition of stock, the formation of a group, the grant of any option or right (options for and other rights to acquire Shares that are acquired or proposed to be acquired being deemed to be immediately exercisable or convertible for purposes of this clause), or otherwise (other than by virtue of consummation of the Offer or anyone who publicly disclosed such ownership in a filing with the SEC on or before August 6, 2018), (ii) who has filed a Schedule 13D or Schedule 13G with the SEC on or before August 6, 2018, has acquired or proposes to acquire, whether through the acquisition of Shares, the formation of a group, the grant of any option or right (options for and other rights to acquire Shares that are acquired or proposed to be acquired being deemed to be immediately exercisable or convertible for purposes of this clause), or otherwise (other than by virtue of consummation of the Offer), beneficial ownership of an additional 1% or more of the outstanding Shares or (iii) shall have filed a Notification and Report Form under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, reflecting an intent to acquire us or any of our subsidiaries or any of our or any of our subsidiaries’ assets or securities;
 - no approval, permit, authorization, favorable review or consent or waiver of or filing with any domestic or foreign governmental or regulatory authority, agency or body or any third party consent or notice, required to be obtained or made in connection with the Offer shall not have been obtained or made on terms and conditions satisfactory to us in our reasonable judgment;
 - we shall not have determined that the consummation of the Offer and the purchase of the Shares pursuant to the Offer is likely, in our reasonable judgment, to cause the Shares to be (i) held of record by less than 300 persons, (ii) delisted from the NYSE or (iii) eligible for deregistration under the Exchange Act; or
 - we do not determine, in our reasonable judgment, that the consummation of the Offer or the purchase of Shares from any stockholder could jeopardize our qualification and taxation as a regulated investment company (“**RIC**”) under Subchapter M of the Internal Revenue Code of 1986, as amended (the “**Code**”), for U.S. federal income tax purposes.

Each of the conditions referred to above is for our sole benefit and may be asserted or waived by us, in whole or in part, at any time and from time to time in our discretion prior to the Expiration Time. In certain circumstances, if we waive any of the conditions described above, we may be required to extend the Expiration Time.

Once the Offer has expired, all of the conditions to the Offer must have been satisfied or waived. Our failure at any time to exercise any of the foregoing rights will not be deemed a waiver of any right, and each such right will be deemed an ongoing right that may be asserted at any time and from time to time prior to the Expiration Time. Any determination by us concerning the fulfillment or non-fulfillment of the conditions described above will be final and binding on all parties, except as finally determined in a subsequent judicial proceeding if our determination is challenged by stockholders.

8. Price Range of Shares; Distributions

Price Range of Shares. Our Shares are listed and traded on the NYSE under the trading symbol “BBDC.” Until the closing of the Externalization Transaction, the Company’s trading symbol was “TCAP.” On August 6, 2018, the last trading day prior to the commencement by the Company of the Offer, the last reported sale price of the Shares on the NYSE was \$10.48 per Share. Pursuant to the Externalization Agreement, the Company agreed to commence the Offer immediately following the closing of the Externalization Transaction, with the maximum Purchase Price being equal to the net asset value per Share. As of August 6, 2018, the net asset value per Share was estimated to be \$11.72. We

determined the minimum Purchase Price under the Offer based on consultations among our management, our professional advisors and our Board of Directors. Based on such consultations, we arrived at the minimum Purchase Price of \$10.20 per Share. We believe that the range of the Purchase Price is a range within which (i) our stockholders might sell their Shares to us and (ii) we can prudently effect repurchases for the benefit of the Company. The actual value and trading price of our Shares on the NYSE may be lower or higher than the range at which we are offering to purchase Shares. **Stockholders are urged to obtain current market quotations for the Shares before deciding whether and at what price or prices to tender their Shares.**

Distributions. The following table sets forth the distributions that have been paid and/or declared within the past two years by our Board of Directors:

<u>Fiscal Year</u>	<u>Amount Declared per Share</u>
Fiscal year ended December 31, 2016	\$ 1.89
Fiscal year ended December 31, 2017	\$ 1.65

Shares purchased in the Offer no longer will be eligible for receipt of future distributions. The Company reserves the right to increase its monthly distributions and pay special distributions in cash or in kind.

The following table summarizes our distributions declared during the years ended December 31, 2016 and 2017:

<u>Date Declared</u>	<u>Record Date</u>	<u>Payment Date</u>	<u>Amount</u>
February 24, 2016	March 9, 2016	March 23, 2016	\$0.54
May 4, 2016	June 8, 2016	June 22, 2016	\$0.45
August 24, 2016	September 7, 2016	September 21, 2016	\$0.45
November 23, 2016	December 7, 2016	December 21, 2016	\$0.45
February 22, 2017	March 8, 2017	March 22, 2017	\$0.45
May 3, 2017	June 7, 2017	June 21, 2017	\$0.45
August 2, 2017	September 6, 2017	September 20, 2017	\$0.45
November 1, 2017	December 6, 2017	December 20, 2017	\$0.30

The Company discontinued paying a quarterly dividend starting with the second quarter of 2018 in anticipation of the Asset Sale and the Externalization Transaction that were under negotiation. The Company will begin paying quarterly dividends to its stockholders as soon as is practicable after the closing of the Externalization Transaction, initially based on the investment income generated by its liquid, non-investment grade debt portfolio and then based on the investment income generated by its private senior secured debt portfolio. There can be no assurance as to the timing or amount of any future dividends.

9. Source and Amount of Funds

Barings BDC expects to fund any purchases of Shares pursuant to the Offer, including the related fees and expenses, from available cash, consisting of a portion of the proceeds from the Advisor's purchase pursuant to the Externalization Agreement of \$100,000,000 in newly-issued Shares at the closing of the Externalization Transaction. The Offer is not subject to a financing contingency. In addition to the \$50,000,000 aggregate purchase price that we will pay if the Offer is fully subscribed, we expect the fees and expenses related to the Offer to amount to approximately \$900,000.

10. Certain Information Concerning the Company

We are an externally managed, non-diversified, closed-end management investment company that has elected to be regulated as a business development company under the Investment Company Act of 1940, as amended. We have elected to be treated for U.S. federal income tax purposes, and intend to qualify annually, as a RIC under Subchapter M of the Code. We are managed by the Advisor, a private investment firm that is registered as an investment advisor with the SEC. The Advisor oversees the management of our activities and is responsible for making investment decisions for our portfolio.

Our investment objectives are to generate current income and, to a lesser extent, long-term capital appreciation. We seek to meet our investment objectives by:

- utilizing the experience and expertise of the management team of the Advisor, which has more than \$300 billion of assets under management and more than 650 investment professionals, in sourcing, evaluating and structuring transactions;
- maintaining a significant alignment of interest between the Advisor and the Company through the Advisor's significant holding of Shares;
- leveraging our ability to originate private credit investments;
- performing rigorous credit analysis and portfolio monitoring through a consistent, disciplined investment process, an independent valuation committee and internal and external annual audits; and
- initially investing in a liquid debt portfolio, which will be transitioned to a private senior debt portfolio within approximately two years following the Externalization Transaction.

Our principal office is located at 300 South Tryon Street, Suite 2500, Charlotte, North Carolina 28202 and our telephone number is (704) 805-7200.

Available Information. We are subject to the informational filing requirements of the Exchange Act, and, accordingly, are obligated to file reports, statements and other information with the SEC relating to our business, financial condition and other matters. Information, as of particular dates, concerning our directors and executive officers, their remuneration, incentive compensation granted to them, the principal holders of our securities and any material interest of these persons in transactions with us is required to be disclosed in proxy statements distributed to our stockholders and filed with the SEC. We also have filed the Schedule TO with the SEC that includes additional information relating to the Offer.

These reports, statements and other information can be inspected and copied at the public reference facilities maintained by the SEC at 100 F Street, N.E., Washington, D.C. 20549. Copies of this material may also be obtained by mail, upon payment of the SEC's customary charges, from the Public Reference Section of the SEC at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. The SEC also maintains a website on the Internet at www.sec.gov that contains reports, proxy and information statements and other information regarding registrants that file electronically with the SEC. You may access the Company's publicly filed documents at this site, including the Schedule TO and the documents incorporated therein by reference. You may obtain information about the Public Reference Room by calling the SEC for more information at 1-800-SEC-0330. You may also go to the Investor Relations section of Company's website located at www.baringsbdc.com to access the Schedule TO and related documents.

Incorporation by Reference. The rules promulgated by the SEC allow us to "incorporate by reference" information into this Offer to Purchase, which means that we can disclose important information to you by referring you to another document filed separately with the SEC. The following documents that have been previously filed with the SEC contain important information about us and we incorporate them by reference:

- Quarterly Reports on Form 10-Q for the fiscal quarters ended March 31, 2018 and June 30, 2018, as filed on May 2, 2018 and August 1, 2018, respectively;
- Definitive Proxy Statement on Schedule 14A, as filed on June 1, 2018;
- Current Reports on Form 8-K (excluding any information furnished therein), as filed on January 16, 2018, April 4, 2018, April 9, 2018, May 2, 2018, July 24, 2018, July 31, 2018, August 2, 2018 and August 6, 2018; and
- Annual Report on Form 10-K for the fiscal year ended December 31, 2017, as filed on February 28, 2018.

Any statement contained in any document incorporated by reference in this Offer to Purchase shall be deemed to be modified or superseded to the extent that an inconsistent statement is made in this Offer to Purchase. Any statement so

modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Offer to Purchase.

You may request a copy of these filings, at no cost, by writing or telephoning the Information Agent at its address and telephone number set forth below:

**Alliance Advisors, LLC
200 Broadacres Drive, 3rd Floor
Bloomfield, NJ 07003
Call Toll-Free: (888) 991-1291**

Via Email: baringsbdc@allianceadvisors.com

11. Interests of Directors, Executive Officers and Affiliates; Transactions and Arrangements Concerning the Shares

Shares Outstanding. As of August 6, 2018, we had 56,186,025 issued and outstanding Shares. Because the Purchase Price will be determined after the Expiration Time, the number of Shares that will be purchased will not be known until after that time. Assuming the Offer is fully subscribed at the minimum Purchase Price of \$10.20 per Share, the number of Shares that we could purchase pursuant to the Offer is approximately 4,901,960, which would represent approximately 8.7% of the issued and outstanding Shares as of August 6, 2018. Assuming the Offer is fully subscribed at the maximum Purchase Price of \$11.72 per Share, the number of Shares that we could purchase pursuant to the Offer is approximately 4,266,211, which would represent approximately 7.6% of the issued and outstanding Shares as of August 6, 2018.

Interests of Directors, Executive Officers and Certain Stockholders As of August 6, 2018, our directors and executive officers as a group (nine persons) beneficially owned an aggregate of 9,791 Shares, representing less than 1.0% of the total number of outstanding Shares. After the Expiration Time, our directors and executive officers may, subject to applicable law and applicable policies and practices of the Company, purchase or sell Shares from time to time in open market transactions at prices that may be more or less than the Purchase Price to be paid to our stockholders pursuant to the Offer.

Pursuant to the Externalization Agreement:

- the Company agreed, if less than \$50,000,000 of Shares are properly tendered in the Offer after giving effect to any Shares properly withdrawn, to carry out subsequent tender offers at successive approximately semi-annual intervals until a total of \$50,000,000 has been utilized by the Company to repurchase Shares at a price per Share up to and including the net asset value per Share;
- the Advisor purchased \$100,000,000 in newly-issued Shares at the closing of the Externalization Transaction; and
- the Advisor agreed to (i) establish the Advisor Trading Plan in accordance with Rule 10b5-1(c) promulgated under the Exchange Act providing for the purchase by the Advisor of \$50,000,000 worth of Shares in open market transactions over a two-year period at prices not greater than the net asset value per Share and (ii) use any funds remaining under the trading plan after such two-year period to purchase Shares directly from the Company at the greater of the then-current net asset value per Share or the then-current market price per Share. Pursuant to the terms of the Advisor Trading Plan, no purchases of Shares shall be made that would violate Rule 13e-4(f)(6) promulgated under the Exchange Act.

The following tables sets forth (i) the aggregate number of Shares that were beneficially owned (as determined under Rule 13d-3 promulgated under the Exchange Act) by each of our current directors and executive officers, and by all directors and executive officers as a group, as of August 6, 2018 and (ii) the aggregate number and percentage of

Shares that were beneficially owned (as determined under Rule 13d-3 promulgated under the Exchange Act) by each person who owns (to our knowledge and based on the most current Schedule 13Ds and 13Gs filed with the SEC for each such person) more than 5% of the outstanding Shares. For purposes of these tables, and in accordance with the rules promulgated by the SEC, Shares are considered “beneficially owned” if the person directly or indirectly has sole or shared power to vote or direct the voting of the securities or has sole or shared power to divest of or direct the divestment of the securities. A person is also considered to beneficially own Shares that he or she has the right to acquire within 60 days after August 7, 2018, in accordance with Rule 13d-3 promulgated under the Exchange Act. Except as indicated, each holder has sole voting and dispositive power over the listed Shares.

Beneficial Ownership of Directors and Executive Officers

The business address of each of our directors and executive officers is c/o Barings BDC, Inc., 300 South Tryon Street, Suite 2500, Charlotte, North Carolina 28202.

<u>Name</u>	<u>Number of Shares Beneficially Owned</u>	<u>Percentage of Class</u>
Interested Directors		
Michael Freno	—	—
Tom Finke	—	—
Eric Lloyd(1)	—	—
Independent Directors		
Thomas W. Okel	—	—
Jill Olmstead	—	—
Mark Mulhern	9,791	*
John Switzer	—	—
Executive Officers		
Ian Fowler	—	—
Jonathan Bock	—	—
Melissa LaGrant	—	—
All directors and executive officers as a group (nine persons)	<u>9,791</u>	<u>*</u>

* Represents less than 1.0% of our Shares.

(1) Eric Lloyd is an interested director and our Chief Executive Officer.

Stockholders Beneficially Owning More than 5%

<u>Name and Address of Beneficial Owner</u>	<u>Number of Shares Beneficially Owned</u>	<u>Percentage of Class</u>
Barings LLC 300 South Tryon Street, Suite 2500 Charlotte, NC 28202(1)	8,529,917	15.2%(2)

(1) Solely based on information in a Schedule 13D dated August 6, 2018 filed with the SEC by the Advisor (the “**Advisor Schedule 13D**”). The Advisor Schedule 13D indicates that as of August 2, 2018, the Advisor was the beneficial owner with sole voting power with respect to 8,529,917 Shares, shared voting power with respect to 0 Shares, sole dispositive power with respect to 8,529,917 Shares and shared dispositive power with respect to 0 Shares.

(2) If we purchase the maximum number of Shares properly tendered in the Offer and not properly withdrawn having an aggregate purchase price of \$50,000,000, the Advisor’s percentage ownership in the Company will increase to

16.6%, based on the 8,529,917 Shares that the Advisor beneficially owned as of August 2, 2018 according to the Advisor Schedule 13D.

Recent Securities Transactions. Pursuant to the Externalization Agreement, the Advisor purchased \$100,000,000 in newly-issued Shares at the closing of the Externalization Transaction. Based on our records and on information provided to us by our directors, executive officers, affiliates and subsidiaries, none of the Company or any of our directors, executive officers, affiliates or subsidiaries have effected any other transactions involving our Shares during the 60 days prior to August 7, 2018.

Other Interests. Except as otherwise described or incorporated by reference in this Offer to Purchase, the Schedule TO or the documents incorporated herein by reference, none of the Company nor, to the best of the Company's knowledge, any of its affiliates, directors or executive officers, is a party to any contract, arrangement, understanding or relationship with any other person relating, directly or indirectly, to the Offer or with respect to any securities of the Company, including, but not limited to, any contract, arrangement, understanding or relationship concerning the transfer or the voting of securities, joint ventures, loan or option arrangements, puts or calls, guaranties of loans, guaranties against loss or the giving or withholding of proxies, consents or authorizations.

12. Effects of the Offer on the Market for Shares; Registration Under the Exchange Act

The Offer will reduce our "public float" (the number of Shares owned by non-affiliated stockholders and available for trading in the securities markets), and may to reduce the number of our stockholders. As a result, trading of a relatively small volume of the Shares after consummation of the Offer may have a greater impact on trading prices than would be the case prior to consummation of the Offer.

We believe that there will be a sufficient number of Shares outstanding and publicly traded following completion of the Offer to ensure a continued trading market for the Shares. Based upon published guidelines of the NYSE, we do not believe that our purchase of Shares pursuant to the Offer will cause the remaining outstanding Shares to be delisted from the NYSE. The Offer is conditioned upon, among other things, our determination that the consummation of the Offer and the purchase of Shares pursuant to the Offer is not likely, in our reasonable judgment, to cause the Shares to be (i) held of record by less than 300 persons, (ii) delisted from the NYSE or (iii) eligible for deregistration under the Exchange Act. See Section 7.

The Shares are registered under the Exchange Act, which requires, among other things, that we furnish certain information to our stockholders and the SEC and comply with the SEC's proxy rules in connection with meetings of our stockholders. We believe that our purchase of Shares pursuant to the Offer pursuant to the terms of the Offer will not result in the Shares being deregistered under the Exchange Act.

13. Certain Legal Matters; Regulatory Approvals

We are not aware of any license or regulatory permit that is material to our business that might be adversely affected by our acquisition of Shares as contemplated pursuant to the Offer, nor are we aware of any approval or other action by any government or governmental, administrative or regulatory authority, agency or body, domestic, foreign or supranational, that would be required for our acquisition or ownership of Shares as contemplated by the Offer. Should any such approval or other action or notice filings be required, we presently contemplate that we will seek that approval or other action and make or cause to be made such notice filings. We cannot predict whether we will be required to delay the acceptance for purchase of or payment for Shares tendered in the Offer pending the outcome of any such approval or other action. There can be no assurance that any such approval or other action, if needed, would be obtained or would be obtained without substantial cost or conditions or that the failure to obtain the approval or other action might not result in adverse consequences to our business and financial condition. Our obligations pursuant to the Offer to accept for purchase and pay for Shares are subject to the satisfaction of certain conditions. See Section 7.

14. Material U.S. Federal Income Tax Consequences

The following is a summary of the material U.S. federal income tax consequences of the Offer to U.S. Holders and Non-U.S. Holders (each as defined below), in each case, whose Shares are tendered and accepted for payment pursuant to the Offer. This summary is based upon the Code, U.S. Treasury Regulations promulgated under the Code, published rulings, administrative pronouncements and judicial decisions, any changes to which could affect the tax consequences described in this Offer (possibly on a retroactive basis). This summary assumes that Shares are held by stockholders as capital assets within the meaning of section 1221 of the Code (generally, property held for investment). It does not address all of the tax consequences that may be relevant to particular stockholders in light of their particular circumstances, or to stockholders subject to special rules, including, without limitation, pass-through entities (including arrangements and entities treated as partnerships, “grantor trusts” and S corporations for U.S. federal income tax purposes) and investors in such entities, certain financial institutions, brokers, dealers or traders in securities or commodities, insurance companies, U.S. expatriates, mutual funds, real estate investment trusts, business development companies, cooperatives, trusts and estates, persons who mark-to-market our Shares, tax-exempt organizations, persons who are subject to the alternative minimum tax, persons who hold Shares as a position in a “straddle” or as part of a “hedging” or “conversion” transaction or other integrated investment, stockholders that have a functional currency other than the U.S. dollar, or persons who acquired their Shares upon the exercise of stock options or otherwise as compensation. This summary also does not address any state, local, non-U.S. or other tax consequences of participating in the Offer. This summary assumes that Barings BDC is and will remain a RIC for U.S. federal income tax purposes for its taxable year which includes each exchange of Shares pursuant to the Offer.

You are urged to consult your tax advisor as to the particular consequences of your participation in the Offer.

For purposes of this discussion, a “U.S. Holder” is a beneficial holder of Shares that, for U.S. federal income tax purposes, is (i) a citizen or individual resident of the United States, (ii) a corporation, or other entity treated as a corporation for U.S. federal income tax purposes, that is created or organized in or under the laws of the United States or any State or the District of Columbia, (iii) an estate, the income of which is subject to U.S. federal income taxation regardless of its source, or (iv) a trust if (a) a U.S. court is able to exercise primary supervision over its administration and one or more U.S. persons, within the meaning of section 7701(a)(30) of the Code, have authority to control all of its substantial decisions, or (y) it has a valid election in place to be treated as a U.S. person.

A “Non-U.S. Holder” is a beneficial holder of Shares that is not a “pass-through entity” (including a partnership) for U.S. federal income tax purposes and that also is not a U.S. Holder.

U.S. Holders. An exchange of Shares for cash by a U.S. Holder pursuant to the Offer will be a taxable transaction for U.S. federal income tax purposes. The U.S. federal income tax consequences to a U.S. Holder may vary depending upon the U.S. Holder’s particular facts and circumstances. If, as described below, an exchange of Shares for cash by a U.S. Holder pursuant to the Offer is treated as a sale or exchange of such Shares for U.S. federal income tax purposes, the U.S. Holder will generally recognize capital gain or loss in an amount equal to the difference between the amount of cash received and the U.S. Holder’s adjusted tax basis in the Shares purchased by Barings BDC. Such gain or loss generally will be long-term capital gain or loss if the U.S. Holder’s holding period for the Shares at the time of the exchange exceeds one year. Specific limitations may apply to the deductibility of capital losses by a U.S. Holder. In addition, any loss upon an exchange of Shares by a U.S. Holder for cash pursuant to the Offer who has held the Shares for six months or less, after applying holding period rules, generally will be treated as a long-term capital loss to the extent of distributions received from Barings BDC that were required to be treated by the U.S. Holder as long-term capital gain.

An exchange of Shares for cash by a U.S. Holder pursuant to the Offer will be treated as a sale or exchange for U.S. federal income tax purposes if the exchange (i) is “not essentially equivalent to a dividend” with respect to the U.S. Holder, (ii) is a “substantially disproportionate” redemption with respect to the U.S. Holder, or (iii) is a “complete redemption” of all Shares owned by the U.S. Holder. In determining whether any of these tests has been met, a U.S.

Holder generally must take into account not only Shares it actually owns, but also Shares it constructively owns as determined under section 318 of the Code (including, without limitation, Shares that may be acquired through options that it owns or Shares held by certain members of the U.S. Holder's family).

An exchange of Shares for cash by a U.S. Holder pursuant to the Offer will be treated as "not essentially equivalent to a dividend" if it results in a "meaningful reduction" in the U.S. Holder's stock interest in Barings BDC. Whether such a meaningful reduction of the U.S. Holder's stock interest in Barings BDC results will depend on the U.S. Holder's particular facts and circumstances. If, as a result of an exchange of Shares for cash pursuant to the Offer, a U.S. Holder whose relative stock interest in Barings BDC is minimal (e.g., less than 1%) and who exercises no control over the corporate affairs of Barings BDC suffers any reduction in its proportionate stock interest in Barings BDC (including any Shares constructively owned), the U.S. Holder generally should be regarded as having suffered a meaningful reduction in its stock interest in Barings BDC. U.S. Holders should note, however, that because other holders may exchange a greater percentage of their Shares for cash pursuant to the Offer than a particular U.S. Holder, the interest in Barings BDC of a U.S. Holder may increase immediately following the Offer even if both that U.S. Holder exchanges Shares for cash pursuant to the Offer and neither it nor any person whose ownership of Shares is attributed to such U.S. Holder pursuant to the constructive ownership rules described above acquires any other Shares.

Satisfaction of the "substantially disproportionate" test or "complete redemption" test is dependent upon satisfaction of the objective tests respectively set forth in section 302(b)(2) and section 302(b)(3) of the Code. An exchange of Shares for cash by a U.S. Holder pursuant to the Offer will satisfy the "substantially disproportionate" test if (i) the percentage of the outstanding voting shares of Barings BDC actually and constructively owned by the U.S. Holder immediately following the exchange is less than 80% of the percentage of the outstanding voting shares of Barings BDC actually and constructively owned by the U.S. Holder immediately before the exchange, (ii) the percentage of the outstanding Shares actually and constructively owned by the U.S. Holder immediately following the exchange is less than 80% of the percentage of the outstanding Shares actually and constructively owned by the U.S. Holder immediately before the exchange, and (iii) immediately following the exchange, the U.S. Holder actually and constructively owns less than 50% of the total combined voting power of all classes of voting shares of Barings BDC.

An exchange of Shares for cash by a U.S. Holder pursuant to the Offer generally will result in a "complete redemption" if either (i) all of the Shares actually and constructively owned by the U.S. Holder are exchanged for cash pursuant to the Offer or (ii) all of the Shares actually owned by the U.S. Holder are exchanged for cash pursuant to the Offer, the U.S. Holder constructively holds Shares solely as a result of the constructive ownership rules relating "family attribution," the U.S. Holder timely and properly waives the attribution of those Shares constructively owned by the U.S. Holder in accordance with the procedures described in section 302(c)(2) of the Code and the Treasury Regulations promulgated thereunder, and complies with certain other requirements relating to share ownership in Barings BDC. U.S. Holders desiring to waive such constructive ownership of Shares should consult their tax advisors about the applicability of section 302(c)(2) of the Code in their particular circumstances.

U.S. Holders should be aware that an acquisition or disposition of Shares (including by persons whose ownership of outstanding Shares is attributed to a U.S. Holder pursuant to the constructive ownership rules described above) as part of a plan that includes the U.S. Holder's tender of Shares pursuant to the Offer should be taken into account in determining whether any of the foregoing tests is satisfied. U.S. Holders are urged to consult their tax advisors with regard to whether acquisitions from or sales to third parties and a tender may be so integrated. U.S. Holders should also be aware that their ability to satisfy any of the foregoing tests may be affected by proration pursuant to the Offer. **Therefore, the U.S. Holder can be given no assurance, even if the U.S. Holder tenders all of the U.S. Holder's Shares, that we will purchase a sufficient number of such Shares to permit the stockholder to satisfy any of the foregoing tests. The application of section 302 of the Code is complex. U.S. Holders intending to rely on any of the tests described above should consult their tax advisors to determine the application of these rules in their particular circumstances.**

If a U.S. Holder's exchange of Shares for cash pursuant to the Offer does not constitute a sale or exchange for U.S. federal income tax purposes, the receipt of cash by such U.S. Holder pursuant to the Offer will be treated as a

distribution by Barings BDC to such U.S. Holder, and the U.S. Holder's adjusted tax basis in the Shares exchanged generally will be added to any Shares retained by the U.S. Holder. If the exchanging U.S. Holder owns no other Shares, under certain circumstances, such basis may be transferred to a related person, or it may be lost entirely. The distribution will be treated as a dividend to the extent of Barings BDC's current and accumulated earnings and profits, as determined under U.S. federal income tax principles. To the extent that the amount of the distribution exceeds Barings BDC's current and accumulated earnings and profits, the excess first will be treated as a return of capital that will reduce the U.S. Holder's adjusted tax basis in its Shares, and any remaining portion will be taxable as capital gain. Any distributions that are designated as capital gains dividends will be taxed to U.S. Holders as long-term capital gains, to the extent that they do not exceed the actual net capital gain of Barings BDC for the taxable year; without regard to the period for which the U.S. Holder has held its Shares. Any such capital gain will be long-term capital gain if the U.S. Holder's holding period for the Shares at the time of the exchange exceeds one year. In light of our investment strategies, dividend income received by a U.S. Holder will generally be taxed at ordinary income rates of up to 37%. Dividend income from us will generally not be eligible for the preferential tax rate on "qualified dividend income" received by U.S. Holders taxed at individual rates from domestic C corporations and certain qualified foreign corporations, except to the extent such dividend income is attributable to dividends received by us from certain non-BDC corporations or to income upon which we have paid corporate income tax. Additionally, dividends received by U.S. Holders who are corporations will not qualify for the dividends received deduction generally available to corporations. In addition, if a U.S. Holder's exchange of Shares for cash pursuant to the Offer is treated as a dividend to a tendering stockholder, the IRS may take the position that a constructive distribution under section 305(c) of the Code may result to a stockholder whose proportionate interest in the earnings and assets of Barings BDC has been increased by such tender. Stockholders are urged to consult their own tax advisors regarding the possibility of deemed distributions resulting from the sale of Shares pursuant to the Offer.

Notwithstanding the foregoing, the IRS has proposed Treasury regulations that would require the basis reduction associated with a redemption or repurchase (such as pursuant to the Offer) that is taxed as a distribution to be applied on a "share-by-share" basis, which could result in taxable income with respect to some Shares, even though the U.S. Holder's aggregate basis for the Shares would be sufficient to absorb the entire redemption distribution. In addition, these proposed Treasury regulations would not permit the transfer of basis in the exchanged Shares to the remaining Shares held (directly or indirectly) by the exchanging U.S. Holder. Instead, the unrecovered basis in such Shares would be treated as a deferred loss to be recognized when certain conditions are satisfied. These proposed Treasury regulations would be effective for transactions that occur after the date the regulations are published as final Treasury regulations. There can, however, be no assurance as to whether, when, and in what particular form such proposed Treasury regulations will ultimately be finalized, and whether any such final regulations would apply to an exchange of Shares pursuant to the Offer. Accordingly, such proposed Treasury regulations may apply to U.S. Holders exchanging Shares pursuant to the Offer.

Contemporaneous acquisitions or dispositions of Shares by a U.S. Holder or related parties or entities may be deemed to be part of a single integrated transaction and may be taken into account in determining the tax treatment of the Offer to a U.S. Holder. In addition, we cannot predict whether or the extent to which the Offer will be over-subscribed. If the Offer is over-subscribed, proration of tenders pursuant to the Offer will cause us to accept fewer Shares than are tendered. Therefore, a U.S. Holder can be given no assurance that a sufficient number of such U.S. Holder's Shares will be purchased pursuant to the Offer to ensure that such purchase will be treated as a sale or exchange, rather than as a distribution, for U.S. federal income tax purposes pursuant to the rules discussed above.

U.S. Federal Backup Withholding Tax. Under the U.S. federal backup withholding tax rules, unless an exemption applies under the applicable law and regulations, a portion of the gross proceeds payable to a tendering stockholder or other payee who is a U.S. Holder pursuant to the Offer must be withheld and remitted to the IRS, unless the tendering stockholder or other payee provides its taxpayer identification number (employer identification number or social security number) to the Depository (as payor) and certifies under penalties of perjury, among other things, that the number is correct. Therefore, each tendering stockholder that is a U.S. Holder should complete and sign the IRS Form W-9 included as part of the Letter of Transmittal so as to provide the information and certification necessary to avoid U.S. federal backup withholding tax, unless the stockholder or other payee otherwise establishes to the satisfaction of the

Depository that the stockholder or other payee is not subject to such backup withholding tax. If a U.S. Holder does not provide the Depository with the correct taxpayer identification number, the U.S. Holder may be subject to penalties imposed by the IRS. If U.S. federal backup withholding tax results in an overpayment of taxes, a refund may be obtained from the IRS in accordance with its refund procedures.

Non-U.S. Holders. As discussed above, an exchange of Shares for cash by a Non-U.S. Holder will either be treated as a sale or exchange (if the tests described above with respect to U.S. Holders are satisfied) or, alternatively, a distribution for U.S. federal income tax purposes. Any payments to a Non-U.S. Holder that are treated as dividends for U.S. federal income tax purposes under the rules set forth above will generally be subject to U.S. withholding tax at the rate of 30% (unless a reduced rate applies under an applicable tax treaty). A tendering Non-U.S. Holder who realizes a capital gain on a tender of Shares will generally not be subject to U.S. federal income tax on such gain, unless the stockholder is an individual who is physically present in the United States for 183 days or more and certain other conditions exist. Such persons are advised to consult their own tax advisor. Special rules may apply in the case of Non-U.S. Holders (i) that are engaged in a U.S. trade or business, (ii) that are former citizens or residents of the U.S. or (iii) that have a special status for U.S. federal tax purposes, such as “controlled foreign corporations,” corporations that accumulate earnings to avoid U.S. federal income tax, and certain foreign charitable organizations. Such persons are advised to consult their own tax advisor.

For withholding purposes, we expect to treat each exchange of Shares for cash pursuant to the Offer by a Non-U.S. Holder as being a distribution for U.S. federal income tax purposes (and not as a sale or exchange) that is made out of our current or accumulated earnings and profits. As a result, the Depository generally will withhold an amount of U.S. federal income tax equal to 30% of the gross payments payable to a Non-U.S. Holder, unless the Non-U.S. Holder timely delivers to the Depository a properly completed and executed IRS Form W-8BEN, W-8BEN-E, W-8IMY (with any required attachments), W-8ECI or W-8EXP, as applicable, evidencing that such withholding is not required or a reduced rate of withholding (for instance, pursuant to an applicable income tax treaty) is applicable. However, amounts withheld may be refundable if, for instance, it is subsequently determined that the distribution was, in fact, in excess of our current and accumulated earnings and profits, or that the exchange of Shares by such Non-U.S. Holder was treated as an exchange of such Shares for U.S. federal income tax purposes (and not as a distribution for U.S. federal income tax purposes), provided that certain conditions are met.

The preceding discussion is not tax advice. You are urged to consult your tax advisor to determine the particular tax consequences to you of the Offer, including the applicability and effect of U.S. federal, state, local, non-U.S. and other tax laws.

15. Extension of the Offer; Termination; Amendment

Subject to applicable law and any rules and regulations promulgated by the SEC, we expressly reserve the right, in our sole discretion, at any time and from time to time, and regardless of whether any of the events set forth in Section 7 shall have occurred or shall be deemed by us to have occurred, to extend the period of time the Offer is open and delay acceptance for purchase of, and payment for, any Shares by giving oral or written notice of such extension to the Depository and making a public announcement of such extension. We also expressly reserve the right, in our sole discretion, to terminate the Offer and reject for purchase, and not pay for, any Shares not theretofore accepted for purchase or paid for or, subject to applicable law, postpone payment for Shares, if any of the conditions specified in Section 7 are not satisfied or waived at or prior to the Expiration Time, by giving oral or written notice of such termination or postponement to the Depository and making a public announcement of such termination or postponement. Our reservation of the right to delay payment for Shares that we have accepted for purchase is limited by Rule 13e-4(f)(5) and Rule 14e-1(c) promulgated under the Exchange Act, which require that we must pay the consideration offered or return the Shares tendered promptly after termination or withdrawal of the Offer.

Subject to compliance with applicable law, we further reserve the right, in our sole discretion, to amend the Offer in any respect (including, without limitation, by decreasing or increasing the consideration offered pursuant to the Offer to stockholders or by decreasing or increasing the aggregate value of Shares being sought in the Offer). Amendments to

the Offer may be made at any time and from time to time by public announcement of such amendments. In the case of an extension, the notice of the amendment must be issued no later than 9:00 a.m., New York City time, on the next business day after the last previously scheduled or announced Expiration Time. Any public announcement made pursuant to the Offer will be disseminated promptly to stockholders in a manner reasonably designed to inform stockholders of such change. Without limiting the manner in which we may choose to make a public announcement, except as required by applicable law, we shall have no obligation to publish, advertise or otherwise disseminate any such public announcement other than by issuing a press release.

If we materially change the terms of the Offer or the information concerning the Offer, or if we waive a material condition of the Offer, we will extend the Offer to the extent required by Rules 13e-4(d)(2), 13e-4(e)(3) and 13e-4(f)(1) promulgated under the Exchange Act. These rules and certain related releases and interpretations of the SEC provide that the minimum period during which a tender offer must remain open following material changes in the terms of the Offer or information concerning the Offer (other than a change in price or a change in percentage of securities sought) will depend on the facts and circumstances, including the relative materiality of such terms or information. If:

- we increase or decrease the price to be paid for Shares; and
- the Offer is scheduled to expire at any time earlier than the expiration of a period ending on the tenth business day from, and including, the date that notice of such an increase or decrease is first published, sent or given to stockholders in the manner specified in this Section 15,

then the Offer will be extended until the expiration of the period of 10 business days. For purposes of the Offer, a “business day” means any day other than a Saturday, Sunday or federal holiday and consists of the time period from 12:01 a.m. through 12:00 midnight, New York City time.

In accordance with the rules promulgated by the SEC, we may increase the number of Shares accepted for purchase in the Offer by up to 2% of the outstanding Shares without amending or extending the Offer.

16. Fees and Expenses

We have retained Wells Fargo Securities, LLC to act as the exclusive Dealer Manager in connection with the Offer. In their role as exclusive Dealer Manager, Wells Fargo Securities, LLC may contact brokers, dealers and other nominee stockholders and may provide information regarding the Offer to those that it contacts or persons, including any institutional stockholders, that contact it. Wells Fargo Securities, LLC will receive, for these services, a reasonable and customary fee. We also have agreed to reimburse Wells Fargo Securities, LLC for reasonable out-of-pocket expenses incurred in connection with the Offer and to indemnify Wells Fargo Securities, LLC against certain liabilities in connection with the Offer, including certain liabilities under the federal securities laws. Wells Fargo Securities, LLC has in the past provided the Advisor, and in the future may provide, capital markets advice to Barings BDC or the Advisor, for which services it has received, and would expect to receive, compensation from us or the Advisor, as applicable. In the ordinary course of business, including in its trading and brokerage operations and in a fiduciary capacity, Wells Fargo Securities, LLC and its affiliates may enter into, exit or hold positions, both long and short, for its own accounts and for those of its customers, in our securities.

We have retained Computershare Trust Company, N.A. to act as the Depositary in connection with the Offer. In its role as Depositary, it will receive Letters of Transmittal, Notices of Guaranteed Delivery and Notices of Withdrawal. In its role as Depositary, it will be responsible for receiving tenders through the DTC’s ATOP system, determining the Purchase Price and proration factor, if any, and matching payment for all Shares purchased by the Company in the Offer. Computershare Trust Company, N.A. will receive reasonable and customary compensation for its services, will be reimbursed by us for reasonable out-of-pocket expenses incurred in connection with the Offer and will be indemnified against certain liabilities in connection with the Offer, including certain liabilities under the federal securities laws.

We have retained Alliance Advisors, LLC to act as the Information Agent in connection with the Offer. In its role as Information Agent, Alliance Advisors, LLC may contact stockholders by mail, telephone, facsimile, e-mail and personal

interviews and may request brokers, dealers and other nominee stockholders to forward materials relating to the Offer to beneficial owners. Alliance Advisors, LLC may also provide information regarding the Offer to those persons, including retail stockholders, that contact it. Alliance Advisors, LLC will receive reasonable and customary compensation for its services, will be reimbursed by us for reasonable out-of-pocket expenses incurred in connection with the Offer and will be indemnified against certain liabilities in connection with the Offer, including certain liabilities under the federal securities laws.

We will not pay any fees or commissions to brokers, dealers or other persons (other than fees to the Dealer Manager, the Depositary and the Information Agent as described above) for soliciting tenders of Shares pursuant to the Offer. Stockholders holding Shares through brokers, dealers or other nominee stockholders are urged to consult their brokers, dealers or other nominee stockholders to determine whether transaction costs may apply if stockholders tender Shares through the brokers, dealers or other nominee stockholders and not directly to the Depositary. We will, however, upon request, reimburse brokers, dealers and commercial banks for customary mailing and handling expenses incurred by them in forwarding the Offer and related materials to the beneficial owners of Shares held by them as a nominee or in a fiduciary capacity. No broker, dealer, commercial bank or trust company has been authorized to act as our agent, or the agent of the Advisor, the Dealer Manager, the Depositary or the Information Agent for purposes of the Offer. We will pay or cause to be paid all stock transfer taxes, if any, on our purchase of Shares, except as otherwise provided in Section 5.

17. Miscellaneous

We are not aware of any jurisdiction where the making of the Offer is prohibited by any administrative or judicial action pursuant to any valid state statute. If we become aware of any valid state statute prohibiting the making of the Offer or the acceptance of the Shares, we will make a good faith effort to comply with that state statute or seek to have such statute declared inapplicable to the Offer. If, after a good faith effort, we cannot comply with the state statute, we will not make the Offer to, nor will we accept tenders from or on behalf of, the holders of Shares in that state. In any jurisdiction where the securities, "blue sky" or other laws require the Offer to be made by a licensed broker or dealer, the Offer shall be deemed to be made on our behalf by the Dealer Manager or by one or more registered brokers or dealers licensed under the laws of that jurisdiction.

Pursuant to Rule 13e-4(c)(2) promulgated under the Exchange Act, we have filed with the SEC the Schedule TO, which contains additional information relating to the Offer. The Schedule TO, including the exhibits and any amendments and supplements thereto, may be examined, and copies may be obtained, at the same places and in the same manner as is set forth in Section 10 with respect to information concerning Barings BDC.

We have not authorized any person to make any recommendation on our behalf as to whether you should tender or refrain from tendering your Shares in the Offer or as to the price or prices at which you may choose to tender your Shares in the Offer. You should rely only on the information in or incorporated by reference in this Offer to Purchase and the Letter of Transmittal or in the other documents to which we have referred you. Our delivery of this Offer to Purchase shall not under any circumstances create any implication that the information in this Offer to Purchase is correct as of any time other than the date of this Offer to Purchase or that there have been no changes in the information in or incorporated by reference herein or in the affairs of Barings BDC or any of its subsidiaries since the date hereof. We have not authorized anyone to provide you with information in connection with the Offer other than the information in this Offer to Purchase or the Letter of Transmittal. If anyone makes any recommendation or gives any information, you must not rely upon that recommendation or information as having been authorized by us, any member of our Board of Directors, the Advisor, the Dealer Manager, the Depositary or the Information Agent or any of our or their respective affiliates.

Barings BDC, Inc.

August 7, 2018

The Letter of Transmittal and any other required documents should be sent or delivered by each stockholder of the Company or its, his or her broker, dealer, commercial bank, trust company or other nominee to the Depositary as follows:

The Depositary for the Offer is:

Computershare

By registered, certified, express or first class mail:

Computershare Trust Company, N.A.
c/o Voluntary Corporate Actions
P.O. Box 43011
Providence, RI 02940-3011

By overnight courier:

Computershare Trust Company, N.A.
c/o Voluntary Corporate Actions
250 Royall Street, Suite V
Canton, MA 02021

DELIVERY OF THE LETTER OF TRANSMITTAL TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE WILL NOT CONSTITUTE A VALID DELIVERY TO THE DEPOSITARY.

If you have any questions regarding the Offer, please contact the Dealer Manager at the address or telephone number set forth below (institutional stockholders) or the Information Agent at the address or telephone number set forth below (retail stockholders). If you require additional copies of this Offer to Purchase, the Letter of Transmittal or the other documents related to the Offer, please contact the Information Agent at the address and telephone number set forth below. The Information Agent will promptly furnish to stockholders additional copies of these materials at the Company's expense. You may also contact your broker, dealer, commercial bank, trust company or other nominee for assistance concerning the Offer.

The Dealer Manager for the Offer is:

Wells Fargo Securities, LLC

375 Park Avenue
New York, NY 10152
Call: (212) 214-6400
Call Toll Free: (877) 450-7515

The Information Agent for the Offer is:



200 Broadacres Drive, 3rd Floor
Bloomfield, NJ 07003

Call Toll-Free: (888) 991-1291

Via Email: baringsbdc@allianceadvisors.com

LETTER OF TRANSMITTAL
to Tender Shares of Common Stock
Pursuant to the Offer to Purchase
Dated August 7, 2018

by

Barings BDC, Inc.

of

Aggregate Purchase Price of Not More Than \$50,000,000 in Shares of Common Stock
at a Purchase Price Not Greater Than \$11.72
or Less Than \$10.20 Per Share

THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON SEPTEMBER 6, 2018, UNLESS THE OFFER IS EXTENDED OR WITHDRAWN (SUCH TIME AND DATE, AS THEY MAY BE EXTENDED, THE "EXPIRATION TIME").

The Depositary for the Offer is:

Computershare

By registered, certified, express or first class mail:

Computershare Trust Company, N.A.
c/o Voluntary Corporate Actions
P.O. Box 43011
Providence, RI 02940-3011

By overnight courier:

Computershare Trust Company, N.A.
c/o Voluntary Corporate Actions
250 Royall Street Suite V
Canton, MA 02021

If you have any questions or need assistance in completing this Letter of Transmittal, please contact Alliance Advisors, LLC, the information agent for this Offer (the "**Information Agent**"), at (888) 991-1291 or baringsbdc@allianceadvisors.com.

regarding the requirements for replacement. You may be required to post a bond to secure against the risk that the certificates may be subsequently recirculated. You are urged to contact the Transfer Agent immediately in order to receive further instructions, for a determination of whether you will need to post a bond and to permit timely processing of this documentation. See Instruction 13.

If a broker, dealer, commercial bank, trust company or other nominee holds your Shares, it is likely that they will have an earlier deadline for you to act to instruct them to accept the Offer on your behalf. We urge you to contact the nominee that holds your Shares to find out its deadline.

THE UNDERSIGNED IS TENDERING SHARES AS FOLLOWS (CHECK ONLY ONE BOX):

(1) SHARES TENDERED AT PRICE DETERMINED BY STOCKHOLDER (SEE INSTRUCTION 5)

By checking ONE of the following boxes below INSTEAD OF THE BOX UNDER "SHARES TENDERED AT PRICE DETERMINED PURSUANT TO THE OFFER," the undersigned tenders Shares at the price checked. This action could result in none of the Shares tendered hereby being purchased if the Purchase Price determined by the Company in accordance with the terms of the offer is less than the price checked below. **A STOCKHOLDER WHO DESIRES TO TENDER DIFFERENT SHARES AT DIFFERENT PRICES MUST COMPLETE A SEPARATE LETTER OF TRANSMITTAL FOR EACH TENDER.** The same Shares cannot be tendered at more than one price, unless previously properly withdrawn as provided in Section 4 of the Offer to Purchase.

PRICE (IN DOLLARS) PER SHARE AT WHICH SHARES ARE BEING TENDERED

- | | | | | | | | |
|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| <input type="checkbox"/> \$10.20 | <input type="checkbox"/> \$10.32 | <input type="checkbox"/> \$10.42 | <input type="checkbox"/> \$10.52 | <input type="checkbox"/> \$10.62 | <input type="checkbox"/> \$10.72 | <input type="checkbox"/> \$10.82 | <input type="checkbox"/> \$10.92 |
| <input type="checkbox"/> \$11.02 | <input type="checkbox"/> \$11.12 | <input type="checkbox"/> \$11.22 | <input type="checkbox"/> \$11.32 | <input type="checkbox"/> \$11.42 | <input type="checkbox"/> \$11.52 | <input type="checkbox"/> \$11.62 | <input type="checkbox"/> \$11.72 |

-OR-

(2) SHARES TENDERED AT PRICE DETERMINED PURSUANT TO THE OFFER (SEE INSTRUCTION 5)

By checking the box below INSTEAD OF ONE OF THE BOXES UNDER "SHARES TENDERED AT PRICE DETERMINED BY STOCKHOLDER," the undersigned tenders Shares at the Purchase Price, as shall be determined by the Company in accordance with the terms of the Offer. For purposes of determining the Purchase Price, those Shares that are tendered by the undersigned agreeing to accept the Purchase Price determined in the Offer will be deemed to be tendered at the minimum price of \$10.20 per Share.

- The undersigned wants to maximize the chance of having the Company purchase Shares the undersigned is tendering (subject to the proration and priority provisions of the Offer). Accordingly, by checking this box instead of one of the price boxes above, the undersigned hereby tenders Shares at, and is willing to accept, the Purchase Price determined by the Company in accordance with the terms of the Offer. **THE UNDERSIGNED UNDERSTANDS THAT THIS ELECTION MAY LOWER THE PURCHASE PRICE PAID FOR SHARES IN THE OFFER AND COULD RESULT IN THE TENDERED SHARES BEING PURCHASED AT THE MINIMUM PRICE OF \$10.20 PER SHARE.**

CHECK ONLY ONE BOX UNDER (1) OR (2) ABOVE. IF MORE THAN ONE BOX IS CHECKED ABOVE, OR IF NO BOX IS CHECKED, THERE IS NO VALID TENDER OF SHARES.

**NOTE: SIGNATURES MUST BE PROVIDED BELOW
PLEASE READ THE ACCOMPANYING INSTRUCTIONS CAREFULLY**

**ODD LOTS
(See Instruction 6)**

To be completed only if Shares are being tendered by or on behalf of a person owning, beneficially or of record, an aggregate of fewer than 100 Shares. The undersigned:

- is the beneficial or record owner of an aggregate of fewer than 100 Shares, all of which are being tendered.

**CONDITIONAL TENDER
(See Instruction 14)**

A tendering stockholder may condition his, her or its tender of Shares upon the Company purchasing a specified minimum number of the Shares tendered, all as described in Section 6 of the Offer to Purchase. Unless at least the minimum number of Shares that you indicate below is purchased by the Company pursuant to the terms of the Offer, none of the Shares tendered will be purchased. It is the tendering stockholder's responsibility to calculate the minimum number of Shares that must be purchased if any are purchased, and each stockholder is urged to consult his, her or its own tax advisor. Unless this box has been checked and a minimum specified, your tender will be deemed unconditional.

- The minimum number of Shares that must be purchased, if any are purchased, is: _____ Shares.
If, because of proration, the minimum number of Shares designated will not be purchased, the Company may accept conditional tenders by random lot, if necessary. However, to be eligible for purchase by random lot, the tendering stockholder must have tendered all of his, her or its Shares and checked the box below:
- The tendered Shares represent all Shares held by the undersigned.

SPECIAL PAYMENT INSTRUCTIONS
(See Instructions 1, 7, 8 and 9)

To be completed ONLY if the check for the Purchase Price of Shares purchased (less any applicable withholding taxes) is to be issued in the name of someone other than the undersigned.

Name(s) _____

Address(es) _____

(RECIPIENT MUST COMPLETE AND RETURN THE ATTACHED
IRS FORM W-9 OR AN APPLICABLE IRS FORM W-8)

SPECIAL DELIVERY INSTRUCTIONS
(See Instruction 1, 7, 8 and 9)

To be completed ONLY if the check for the Purchase Price of Shares purchased (less any applicable withholding taxes) is to be mailed to someone other than the undersigned or to the undersigned at an address other than that shown below the undersigned's signature(s).

Name(s) _____

Address(es) _____

SIGN HERE

(Please also complete the attached IRS Form W-9 or an applicable IRS Form W-8)

(Must be signed by registered holder(s) exactly as name(s) appear(s) on stock certificate(s) or on a security position listing or by persons(s) authorized to become registered holder(s) by certificates and documents transmitted herewith. If signature is by a trustee, executor, administrator, guardian, attorney-in-fact, agent, officer of a corporation or other person acting in a fiduciary or representative capacity, please set forth full title and see Instruction 7.)

Signature of Owner(s): _____
(sign here)

(sign here)

Name(s): _____
(Please Print)

Dated: _____

Capacity: _____

Address: _____
(MAKE ANY ADDRESS CORRECTION, THIS WILL BE A PERMANENT ADDRESS CHANGE)

APPLY MEDALLION GUARANTEE STAMP BELOW

Ladies and Gentlemen:

The undersigned hereby tenders to Barings BDC, Inc., an externally managed, non-diversified, closed-end management investment company incorporated in Maryland that has elected to be regulated as a business development company under the Investment Company Act of 1940, as amended (the "**Company**"), the above-described shares of common stock, \$0.001 par value per share (the "**Shares**"), upon the terms and subject to the conditions set forth in the Offer to Purchase dated August 7, 2018 (as it may be amended or supplemented from time to time, the "**Offer to Purchase**"), receipt of which is hereby acknowledged, which collectively with this Letter of Transmittal, as amended or supplemented from time to time, constitute the "**Offer**." The Company also expressly reserves the right, in its sole discretion, to purchase additional Shares subject to applicable legal and regulatory requirements.

Subject to, and effective upon, acceptance for purchase of and payment for the Shares tendered herewith, the undersigned hereby sells, assigns and transfers to or upon the order of the Company all right, title and interest in and to all the Shares that are being tendered hereby, with full power of substitution, to:

- (1) deliver certificates for such Shares, or transfer ownership of such Shares on the account books maintained by The Depository Trust Company ("**DTC**"), together, in any such case, with all accompanying evidences of transfer and authenticity, to or upon the order of the Company;
- (2) present such Shares for transfer and cancellation on the books of the Company; and
- (3) cause the Company to receive all benefits and otherwise exercise all rights of beneficial ownership of such Shares, all in accordance with the terms of the Offer.

The undersigned understands, upon the terms and subject to the conditions of the Offer, the Company will determine a single per Share purchase price (the "**Purchase Price**"), which will not be less than \$10.20 per Share and not more than \$11.72 per Share, that will allow it to purchase a number of Shares having an aggregate purchase price of \$50,000,000, or a lower amount depending on the number of Shares properly tendered and not properly withdrawn pursuant to the Offer. The undersigned understands that the Company will select the lowest Purchase Price (in increments of \$0.10, except for the first increment above the minimum purchase price, which is \$0.12) within the price range specified above that will allow the Company to purchase that number of Shares having an aggregate purchase price of \$50,000,000, or a lower amount depending on the number of Shares properly tendered and not properly withdrawn pursuant to the Offer, at a price that will be not less than \$10.20 per Share and not more than \$11.72 per Share in the Offer, subject to its right to increase the total number of Shares purchased to the extent permitted by law and regulation. The undersigned understands that all Shares properly tendered at prices at or below the Purchase Price and not properly withdrawn will be purchased at the Purchase Price, less any applicable withholding taxes and without interest, upon the terms and subject to the conditions of the Offer, including its proration provisions, "odd lot" provisions and conditional tender provisions. The Company will return at its expense all other Shares, including Shares tendered at prices greater than the Purchase Price and not properly withdrawn and Shares not purchased because of proration or conditional tenders, promptly following the Expiration Time (as defined in the Offer to Purchase).

The undersigned hereby represents and warrants that the undersigned:

- (1) has a net long position in Shares at least equal to the number of Shares being tendered;
- (2) has full power and authority to tender, sell, assign and transfer the Shares tendered hereby and that, when the same are accepted for purchase by the Company, the Company will acquire good and unencumbered title thereto, free and clear of all liens, restrictions, charges and encumbrances and not subject to any adverse claims; and
- (3) will, upon request, execute and deliver all additional documents deemed by the Depository or the Company to be necessary or desirable to complete the sale, assignment and transfer of the Shares tendered hereby.

The undersigned understands that tenders of Shares pursuant to any one of the procedures described in Section 3 of the Offer to Purchase and in the instructions hereto will constitute an agreement between the undersigned and the Company upon the terms and subject to the conditions of the Offer, which agreement will be governed by, and construed in accordance with, the laws of the State of New York. The undersigned acknowledges that under no circumstances will the Company pay interest on the Purchase Price.

The undersigned recognizes that, under certain circumstances set forth in the Offer to Purchase, the Company may terminate or amend the Offer or may postpone the acceptance purchase of, or the payment for, Shares tendered or may purchase fewer than all of the Shares tendered.

Unless otherwise indicated under "Special Payment Instructions," please issue the check for the Purchase Price of any Shares purchased (less any applicable withholding taxes), and return any Shares not tendered or not purchased, in the name(s) of the undersigned. Similarly, unless otherwise indicated under "Special Delivery Instructions," please mail the check for the Purchase Price of any Shares purchased (less any applicable withholding taxes) and any certificates for Shares not tendered or not purchased to the

undersigned at the address shown below the undersigned's signature(s). In the event that both "Special Payment Instructions" and "Special Delivery Instructions" are completed, please issue the check for the Purchase Price of any Shares purchased (less any applicable withholding taxes) and return any Shares not tendered or not purchased in the name(s) of, and mail said check and any certificates to, the person(s) so indicated.

The undersigned recognizes that the Company has no obligation, pursuant to the "Special Payment Instructions," to transfer any Shares from the name of the registered holder(s) thereof, if the Company does not accept for purchase any of the Shares so tendered.

All authority herein conferred or agreed to be conferred shall survive the death or incapacity of the undersigned and any obligation of the undersigned hereunder shall be binding upon the heirs, personal representatives, successors and assigns of the undersigned.

INSTRUCTIONS FOR COMPLETING THE LETTER OF TRANSMITTAL

1. *Signature Guarantee.* No signature guarantee is required if either: (i) this Letter of Transmittal is signed by the registered holder of the Shares exactly as the name of the registered holder appears on the certificate(s) for the Shares tendered with this Letter of Transmittal or (ii) in the case of book-entry Shares, on the records of the Depositary, and payment and delivery are to be made directly to such registered holder and such registered holder has not completed the box entitled "Special Payment Instructions" or "Special Delivery Instructions." See Instruction 7.
2. *Delivery of Letter of Transmittal and Shares; Guaranteed Delivery Procedure* You must use this Letter of Transmittal to forward certificates for Shares and to tender any/all Shares held in book-entry form on the records of the Depositary (or if the certificates will be delivered pursuant to a Notice of Guaranteed Delivery previously sent to the Depositary). Certificates for all physically tendered Shares along with a properly completed and duly executed Letter of Transmittal, including any required signature guarantees, and any other documents required by this Letter of Transmittal, should be mailed or delivered to the Depositary at the appropriate address set forth herein and must be delivered to the Depositary on or before the Expiration Time.

LETTERS OF TRANSMITTAL MUST BE RECEIVED IN THE OFFICE OF THE DEPOSITARY BY THE EXPIRATION TIME. DELIVERY OF THESE DOCUMENTS TO THE DEPOSITARY'S PO BOX AT OR PRIOR TO THE EXPIRATION TIME DOES NOT CONSTITUTE RECEIPT BY THE DEPOSITARY. GUARANTEED DELIVERIES WILL BE ACCEPTED VIA EMAIL UNTIL THE EXPIRATION TIME.

Guaranteed Delivery. If you cannot deliver your Shares and all other required documents to the Depositary by the Expiration TIME or the procedure for book-entry transfer cannot be completed on a timely basis, you must tender your Shares pursuant to the guaranteed delivery procedure set forth in Section 3 of the Offer to Purchase. Pursuant to such procedure:

- (a) such tender must be made by or through an Eligible Institution (as defined in Section 3 of the Offer to Purchase);
- (b) a properly completed and duly executed Notice of Guaranteed Delivery substantially in the form provided by the Company must be received by the Depositary by the Expiration Time, including (where required) a signature guarantee by an Eligible Institution in the form set forth in the Notice of Guaranteed Delivery; and
- (c) the certificates for all physically delivered Shares, or a confirmation of a book-entry transfer of all Shares delivered electronically into the Depositary's account with DTC, together with a properly completed and duly executed Letter of Transmittal with any required signature guarantees or an Agent's Message and any other documents required by this Letter of Transmittal, must be received by the Depositary within two New York Stock Exchange trading days after the date of execution of such Notice of Guaranteed Delivery, all as provided in Section 3 of the Offer to Purchase.

The method of delivery of all documents, including Share certificates, is at your option and risk. If you choose to deliver the documents by mail, then registered mail with return receipt requested, properly insured, is recommended. In all cases, sufficient time should be allowed to ensure timely delivery.

Except as specifically permitted by Section 6 of the Offer to Purchase, the Company will not accept any alternative, conditional or contingent tenders, and no fractional Shares will be purchased. By executing this Letter of Transmittal, you waive any right to receive any notice of the acceptance purchase of the Shares.

3. *Inadequate Space.* If the space provided in the box captioned "Description of Shares Tendered" is inadequate, then you should list the certificate numbers and/or the number of Shares on a separate signed schedule attached hereto.
4. *Partial Tenders.* If you wish to tender fewer than all of the Shares represented by any certificates that you deliver to the Depositary, fill in the number of Shares which are to be tendered in the box entitled "Number of Shares Tendered." In such case, a new certificate for the remainder of the Shares represented by the old certificate will be sent to the person(s) signing this Letter of Transmittal, unless otherwise provided in the appropriate box on this Letter of Transmittal, as promptly as practicable after the expiration or termination of the Offer. Unless you indicate otherwise, all Shares represented by certificates delivered to the Depositary will be deemed to have been tendered. In the case of Shares tendered by book-entry transfer via DTC, the Shares will be credited to the appropriate account maintained by the tendering stockholder with DTC. In each case, Shares will be returned or credited without expense to the stockholder.
5. *Indication of Price at Which Shares Are Being Tendered* For Shares to be properly tendered, the stockholder MUST either (1) check the box indicating the price per Share at which such stockholder is tendering Shares under the section captioned "Shares Tendered at Price Determined by Stockholder" or (2) check the box in the section captioned "Shares Tendered at Price Determined Pursuant to the Offer" in order to maximize the chance of having the Company purchase the Shares tendered (subject to the proration and priority provisions). For purposes of determining the Purchase Price, Shares that are tendered by stockholders agreeing to accept the Purchase Price determined in the Offer will be deemed to be tendered at the minimum price of \$10.20 per Share. Selecting option (1) could result in none of the stockholder's tendered Shares being purchased if the Purchase Price for the Shares turns out to be less than the price selected by the stockholder. Selecting option (2) may lower the Purchase Price paid for

Shares in the Offer and could result in the stockholder receiving the minimum price of \$10.20 per Share. **Only one box under (1) or (2) may be checked. If more than one box is checked, or if no box is checked, there is no proper tender of Shares. A stockholder wishing to tender portions of such stockholder's Share holdings at different prices must complete a separate Letter of Transmittal for each price at which such stockholder wishes to tender each such portion of such stockholder's Shares.** The same Shares cannot be tendered at more than one price, unless previously properly withdrawn as provided in Section 4 of the Offer to Purchase.

6. *Odd Lots.* As described in Section 1 of the Offer to Purchase, if the Company purchases less than all Shares tendered and not withdrawn before the Expiration Time, the Shares purchased first will consist of all Shares tendered by any stockholder who owns, beneficially or of record, an aggregate of fewer than 100 Shares and who tenders all of such Shares. Even if you otherwise qualify for the "odd lot" preferential treatment, you will not receive such preferential treatment unless you complete the box captioned "Odd Lots" in this Letter of Transmittal and, if applicable, in the Notice of Guaranteed Delivery.
7. *Signatures on Letter of Transmittal; Stock Powers and Endorsements*
 - (a) *Exact Signatures.* If this Letter of Transmittal is signed by the registered holder(s) of the Shares tendered hereby, the signature(s) must correspond with the name(s) as written on the face of the certificates without alteration, enlargement or any change whatsoever.
 - (b) *Joint Holders.* If any of the Shares tendered hereby are held of record by two or more persons, all such persons must sign this Letter of Transmittal.
 - (c) *Different Names on Certificates.* If any of the Shares tendered hereby are registered in different names on different certificates, it will be necessary to complete, sign and submit as many separate Letters of Transmittal as there are different registrations of certificates.
 - (d) *Endorsements.* If this Letter of Transmittal is signed by the registered holder(s) of the Shares tendered hereby, no endorsements of certificates or separate stock powers are required unless payment of the Purchase Price is to be made, or Shares not tendered or not purchased are to be returned, in the name of any person other than the registered holder(s). Signatures on any such certificates or stock powers must be guaranteed by an Eligible Institution.

If this Letter of Transmittal is signed by a person other than the registered holder(s) of the Shares tendered hereby, certificates must be endorsed or accompanied by appropriate stock powers, in either case, signed exactly as the name(s) of the registered holder(s) appear(s) on the certificates for such Shares. Signature(s) on any such certificates or stock powers must be guaranteed by an Eligible Institution. See Instruction 1.

If this Letter of Transmittal or any certificate or stock power is signed by a trustee, executor, administrator, guardian, attorney-in-fact, officer of a corporation or other person acting in a fiduciary or representative capacity, such person should so indicate when signing, and proper evidence satisfactory to the Depository of the authority of such person so to act must be submitted.

8. *Stock Transfer Taxes.* Except as provided in this Instruction 8, the Company will pay all stock transfer taxes, if any, payable on the transfer of any Shares to the Company pursuant to the Offer. If, however, payment of proceeds in respect of any Shares purchased is to be made to, or Shares not tendered or not purchased are to be returned in the name of, any person other than the registered holder(s), or tendered Shares are registered in the name of any person other than the name of the person(s) signing this Letter of Transmittal, the amount of any stock transfer taxes (whether imposed on the registered holder(s), such other person or otherwise) payable on account of the transfer to such other person will be deducted from the proceeds payable by the Depository, unless satisfactory evidence of the payment of such taxes, or exemption therefrom, is submitted prior to such payment.
9. *Special Payment and Delivery Instructions* If the check for the Purchase Price of any Shares purchased is to be issued and any Shares not tendered or not purchased are to be returned, in the name of a person other than the person(s) signing this Letter of Transmittal or if the check and any certificates for Shares not tendered or not purchased are to be mailed to someone other than the person(s) signing this Letter of Transmittal or to the person(s) signing this Letter of Transmittal at an address other than that shown above, the boxes captioned "Special Delivery Instructions" and/or "Special Payment Instructions" on this Letter of Transmittal should be completed. Transfer taxes may apply if either the box captioned "Special Delivery Instructions" or "Special Payment Instructions" on this Letter of Transmittal is completed. See Instruction 8. There may be other tax implications resulting from the transfers, please consult your own tax advisor.
10. *Withholding.* Under U.S. federal income tax laws, the Depository may be required to withhold a portion of the amount of any payments made to certain stockholders or other payees pursuant to the Offer. In order to avoid such backup withholding (currently at a rate of 24%), each tendering stockholder or payee that is a United States person (for U.S. federal income tax purposes), must provide the Depository with such stockholder's or payee's correct taxpayer identification number ("**TIN**") and

certify that such stockholder or payee is not subject to such backup withholding by completing the attached IRS Form W-9. Certain stockholders or payees (including, among others, corporations and certain foreign persons) are not subject to these backup withholding requirements. Exempt stockholders or other payees that are United States persons (for U.S. federal income tax purposes) should indicate their exempt status on the attached IRS Form W-9.

A tendering stockholder or other payee who is a foreign person (for U.S. federal income tax purposes) should complete, sign, and submit to the Depository the appropriate IRS Form W-8. An IRS Form W-8 may be obtained from the Depository or downloaded from the Internal Revenue Service's website at www.irs.gov. Failure to complete the IRS Form W-9 or the appropriate IRS Form W-8 will not, by itself, cause Shares to be deemed invalidly tendered, but may require the Depository to withhold a portion of the amount otherwise payable pursuant to the Offer.

As described in the Offer to Purchase, a tendering stockholder or other payee that is a foreign person (for U.S. federal income tax purposes) must provide to the Depository a properly completed and executed appropriate IRS Form W-8 and any other required documentation in order to establish that it is exempt from, or entitled to a reduced rate of, U.S. federal withholding tax with respect to payments of gross proceeds pursuant to the Offer. Stockholders or other payees that are foreign persons (for U.S. federal income tax purposes) should consult their own tax advisors regarding the particular tax consequences to them of selling Shares pursuant to the Offer.

11. *Irregularities.* The Company will determine all questions as to Purchase Price, the form of documents and the validity, eligibility (including time of receipt) and acceptance purchase of any tender of Shares. The Company reserves the right to reject any or all tenders of Shares it determines not to be in proper form or the acceptance of which or payment for which may, in the opinion of the Company's counsel, be unlawful. The Company also reserves the right to waive any defect or irregularity in the tender of any particular Shares. No tender of Shares will be deemed to be properly made until all defects and irregularities have been cured or waived. Unless waived, any defects or irregularities in connection with tenders must be cured within such time as the Company shall determine. None of the Company, the Dealer Manager, the Information Agent, the Depository or any other person is or will be under any duty to give notification of any defect or irregularity in tenders, and none of them will incur any liability for failure to give any such notice.
12. *Requests for Assistance or Additional Copies.* Questions and requests for assistance or additional copies of the Offer to Purchase and this Letter of Transmittal should be directed to the Dealer Manager or the Information Agent at its address and telephone number set forth below.
13. *Lost, Stolen, Destroyed or Mutilated Certificates.* If your certificate or certificates for part or all of your Shares has been lost, stolen, destroyed or mutilated, you should call Computershare Trust Company, N.A., as Transfer Agent, at (866) 228-7201 regarding the requirements for replacement at the address set forth on the cover page of this Letter of Transmittal. You may be required to post a bond to secure against the risk that the certificates may be subsequently recirculated. You are urged to contact the Transfer Agent immediately in order to receive further instructions, for a determination as to whether you will need to post a bond and to permit timely processing of this documentation.
14. *Conditional Tenders.* As described in Sections 1 and 6 of the Offer to Purchase, stockholders may condition their tenders on all or a minimum number of their tendered Shares being purchased. If you wish to make a conditional tender, you must indicate this in the box captioned "Conditional Tender" in this Letter of Transmittal or, if applicable, the Notice of Guaranteed Delivery. In the box in this Letter of Transmittal or the Notice of Guaranteed Delivery, you must calculate and appropriately indicate the minimum number of Shares that must be purchased if any are to be purchased.

As discussed in Sections 1 and 6 of the Offer to Purchase, proration may affect whether the Company accepts conditional tenders and may result in Shares tendered pursuant to a conditional tender being deemed withdrawn if the minimum number of Shares would not be purchased. If, because of proration, the minimum number of Shares that you designate will not be purchased, the Company may accept conditional tenders by random lot, if necessary. However, to be eligible for purchase by random lot, you must have tendered all your Shares and check the box so indicating. Upon selection by random lot, if any, the Company will limit its purchase in each case to the designated minimum number of Shares.

All tendered Shares will be deemed unconditionally tendered unless the "Conditional Tender" box is completed. If you are an "odd lot" holder and you tender all of your Shares, you cannot conditionally tender, since your Shares will not be subject to proration. Each stockholder is urged to consult his, her or its own tax advisor.

IMPORTANT: THIS LETTER OF TRANSMITTAL, PROPERLY COMPLETED AND DULY EXECUTED, TOGETHER WITH CERTIFICATES REPRESENTING SHARES BEING TENDERED (OR CONFIRMATION OF BOOK-ENTRY TRANSFER) AND ALL OTHER REQUIRED DOCUMENTS, MUST BE RECEIVED BEFORE THE EXPIRATION TIME, OR THE TENDERING STOCKHOLDER MUST COMPLY WITH THE PROCEDURES FOR GUARANTEED DELIVERY.

IMPORTANT U.S. TAX INFORMATION

This is a summary of certain material U.S. federal income tax considerations. Stockholders should consult with their tax advisors regarding the tax consequences with respect to their particular circumstances.

In order to avoid backup withholding of U.S. federal income tax on payments pursuant to the Offer, a U.S. Holder (as defined in Section 14 of the Offer to Purchase) tendering Shares must, unless an exemption applies, timely provide the Depository with such stockholder's correct TIN, certify under penalties of perjury that such TIN is correct (or that such stockholder is waiting for a TIN to be issued), and provide certain other certifications by completing the IRS Form W-9 accompanying this Letter of Transmittal. If a stockholder does not provide his, her or its correct TIN or fails to provide the required certifications, the IRS may impose certain penalties on such stockholder and payment to such stockholder pursuant to the Offer may be subject to U.S. federal backup withholding tax at a rate currently equal to 24%. All U.S. Holders tendering Shares pursuant to the Offer should complete and sign the IRS Form W-9 to provide the information and certification necessary to avoid U.S. federal backup withholding tax (unless an applicable exemption exists and is proved in a manner satisfactory to the Depository). To the extent that a U.S. Holder designates another U.S. person to receive payment, such other person may be required to provide a properly completed IRS Form W-9.

Backup withholding is not an additional tax. Rather, the amount of the backup withholding may be credited against the U.S. federal income tax liability of the person subject to the backup withholding. If backup withholding results in an overpayment of tax, a refund can be obtained by the stockholder by timely providing the required information to the IRS.

If the stockholder has not been issued a TIN and has applied for a TIN or intends to apply for a TIN in the near future, then the stockholder should write "APPLIED FOR" in the space for the TIN in Part I of the IRS Form W-9 and should sign and date the IRS Form W-9. If the Depository has not been provided with a properly certified TIN by the time of payment, U.S. federal backup withholding tax will apply. If the Shares are held in more than one name or are not in the name of the actual owner, consult the instructions on the IRS Form W-9 for additional guidance on which name and TIN to report.

Certain stockholders (including, among others, "C corporations," individual retirement accounts and certain foreign individuals and entities) are not subject to U.S. federal backup withholding tax but may be required to provide evidence of their exemption from such backup withholding tax. Exempt U.S. stockholders should check the "Exempt payee" box on the IRS Form W-9. See the accompanying IRS Form W-9 for more instructions.

Non-U.S. Holders (as defined in Section 14 of the Offer to Purchase), such as non-resident alien individuals and foreign entities, including a disregarded U.S. domestic entity that has a foreign owner, should not complete an IRS Form W-9. Instead, to establish an applicable withholding exemption, a Non-U.S. Holder (or a stockholder's non-U.S. designee, if any) may be required to properly complete and submit an IRS Form W-8BEN, W-8IMY (with any required attachments), W-8ECI or W-8EXP, as applicable, signed under penalties of perjury, attesting to such exempt status (which may be obtained on the IRS website (www.irs.gov)).

For withholding purposes, we expect to treat each exchange of Shares for cash pursuant to the Offer by a Non-U.S. Holder as a dividend for U.S. federal income tax purposes (and not as a sale or exchange). As a result, the Depository generally will withhold an amount of U.S. federal income tax equal to 30% of the gross payments payable to a Non-U.S. Holder. Non-U.S. Holders should refer to "14. Material U.S. Federal Income Tax Consequences—Non-U.S. Holders" in the Offer to Purchase for a general description of the applicability of withholding tax to proceeds from the Offer.

Stockholders are urged to consult their tax advisors to determine whether they are exempt from these withholding tax and reporting requirements.

Request for Taxpayer Identification Number and Certification

▶ Go to www.irs.gov/FormW9 for instructions and the latest information.

**Give Form to the
requester. Do not
send to the IRS.**

Print or type. See Specific instructions on page 3.	<p>1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.</p>	
	<p>2 Business name/disregarded entity name, if different from above</p>	
	<p>3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes.</p> <p><input type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate</p> <p><input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____</p> <p>Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.</p> <p><input type="checkbox"/> Other (see instructions) ▶ _____</p>	<p>4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):</p> <p>Exempt payee code (if any) _____</p> <p>Exemption from FATCA reporting code (if any) _____</p> <p><small>(Applies to accounts maintained outside the U.S.)</small></p>
	<p>5 Address (number, street, and apt. or suite no.) See instructions.</p>	Requester's name and address (optional)
	<p>6 City, state, and ZIP code</p>	
	<p>7 List account number(s) here (optional)</p>	

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number								
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Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here	Signature of U.S. person ▶ _____	Date ▶ _____
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General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/FormW9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting*, later, for further information.

Note: If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States.

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity;
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust; and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Pub. 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items.

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

Backup Withholding

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the instructions for Part II for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code*, later, and the separate Instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships*, earlier.

What is FATCA Reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code*, later, and the Instructions for the Requester of Form W-9 for more information.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account; for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account (other than an account maintained by a foreign financial institution (FFI)), list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9. If you are providing Form W-9 to an FFI to document a joint account, each holder of the account that is a U.S. person must provide a Form W-9.

a. **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

Note: ITIN applicant: Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

b. **Sole proprietor or single-member LLC.** Enter your individual name as shown on your 1040/1040A/1040EZ on line 1. You may enter your business, trade, or "doing business as" (DBA) name on line 2.

c. **Partnership, LLC that is not a single-member LLC, C corporation, or S corporation.** Enter the entity's name as shown on the entity's tax return on line 1 and any business, trade, or DBA name on line 2.

d. **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on line 2.

e. **Disregarded entity.** For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a "disregarded entity." See Regulations section 301.7701-2(c)(2)(iii). Enter the owner's name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner's name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on line 2, "Business name/disregarded entity name." If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

Line 3

Check the appropriate box on line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box on line 3.

IF the entity/person on line 1 is a(n) . . .	THEN check the box for . . .
• Corporation	Corporation
• Individual • Sole proprietorship, or • Single-member limited liability company (LLC) owned by an individual and disregarded for U.S. federal tax purposes.	Individual/sole proprietor or single-member LLC
• LLC treated as a partnership for U.S. federal tax purposes, • LLC that has filed Form 8832 or 2553 to be taxed as a corporation, or • LLC that is disregarded as an entity separate from its owner but the owner is another LLC that is not disregarded for U.S. federal tax purposes.	Limited liability company and enter the appropriate tax classification. (P= Partnership; C= C corporation; or S= S corporation)
• Partnership	Partnership
• Trust/estate	Trust/estate

Line 4, Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space on line 4 any code(s) that may apply to you.

Exempt payee code.

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys' fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.

- 1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)
- 2—The United States or any of its agencies or instrumentalities
- 3—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities
- 4—A foreign government or any of its political subdivisions, agencies, or instrumentalities
- 5—A corporation
- 6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or possession
- 7—A futures commission merchant registered with the Commodity Futures Trading Commission
- 8—A real estate investment trust
- 9—An entity registered at all times during the tax year under the Investment Company Act of 1940
- 10—A common trust fund operated by a bank under section 584(a)
- 11—A financial institution
- 12—A middleman known in the investment community as a nominee or custodian
- 13—A trust exempt from tax under section 664 or described in section 4947

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt payees 1 through 5 ²
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

¹ See Form 1099-MISC, Miscellaneous Income, and its instructions.

² However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) written or printed on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)

B—The United States or any of its agencies or instrumentalities

C—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i)

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i)

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state

G—A real estate investment trust

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940

I—A common trust fund as defined in section 584(a)

J—A bank as defined in section 581

K—A broker

L—A trust exempt from tax under section 664 or described in section 4947(a)(1)

M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

Note: You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns. If this address differs from the one the requester already has on file, write NEW at the top. If a new address is provided, there is still a chance the old address will be used until the payor changes your address in their records.

Line 6

Enter your city, state, and ZIP code.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN.

If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note: See *What Name and Number To Give the Requester*, later, for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at www.SSA.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/Businesses and clicking on Employer Identification Number (EIN) under Starting a Business. Go to www.irs.gov/Forms to view, download, or print Form W-7 and/or Form SS-4. Or, you can go to www.irs.gov/OrderForms to place an order and have Form W-7 and/or SS-4 mailed to you within 10 business days.

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note: Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, 4, or 5 below indicates otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code*, earlier.

Signature requirements. Complete the certification as indicated in items 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), ABLE accounts (under section 529A), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account) other than an account maintained by an FFI	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Two or more U.S. persons (joint account maintained by an FFI)	Each holder of the account
4. Custodial account of a minor (Uniform Gift to Minors Act)	The minor ²
5. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee ¹
b. So-called trust account that is not a legal or valid trust under state law	The actual owner ¹
6. Sole proprietorship or disregarded entity owned by an individual	The owner ³
7. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))	The grantor ⁴
For this type of account:	Give name and EIN of:
8. Disregarded entity not owned by an individual	The owner
9. A valid trust, estate, or pension trust	Legal entity ⁴
10. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
11. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
12. Partnership or multi-member LLC	The partnership
13. A broker or registered nominee	The broker or nominee

For this type of account:	Give name and EIN of:
14. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
15. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulations section 1.671-4(b)(2)(i)(B))	The trust

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name and you may also enter your business or DBA name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

⁴ List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships*, earlier.

***Note:** The grantor also must provide a Form W-9 to trustee of trust.

Note: If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records From Identity Theft

Identity theft occurs when someone uses your personal information such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Pub. 5027, Identity Theft Information for Taxpayers.

Victims of identity theft who are experiencing economic harm or a systemic problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes.

Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at spam@uce.gov or report them at www.ftc.gov/complaint. You can contact the FTC at www.ftc.gov/idtheft or 877-IDTHEFT (877-438-4338). If you have been the victim of identity theft, see www.IdentityTheft.gov and Pub. 5027.

Visit www.irs.gov/IdentityTheft to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

This Letter of Transmittal and any other required documents should be sent or delivered by each stockholder of the Company or such stockholder's broker, dealer, commercial bank, trust company or other nominee to the Depository at its address set forth below (photocopied forms with original signatures may be used to tender Shares, facsimile signatures will not be accepted).

The Depository for the Offer is:

Computershare

By registered, certified, express or first class mail:

Computershare Trust Company, N.A.
c/o Voluntary Corporate Actions
P.O. Box 43011
Providence, RI 02940-3011

By overnight courier:

Computershare Trust Company, N.A.
c/o Voluntary Corporate Actions
250 Royall Street Suite V
Canton, MA 02021

DELIVERY OF THIS LETTER OF TRANSMITTAL TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE WILL NOT CONSTITUTE A VALID DELIVERY TO THE DEPOSITARY.

If you have any questions regarding the Offer, please contact the Dealer Manager (institutional stockholders) or the Information Agent (retail stockholders) at the telephone numbers and addresses set forth below. Additional copies of the Offer to Purchase, this Letter of Transmittal and the Notice of Guaranteed Delivery may be obtained from the Information Agent, which may be contacted at the address and telephone number set forth below. You may also contact your bank, broker, dealer, trust company or other nominee for assistance concerning the Offer.

The Dealer Manager for the Offer is:

Wells Fargo Securities, LLC

375 Park Avenue
New York, NY 10152
Call: (212) 214-6400
Call Toll Free: (877) 450-7515

The Information Agent for the Offer is:



200 Broadacres Drive, 3rd Floor
Bloomfield, NJ 07003

Call Toll-Free: (888) 991-1291
Via Email: baringsbdc@allianceadvisors.com

NOTICE OF GUARANTEED DELIVERY

(Not to be used for Signature Guarantee)
for
Tender of Shares of Common Stock
of

Barings BDC, Inc.

THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON SEPTEMBER 6, 2018, UNLESS THE OFFER IS EXTENDED OR WITHDRAWN (SUCH DATE AND TIME, AS THEY MAY BE EXTENDED, THE "EXPIRATION TIME").

As set forth in Section 3 of the Offer to Purchase (as defined below), this form must be used to accept the Offer (as defined below), if (i) the procedures for book-entry transfer described in the Offer to Purchase and the Letter of Transmittal (as defined below) cannot be completed on a timely basis or (ii) time will not permit all required documents, including a properly completed and duly executed Letter of Transmittal, to reach the Depository prior to the Expiration Time.

This form, signed and properly completed, may be delivered by mail or overnight courier to Computershare Trust Company, N.A., the depository for the Offer (the "**Depository**"). See Section 3 of the Offer to Purchase. All capitalized terms used and not defined herein shall have the same meanings as in the Offer to Purchase.

The Depository for the Offer is:

Computershare

By registered, certified, express or first class mail:

Computershare Trust Company, N.A.
c/o Voluntary Corporate Actions
P.O. Box 43011
Providence, RI 02940-3011

By overnight courier:

Computershare Trust Company, N.A.
c/o Voluntary Corporate Actions
250 Royall Street Suite V
Canton, MA 02021

Email (for Notices of Guaranteed Delivery only): canoticeofguarantee@computershare.com

Documents sent to the above email address should not be password-protected. Password-protected documents will not be accepted in the Offer.

DELIVERY OF THIS NOTICE OF GUARANTEED DELIVERY TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE WILL NOT CONSTITUTE A VALID DELIVERY.

For this Notice of Guaranteed Delivery to be validly delivered, it must be received by the Depository at the above address prior to the Expiration Time. Deliveries to the Company, to Wells Fargo Securities, LLC, the exclusive dealer manager for the Offer, Alliance Advisors, LLC, the information agent for the Offer, the book-entry transfer facility (as described in the Offer to Purchase) or any other person will not be forwarded to the Depository and therefore will not constitute valid delivery. Deliveries to The Depository Trust Company will not constitute valid delivery to the Depository.

This Notice of Guaranteed Delivery is not to be used to guarantee signatures. If a signature on the Letter of Transmittal is required to be guaranteed by an Eligible Institution under the instructions in the Letter of Transmittal, the signature guarantee must appear in the applicable space provided in the signature box on the Letter of Transmittal.

Ladies and Gentlemen:

The undersigned hereby tenders to Barings BDC, Inc., an externally managed, non-diversified, closed-end management investment company incorporated in Maryland that has elected to be regulated as a business development company under the Investment Company Act of 1940, as amended (the "**Company**"), at the price(s) per share of the Company's shares of common stock, par value \$0.001 per share (the "**Shares**"), indicated in this Notice of Guaranteed Delivery, net to the seller in cash, less any applicable withholding taxes and without interest, on the terms and subject to the conditions set forth in the Offer to Purchase, dated August 7, 2018 (the "**Offer to Purchase**"), and the related Letter of Transmittal (the "**Letter of Transmittal**," which, together with the Offer to Purchase, as each may be amended or supplemented from time to time, constitute the "**Offer**"), receipt of which is hereby acknowledged, the number of Shares set forth below, all pursuant to the guaranteed delivery procedures set forth in Section 3 of the Offer to Purchase.

NUMBER OF SHARES BEING TENDERED HEREBY: SHARES

CHECK ONLY ONE BOX. IF MORE THAN ONE BOX IS CHECKED, OR IF NO BOX IS CHECKED, THERE IS NO VALID TENDER OF SHARES.

(1) SHARES TENDERED AT PRICE DETERMINED BY STOCKHOLDER (SEE INSTRUCTION 5)

By checking ONE of the following boxes below INSTEAD OF THE BOX UNDER "SHARES TENDERED AT PRICE DETERMINED PURSUANT TO THE OFFER," the undersigned tenders Shares at the price checked. This action could result in none of the Shares tendered hereby being purchased if the Purchase Price determined by the Company in accordance with the terms of the offer is less than the price checked below. **A STOCKHOLDER WHO DESIRES TO TENDER DIFFERENT SHARES AT DIFFERENT PRICES MUST COMPLETE A SEPARATE LETTER OF TRANSMITTAL FOR EACH TENDER.** The same Shares cannot be tendered at more than one price, unless previously properly withdrawn as provided in Section 4 of the Offer to Purchase.

PRICE (IN DOLLARS) PER SHARE AT WHICH SHARES ARE BEING TENDERED

<input type="checkbox"/> \$10.20	<input type="checkbox"/> \$10.32	<input type="checkbox"/> \$10.42	<input type="checkbox"/> \$10.52	<input type="checkbox"/> \$10.62	<input type="checkbox"/> \$10.72	<input type="checkbox"/> \$10.82	<input type="checkbox"/> \$10.92
<input type="checkbox"/> \$11.02	<input type="checkbox"/> \$11.12	<input type="checkbox"/> \$11.22	<input type="checkbox"/> \$11.32	<input type="checkbox"/> \$11.42	<input type="checkbox"/> \$11.52	<input type="checkbox"/> \$11.62	<input type="checkbox"/> \$11.72

-OR-

(2) SHARES TENDERED AT PRICE DETERMINED PURSUANT TO THE OFFER (SEE INSTRUCTION 5)

By checking the box below INSTEAD OF ONE OF THE BOXES UNDER "SHARES TENDERED AT PRICE DETERMINED BY STOCKHOLDER," the undersigned tenders Shares at the Purchase Price, as shall be determined by the Company in accordance with the terms of the Offer. For purposes of determining the Purchase Price, those Shares that are tendered by the undersigned agreeing to accept the Purchase Price determined in the Offer will be deemed to be tendered at the minimum price of \$10.20 per Share.

- The undersigned wants to maximize the chance of having the Company purchase Shares the undersigned is tendering (subject to the proration and priority provisions of the Offer). Accordingly, by checking this box instead of one of the price boxes above, the undersigned hereby tenders Shares at, and is willing to accept, the Purchase Price determined by the Company in accordance with the terms of the Offer. **THE UNDERSIGNED UNDERSTANDS THAT THIS ELECTION MAY LOWER THE PURCHASE PRICE PAID FOR SHARES IN THE OFFER AND COULD RESULT IN THE TENDERED SHARES BEING PURCHASED AT THE MINIMUM PRICE OF \$10.20 PER SHARE.**

CHECK ONLY ONE BOX UNDER (1) OR (2) ABOVE. IF MORE THAN ONE BOX IS CHECKED ABOVE, OR IF NO BOX IS CHECKED, THERE IS NO VALID TENDER OF SHARES.

**NOTE: SIGNATURES MUST BE PROVIDED BELOW
PLEASE READ THE ACCOMPANYING INSTRUCTIONS CAREFULLY**

**ODD LOTS
(See Instruction 6)**

To be completed only if Shares are being tendered by or on behalf of a person owning, beneficially or of record, an aggregate of fewer than 100 Shares. The undersigned:

is the beneficial or record owner of an aggregate of fewer than 100 Shares, all of which are being tendered.

**CONDITIONAL TENDER
(See Instruction 14)**

A tendering stockholder may condition his, her or its tender of Shares upon the Company purchasing a specified minimum number of the Shares tendered, all as described in Section 6 of the Offer to Purchase. Unless at least the minimum number of Shares that you indicate below is purchased by the Company pursuant to the terms of the Offer, none of the Shares tendered will be purchased. It is the tendering stockholder's responsibility to calculate the minimum number of Shares that must be purchased if any are purchased, and each stockholder is urged to consult his, her or its own tax advisor. Unless this box has been checked and a minimum specified, your tender will be deemed unconditional.

The minimum number of Shares that must be purchased, if any are purchased, is: _____ Shares.

If, because of proration, the minimum number of Shares designated will not be purchased, the Company may accept conditional tenders by random lot, if necessary. However, to be eligible for purchase by random lot, the tendering stockholder must have tendered all of his, her or its Shares and checked the box below:

The tendered Shares represent all Shares held by the undersigned.

Certificate Nos. (if available):

If Shares will be tendered by book-entry transfer:

Name of Tendering Institution: _____

Account No.: _____

SIGN HERE

Signature(s)

Dated: _____, 2018

Please type or print:

(Name(s) of Stockholders)

(Address(es))

(Zip Code(s))

(Area Code(s) and Telephone No(s).)

(Taxpayer ID No(s). or Social Security No(s).)

GUARANTEE

(NOT TO BE USED FOR SIGNATURE GUARANTEE)

The undersigned, a firm that is a member in good standing of a recognized Medallion Program approved by the Securities Transfer Association, Inc., including the Securities Transfer Agents Medallion Program, the New York Stock Exchange, Inc. Medallion Signature Program, the Stock Exchange Medallion Program, or an "eligible guarantor institution," as the term is defined in Rule 17Ad-15 promulgated under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), hereby guarantees that (1) the above named person(s) "own(s)" the Shares tendered hereby within the meaning of Rule 14e-4 promulgated under the Exchange Act, (2) such tender of Shares complies with Rule 14e-4 promulgated under the Exchange Act and (3) it will deliver to the Depository confirmation of book-entry transfer of such Shares into the Depository's account at The Depository Trust Company ("**DTC**"), in any such case, together with a properly completed and duly executed Letter of Transmittal, or an originally signed photocopy of the Letter of Transmittal, or an Agent's Message, and any required signature guarantees and other documents required by the Letter of Transmittal, within two business days (as defined in the Offer to Purchase) after the date of receipt by the Depository of this Notice of Guaranteed Delivery. Participants should notify the Depository prior to covering through the submission of a physical security directly to the Depository based on a guaranteed delivery that was submitted via the PTO platform of The Depository Trust Company.

The eligible guarantor institution that completes this form must communicate the guarantee to the Depository and must deliver the Letter of Transmittal to the Depository within the time period stated herein. Failure to do so could result in financial loss to such eligible guarantor institution.

Name of Firm: _____
Authorized Signature: _____
Name: _____
(Please Type or Print)
Title: _____
Address: _____
Zip Code: _____
Area Code and Telephone Number: _____
Dated: _____, 2018

Offer to Purchase for Cash for an Aggregate Purchase Price of Not More Than 50,000,000

Barings BDC, Inc.

of its Shares of Common Stock at a Purchase Price
Not Greater Than \$11.72 or Less Than \$10.20 Per Share

THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON SEPTEMBER 6, 2018, UNLESS THE OFFER IS EXTENDED OR WITHDRAWN (SUCH DATE AND TIME, AS THEY MAY BE EXTENDED, THE "EXPIRATION TIME").

August 7, 2018

To Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees:

On August 7, 2018, Barings BDC, Inc., an externally managed, non-diversified, closed-end management investment company incorporated in Maryland that has elected to be regulated as a business development company under the Investment Company Act of 1940, as amended (the "**Company**"), is offering to purchase for cash, for an aggregate purchase price of not more than \$50,000,000, shares of common stock, par value \$0.001 per share (the "**Shares**"), at a price specified by the tendering stockholders of not greater than \$11.72 or less than \$10.20 per Share, net to the seller in cash, less any applicable withholding taxes and without interest, on the terms and subject to the conditions described in the Offer to Purchase, dated August 7, 2018 (the "**Offer to Purchase**"), and the related Letter of Transmittal (the "**Letter of Transmittal**," which, together with the Offer to Purchase, as each may be amended or supplemented from time to time, constitute the "**Offer**"). As of August 2, 2018, the net asset value per Share was estimated to be \$11.72. We have been appointed by the Company to act as the exclusive dealer manager in connection with the Offer. Please furnish copies of the enclosed materials to those of your clients for whom you hold Shares registered in your name or in the name of your nominee.

Upon the terms and subject to the conditions of this Offer to Purchase, including the provisions relating to "odd lot" priority, proration and conditional tenders described in this Offer to Purchase, we will determine a single price per Share (the "**Purchase Price**"), which will be not more than \$11.72 and not less than \$10.20 per Share, that we will pay for Shares properly tendered in the Offer and not properly withdrawn, and accepted for purchase, taking into account the number of Shares tendered pursuant to the Offer and the prices specified by the tendering stockholders. The Purchase Price will be the lowest price per Share (in increments of \$0.10, except for the first increment above the minimum purchase price, which is \$0.12) of not more than \$11.72 and not less than \$10.20 per Share, at which Shares have been properly tendered or have been deemed to be tendered in the Offer, that will enable us to purchase the maximum number of Shares properly tendered in the Offer and not properly withdrawn having an aggregate purchase price of up to \$50,000,000 or such lesser number if less than \$50,000,000 in value of Shares are properly tendered in the Offer after giving effect to any Shares properly withdrawn. No fractional Shares will be purchased in the Offer.

All Shares purchased in the Offer will be purchased at the same Purchase Price regardless of whether any stockholder tendered at a lower price. However, because of the proration provisions described in the Offer to Purchase, all of the Shares properly tendered and not properly withdrawn at or below the Purchase Price may not be purchased if those Shares have an aggregate purchase price in excess of \$50,000,000.

Only Shares properly tendered at prices at or below the Purchase Price, and not properly withdrawn, will be eligible to be purchased, on the terms and subject to the conditions of the Offer, including the proration and "odd lot" priority provisions. We will not purchase Shares tendered at prices greater than the Purchase Price or Shares that we do not accept for purchase under the terms of the Offer because of the Offer's proration and priority provisions. Shares tendered but not purchased pursuant to the Offer will be returned promptly following the Expiration Time. See Sections 3 and 4 of the Offer to Purchase.

For your information, and for forwarding to those of your clients for whom you hold Shares registered in your name or in the name of your nominee, we are enclosing the following documents:

1. Offer to Purchase, dated August 7, 2018;
2. Letter of Transmittal and the IRS Form W-9 for your use in accepting the Offer and tendering Shares of, and for the information of, your clients (photocopied forms with original signatures may be used to tender Shares, facsimile signatures will not be accepted);
3. Letter to Clients, for you to send to your clients for whose accounts you hold Shares registered in your name or in the name of a nominee, with an Instruction Form provided for obtaining such clients' instructions with regard to the Offer;

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4. Notice of Guaranteed Delivery with respect to Shares, to be used to accept the Offer if the procedures for book-entry transfer cannot be completed on a timely basis or if time will not permit all required documents, including a properly completed and duly executed Letter of Transmittal, to reach the Depository (as defined in the Offer to Purchase) prior to the Expiration Time; and
 5. Return envelope addressed to the Depository.

The conditions of the Offer are described in Section 7 of the Offer to Purchase.

Your prompt action is requested. We urge you to contact your clients as promptly as possible. Please note that the Offer and withdrawal rights will expire at 5:00 p.m., New York City time, on September 6, 2018, unless the Offer is extended or withdrawn. Under no circumstances will the Company pay interest on the Purchase Price (as such term is defined in the Offer to Purchase), even if there is any delay in making payment.

For Shares to be tendered properly pursuant to the Offer:

- a book-entry confirmation of the deposit of the Shares into the Depository's account at The Depository Trust Company ("**DTC**") if Shares are tendered through DTC's Automatic Tender Offer Program system, a properly completed and duly executed Letter of Transmittal (or originally signed photocopy of the Letter of Transmittal (facsimile signatures will not be accepted) including any required signature guarantees, or an Agent's Message (as defined in the Offer to Purchase), and any other documents required by the Letter of Transmittal, must be received prior to the Expiration Time by the Depository at its address set forth on the back cover page of the Offer to Purchase; or
- the tendering stockholder must, prior to the Expiration Time, comply with the guaranteed delivery procedures set forth in the Offer to Purchase.

Although the Company's Board of Directors has authorized the Offer, none of the Company, any member of the Company's Board of Directors, the Advisor, the Dealer Manager, the Depository, the Information Agent (each as defined in the Offer to Purchase) or any of their respective affiliates has made, or is making, any recommendation to your clients as to whether they should tender or refrain from tendering their Shares or as to the price or prices at which they may choose to tender their Shares. Your clients must make their own decisions as to whether to tender their Shares, how many Shares to tender and the price or prices at which their Shares should be tendered. In doing so, your clients should read carefully the information in, or incorporated by reference in, the Offer to Purchase and the Letter of Transmittal including the purposes and effects of the Offer. See Section 2 of the Offer to Purchase. Your clients are urged to discuss their decisions with their tax advisors, financial advisors and/or brokers.

The Company will not pay any fees or commissions to brokers, dealers or other persons (other than fees to the Dealer Manager, the Depository and the Information Agent, as described in the Offer to Purchase) for soliciting tenders of Shares pursuant to the Offer. However, the Company will, on request, reimburse you for customary mailing and handling expenses incurred by you in forwarding copies of the enclosed Offer and related materials to your clients. The Company will pay or cause to be paid all stock transfer taxes, if any, on its purchase of Shares pursuant to the Offer, except as otherwise provided in the Offer to Purchase (see Section 5 of the Offer to Purchase).

If you have any questions regarding the Offer, please contact the Dealer Manager (institutional stockholders) or the Information Agent (retail stockholders), each at the telephone numbers and addresses set forth below. If you require additional copies of the Offer to Purchase, the Letter of Transmittal or the other documents related to the Offer, please contact the Information Agent at the telephone numbers and address set forth below.

The Depository for the Offer is:

Computershare

By registered, certified, express or first class mail:

Computershare Trust Company, N.A.
c/o Voluntary Corporate Actions
P.O. Box 43011
Providence, RI 02940-3011

By overnight courier:

Computershare Trust Company, N.A.
c/o Voluntary Corporate Actions
250 Royall Street, Suite V
Canton, MA 02021

Email (for Notices of Guaranteed Delivery only): canoticeofguarantee@computershare.com

DELIVERY OF THE LETTER OF TRANSMITTAL TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE WILL NOT CONSTITUTE A VALID DELIVERY TO THE DEPOSITARY.

If you have any questions regarding the Offer, please contact the Dealer Manager at the address or telephone number set forth below (institutional stockholders) or the Information Agent at the address or telephone number set forth below (retail stockholders). If you require additional copies of this Offer to Purchase, the Letter of Transmittal or the other documents related to the Offer, please contact the Information Agent at the address and telephone number set forth below. The Information Agent will promptly furnish to stockholders additional copies of these materials at the Company's expense. You may also contact your broker, dealer, commercial bank, trust company or other nominee for assistance concerning the Offer.

The Dealer Manager for the Offer is:

Wells Fargo Securities, LLC

375 Park Avenue
New York, NY 10152
Call: (212) 214-6400
Call Toll Free: (877) 450-7515

The Information Agent for the Offer is:



200 Broadacres Drive, 3rd Floor
Bloomfield, NJ 07003

Call Toll-Free: (888) 991-1291

Via Email: baringsbdc@allianceadvisors.com

Very truly yours,

Wells Fargo Securities, LLC

Nothing contained in this letter or in the enclosed documents shall render you or any other person the agent of the Company, the Advisor, the Dealer Manager, the Depository, the Information Agent or any affiliate of any of them or authorize you or any other person to give any information or use any document or make any statement on behalf of any of them with respect to the Offer other than the enclosed documents and the statements contained therein.

Offer to Purchase for Cash for an Aggregate Purchase Price of Not More Than \$50,000,000 by

Barings BDC, Inc.

of its Shares of Common Stock at a Purchase Price
Not Greater Than \$11.72 or Less Than \$10.20 Per Share

THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON SEPTEMBER 6, 2018, UNLESS THE OFFER IS EXTENDED OR WITHDRAWN (SUCH DATE AND TIME, AS THEY MAY BE EXTENDED, THE "EXPIRATION TIME").

August 7, 2018

To Our Clients:

Enclosed for your consideration are the Offer to Purchase, dated August 7, 2018 (the "**Offer to Purchase**"), and the related Letter of Transmittal (the "**Letter of Transmittal**," which, together with the Offer to Purchase, as each may be amended or supplemented from time to time, constitute the "**Offer**") in connection with the offer by Barings BDC, Inc., an externally managed, non-diversified, closed-end management investment company incorporated in Maryland that has elected to be regulated as a business development company under the Investment Company Act of 1940, as amended (the "**Company**"), to purchase for cash up to \$50,000,000 of its shares of common stock, par value \$0.001 per share (the "**Shares**"), at a price specified by the tendering stockholders of not greater than \$11.72 or less than \$10.20 per Share, net to the seller in cash, less any applicable withholding taxes and without interest. As of August 2, 2018, the net asset value per Share was estimated to be \$11.72.

We are the holder of record of Shares held for your benefit and account. As such, we are the only ones who can tender your Shares pursuant to your instructions. **The Letter of Transmittal and the other Offer materials are furnished to you for your information only and cannot be used by you to tender Shares held by us for your account.**

The Company will determine the single per Share purchase price (the "**Purchase Price**") within the specified range that will allow it to purchase a number of Shares having an aggregate purchase price of \$50,000,000, or a lower amount depending on the number of Shares properly tendered and not properly withdrawn pursuant to the Offer. All Shares acquired in the Offer will be acquired at the same Purchase Price regardless of whether the stockholder tendered at a lower price, and the Company will only purchase Shares tendered at prices equal to or below the Purchase Price. As described in the Offer to Purchase, if the conditions of the Offer have been satisfied or waived and Shares having an aggregate purchase price of less than \$50,000,000 are properly tendered and not properly withdrawn prior to the Expiration Time, the Company will buy all Shares properly tendered Shares that are not withdrawn.

If the conditions to the Offer have been satisfied or waived and Shares having an aggregate purchase price in excess of \$50,000,000, measured at the maximum price at which such Shares were validly tendered, have been properly tendered and not properly withdrawn prior to the Expiration Time, the Company will purchase Shares:

- first, from all stockholders of "odd lots" (persons who own fewer than 100 Shares) who properly tender all of their Shares at or below the Purchase Price and do not properly withdraw them prior to the Expiration Time;
- second, subject to the conditional tender provisions described in Section 6 of the Offer to Purchase, on a pro rata basis from all other stockholders who properly tender Shares at or below the Purchase Price and do not properly withdraw them before the expiration of the Offer; and
- third, if necessary to permit us to purchase Shares having an aggregate purchase price of \$50,000,000 (or such greater amount as we may elect to purchase, subject to applicable law), from holders who have tendered Shares at or below the Purchase Price conditionally (for which the condition was not initially satisfied) by random lot, to the extent feasible. To be eligible for purchase by random lot, holders whose Shares are conditionally tendered must have properly tendered all of their Shares and not properly withdrawn them prior to the Expiration Time. See Sections 4 and 6 of the Offer to Purchase.

Shares tendered and not purchased because they were tendered at a price greater than the Purchase Price or because of proration or conditional tenders will be returned, at the Company's expense, to the stockholders who tendered such Shares promptly after the Expiration Time. The Company also expressly reserves the right, in its sole discretion, to purchase additional Shares subject to applicable legal and regulatory requirements. See Section 1 of the Offer to Purchase.

Please instruct us, by completing the attached Instruction Form, as to whether you wish us to tender all or any portion of the Shares we hold for your account on the terms and subject to the conditions of the Offer.

Please note the following:

1. The Offer expires at 5:00 p.m., New York City time, on September 6, 2018 unless the Offer is extended or withdrawn by the Company.
2. The Offer is not conditioned upon any minimum number of Shares being tendered. The Offer is, however, subject to certain conditions set forth in the Offer to Purchase. See Section 7 of the Offer to Purchase.
3. The Offer is for Shares with an aggregate purchase price of up to \$50,000,000. Assuming the Offer is fully subscribed at the minimum Purchase Price of \$10.20 per Share, the number of Shares that we could purchase pursuant to the Offer is approximately 4,901,960, which would represent approximately 8.7% of the issued and outstanding Shares as of August 6, 2018. Assuming the Offer is fully subscribed at the maximum Purchase Price of \$11.72 per Share, the number of Shares that we could purchase pursuant to the Offer is approximately 4,266,211, which would represent approximately 7.6% of the issued and outstanding Shares as of August 6, 2018.
4. Tendering stockholders who are registered stockholders or who tender their Shares directly to Computershare Trust Company, N.A., the Depositary, will not be obligated to pay any brokerage commissions or fees to the Company, solicitation fees or, except as set forth in the Offer to Purchase and the related Letter of Transmittal, stock transfer taxes on the Company's purchase of Shares pursuant to the Offer.
5. If you hold beneficially or of record an aggregate of fewer than 100 Shares, and you instruct us to tender on your behalf all such Shares before the Expiration Time at or below the Purchase Price and check the box captioned "Odd Lots" on the attached Instruction Form, the Company will accept all such Shares for purchase before proration, if any, of the purchase of other Shares properly tendered at or below the Purchase Price and not properly withdrawn pursuant to the Offer.
6. If you wish to condition your tender upon the purchase of all Shares tendered or upon the Company's purchase of a specified minimum number of the Shares which you tender, you may elect to do so and thereby avoid possible proration of your tender. To elect such a condition, complete the section captioned "Conditional Tender" in the attached Instruction Form.

If you wish to have us tender all or any portion of your Shares, please so instruct us by completing, executing, detaching and returning to us the attached Instruction Form. An envelope to return your Instruction Form to us is enclosed.

Your prompt action is requested. Your Instruction Form should be forwarded to us in ample time to permit us to submit a tender on your behalf prior to the Expiration Time. Please note that the Offer and withdrawal rights will expire at 5:00 p.m., New York City time, on September 6, 2018, unless the Offer is extended or withdrawn.

The Offer is being made solely pursuant to the Offer to Purchase and the Letter of Transmittal and is being made to all holders of the Shares. The Company is not aware of any jurisdiction where the making of the Offer is prohibited by any administrative or judicial action pursuant to any valid state statute. If the Company becomes aware of any valid state statute prohibiting the making of the Offer or the acceptance of the Shares, the Company will make a good faith effort to comply with that state statute or seek to have such statute declared inapplicable to the Offer. If, after a good faith effort, the Company cannot comply with the state statute, the Company will not make the Offer to, nor will the Company accept tenders from or on behalf of, the holders of Shares in that state. In any jurisdiction where the securities, blue sky or other laws require the Offer to be made by a licensed broker or dealer, the Offer shall be deemed to be made on the Company's behalf by the Dealer Manager (as described in Section 17 of the Offer to Purchase) or by one or more registered brokers or dealers licensed under the laws of that jurisdiction.

ALTHOUGH THE COMPANY'S BOARD OF DIRECTORS HAS AUTHORIZED THE OFFER, NONE OF THE COMPANY, ANY MEMBER OF THE COMPANY'S BOARD OF DIRECTORS, THE ADVISOR, THE DEALER MANAGER, THE DEPOSITARY, THE INFORMATION AGENT (EACH AS DEFINED IN THE OFFER TO PURCHASE), OR ANY OF THEIR RESPECTIVE AFFILIATES HAS MADE, OR IS MAKING, ANY RECOMMENDATION TO YOU AS TO WHETHER TO TENDER OR REFRAIN FROM TENDERING YOUR SHARES OR AS TO THE PRICE OR PRICES AT WHICH YOU MAY CHOOSE TO TENDER YOUR SHARES. YOU MUST MAKE YOUR OWN DECISION AS TO WHETHER TO TENDER YOUR SHARES AND, IF SO, HOW MANY SHARES TO TENDER AND THE PRICE OR PRICES AT WHICH YOU WILL TENDER THEM. IN DOING SO, YOU SHOULD READ CAREFULLY THE INFORMATION INCLUDED OR INCORPORATED BY REFERENCE IN THE OFFER TO PURCHASE AND THE LETTER OF TRANSMITTAL, INCLUDING THE PURPOSES AND EFFECTS OF THE OFFER. YOU ARE URGED TO DISCUSS YOUR DECISION WITH YOUR TAX ADVISOR, FINANCIAL ADVISOR AND/OR BROKER.

Enclosures

**INSTRUCTION FORM WITH RESPECT TO
Offer to Purchase for Cash
For an Aggregate Purchase Price of Not More Than \$50,000,000
by**

Barings BDC, Inc.

of

**its Shares of Common Stock
at a Purchase Price Not Greater Than \$11.72
or Less Than \$10.20 Per Share**

The undersigned acknowledge(s) receipt of your letter and the enclosed Offer to Purchase, dated August 7, 2018 (the "**Offer to Purchase**"), and the related Letter of Transmittal (the "**Letter of Transmittal**," which, together with the Offer to Purchase, as each may be amended or supplemented from time to time, constitute the "**Offer**"), by Barings BDC, Inc., an externally managed, non-diversified, closed-end management investment company incorporated in Maryland that has elected to be regulated as a business development company under the Investment Company Act of 1940, as amended (the "**Company**"), to purchase for cash for an aggregate purchase price of not more than \$50,000,000 in the Company's shares of Common Stock, par value \$0.001 per share (the "**Shares**"), at a price specified by the tendering stockholders of not greater than \$11.72 or less than \$10.20 per Share, net to the seller in cash, less any applicable withholding taxes and without interest, upon the terms and subject to the conditions described in the Offer to Purchase and the Letter of Transmittal.

The undersigned hereby instruct(s) you to tender to the Company the number of Shares indicated below or, if no number is indicated, all Shares you hold for the account of the undersigned, on the terms and subject to the conditions of the Offer.

NUMBER OF SHARES BEING TENDERED HEREBY: _____ SHARES*

* Unless otherwise indicated, it will be assumed that all Shares held by us for your account are to be tendered.

CHECK ONLY ONE BOX. IF MORE THAN ONE BOX IS CHECKED, OR IF NO BOX IS CHECKED, THERE IS NO VALID TENDER OF SHARES.

(1) SHARES TENDERED AT PRICE DETERMINED BY STOCKHOLDER (SEE INSTRUCTION 5)

By checking ONE of the following boxes below INSTEAD OF THE BOX UNDER "SHARES TENDERED AT PRICE DETERMINED PURSUANT TO THE OFFER," the undersigned tenders Shares at the price checked. This action could result in none of the Shares tendered hereby being purchased if the Purchase Price determined by the Company in accordance with the terms of the offer is less than the price checked below. **A STOCKHOLDER WHO DESIRES TO TENDER DIFFERENT SHARES AT DIFFERENT PRICES MUST COMPLETE A SEPARATE LETTER OF TRANSMITTAL FOR EACH TENDER.** The same Shares cannot be tendered at more than one price, unless previously properly withdrawn as provided in Section 4 of the Offer to Purchase.

PRICE (IN DOLLARS) PER SHARE AT WHICH SHARES ARE BEING TENDERED

<input type="checkbox"/> \$10.20	<input type="checkbox"/> \$10.32	<input type="checkbox"/> \$10.42	<input type="checkbox"/> \$10.52	<input type="checkbox"/> \$10.62	<input type="checkbox"/> \$10.72	<input type="checkbox"/> \$10.82	<input type="checkbox"/> \$10.92
<input type="checkbox"/> \$11.02	<input type="checkbox"/> \$11.12	<input type="checkbox"/> \$11.22	<input type="checkbox"/> \$11.32	<input type="checkbox"/> \$11.42	<input type="checkbox"/> \$11.52	<input type="checkbox"/> \$11.62	<input type="checkbox"/> \$11.72

-OR-

(2) SHARES TENDERED AT PRICE DETERMINED PURSUANT TO THE OFFER (SEE INSTRUCTION 5)

By checking the box below INSTEAD OF ONE OF THE BOXES UNDER "SHARES TENDERED AT PRICE DETERMINED BY STOCKHOLDER," the undersigned tenders Shares at the Purchase Price, as shall be determined by the Company in accordance with the terms of the Offer. For purposes of determining the Purchase Price, those Shares that are tendered by the undersigned agreeing to accept the Purchase Price determined in the Offer will be deemed to be tendered at the minimum price of \$10.20 per Share.

- The undersigned wants to maximize the chance of having the Company purchase Shares the undersigned is tendering (subject to the proration and priority provisions of the Offer). Accordingly, by checking this box instead of one of the price boxes above, the undersigned hereby tenders Shares at, and is willing to accept, the Purchase Price determined by the Company in accordance with the terms of the Offer. **THE UNDERSIGNED UNDERSTANDS THAT THIS ELECTION MAY LOWER THE PURCHASE PRICE PAID FOR SHARES IN THE OFFER AND COULD RESULT IN THE TENDERED SHARES BEING PURCHASED AT THE MINIMUM PRICE OF \$10.20 PER SHARE.**

CHECK ONLY ONE BOX UNDER (1) OR (2) ABOVE. IF MORE THAN ONE BOX IS CHECKED ABOVE, OR IF NO BOX IS CHECKED, THERE IS NO VALID TENDER OF SHARES.

NOTE: SIGNATURES MUST BE PROVIDED BELOW PLEASE READ THE ACCOMPANYING INSTRUCTIONS CAREFULLY

ODD LOTS (See Instruction 6)

To be completed only if Shares are being tendered by or on behalf of a person owning, beneficially or of record, an aggregate of fewer than 100 Shares. The undersigned:

- is the beneficial or record owner of an aggregate of fewer than 100 Shares, all of which are being tendered.

**CONDITIONAL TENDER
(See Instruction 14)**

A tendering stockholder may condition his, her or its tender of Shares upon the Company purchasing a specified minimum number of the Shares tendered, all as described in Section 6 of the Offer to Purchase. Unless at least the minimum number of Shares that you indicate below is purchased by the Company pursuant to the terms of the Offer, none of the Shares tendered will be purchased. It is the tendering stockholder's responsibility to calculate the minimum number of Shares that must be purchased if any are purchased, and each stockholder is urged to consult his, her or its own tax advisor. Unless this box has been checked and a minimum specified, your tender will be deemed unconditional.

- The minimum number of Shares that must be purchased, if any are purchased, is: _____ Shares.
If, because of proration, the minimum number of Shares designated will not be purchased, the Company may accept conditional tenders by random lot, if necessary. However, to be eligible for purchase by random lot, the tendering stockholder must have tendered all of his, her or its Shares and checked the box below:
- The tendered Shares represent all Shares held by the undersigned.

THE METHOD OF DELIVERY OF THIS DOCUMENT IS AT THE ELECTION AND RISK OF THE TENDERING STOCKHOLDER. IF DELIVERY IS BY MAIL, THEN REGISTERED MAIL WITH RETURN RECEIPT REQUESTED, PROPERLY INSURED, IS RECOMMENDED. IN ALL CASES, SUFFICIENT TIME SHOULD BE ALLOWED TO ENSURE TIMELY DELIVERY.

SIGN HERE

Signature(s)

Dated: _____, 2018

Please type or print:

(Name(s) of Stockholders)

(Address(es))

(Zip Code(s))

(Area Code(s) and Telephone No(s).)

(Taxpayer ID No(s). or Social Security No(s).)

**NOTICE OF WITHDRAWAL OF TENDER FOR INDIVIDUAL INVESTORS
(but not for Brokers, Dealers, Banks, Trust Companies and other Nominees
and DTC Participants)**

**Regarding Shares of Common Stock of
BARINGS BDC, INC.
Tendered Pursuant to the Offer to Purchase
Dated August 7, 2018**

The Offer and Withdrawal Rights will expire and this Notice of Withdrawal must be received, either by overnight courier or mail by 5:00 p.m., New York City time, on September 6, 2018, unless the Offer is extended or withdrawn.

Pursuant to the Offer to Purchase, dated August 7, 2018 (the "**Offer to Purchase**"), and the related Letter of Transmittal (the "**Letter of Transmittal**," which, together with the Offer to Purchase, as each may be amended or supplemented from time to time, constitute the "**Offer**"), Barings BDC, Inc., an externally managed, non-diversified, closed-end management investment company incorporated in Maryland that has elected to be regulated as a business development company under the Investment Company Act of 1940, as amended (the "**Company**"), offered to purchase for cash for an aggregate purchase price of not more than \$50,000,000 in shares of common stock, par value \$0.001 per share (the "**Shares**"), at a price not greater than \$11.72 nor less than \$10.20 per Share, net to the seller in cash, less any applicable withholding taxes and without interest, on the terms and subject to the conditions described in the Offer. All capitalized terms used but not defined herein shall have the respective meanings ascribed to them in the Offer.

This Notice of Withdrawal is to be completed if your Shares are registered in your name (i.e., if you are an individual who is the record and beneficial owner of your Shares) and you have previously properly tendered your Shares by delivering a completed and executed Letter of Transmittal to the Depository and now wish to withdraw your tender. You should not use this form if you have tendered Shares through The Depository Trust Company's Automated Tender Offer Program transfer procedures described Section 3 of the Offer to Purchase.

COMPLETE THIS NOTICE OF WITHDRAWAL AND RETURN BY MAIL OR OVERNIGHT COURIER TO THE FOLLOWING ADDRESS:

Computershare

By registered, certified, express or first class mail:

Computershare Trust Company, N.A.
c/o Voluntary Corporate Actions
P.O. Box 43011
Providence, RI 02940-3011

By overnight courier:

Computershare Trust Company, N.A.
c/o Voluntary Corporate Actions
250 Royall Street Suite V
Canton, MA 02021

YOU ARE RESPONSIBLE FOR CONFIRMING THAT THIS NOTICE OF WITHDRAWAL IS RECEIVED BY THE DEPOSITARY AT THE ADDRESS ABOVE.

Ladies and Gentlemen:

The undersigned hereby withdraws the tender of his, her or its Shares to the Company for purchase by the Company that previously was submitted by the undersigned in a Letter of Transmittal, for account number _____.

The Shares withdrawn pursuant to this Notice of Withdrawal consist of:

(1) SHARES TENDERED AT PRICE DETERMINED BY STOCKHOLDER

_____	Number of the undersigned Shares tendered at \$10.20 per Share
_____	Number of the undersigned Shares tendered at \$10.32 per Share
_____	Number of the undersigned Shares tendered at \$10.42 per Share
_____	Number of the undersigned Shares tendered at \$10.52 per Share
_____	Number of the undersigned Shares tendered at \$10.62 per Share
_____	Number of the undersigned Shares tendered at \$10.72 per Share
_____	Number of the undersigned Shares tendered at \$10.82 per Share
_____	Number of the undersigned Shares tendered at \$10.92 per Share
_____	Number of the undersigned Shares tendered at \$11.02 per Share
_____	Number of the undersigned Shares tendered at \$11.12 per Share
_____	Number of the undersigned Shares tendered at \$11.22 per Share
_____	Number of the undersigned Shares tendered at \$11.32 per Share
_____	Number of the undersigned Shares tendered at \$11.42 per Share
_____	Number of the undersigned Shares tendered at \$11.52 per Share
_____	Number of the undersigned Shares tendered at \$11.62 per Share
_____	Number of the undersigned Shares tendered at \$11.72 per Share

(2) SHARES TENDERED AT PRICE DETERMINED PURSUANT TO THE OFFER

	Shares
<p>The undersigned understands that the withdrawal of a Letter of Transmittal that has been previously delivered, effected by this Notice of Withdrawal, may not be rescinded and that such Letter of Transmittal will no longer be deemed to be validly delivered for purposes of the Offer. Shares for which a Letter of Transmittal has been withdrawn may be re-tendered only by following the procedures for validly tendering Shares set forth in the Offer to Purchase and the Letter of Transmittal.</p> <p>All authority conferred or agreed to be conferred in this Notice of Withdrawal shall not be affected by and shall survive the death or incapacity of the undersigned, and any obligations of the undersigned under this Notice of Withdrawal shall be binding upon the heirs, personal and legal representatives, trustees in bankruptcy, successors and assigns of the undersigned.</p>	
SIGNATURE(S) TO NOTICE OF WITHDRAWAL	
Authorized Signature	Date
	(mm/dd/yyyy)
Name <i>(Please print)</i>	_____
Social Security or Tax ID Number	_____
Authorized Co-Signature	Date
	(if applicable) (mm/dd/yyyy)
Name <i>(Please print)</i>	_____
Social Security or Tax ID Number	_____

NOTICE OF WITHDRAWAL OF TENDER
For Brokers, Dealers, Banks, Trust Companies and other Nominees and DTC Participants
(DO NOT USE THIS FORM IF YOU HAVE TENDERED SHARES THROUGH DTC'S ATOP SYSTEM)

Regarding Shares of Common Stock of
BARINGS BDC, INC.

Tendered Pursuant to the Offer to Purchase
Dated August 7, 2018

The Offer and Withdrawal Rights will expire and this Notice of Withdrawal must be received, either by overnight courier or mail by 5:00 p.m., New York City time, on September 6, 2018, unless the Offer is extended or withdrawn.

Pursuant to the Offer to Purchase, dated August 7, 2018 (the "**Offer to Purchase**"), and the related Letter of Transmittal (the "**Letter of Transmittal**," which, together with the Offer to Purchase, as each may be amended or supplemented from time to time, constitute the "**Offer**"), Barings BDC, Inc., an externally managed, non-diversified, closed-end management investment company incorporated in Maryland that has elected to be regulated as a business development company under the Investment Company Act of 1940, as amended (the "**Company**"), offered to purchase for cash for an aggregate purchase price of not more than \$50,000,000 in shares of common stock, par value \$0.001 per share (the "**Shares**"), at a price not greater than \$11.72 nor less than \$10.20 per Share, net to the seller in cash, less any applicable withholding taxes and without interest, on the terms and subject to the conditions described in the Offer. All capitalized terms used but not defined herein shall have the respective meanings ascribed to them in the Offer.

This Notice of Withdrawal is to be completed if you are a broker, dealer, commercial bank, trust company or other nominee acting on behalf of your client by delivering a completed and executed Letter of Transmittal to the Depository and now wish to withdraw your tender. You should not use this form if you have tendered Shares through The Depository Trust Company's ("DTC") Automated Tender Offer Program ("ATOP") transfer procedures described Section 3 of the Offer to Purchase.

COMPLETE THIS NOTICE OF WITHDRAWAL AND RETURN BY MAIL OR OVERNIGHT COURIER TO THE FOLLOWING ADDRESS:

Computershare

By registered, certified, express or first class mail:

Computershare Trust Company, N.A.
c/o Voluntary Corporate Actions
P.O. Box 43011
Providence, RI 02940-3011

By overnight courier:

Computershare Trust Company, N.A.
c/o Voluntary Corporate Actions
250 Royall Street Suite V
Canton, MA 02021

YOU ARE RESPONSIBLE FOR CONFIRMING THAT THIS NOTICE OF WITHDRAWAL IS RECEIVED BY THE DEPOSITARY AT THE ADDRESS ABOVE.

HOLDERS WHO TENDERED SHARES THROUGH DTC'S ATOP PROCEDURES AND WISH TO WITHDRAW THEIR TENDERS MUST COMPLY WITH DTC'S PROCEDURES FOR WITHDRAWAL OF TENDERS, SUFFICIENT TIME SHOULD BE ALLOWED FOR COMPLETION OF THE ATOP WITHDRAWAL PROCEDURES DURING THE NORMAL BUSINESS HOURS OF DTC.

Ladies and Gentlemen:

The undersigned hereby withdraws the tender of his, her or its Shares to the Company for purchase by the Company that previously was submitted by the undersigned in a Letter of Transmittal, for account number _____.

The Shares withdrawn pursuant to this Notice of Withdrawal consist of:

(1) SHARES TENDERED AT PRICE DETERMINED BY STOCKHOLDER

_____	Number of the undersigned Shares tendered at \$10.20 per Share
_____	Number of the undersigned Shares tendered at \$10.32 per Share
_____	Number of the undersigned Shares tendered at \$10.42 per Share
_____	Number of the undersigned Shares tendered at \$10.52 per Share
_____	Number of the undersigned Shares tendered at \$10.62 per Share
_____	Number of the undersigned Shares tendered at \$10.72 per Share
_____	Number of the undersigned Shares tendered at \$10.82 per Share
_____	Number of the undersigned Shares tendered at \$10.92 per Share
_____	Number of the undersigned Shares tendered at \$11.02 per Share
_____	Number of the undersigned Shares tendered at \$11.12 per Share
_____	Number of the undersigned Shares tendered at \$11.22 per Share
_____	Number of the undersigned Shares tendered at \$11.32 per Share
_____	Number of the undersigned Shares tendered at \$11.42 per Share
_____	Number of the undersigned Shares tendered at \$11.52 per Share
_____	Number of the undersigned Shares tendered at \$11.62 per Share
_____	Number of the undersigned Shares tendered at \$11.72 per Share

(2) SHARES TENDERED AT PRICE DETERMINED PURSUANT TO THE OFFER

_____	Shares
<p>The undersigned understands that the withdrawal of a Letter of Transmittal that has been previously delivered, effected by this Notice of Withdrawal, may not be rescinded and that such Letter of Transmittal will no longer be deemed to be validly delivered for purposes of the Offer. Shares for which a Letter of Transmittal has been withdrawn may be re-tendered only by following the procedures for validly tendering Shares set forth in the Offer to Purchase and the Letter of Transmittal.</p> <p>All authority conferred or agreed to be conferred in this Notice of Withdrawal shall not be affected by and shall survive the death or incapacity of the undersigned, and any obligations of the undersigned under this Notice of Withdrawal shall be binding upon the heirs, personal and legal representatives, trustees in bankruptcy, successors and assigns of the undersigned.</p>	
Name of Delivering Institution	_____
Address	_____
City, State, Zip	_____
Daytime Phone #	()
Facsimile #	()
Contact Person	_____
Date Delivered	_____
DTC Account Number	_____
Transaction Code Number	_____
SIGNATURE(S) TO NOTICE OF WITHDRAWAL	

Authorized Signature		Date
	(mm/dd/yyyy)	
Name (<i>Please print</i>)		
Title		
Authorized Co-Signature	(<i>if applicable</i>)	Date
	(mm/dd/yyyy)	
Name (<i>Please print</i>)		
Title		

This announcement is neither an offer to purchase nor a solicitation of an offer to sell Shares (as defined below). The Offer (as defined below) is made solely by the Offer to Purchase, dated August 7, 2018, and the related Letter of Transmittal, as they may be amended or supplemented from time to time and the information contained therein is incorporated herein by reference. The Company (as defined below) is not aware of any jurisdiction where the making of the Offer is prohibited by any administrative or judicial action pursuant to any valid state statute. If the Company becomes aware of any valid state statute prohibiting the making of the Offer or the acceptance of the Shares, the Company will make a good faith effort to comply with that state statute or seek to have such statute declared inapplicable to the Offer. If, after a good faith effort, the Company cannot comply with the state statute, the Company will not make the Offer to, nor will the Company accept tenders from or on behalf of, the holders of Shares in that state. In any jurisdiction where the securities, blue sky or other laws require the Offer to be made by a licensed broker or dealer, the Offer shall be deemed to be made on the Company's behalf by the Dealer Manager (as defined below) or by one or more registered brokers or dealers licensed under the laws of that jurisdiction.

**Notice of Offer to Purchase for Cash
For an Aggregate Purchase Price of Not More Than \$50,000,000**

by

Barings BDC, Inc.

of

**its Shares of Common Stock
at a Purchase Price Not Greater Than \$11.72
or Less Than \$10.20 Per Share**

Barings BDC, Inc., an externally managed, non-diversified, closed-end management investment company incorporated in Maryland that has elected to be regulated as a business development company under the Investment Company Act of 1940, as amended (the "**Company**"), is offering to purchase for cash, for an aggregate purchase price of not more than \$50,000,000, shares of common stock, par value \$0.001 per share (the "**Shares**"), at a price specified by the tendering stockholders of not greater than \$11.72 or less than \$10.20 per Share, net to the seller in cash, less any applicable withholding taxes and without interest, upon the terms and subject to the conditions described in the Offer to Purchase, dated August 7, 2018 (the "**Offer to Purchase**"), and the related Letter of Transmittal (the "**Letter of Transmittal**," which, together with the Offer to Purchase, as each may be amended or supplemented from time to time, constitute the "**Offer**"). As of August 2, 2018, the net asset value per Share was estimated to be \$11.72.

THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON SEPTEMBER 6, 2018, UNLESS THE OFFER IS EXTENDED OR WITHDRAWN (SUCH DATE AND TIME, AS THEY MAY BE EXTENDED, THE "EXPIRATION TIME").

The Offer is not conditioned upon the receipt of financing or any minimum number of Shares being tendered. The Offer is, however, subject to a number of other terms and conditions as specified in the Offer to Purchase.

Although the Company's Board of Directors has authorized the Offer, none of the Company, any member of the Company's Board of Directors, the Advisor (as defined in the Offer to Purchase), the Dealer Manager (as defined below), the Depositary (as defined below), the Information Agent (as defined below) or any of their respective affiliates has made, or is making, any recommendation to the Company's stockholders as to whether to tender or refrain from tendering their Shares or as to the price or prices at which stockholders may choose to tender their Shares. Stockholders must make their own decisions as to whether to tender their Shares, how many Shares to tender and the price or prices at which their Shares should be tendered. In doing so, stockholders should read carefully the information in or incorporated by reference in the Offer to Purchase and the related Letter of Transmittal, including the purposes and effects of the Offer. Stockholders are urged to discuss their decisions with their tax advisors, financial advisors and/or brokers.

Upon the terms and subject to the conditions set forth in the Offer to Purchase, including the provisions relating to "odd lot" priority, proration and conditional tenders described in the Offer to Purchase, we will determine a single price per Share (the "**Purchase Price**"), which will be not more than \$11.72 and not less than \$10.20 per Share, that we will pay for Shares properly tendered in the Offer and not properly withdrawn, and accepted for purchase, taking into account the number of Shares tendered pursuant to the Offer

and the prices specified by the tendering stockholders. The Purchase Price will be the lowest price per Share (in increments of \$0.10, except for the first increment above the minimum purchase price, which is \$0.12) of not more than \$11.72 and not less than \$10.20 per Share, at which Shares have been properly tendered or have been deemed to be tendered in the Offer, that will enable us to purchase the maximum number of Shares properly tendered in the Offer and not properly withdrawn for an aggregate purchase price of \$50,000,000 or such lesser number if less than \$50,000,000 of Shares are properly tendered in the Offer after giving effect to any Shares properly withdrawn. If the conditions to the Offer have been satisfied or waived and Shares having an aggregate purchase price in excess of \$50,000,000, measured at the maximum price at which such Shares were properly tendered, have been properly tendered and not properly withdrawn prior to the Expiration Time, we will purchase Shares:

- first, from all stockholders of “odd lots” (persons who own fewer than 100 Shares) who properly tender all of their Shares at or below the Purchase Price and do not properly withdraw them prior to the Expiration Time;
- second, subject to the conditional tender provisions described in Section 6 of the Offer to Purchase, on a pro rata basis from all other stockholders who properly tender Shares at or below the Purchase Price and do not properly withdraw them before the expiration of the Offer; and
- third, if necessary to permit us to purchase Shares having an aggregate purchase price of \$50,000,000 (or such greater amount as we may elect to purchase, subject to applicable law), from holders who have tendered Shares at or below the Purchase Price conditionally (for which the condition was not initially satisfied) by random lot, to the extent feasible. To be eligible for purchase by random lot, holders whose Shares are conditionally tendered must have properly tendered all of their Shares and not properly withdrawn them prior to the Expiration Time.

All Shares tendered and not purchased will be returned to stockholders at the Company’s expense promptly after the Expiration Time.

Assuming the Offer is fully subscribed at the minimum Purchase Price of \$10.20 per Share, the number of Shares that we could purchase pursuant to the Offer is approximately 4,901,960, which would represent approximately 8.7% of the issued and outstanding Shares as of August 6, 2018. Assuming the Offer is fully subscribed at the maximum Purchase Price of \$11.72 per Share, the number of Shares that we could purchase pursuant to the Offer is approximately 4,266,211, which would represent approximately 7.6% of the issued and outstanding Shares as of August 6, 2018.

The Company expects to use available cash, consisting of a portion of the proceeds from the Advisor’s purchase pursuant to the Externalization Agreement (as defined in the Offer to Purchase) of \$100,000,000 in newly-issued Shares at the closing of the Externalization Transaction (as defined in the Offer to Purchase), to fund any purchases of Shares in the Offer and to pay all related fees and expenses.

Upon the terms and subject to the conditions of the Offer, if the number of Shares properly tendered at or below the Purchase Price and not properly withdrawn prior to the Expiration Time would result in an aggregate purchase price of more than \$50,000,000, we will purchase Shares from all stockholders who properly tender Shares at or below the Purchase Price, on a *pro rata* basis, subject to the “odd lot” and conditional tender provisions of the Offer, with appropriate adjustments to avoid the purchase of fractional Shares, until we have purchased Shares resulting in an aggregate purchase price of up to \$50,000,000.

Stockholders desiring to tender their Shares must follow the procedures set forth in Section 3 of the Offer to Purchase and in the related Letter of Transmittal.

For purposes of the Offer, the Company will be deemed to have accepted for purchase, subject to the “odd lot,” proration, and conditional tender provisions of the Offer, Shares that are properly tendered at or below the Purchase Price and not properly withdrawn, only when, as and if the Company gives oral or written notice to Computershare Trust Company, N.A., as depositary for the Offer (the “**Depositary**”), of its acceptance of the Shares for purchase pursuant to the Offer.

Upon the terms and subject to the conditions of the Offer, the Company will accept for purchase and pay the Purchase Price per Share for all of the Shares accepted for purchase pursuant to the Offer promptly after the Expiration Time. In all cases, payment for Shares tendered and accepted for purchase pursuant to the Offer will be made promptly, taking into account any time necessary to determine any proration, but only after timely receipt by the Depositary of (i) a book-entry confirmation of the deposit of Shares into the Depositary’s account at The Depositary Trust Company (“**DTC**”) if Shares are tendered through DTC’s Automatic Tender Offer Program (“**ATOP**”) system, (ii) a properly completed and duly executed Letter of Transmittal (or an originally signed photocopy of the Letter of Transmittal (facsimile signatures will not be accepted)) including any required signature guarantees, or an Agent’s Message and (iii) any other required documents, including documents required pursuant to guaranteed delivery procedures. Any stockholder who wishes to tender Shares at more than one price must specify the number of Shares tendered at each applicable price.

If any Shares tendered through DTC’s ATOP system are not purchased, the Shares will be credited to the appropriate account maintained with DTC by the participant who delivered the Shares promptly after the expiration or termination of the Offer, without expense to the stockholder.

The Company expressly reserves the right, in its sole discretion and subject to applicable law, at any time and from time to time, to extend the period of time during which the Offer is open and delay acceptance for purchase of, and payment for, any Shares by giving oral or written notice of such extension to the Depositary and making a public announcement of such extension no later than 9:00 a.m., New York City time, on the first business day after the previously scheduled Expiration Time. In the event of an extension, the term "Expiration Time" will refer to the latest time and date at which the Offer, as extended by the Company, will expire. During any such extension, all Shares previously tendered and not properly withdrawn will remain subject to the Offer and to the right of a tendering stockholder to withdraw such stockholder's Shares.

Shares tendered in the Offer may be withdrawn at any time prior to the Expiration Time. In addition, unless the Company has already accepted tendered Shares for purchase, stockholders may withdraw their properly tendered Shares at any time at or after 12:01 a.m., New York City time, on October 3, 2018. Except as otherwise provided in the Offer to Purchase, tenders of Shares pursuant to the Offer are irrevocable. For a withdrawal to be effective, a written Notice of Withdrawal in the form attached to the Tender Offer Statement on Schedule TO as Exhibit (a)(1)(F) or Exhibit (a)(1)(G), as applicable, must be timely received by the Depositary at its address set forth below. A Notice of Withdrawal must be delivered by regular mail or overnight courier. In addition, custodians and DTC participants who tendered Shares through DTC must comply with DTC's procedures for withdrawal of tenders. Brokers, dealers, banks, trust companies and other nominees and DTC participants are not required to, and should not, submit the written Notice of Withdrawal in connection with the withdrawal of any tender submitted through DTC's ATOP system, but need to submit any documentation required for processing through the ATOP system. Withdrawals may not be rescinded, and Shares withdrawn will thereafter be deemed not validly tendered for purposes of the Offer. However, withdrawn Shares may be retendered by again following one of the procedures described in Section 3 of the Offer to Purchase at any time prior to the Expiration Time.

All questions as to the number of Shares to be accepted, the Purchase Price to be paid for Shares to be accepted and the validity, form, eligibility, including time of receipt, and acceptance for purchase of any tender of Shares will be determined by the Company, in its sole discretion and will be final and binding on all parties, except as finally determined in a subsequent judicial proceeding if the Company's determinations are challenged by stockholders. None of the Company, the Advisor, Wells Fargo Securities, LLC, the exclusive dealer manager for the Offer (the "**Dealer Manager**"), the Depositary, Alliance Advisors, LLC, the information agent for the Offer (the "**Information Agent**"), or any other person will be obligated to give notice of any defects or irregularities in any Notice of Withdrawal, nor will any of them incur liability for failure to give any such notice. Generally, if you are a U.S. Holder (as defined in the Offer to Purchase), the receipt of cash from the Company in exchange for the Shares you tender in the Offer will be a taxable event for U.S. federal income tax purposes. The receipt of cash for your tendered Shares will generally be treated for U.S. federal income tax purposes either as (i) a sale or exchange eligible for capital gain or loss treatment or (ii) a distribution in respect of stock from the Company. All stockholders should review the discussion in Sections 3 and 14 of the Offer to Purchase regarding certain U.S. federal income tax consequences and consult their tax advisors regarding the tax consequences of the Offer.

The purchase of Shares pursuant to the Offer will result in a reduction of the Company's stockholders' equity in an amount equal to the aggregate purchase price of the Shares the Company purchases and a corresponding reduction in total cash and cash equivalents.

The Offer to Purchase and the related Letter of Transmittal contain important information that stockholders should read carefully before they make any decision with respect to the Offer. The Offer to Purchase and the related Letter of Transmittal will be mailed to record holders of Shares on or about August 7, 2018 and will be furnished to brokers, dealers, commercial banks, trust companies and other nominee stockholders and similar persons whose names, or the names of whose nominees, appear on the Company's stockholder list or, if applicable, who are listed as participants in a clearing agency's security position listing for subsequent transmittal to beneficial owners of Shares.

The information required to be disclosed by Rule 13e-4(d)(1) promulgated under the Securities Exchange Act of 1934, as amended, is contained in the Offer to Purchase and is incorporated herein by reference.

The Company believes, among other things, that the Offer provides stockholders with an opportunity to obtain liquidity with respect to all or a portion of their Shares. In addition, stockholders who wish to achieve a greater percentage of equity ownership in the Company will be able to do so by not tendering their Shares in the Offer. **If a stockholder holds Shares through a broker, dealer, commercial bank, trust company or other nominee stockholder, the Company urges that stockholder to consult such a broker, dealer, commercial bank, trust company or other nominee stockholder to determine whether any transaction costs are applicable.**

Questions and requests for assistance by institutional stockholders may be directed to the Dealer Manager, and questions and requests for assistance by retail stockholders may be directed to the Information Agent, in each case at the telephone numbers and addresses set forth below. You may request additional copies of the Offer to Purchase, the Letter of Transmittal and the other documents related to the Offer from the Information Agent, at the telephone numbers and address set forth below. The Information Agent will promptly furnish to stockholders additional copies of these materials at the Company's expense. Stockholders may also contact their broker, dealer, commercial bank, trust company or other nominee for assistance concerning the Offer.

The Depository for the Offer is:

Computershare

By registered, certified, express or first class mail:

Computershare Trust Company, N.A.
c/o Voluntary Corporate Actions
P.O. Box 43011
Providence, RI 02940-3011

By overnight courier:

Computershare Trust Company, N.A.
c/o Voluntary Corporate Actions
250 Royall Street Suite V
Canton, MA 02021

Email (for Notices of Guaranteed Delivery only): canoticeofguarantee@computershare.com

DELIVERY OF THIS LETTER OF TRANSMITTAL TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE WILL NOT CONSTITUTE A VALID DELIVERY TO THE DEPOSITARY.

If you have any questions regarding the Offer, please contact the Dealer Manager (institutional stockholders) or the Information Agent (retail stockholders) at the telephone numbers and addresses set forth below. Additional copies of the Offer to Purchase, this Letter of Transmittal and the Notice of Guaranteed Delivery may be obtained from the Information Agent, which may be contacted at the address and telephone number set forth below. You may also contact your bank, broker, dealer, trust company or other nominee for assistance concerning the Offer.

The Information Agent for the Offer is:



200 Broadacres Drive, 3rd Floor
Bloomfield, NJ 07003

Call Toll-Free: (888) 991-1291
Via Email: baringsbdc@allianceadvisors.com

The Dealer Manager for the Offer is:

Wells Fargo Securities, LLC

375 Park Avenue
New York, NY 10152
Call: (212) 214-6400
Call Toll Free: (877) 450-7515

August 7, 2018



Barings BDC Announces Commencement of Tender Offer

Offers to Purchase up to \$50 Million of its Common Stock at a Purchase Price Not Greater than \$11.72 or Less Than \$10.20 per Share

CHARLOTTE, N.C. (August 7th, 2018) – Barings BDC, Inc. (the “Company” or “Barings BDC”) (NYSE:BBDC) (f/k/a Triangle Capital Corporation) today announced the commencement of a modified “Dutch auction” tender offer (the “Tender Offer”) for an aggregate purchase price of not more than \$50 million in shares of its common stock. Under the terms of the Tender Offer, stockholders may tender all or a portion of their shares at one or more prices between \$10.20 and \$11.72. The net asset value per share of the Company’s common stock was estimated to be \$11.72 as of August 2, 2018. The Company intends to purchase properly tendered shares at the lowest price in this range that would enable Barings BDC to purchase the maximum number of shares. If the Tender Offer is oversubscribed, shares will be accepted on a prorated basis, subject to the “odd lot” and conditional tender provisions described in the Tender Offer materials. Stockholders that do not wish to participate in the Tender Offer do not need to take any action.

The Tender Offer will expire at 5:00 p.m., New York City time, on September 6, 2018, unless extended or withdrawn.

Important Notice

This press release is for informational purposes only and is not an offer to buy or the solicitation of an offer to sell any securities of the Company. The Company expects to use available cash to purchase shares in the Tender Offer and to pay for all related fees and expenses. The full details of the Tender Offer, including complete instructions on how to tender shares, are included in the Offer to Purchase, dated August 7, 2018, the related Letter of Transmittal and the other documents related to the Tender Offer (collectively, the “Tender Materials”), which the Company has filed with the Securities and Exchange Commission (the “SEC”) and is disseminating to stockholders. Stockholders are urged to carefully read the Tender Materials because they contain important information, including the terms and conditions of the Tender Offer. Stockholders may obtain free copies of the Tender Materials at the SEC’s website at www.sec.gov or by calling Alliance Advisors, LLC, the information agent for the Tender Offer, at (888) 991-1291. Questions and requests for assistance by retail stockholders may be directed to Alliance Advisors, LLC at (888) 991-1291. Questions and requests for assistance by institutional stockholders may be directed to Wells Fargo Securities, LLC, the exclusive dealer manager for the Tender Offer, at (212) 214-6400 or (877) 450-7515 (Toll-Free). In addition, stockholders may obtain free copies of the Company’s filings with the SEC from the Company’s website at www.baringsbdc.com or by contacting the Company at 300 South Tryon Street, Suite 2500, Charlotte, North Carolina 28202 or by phone (704) 805-7200.

Cautionary Notice: Certain statements contained in this press release may be “forward-looking” statements. Investors are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date on which they are made and which reflect management’s current estimates, projections, expectations or beliefs, and which are subject to risks and uncertainties that may cause actual results to differ materially. Forward-looking statements include, but are not limited to, the ability of Barings LLC to manage Barings BDC and identify investment opportunities, the ability to complete the Tender Offer, the price at which shares of common stock may trade on The New York Stock Exchange LLC, which may be higher or lower than the purchase price in the Tender Offer, and some of these factors are enumerated in the filings Barings BDC makes with the SEC. These statements are subject to change at any time based upon economic, market or other conditions and may not be relied upon as investment advice or an indication of the fund’s trading intent. Important factors that could cause actual results to differ materially from plans, estimates or expectations included in this press release include, among others, those risk factors detailed in Barings BDC’s definitive proxy statement on Schedule 14A, filed with the SEC on June 1, 2018, and from time to time in Barings BDC’s reports filed with the SEC, including Barings BDC’s annual report on Form 10-K, periodic quarterly reports on Form 10-Q, current reports on Form 8-K and other documents filed with the SEC. The Company undertakes no obligation to publicly update forward-looking statements, whether as a result of new information, future events, or otherwise.

About Barings BDC

Barings BDC, Inc. (NYSE: BBDC) is a publicly traded, externally managed investment company that has elected to be treated as a business development company under the Investment Company Act of 1940. Barings BDC, Inc. seeks to invest primarily in senior secured loans to private U.S. middle market companies that operate across a wide range of industries. BBDC's investment activities are managed by its investment adviser, Barings LLC, a leading global asset manager based in Charlotte, NC with over \$306 billion of AUM firm-wide. For more information, visit www.baringsbdc.com.

Media Contact:

Kelly Smith, Media Relations, Barings, (980)417-5648, kelly.smith@barings.com

Investor Relations:

BDCinvestorrelations@barings.com, (888) 401-1088

Barings BDC announces commencement of tender offer

Notifications begin today to stockholders for modified "Dutch Auction" tender offer

Barings BDC announces commencement of tender offer to purchase up to \$50 million of its common stock

Barings BDC, Inc. (NYSE:BBDC) will begin notifications to stockholders today that it has commenced a modified "Dutch Auction" tender offer.

READ	BARINGS BDC'S LATEST ANNOUNCEMENT ON THE LISTING This press release provides additional information on Barings BDC's tender offer
CALL	INFORMATION AGENT FOR THE OFFERING: Alliance Advisors, LLC (888) 991-1291 baringsbdc@allianceadvisors.com

If your clients have no desire to tender their shares, they may disregard the tender materials.

BARINGS

300 South Tryon Street, Suite 2500, Charlotte, North Carolina 28202
(704) 805-7200

www.baringsbdc.com

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This communication is for informational purposes only and is not an offer to buy or the solicitation of an offer to sell any securities of Barings BDC, Inc. ("Barings BDC"). The full details of the tender offer, including complete instructions on how to tender shares, are included in the Offer to Purchase, dated August 7, 2018, the related Letter of Transmittal and the other documents related to the tender offer (referred to herein as the "Tender Materials"), which Barings BDC has filed with the Securities and Exchange Commission (the "SEC") and is distributing to stockholders. Stockholders are urged to carefully read the Tender Materials because they contain important information, including the terms and conditions of the tender offer. Stockholders may obtain free copies of the Tender Materials at the SEC website at www.sec.gov or by calling Alliance Advisors, LLC, the information agent for the tender offer, at (888) 991-1291. Questions and requests for assistance by retail stockholders may be directed to Alliance Advisors, LLC at (888) 991-1291. Questions and requests for assistance by institutional stockholders may be directed to Wells Fargo Securities, LLC, the exclusive dealer manager for the tender offer, at (212) 214-6400 or (877) 450-7515 (Toll-Free). In addition, stockholders may obtain free copies of Barings BDC's filings with the SEC from Barings BDC's website at www.baringsbdc.com or by contacting Barings BDC at 300 South Tryon Street, Suite 2500, Charlotte, North Carolina 28202 or by phone (704) 805-7200.

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