



TCP CAPITAL CORP.

TCP Capital Corp. Investor Presentation

Quarter Ended September 30, 2015

Forward Looking Statements

Prospective investors considering an investment in TCP Capital Corp. should consider the investment objectives, risks and expenses of the Company carefully before investing. This information and other information about the Company are available in the Company's filings with the Securities and Exchange Commission ("SEC"). Copies are available on the SEC's website at www.sec.gov and the Company's website at <http://www.tcpcapital.com>. Prospective investors should read these materials carefully before investing

This presentation may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on estimates, projections, beliefs and assumptions of management of the Company at the time of such statements and are not guarantees of future performance. Forward-looking statements involve risks and uncertainties in predicting future results and conditions. These forward-looking statements do not meet the safe harbor for forward-looking statements pursuant to Section 27A of the Securities Act or Section 21E of the Securities Exchange Act. Actual results could differ materially from those projected in these forward-looking statements due to a variety of factors, including, without limitation, changes in general economic conditions or changes in the conditions of the industries in which the Company makes investments, risks associated with the availability and terms of financing, changes in interest rates, availability of transactions, and regulatory changes. Certain factors that could cause actual results to differ materially from those contained in the forward-looking statements are included in the "Risks" section of the company's prospectus dated July 1, 2015 and the company's subsequent periodic filings with the SEC. Copies are available on the SEC's website at www.sec.gov and the Company's website at <http://www.tcpcapital.com>. Forward-looking statements are made as of the date of this presentation, or as of the prior date referenced in this presentation, and are subject to change without notice. The Company has no duty and does not undertake any obligation to update or revise any forward-looking statements based on the occurrence of future events, the receipt of new information, or otherwise.

TCPC

- Business development company (BDC)
- Trades on NASDAQ: “TCPC”
- Expects to distribute most of its earnings as dividends⁽¹⁾
- 9.9% current dividend yield⁽²⁾

Investment Objective

We seek to generate high total returns through current income and capital appreciation, with an emphasis on principal protection

Leveraged Loans

Focused on direct origination of senior secured loans to stable middle-market borrowers:

- Contractual first claim ahead of subordinated debt and equity
- Assets pledged as collateral
- Interest payments typically floating rate

(1) There can be no assurance that dividends will continue at current rates or that quarterly cash distributions will be made.

(2) Based on a closing price of \$14.55 as of 10/30/2015.

Dividend Stability

- Net investment income⁽¹⁾ of \$0.40 per share, outearning dividend by \$0.04
 - Quarterly dividend of \$0.36 per share paid on September 30, 2015
- Declared Q4 2015 regular quarterly dividend of \$0.36 per share
 - Payable on December 31, 2015 to holders of record as of December 17, 2015

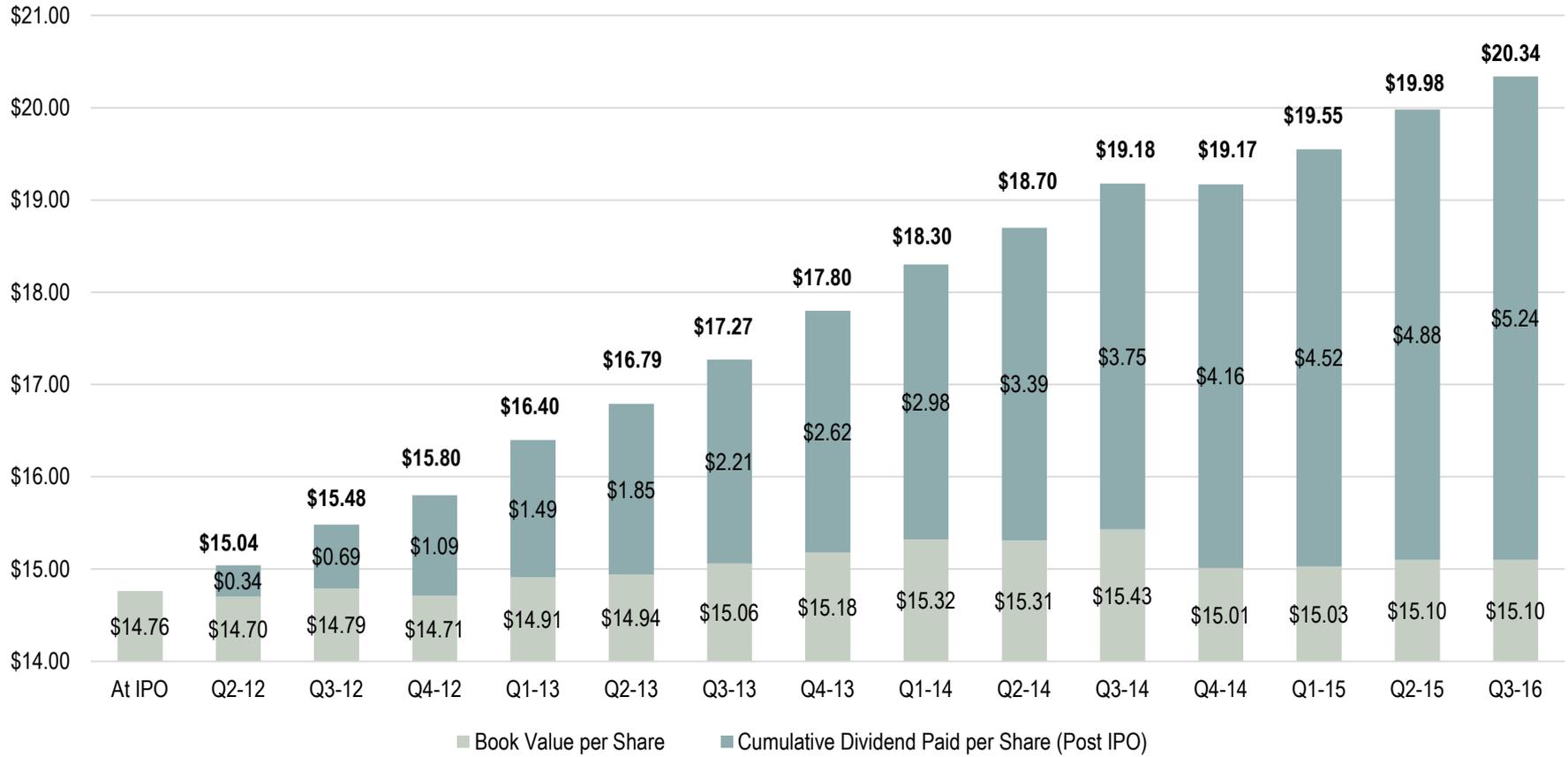
	2012 ⁽²⁾			2013				2014				2015				
Per Share	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	ITD Total
Regular dividend	0.34	0.35	0.35	0.35	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36	5.35
Net investment income	0.40	0.43	0.59	0.49	0.38	0.40	0.38	0.39	0.40	0.38	0.38	0.37	0.44	0.40		
Regular Dividend Coverage	118%	123%	169%	140%	104%	110%	106%	107%	111%	104%	106%	103%	122%	110%		
Special dividend			0.05	0.05			0.05		0.05		0.05					0.25

(1) After preferred dividends and incentive compensation on net investment income.

(2) Incentive fees were waived prior to January 1, 2013.

Strong Track Record of Positive Performance

Book Value per Share and Dividends Paid



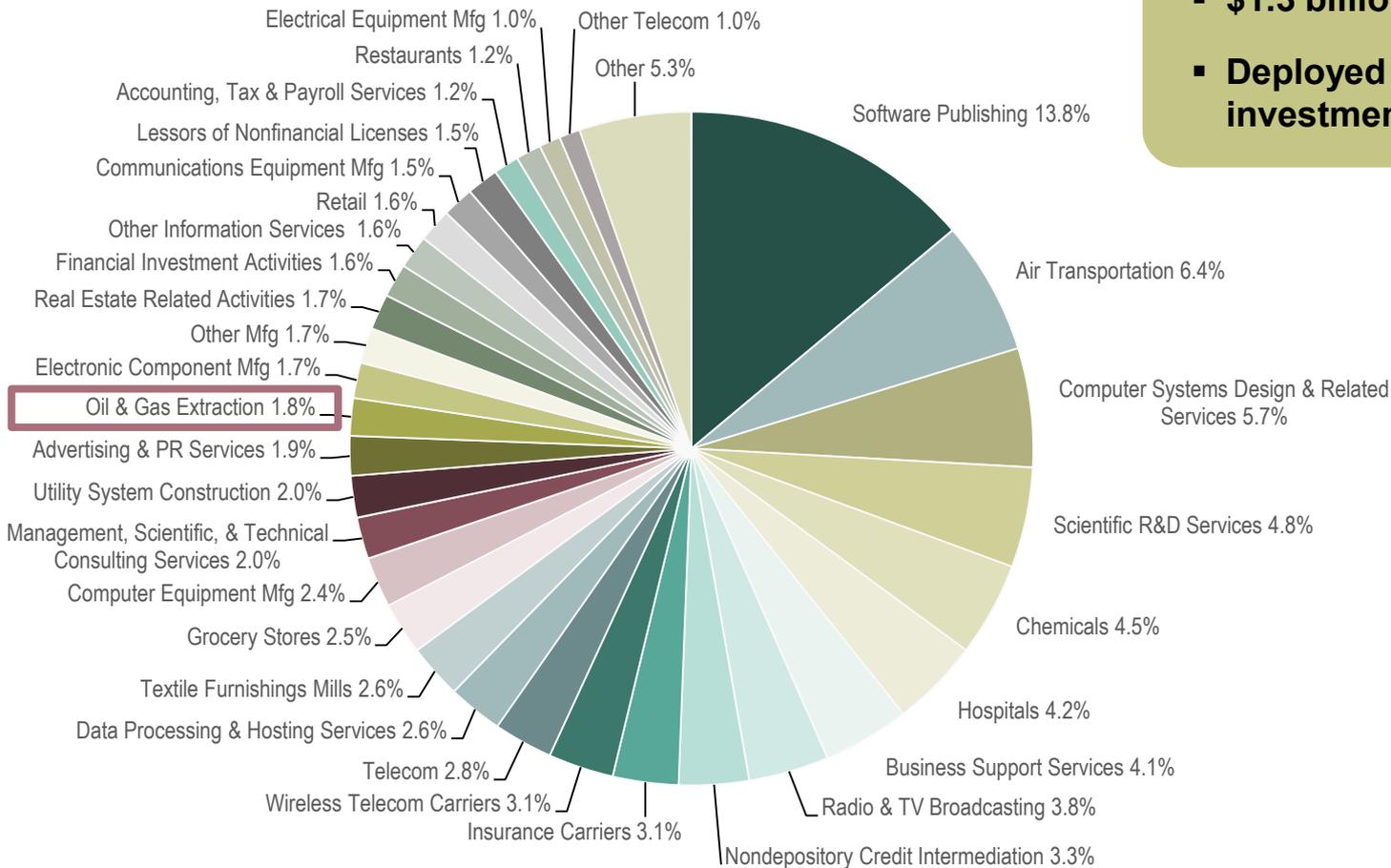
Q3 Capital Activity

- TCPC Funding Facility commitment increased to \$350 million; maturity date extended to March 6, 2020
- \$116 million SVCP credit facility extend to July 31, 2018; interest rate reduced to L+175 through July 31, 2016⁽¹⁾
- \$100.5 million Preferred exchanged for \$100.5 term debt with a maturity of July 31, 2018; through July 31, 2016, interest rate is L+175⁽¹⁾
- Repurchased shares and renewed our share repurchase program

(1) After July 31, 2016 through the maturity date, the interest rates will be L+250.

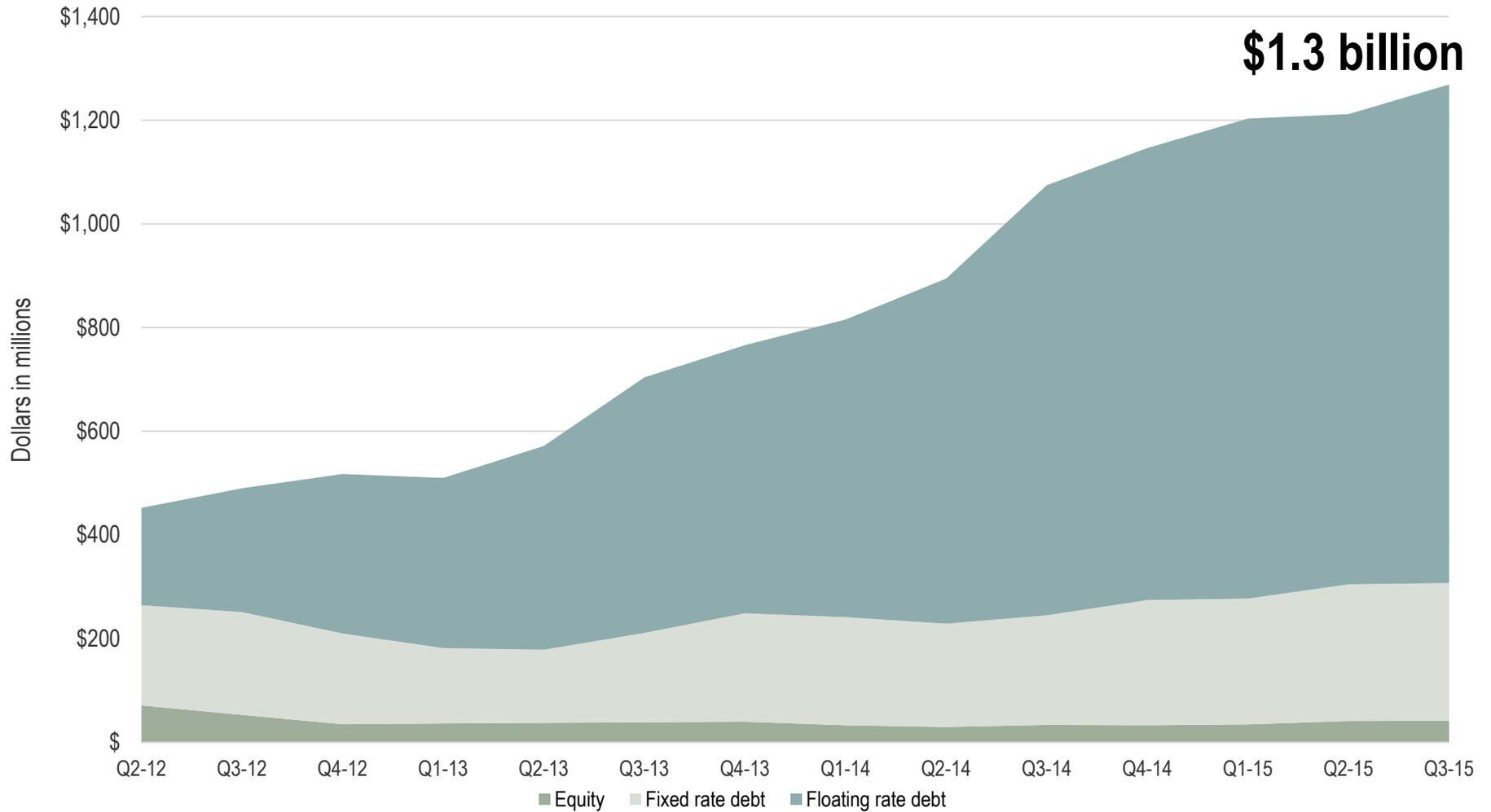
Portfolio Highlights as of September 30, 2015

Investment by Industry



- **\$1.3 billion portfolio fair value**
- **Deployed \$121 million in 11 investments during Q3**

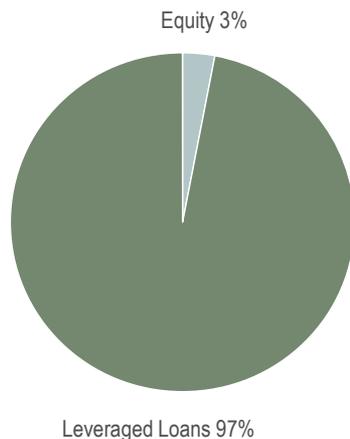
Portfolio Growth Since IPO



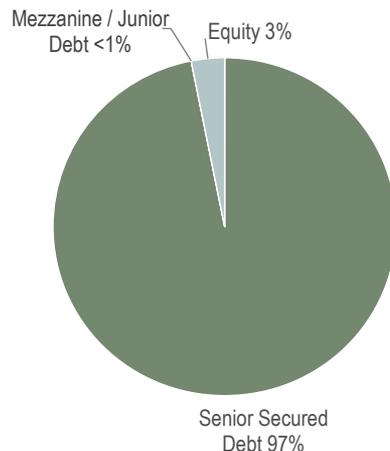
Conservatively Positioned Portfolio

As of September 30, 2015

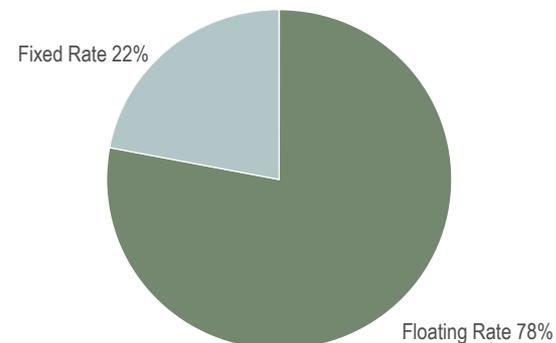
Portfolio by Strategy



Portfolio by Asset Type



Debt Portfolio by Interest Type



- Positive annual impact on net income of base rate changes in interest rates:⁽¹⁾

Basis Point Change	Net Income
Up 300 basis points	+\$14,547,610
Up 200 basis points	+\$8,044,872
Up 100 basis points	+\$1,709,444
Down 100 basis points	+\$373,290

- 78% of debt portfolio is floating rate
- 97% of portfolio is senior secured debt
- 10.9% weighted average effective yield on debt portfolio⁽²⁾

(1) Please refer to page 62 of the Company's 10-Q as of September 30, 2015.

(2) Weighted average annual effective yield includes amortization of deferred debt origination fees and accretion of original issue discount, but excludes market discount, any repayment and make-whole fee income, and any debt investments on non-accrual status.

Financial Highlights

(\$ per share)

	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Net investment income before taxes ⁽¹⁾	\$ 0.50	\$ 0.55	\$ 0.46	\$ 0.50	\$ 0.47
Excise taxes	-	-	-	(0.02)	-
Incentive compensation on NII	(0.10)	(0.11)	(0.09)	(0.10)	(0.09)
Net investment income, after incentive ⁽¹⁾	0.40	0.44	0.37	0.38	0.38
Net realized & unrealized gains (losses)	(0.04)	(0.04)	0.01	(0.56)	(0.11)
Gain on repurchase of Series A preferred interests	-	0.03	-	-	-
Incentive allocation reserve	-	-	-	0.02	0.02
Net increase in net assets from operations	0.36	0.43	0.38	(0.16)	0.29
Quarterly dividend paid	0.36	0.36	0.36	0.36	0.36
Special dividend paid	-	-	-	0.05	-
Net asset value	15.10	15.10	15.03	15.01	15.43

	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Total fair value of investments (000s)	\$ 1,269,161	\$ 1,211,975	\$ 1,203,345	\$ 1,146,536	\$ 1,074,797
Number of portfolio companies	91	87	84	84	82
Average investment size (000s)	\$ 13,947	\$ 13,931	\$ 14,326	\$ 13,649	\$ 13,107
Debt/equity ratio	.73x ⁽²⁾	.70x	.71x	.63x	.69x
Debt/equity ratio, net of cash ⁽³⁾	.69x ⁽²⁾	.65x	.66x	.58x	.66x

(1) After preferred dividends.

(2) Excludes SBIC debt following receipt of exemptive relief on July 13, 2015.

(3) Net of trades pending settlement.

Portfolio Highlights

Asset Mix of the Investment Portfolio <i>(in thousands)</i>	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Senior secured debt	\$ 1,227,621	\$ 1,170,828	\$ 1,168,613	\$ 1,113,537	\$ 1,041,130
Mezzanine/subordinated debt	57	57	57	56	15
Equity	41,483	41,090	34,675	32,943	33,652
Total investments	1,269,161	1,211,975	1,203,345	1,146,536	1,074,797

Select Portfolio Data <i>(in thousands)</i>	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Gross new commitments	\$ 120,578	\$ 195,948	\$ 106,822	\$ 183,474	\$ 207,059
Exits (includes repayments)	(65,328)	(189,745)	(50,433)	(88,014)	(22,574)
Net commitments	55,250	6,203	56,389	95,460	184,485

Quarterly Balance Sheets

<i>(in thousands, except per share data)</i>	9/30/2015 (unaudited)	6/30/2015 (unaudited)	3/31/2015 (unaudited)	12/31/2014 (audited)	9/30/2014 (unaudited)
ASSETS					
Investments at fair value	\$ 1,269,161	\$ 1,211,975	\$ 1,203,345	\$ 1,146,536	\$ 1,074,797
Cash and cash equivalents	34,583	36,706	25,566	27,269	24,144
Accrued interest income	14,029	9,799	12,500	9,504	10,359
Receivable for investments sold	1,970	9,631	5,110	10,961	-
Other assets	14,094	12,769	13,951	11,597	10,306
Total assets	<u>1,333,837</u>	<u>1,280,880</u>	<u>1,260,472</u>	<u>1,205,867</u>	<u>1,119,606</u>
LIABILITIES					
Debt	\$ 575,305	\$ 416,900	\$ 382,798	\$ 328,697	\$ 319,099
Payable for investments purchased	7,847	12,514	-	2,050	1,250
Incentive allocation payable	4,839	5,384	4,520	4,303	3,768
Interest payable	3,580	2,075	3,033	1,511	2,482
Other liabilities	3,366	3,681	3,332	3,679	3,274
Total liabilities	<u>594,937</u>	<u>440,554</u>	<u>393,683</u>	<u>340,240</u>	<u>329,873</u>
Preferred equity interests	-	100,898	134,477	134,498	134,499
Non-controlling interest	-	-	-	-	701
NET ASSETS	<u>\$ 738,900</u>	<u>\$ 739,428</u>	<u>\$ 732,312</u>	<u>\$ 731,129</u>	<u>\$ 654,533</u>
NET ASSETS PER SHARE	<u>\$ 15.10</u>	<u>\$ 15.10</u>	<u>\$ 15.03</u>	<u>\$ 15.01</u>	<u>\$ 15.43</u>

Quarterly Operating Results

	For the Three Months Ended				
	(Unaudited; dollar amounts in thousands, except per share data)				
	9/30/2015	6/30/2015	3/31/2015	12/31/2014	9/30/2014
Investment Income					
Interest income	\$ 33,813	\$ 37,485	\$ 31,556	\$ 30,623	\$ 26,643
Lease income	355	331	292	325	337
Other income	1,331	1,122	967	1,187	210
Total investment income	<u>35,499</u>	<u>38,938</u>	<u>32,815</u>	<u>32,135</u>	<u>27,190</u>
Expenses					
Management and advisory fees	4,704	4,618	4,359	4,142	3,513
Interest expense	3,747	3,519	3,223	2,998	2,536
Administrative expenses	395	390	393	393	393
Amortization of deferred debt issuance costs	549	514	560	579	545
Legal fees, professional fees and due diligence expenses	426	1,263	306	527	269
Other expenses	1,423	1,365	1,034	812	734
Total expenses	<u>11,244</u>	<u>11,669</u>	<u>9,875</u>	<u>9,451</u>	<u>7,990</u>
Net investment income before taxes	<u>24,255</u>	<u>27,269</u>	<u>22,940</u>	<u>22,684</u>	<u>19,200</u>
Excise taxes	-	-	-	809	-
Net investment income	<u>24,255</u>	<u>27,269</u>	<u>22,940</u>	<u>21,875</u>	<u>19,200</u>
Net realized and unrealized gain (loss)	(1,886)	(2,215)	436	(24,967)	(4,505)
Gain on repurchase of Series A preferred interests	-	1,675	-	-	-
Dividends on preferred equity facility	(62)	(350)	(342)	(360)	(362)
Incentive allocation distributions	(4,839)	(5,384)	(4,520)	(4,303)	(3,768)
Incentive allocation reserve	-	-	-	701	901
Net increase (decrease) in net assets from operations	<u>\$ 17,468</u>	<u>\$ 20,996</u>	<u>\$ 18,514</u>	<u>\$ (7,054)</u>	<u>\$ 11,466</u>
Earnings per share	\$ 0.36	\$ 0.43	\$ 0.38	\$ (0.16)	\$ 0.29
Net investment income per share ⁽¹⁾	\$ 0.40	\$ 0.44	\$ 0.37	\$ 0.40	\$ 0.38
Regular dividends per share	\$ 0.36	\$ 0.36	\$ 0.36	\$ 0.36	\$ 0.36
Special dividends per share	\$ -	\$ -	\$ -	\$ 0.05	-
Weighted average common shares outstanding	48,957,567	48,903,081	48,711,437	44,998,625	40,079,914
Ending common shares outstanding	48,934,498	48,959,494	48,723,549	48,710,627	42,410,242

(1) After preferred dividends and incentive compensation, before taxes.

Best-In-Class Advisory Fee Structure

	Select Externally Managed BDCs	TCP Capital Corp.
Base Management Fee	<ul style="list-style-type: none"> 1.5% - 2.0% on gross assets 	<ul style="list-style-type: none"> 1.5% on gross assets (less cash and cash equivalents)
Incentive Fee Hurdle (on Ordinary Income)	<ul style="list-style-type: none"> 1.75% - 2.00% quarterly return on NAV 	<ul style="list-style-type: none"> 2.00% quarterly return on NAV
Incentive Compensation	<ul style="list-style-type: none"> Capital Gains: 20% of cumulative net realized gains less net unrealized depreciation Ordinary Income: 20% subject to quarterly hurdle rate calculated quarterly 	<ul style="list-style-type: none"> Capital Gains: 20% of cumulative net realized gains less net unrealized depreciation, subject to a <u>cumulative, annualized 8% total return</u> hurdle; paid quarterly Ordinary Income: 20% subject to a <u>cumulative, annualized 8.0% total return</u> hurdle; paid quarterly

✓ Subject to high water mark

Source: SEC filings.

Diversified Sources of Funding

As of September 30, 2015

Source	Capacity	Drawn Amount	Pricing	Maturity
Current leverage:				
■ TCPC Funding I Credit Facility	\$350mm	\$221mm	L + 2.50% ⁽¹⁾	Mar-20
■ SVCP Credit Facility	\$116mm	\$109mm	L + 1.75%	Jul-18
■ Term Loan	\$101mm	\$101mm	L + 1.75%	Jul-18
■ SBA Leverage Program	\$75mm ⁽²⁾	\$39mm	2.84% ⁽³⁾	2024/2025
■ Convertible Senior Unsecured Notes	\$108mm	\$106mm	5.25%	Dec-19
			2.96% ⁽⁴⁾	

- **The Company is rated BBB- by Standard & Poor's with outlook stable**
- **Demonstrated access to equity markets:**
 - **Six equity capital raises (including the IPO) totaling \$526mm**
 - **All follow-on offerings above NAV**

(1) Or L + 2.25% subject to certain draw requirements.

(2) Anticipated total SBA leverage of \$150 million.

(3) Weighted average interest rate excluding fees of 0.36%.

(4) Combined weighted-average interest rate on amounts outstanding on the leverage program as of September 30, 2015.

Contact Information

Investor Relations

2951 28th Street, Suite 1000
Santa Monica, CA 90405
(310) 566-1094
investor.relations@tcpcapital.com
www.tcpcapital.com

Transfer Agent

Wells Fargo Shareholder Services
(800) 468-9716 (from U.S.)
(651) 450-4064 (from outside U.S.)
www.shareowneronline.com