



TCP Capital Corp. Investor Presentation

Quarter Ended March 31, 2016

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 as amended by that certain Post-Effective Amendment No. 1 dated March 24, 2016, 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⁾
- 9.7% 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 \$14.80 as of 5/6/2016.

Dividend Stability

- Net investment income⁽¹⁾ of \$0.38 per share, out-earning dividend by \$0.02
 - Quarterly dividend of \$0.36 per share paid on March 31, 2016
- Declared Q2 2016 regular quarterly dividend of \$0.36 per share
 - Payable on June 30, 2016 to holders of record as of June 16, 2016

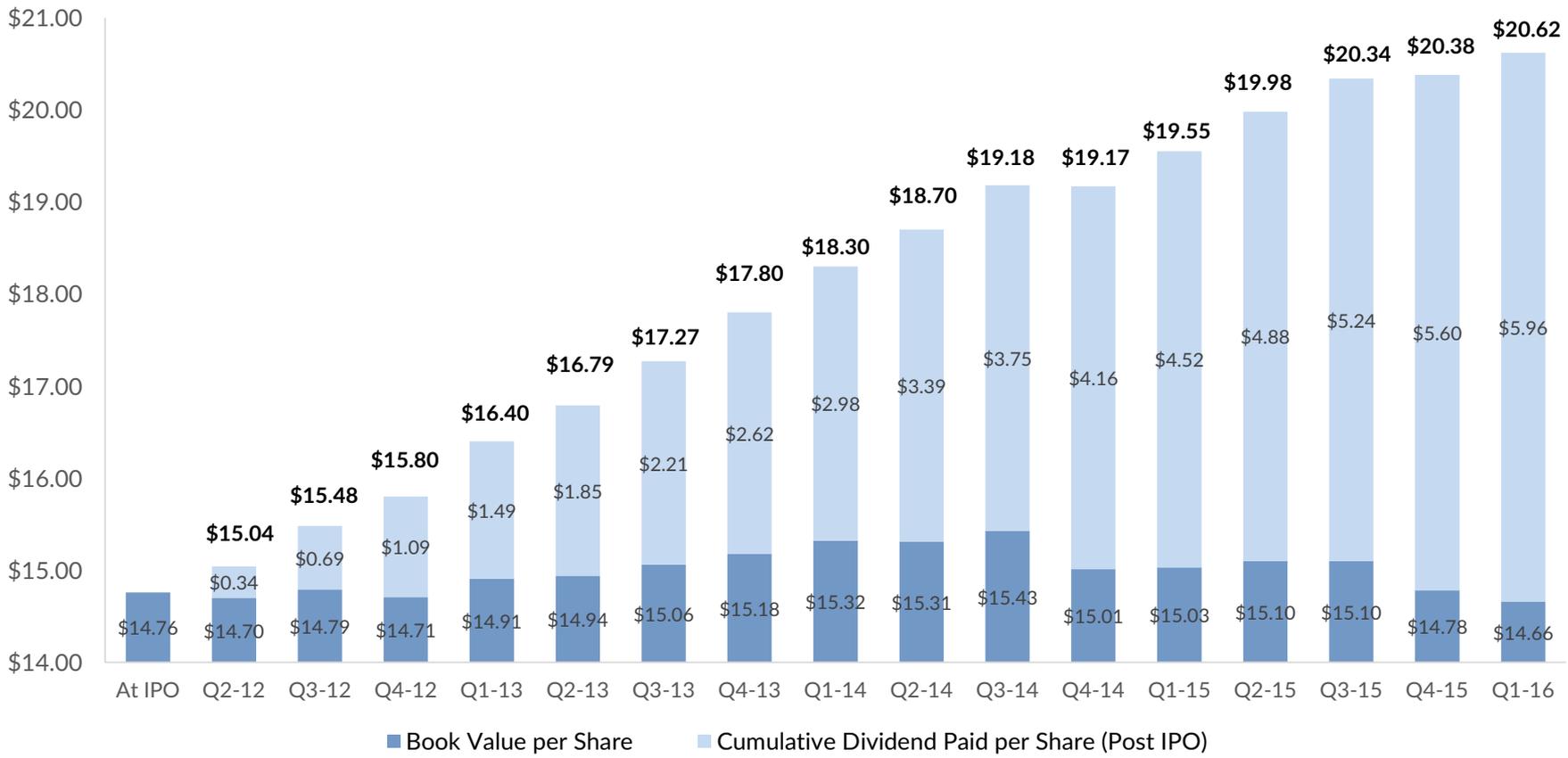
Per Share	2012 ⁽²⁾			2013				2014				2015				2016	ITD Total
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	
Regular dividend	0.34	0.35	0.35	0.35	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36	5.71
Net investment income	0.40	0.43	0.59	0.49	0.38	0.40	0.38	0.39	0.40	0.38	0.38	0.37	0.44	0.40	0.43	0.38	6.62
Regular Dividend Coverage	118%	123%	169%	140%	104%	110%	106%	107%	111%	104%	106%	103%	122%	110%	118%	106%	116%
Special dividend			0.05	0.05			0.05		0.05		0.05						0.25

(1) After incentive compensation on net investment income.

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

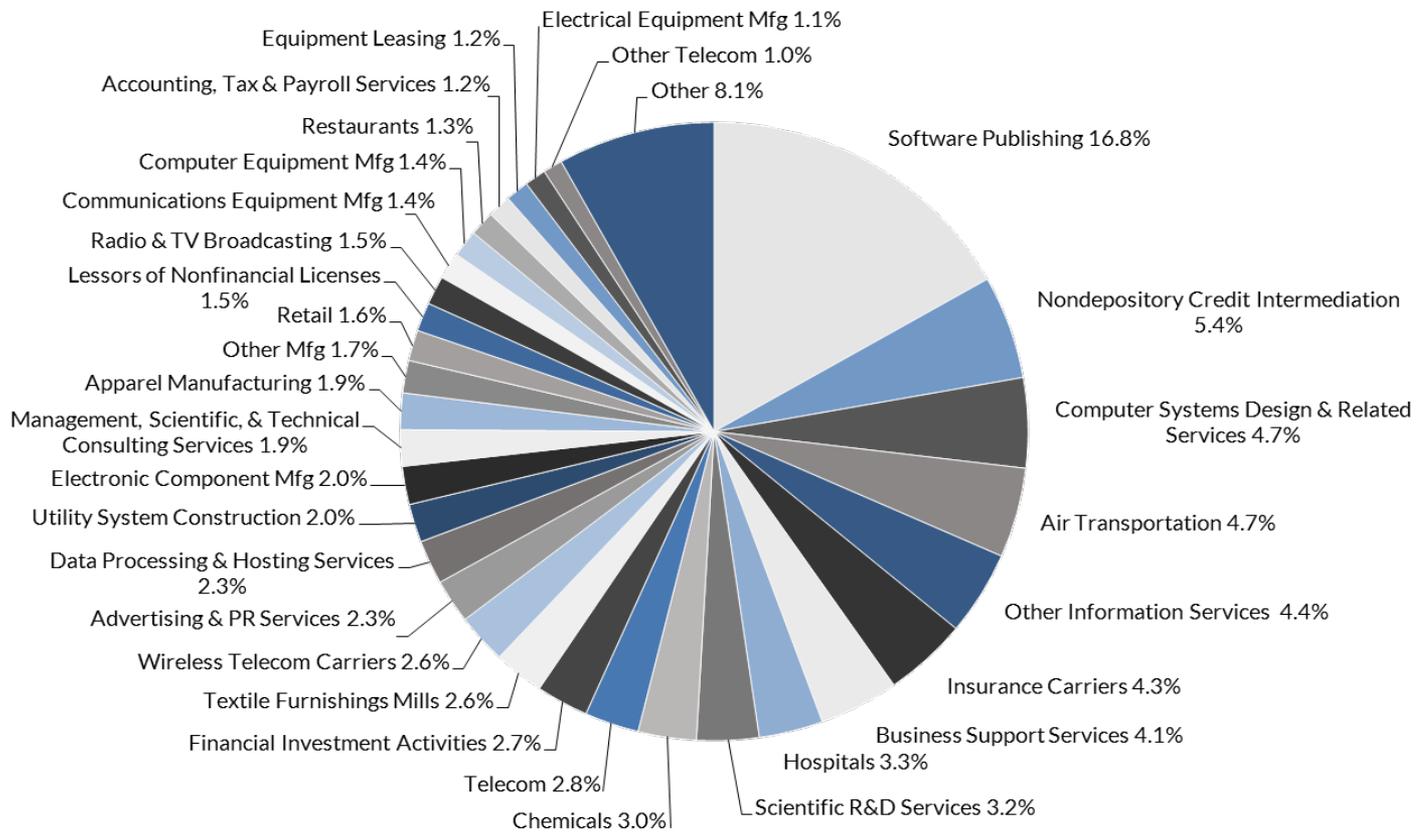
Strong Track Record of Positive Performance

Book Value per Share and Dividends Paid



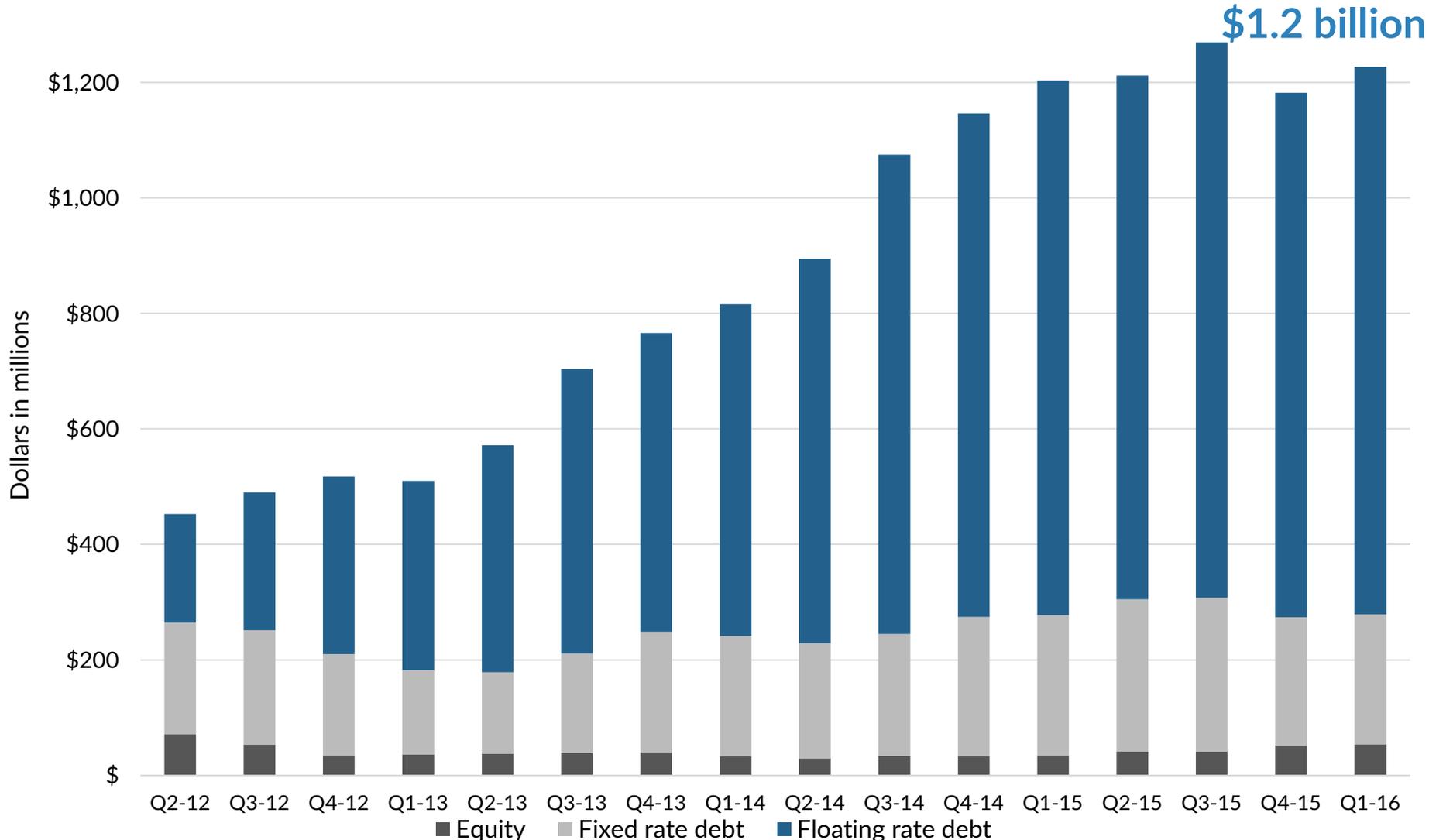
Portfolio Highlights as of March 31, 2016

- \$1.2 billion portfolio fair value
- 81% of debt portfolio is floating rate
- 96% of portfolio is senior secured debt
- 11.0% weighted average effective yield on debt portfolio⁽¹⁾



(1) Weighted average annual effective yield includes amortization of deferred debt origination and exit 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.

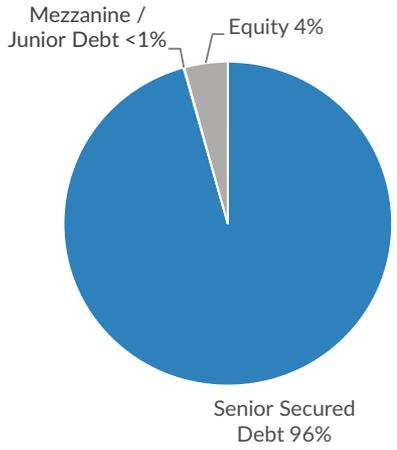
Floating Rate Portfolio Growth Since IPO



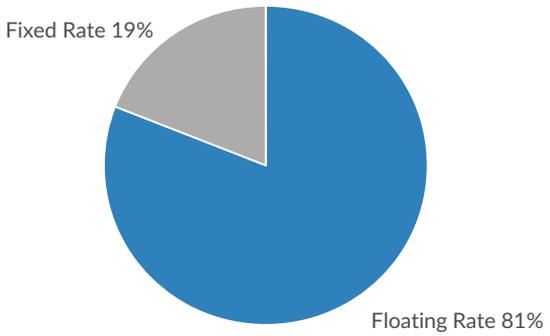
Conservatively Positioned Portfolio

As of March 31, 2016

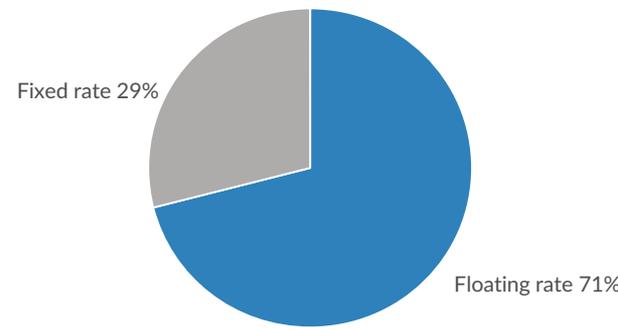
Portfolio by Asset Type



Debt Portfolio by Interest Type



Leverage by Interest Type



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

Basis Point Change	Net Income	Net Income Per Share
Up 300 basis points	+\$12,488,174	\$0.26
Up 200 basis points	+\$7,489,131	\$0.15
Up 100 basis points	+\$2,490,496	\$0.05
Down 100 basis points	+\$992,609	\$0.02

(1) Please refer to page 62 of the Company's 10-Q as of March 31, 2016.

Portfolio Highlights

Asset Mix of the Investment Portfolio (in thousands)	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015
Senior secured debt	\$ 1,173,244	\$ 1,129,571	\$ 1,227,621	\$ 1,170,828	\$ 1,168,613
Mezzanine/subordinated debt	65	965	57	57	57
Equity	53,836	52,384	41,483	41,090	34,675
Total investments	1,227,145	1,182,920	1,269,161	1,211,975	1,203,345

Portfolio Activity (in thousands)	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015
Gross new commitments	\$ 114,059	\$ 77,580	\$ 120,578	\$ 195,948	\$ 106,822
Exits (includes repayments)	66,140	(150,553)	(65,328)	(189,745)	(50,433)
Net commitments	47,919	(72,973)	55,250	6,203	56,389

Quarterly Operating Results

	Three Months Ended				
	(Unaudited; dollar amounts in thousands, except per share data)				
	3/31/2016	12/31/2015	9/30/2015	6/30/2015	3/31/2015
Investment income					
Interest income	\$ 32,874	\$ 39,159	\$ 33,813	\$ 37,485	\$ 31,556
Lease income	776	375	355	331	292
Other income	939	82	1,331	1,122	967
Total investment income	<u>34,589</u>	<u>39,616</u>	<u>35,499</u>	<u>38,938</u>	<u>32,815</u>
Expenses					
Interest and other debt expenses	5,545	5,409	4,823	4,506	4,105
Management and advisory fees	4,504	4,912	4,704	4,618	4,359
Administrative expenses	422	423	395	390	393
Legal fees, professional fees and due diligence expenses	503	846	426	1,263	306
Other expenses	745	1,111	896	892	712
Total expenses	<u>11,719</u>	<u>12,701</u>	<u>11,244</u>	<u>11,669</u>	<u>9,875</u>
Net investment income before taxes	<u>22,870</u>	<u>26,915</u>	<u>24,255</u>	<u>27,269</u>	<u>22,940</u>
Excise taxes	-	877	-	-	-
Net investment income	<u>22,870</u>	<u>26,038</u>	<u>24,255</u>	<u>27,269</u>	<u>22,940</u>
Net realized and unrealized gain (loss)	(6,823)	(18,739)	(1,886)	(2,215)	436
Gain on repurchase of Series A preferred interests	-	-	-	1,675	-
Dividends on preferred equity facility	-	-	(62)	(350)	(342)
Incentive allocation distributions	(4,574)	(5,208)	(4,839)	(5,384)	(4,520)
Net increase in net assets to common equity	<u>\$ 11,473</u>	<u>\$ 2,091</u>	<u>\$ 17,468</u>	<u>\$ 20,996</u>	<u>\$ 18,514</u>
Earnings per share	\$ 0.24	\$ 0.04	\$ 0.36	\$ 0.43	\$ 0.38
Net investment income per share ⁽¹⁾	\$ 0.38	\$ 0.43	\$ 0.40	\$ 0.44	\$ 0.37
Regular dividend per share	\$ 0.36	\$ 0.36	\$ 0.36	\$ 0.36	\$ 0.36
Weighted average common shares outstanding	48,746,521	48,877,803	48,957,567	48,903,081	48,711,437
Ending common shares outstanding	48,694,292	48,834,734	48,934,498	48,959,494	48,723,549

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

Financial Highlights

(\$ per share)	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015
Net investment income before taxes ⁽¹⁾	\$ 0.47	\$ 0.55	\$ 0.50	\$ 0.55	\$ 0.46
Excise taxes	-	(0.02)	-	-	-
Incentive compensation on NII	(0.09)	(0.11)	(0.10)	(0.11)	(0.09)
Net investment income, after incentive ⁽¹⁾	0.38	0.43	0.40	0.44	0.37
Net realized & unrealized gains (losses)	(0.14)	(0.39)	(0.04)	(0.04)	0.01
Gain on repurchase of Series A preferred interests	-	-	-	0.03	-
Net increase in net assets to common equity	0.24	0.04	0.36	0.43	0.38
Regular dividend paid	0.36	0.36	0.36	0.36	0.36
Net asset value	14.66	14.78	15.10	15.10	15.03
	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015
Total fair value of investments (000s)	\$ 1,227,145	\$ 1,182,920	\$ 1,269,161	\$ 1,211,975	\$ 1,203,345
Number of portfolio companies	90	88	91	87	84
Average investment size (000s)	\$ 13,635	\$ 13,442	\$ 13,947	\$ 13,931	\$ 14,326
Debt/equity ratio	.69x ⁽²⁾	.64x ⁽²⁾	.73x ⁽²⁾	.70x	.71x
Debt/equity ratio, net of cash ⁽³⁾	.66x ⁽²⁾	.60x ⁽²⁾	.69x ⁽²⁾	.65x	.66x

(1) After preferred dividends.

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

(3) Net of trades pending settlement.

Quarterly Balance Sheets

<i>(in thousands, except per share data)</i>	3/31/2016 (unaudited)	12/31/2015 (audited)	9/30/2015 (unaudited)	6/30/2015 (unaudited)	3/31/2015 (unaudited)
ASSETS					
Investments at fair value	\$ 1,227,145	\$ 1,182,920	\$ 1,269,161	\$ 1,211,975	\$ 1,203,345
Cash and cash equivalents	22,691	35,629	34,583	36,706	25,566
Accrued interest income	12,296	9,613	14,029	9,799	12,500
Receivable for investments sold	-	-	1,970	9,631	5,110
Other assets	9,093	15,156	14,094	12,769	13,951
Total assets	<u>1,271,225</u>	<u>1,243,318</u>	<u>1,333,837</u>	<u>1,280,880</u>	<u>1,260,472</u>
LIABILITIES					
Debt	\$ 539,595	\$ 502,410	\$ 575,305	\$ 416,900	\$ 382,798
Payable for investments purchased	5,286	6,425	7,847	12,514	-
Incentive allocation payable	4,574	5,208	4,839	5,384	4,520
Interest payable	4,151	2,911	3,580	2,075	3,033
Other liabilities	3,558	4,386	3,366	3,681	3,332
Total liabilities	<u>557,164</u>	<u>521,341</u>	<u>594,937</u>	<u>440,554</u>	<u>393,683</u>
Preferred equity interests	-	-	-	100,898	134,477
NET ASSETS	<u>\$ 714,061</u>	<u>\$ 721,977</u>	<u>\$ 738,900</u>	<u>\$ 739,428</u>	<u>\$ 732,312</u>
NET ASSETS PER SHARE	<u>\$ 14.66</u>	<u>\$ 14.78</u>	<u>\$ 15.10</u>	<u>\$ 15.10</u>	<u>\$ 15.03</u>

Best-In-Class Advisory Fee Structure

	Typical Externally Managed BDCs ⁽¹⁾	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	<ul style="list-style-type: none"> 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 (infinite), annualized 8% total return</u> hurdle Ordinary Income: 20% subject to a <u>cumulative (infinite), annualized 8.0% total return</u> hurdle
		<p>✓ Subject to cumulative high water mark</p>

(1) Source: SEC filings.

Diversified Sources of Funding

As of March 31, 2016

Source	Capacity	Drawn Amount	Pricing	Maturity
Current leverage:				
■ SVCP Facility				
■ Revolver	\$116.0mm	\$44.0mm	L + 1.75% ⁽¹⁾	Jul-18
■ Term Loan	\$100.5mm	\$100.5mm	L + 1.75% ⁽¹⁾	Jul-18
■ Convertible Senior Unsecured Notes	\$106.2mm ⁽²⁾	\$106.2mm	5.25%	Dec-19
■ TCPC Funding Facility	\$350.0mm	\$244.0mm	L + 2.50% ⁽³⁾	Mar-20
■ SBA Debentures	\$75.0mm ⁽⁴⁾	\$49.0mm	2.81% ⁽⁵⁾	2024/2025
Total	\$747.7mm	\$543.7mm	3.28% ⁽⁶⁾	

The Company is rated BBB- by Standard & Poor's with outlook stable

(1) Rate increases to L + 2.50% on July 30, 2016.

(2) \$108 million par. Carrying value shown.

(3) Rate is L + 2.25% subject to certain draw requirements.

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

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

(6) Combined weighted-average interest rate on amounts outstanding.

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