



TCP CAPITAL CORP.

TCP Capital Corp. Investor Presentation

Quarter Ended December 31, 2014

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 2, 2014 and its prospectus supplement dated December 19, 2014 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⁾
- 8.7% 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:

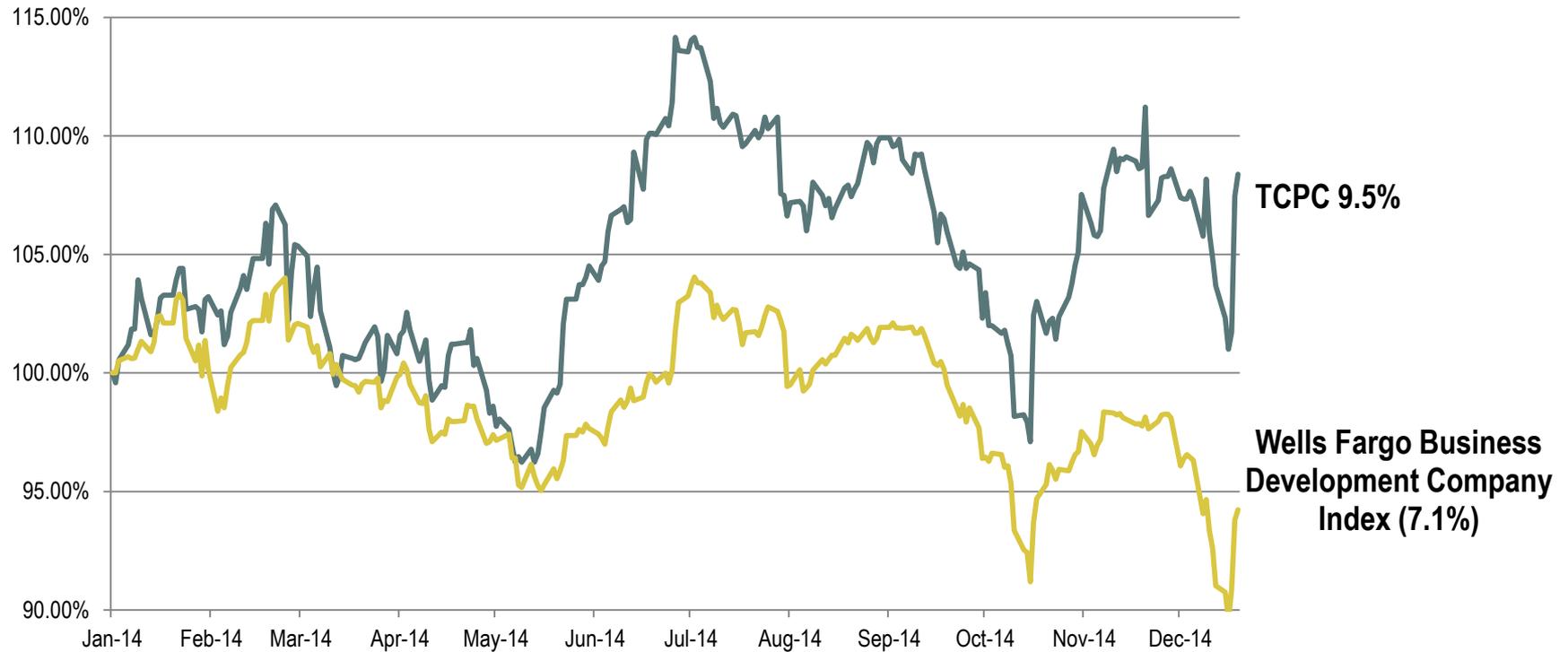
- Contractual first claim ahead of subordinated debt and equity
- Assets pledged as collateral
- Interest payments typically floating rate

(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 \$16.50 as of 3/6/2015.

2014 TCPC Performance

Indexed Performance



2014 TCPC Total Return

9.5%

Source: Bloomberg
Assumes reinvestment of dividends

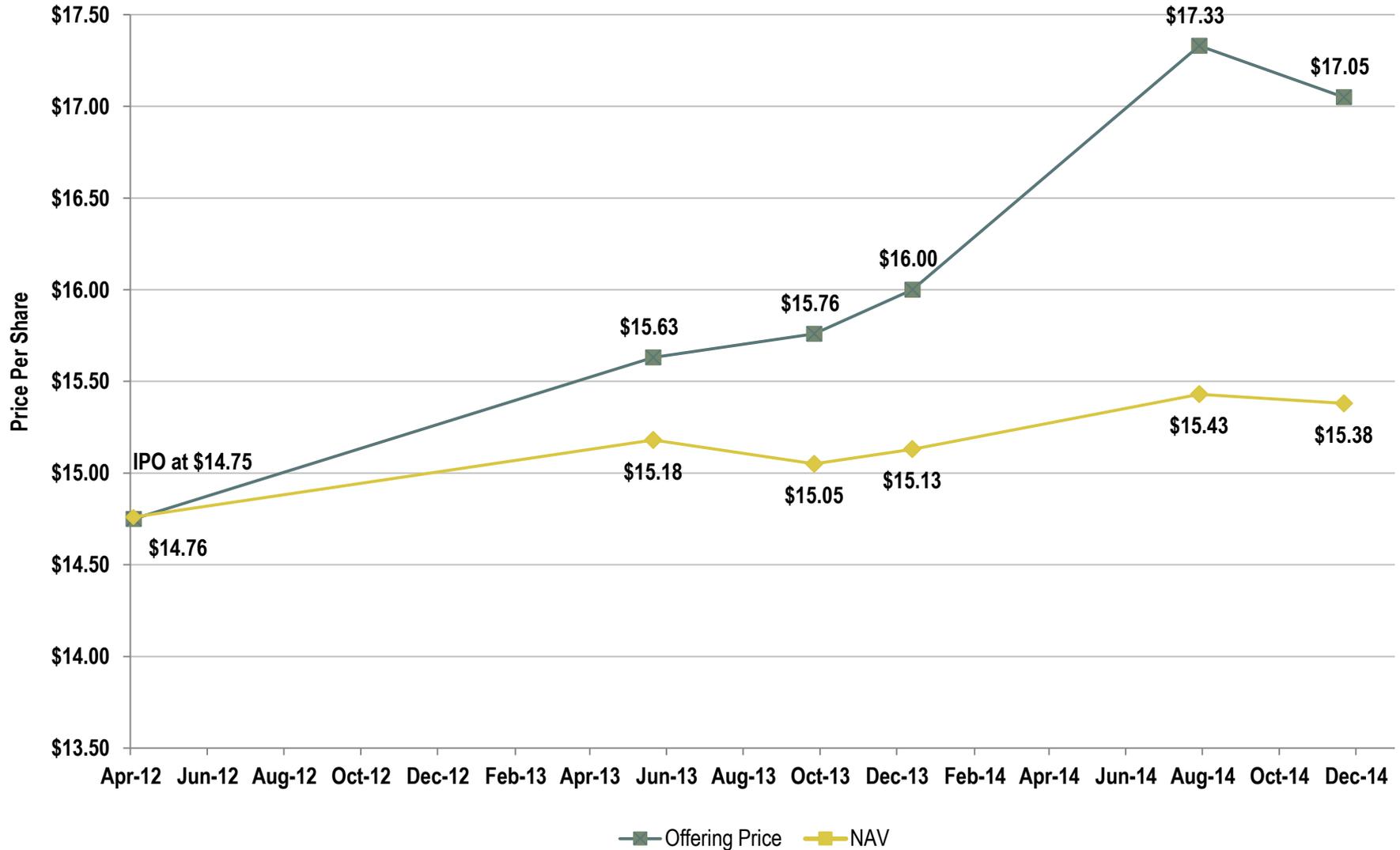
Summary of Annual Results

<i>(in thousands, except per share data)</i>	2014	2013	2012
Total investments	\$ 1,081,901	\$ 766,263	\$ 517,683
Net investment income ⁽¹⁾	75,854	52,836	38,718
Net investment income per share ⁽¹⁾	1.93	2.04	1.80
Net investment income per share, after incentive ⁽¹⁾	1.54	1.63	NA ⁽²⁾
Regular dividends per share	1.44	1.43	1.38
Special dividends per share	0.10	0.10	0.05
Coverage in excess of regular dividends	0.10	0.20	0.42
Earnings per share	0.88	1.91	1.21
Net assets per share	15.01	15.18	14.71
Ending stock price	16.78	16.78	14.74

(1) After preferred dividends and excise taxes.

(2) Under the Investment Management Agreement, no incentive compensation was incurred until after January 1, 2013.

Accretive Offerings



Q4 2014 Highlights

- Deployed \$183 million in 10 investments
- Net investment income before taxes⁽¹⁾ of \$0.40 per share
 - Quarterly dividend of \$0.36 per share paid on December 31, 2014
- Declared Q1 2015 regular quarterly dividend of \$0.36 per share
 - Payable on March 31, 2015 to holders of record as of March 19, 2015

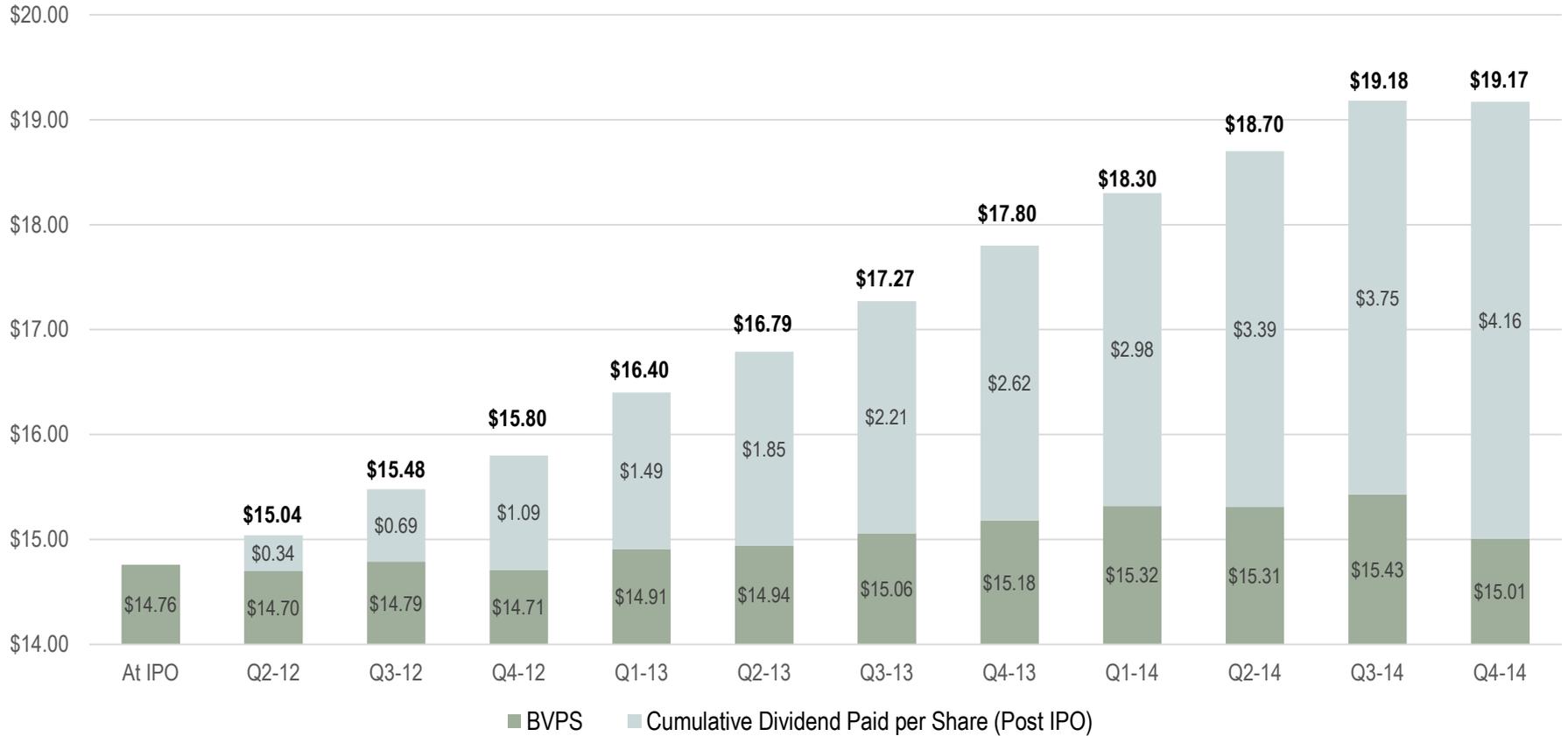
Per Share	Q2-12	Q3-12	Q4-12	Q1-13	Q2-13	Q3-13	Q4-13	Q1-14	Q2-14	Q3-14	Q4-14	Q1-15	ITD Total
Regular dividend	0.34	0.35	0.35	0.35	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36	4.52
Special dividend			0.05	0.05			0.05		0.05		0.05		

- Closed follow-on offering of 5,900,000 shares at \$17.05 on November 26, 2014

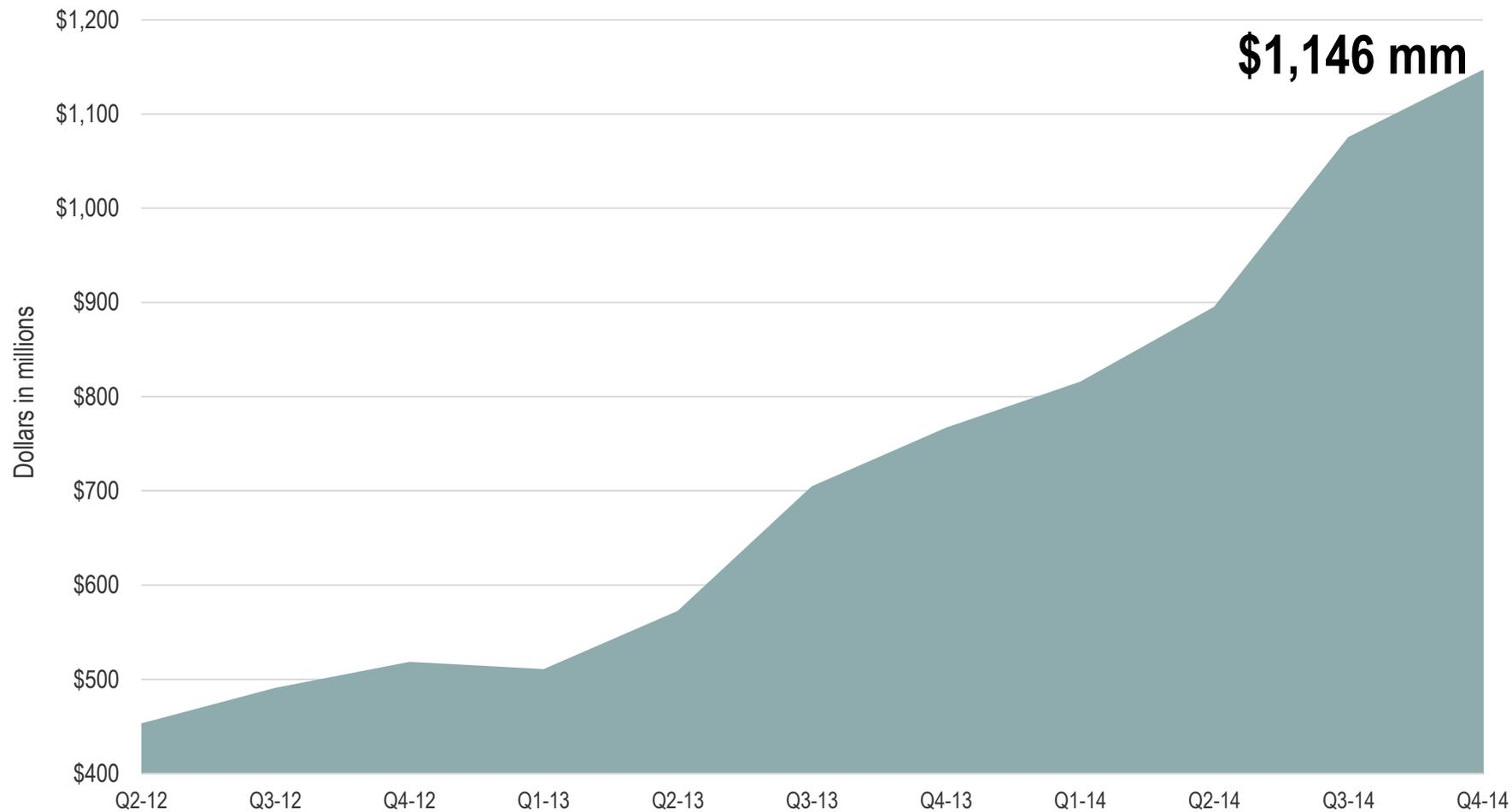
(1) After preferred dividends, excise taxes and incentive compensation on net investment income.

Strong Track Record of Positive Performance

Book Value per Share and Dividends Paid



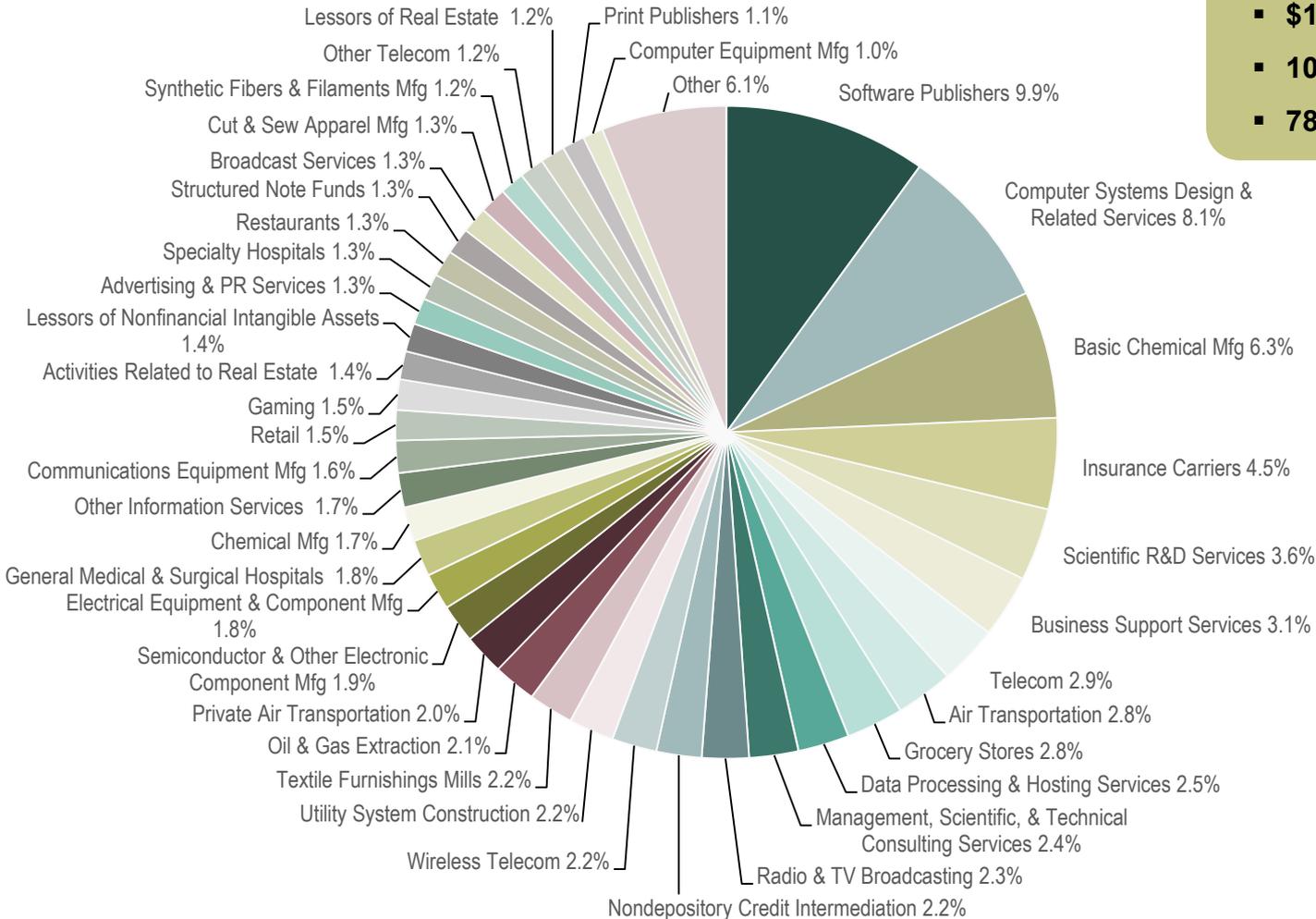
Portfolio Growth Since IPO



Portfolio Highlights as of December 31, 2014

Investment by Industry

- **\$1.1 billion portfolio fair value**
- **10.9% average effective yield**
- **78% of debt is floating rate**



Financial Highlights

(\$ per share)

	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013
Net investment income before taxes ⁽¹⁾	\$ 0.50	\$ 0.47	\$ 0.50	\$ 0.48	\$ 0.50
Excise taxes	(0.02)	-	-	-	(0.03)
Incentive compensation on NII	(0.10)	(0.09)	(0.10)	(0.10)	(0.09)
Net investment income, after incentive ⁽¹⁾	0.38	0.38	0.40	0.38	0.38
Net realized & unrealized gains (losses)	(0.56)	(0.11)	(0.09)	0.14	0.10
Incentive allocation reserve	0.02	0.02	0.02	(0.02)	(0.02)
Net increase in net assets from operations	(0.16)	0.29	0.33	0.50	0.46
Quarterly dividend paid	0.36	0.36	0.36	0.36	0.36
Special dividend paid	0.05	-	0.05	-	0.05
Net asset value	15.01	15.43	15.31	15.32	15.18

	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013
Total fair value of investments (000s)	\$ 1,146,536	\$ 1,074,797	\$ 894,669	\$ 815,658	\$ 766,263
Number of portfolio companies	84	82	74	70	67
Average investment size (000s)	\$ 13,649	\$ 13,107	\$ 12,090	\$ 11,652	\$ 11,437
Debt/equity ratio	.63x	.69x	.69x	.53x	.42x
Debt/equity ratio, net of cash ⁽²⁾	.58x	.66x	.63x	.48x	.40x

(1) After preferred dividends.

(2) Net of trades pending settlement.

Portfolio Highlights

Asset Mix of the Investment Portfolio <i>(in thousands)</i>	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013
Senior secured debt	\$ 1,113,537	\$ 1,041,130	\$ 864,188	\$ 773,780	\$ 708,726
Senior unsecured debt	-	-	-	7,560	7,632
Mezzanine/subordinated debt	56	15	1,007	1,402	10,157
Equity	32,943	33,652	29,474	32,916	39,748
Total investments	1,146,536	1,074,797	894,669	815,658	766,263

Select Portfolio Data <i>(in thousands)</i>	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013
Gross new commitments	\$ 183,474	\$ 207,059	\$ 168,596	\$ 110,386	\$ 116,545
Exits (includes repayments)	(88,014)	(22,574)	(87,930)	(66,877)	(59,125)
Net commitments	95,460	184,485	80,666	43,510	57,420

Quarterly Balance Sheets

<i>(in thousands, except per share data)</i>	12/31/2014 <i>(audited)</i>	9/30/2014 <i>(unaudited)</i>	6/30/2014 <i>(unaudited)</i>	3/31/2014 <i>(unaudited)</i>	12/31/2013 <i>(audited)</i>
ASSETS					
Investments at fair value	\$ 1,146,536	\$ 1,074,797	\$ 894,669	\$ 815,658	\$ 766,263
Cash and cash equivalents	27,269	24,144	29,380	27,141	22,984
Accrued interest income	9,504	10,359	8,621	8,998	6,739
Receivable for investments sold	10,961	-	17,397	1,032	3,606
Other assets	11,597	10,306	8,538	4,553	3,737
Total assets	<u>1,205,867</u>	<u>1,119,606</u>	<u>958,605</u>	<u>857,382</u>	<u>803,329</u>
LIABILITIES					
Debt	\$ 328,697	\$ 319,099	\$ 250,501	\$ 157,000	\$ 95,000
Payable for investments purchased	2,050	1,250	8,562	1,515	14,707
Incentive allocation payable	4,303	3,768	3,614	3,486	3,319
Interest payable	1,511	2,482	883	332	431
Other liabilities	3,679	3,274	4,557	3,680	4,588
Total liabilities	<u>340,240</u>	<u>329,873</u>	<u>268,117</u>	<u>166,013</u>	<u>118,045</u>
Preferred equity interests	134,498	134,499	134,494	134,494	134,504
Non-controlling interest	-	701	1,602	2,204	1,169
NET ASSETS	<u>\$ 731,129</u>	<u>\$ 654,533</u>	<u>\$ 554,392</u>	<u>\$ 554,671</u>	<u>\$ 549,611</u>
NET ASSETS PER SHARE	<u>\$ 15.01</u>	<u>\$ 15.43</u>	<u>\$ 15.31</u>	<u>\$ 15.32</u>	<u>\$ 15.18</u>

Quarterly Operating Results

	For the Three Months Ended				
	(Unaudited; dollar amounts in thousands, except per share data)				
	12/31/2014	9/30/2014	6/30/2014	3/31/2014	12/31/2013
Investment Income					
Interest income	\$ 30,623	\$ 26,643	\$ 23,925	\$ 19,735	\$ 20,226
Dividend income	-	-	-	1,969	-
Lease income	325	337	342	330	330
Other income	1,187	210	320	635	431
Total investment income	<u>32,135</u>	<u>27,190</u>	<u>24,587</u>	<u>22,669</u>	<u>20,987</u>
Expenses					
Management and advisory fees	4,142	3,513	3,105	2,886	2,710
Interest expense	2,998	2,536	1,020	457	530
Administrative expenses	393	393	379	257	257
Amortization of deferred debt issuance costs	579	545	429	373	382
Legal fees, professional fees and due diligence expenses	527	269	355	204	308
Other expenses	812	734	873	701	538
Total expenses	<u>9,451</u>	<u>7,990</u>	<u>6,161</u>	<u>4,878</u>	<u>4,725</u>
Net investment income before taxes	<u>22,684</u>	<u>19,200</u>	<u>18,426</u>	<u>17,791</u>	<u>16,262</u>
Excise taxes	809	-	-	-	977
Net investment income	<u>21,875</u>	<u>19,200</u>	<u>18,426</u>	<u>17,791</u>	<u>15,285</u>
Net realized and unrealized gain (loss)	(24,967)	(4,505)	(3,012)	5,180	3,121
Dividends on preferred equity facility	(360)	(362)	(356)	(359)	(356)
Incentive allocation distributions	(4,303)	(3,768)	(3,614)	(3,486)	(3,319)
Incentive allocation reserve	701	901	602	(1,036)	(291)
Net increase (decrease) in net assets resulting from operations	<u>\$ (7,054)</u>	<u>\$ 11,466</u>	<u>\$ 12,046</u>	<u>\$ 18,090</u>	<u>\$ 14,440</u>
Earnings per share	\$ (0.16)	\$ 0.29	\$ 0.33	\$ 0.50	\$ 0.46
Net investment income per share ⁽¹⁾	\$ 0.40	\$ 0.38	\$ 0.40	\$ 0.39	\$ 0.40
Regular dividends per share	\$ 0.36	\$ 0.36	\$ 0.36	\$ 0.36	\$ 0.36
Special dividends per share	\$ 0.05		\$ 0.05		\$ 0.05
Weighted average common shares outstanding	44,998,625	40,079,914	36,200,021	36,199,917	31,812,302

(1) After 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
		<ul style="list-style-type: none"> ✓ Subject to high water mark

Source: SEC filings.

Diversified Sources of Funding

TCPC

Funding Sources	Pricing	Maturity
▪ \$134m Preferred Interests	L + 0.85%	July 2016
▪ \$116m Operating Company Credit Facility	L + 2.50%	July 2016
▪ \$250m TCPC Funding I Credit Facility ¹	L + 2.50% ²	May 2017
▪ \$75m SBA Leverage Program ³	3.02% ⁴	2014/2015
▪ \$108m Convertible Senior Unsecured Notes	5.25%	Dec 2019

(1) As of March 6, 2015, facility increased to \$300 million and maturity date extended to March 2019.

(2) Subject to certain draw requirements.

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

(4) Interest rate on pooled loans, excluding fees of 0.36%. As of December 31, 2014, \$9.5 million of the outstanding amount bore interest at a temporary rate of 0.56% plus fees of 0.36% through March 25, 2015, the date of the next SBA pooling.

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