



TCP Capital Corp. Investor Presentation

Quarter Ended December 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 shelf registration statement declared effective on May 6, 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⁾
- 8.4% 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 \$17.19 as of 2/24/2017.

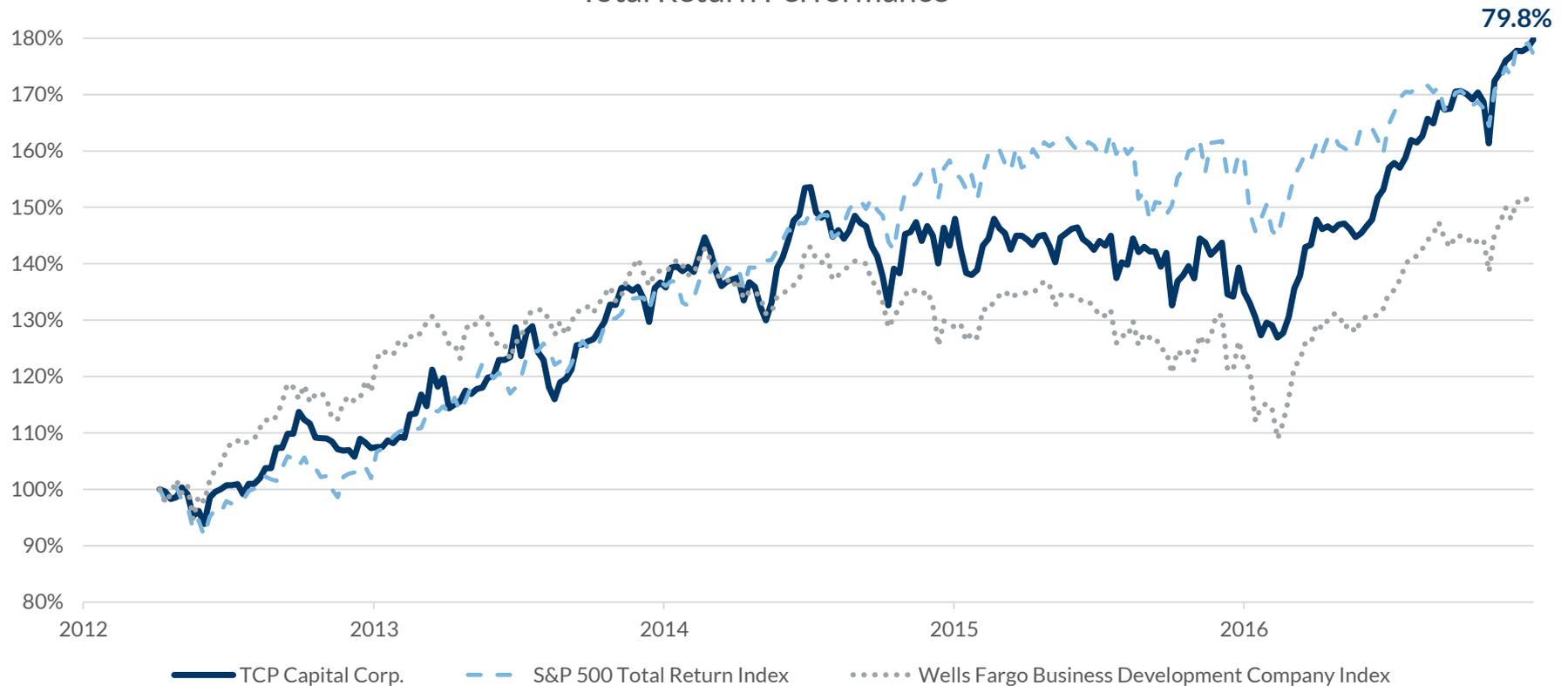
2016 Highlights and Recent Achievements

- Substantially out-earned our dividends for the year
- \$65 million in new equity through two transactions:
 - \$30 million through private placement of convertible notes, which converted to common equity
 - \$35.3 million through a registered direct offering of common stock at a premium to net asset value
 - No placement agent or underwriting fees in either transaction
- Closed private placement of \$140 million of convertible notes with an interest rate of 4.625%
- Obtained second \$75 million leverage commitment from SBA; total commitment now \$150 million
- S&P affirmed investment grade rating
- Board of directors renewed \$50 million share repurchase plan

TCPC Comparative Performance

Out-performed both the S&P 500 Total Return and Wells Fargo BDC Indices

Total Return Performance⁽¹⁾



(1) Assumes \$100 invested April 4, 2012 in TCP Capital Corp., the S&P 500 Total Return Index and the Wells Fargo Business Development Company Index. Assumes all dividends are reinvested on the respective dividend payment dates without commissions. Source: FactSet.

Dividend Stability

- Net investment income⁽¹⁾ of \$0.39 per share, and after taxes and a one-time expense \$0.36 per share
 - Quarterly dividend of \$0.36 per share paid on December 31, 2016
- Declared Q1 2017 dividend of \$0.36 per share
 - Payable on March 31, 2017 to holders of record as of March 17, 2017
- Covered our dividend each quarter since inception

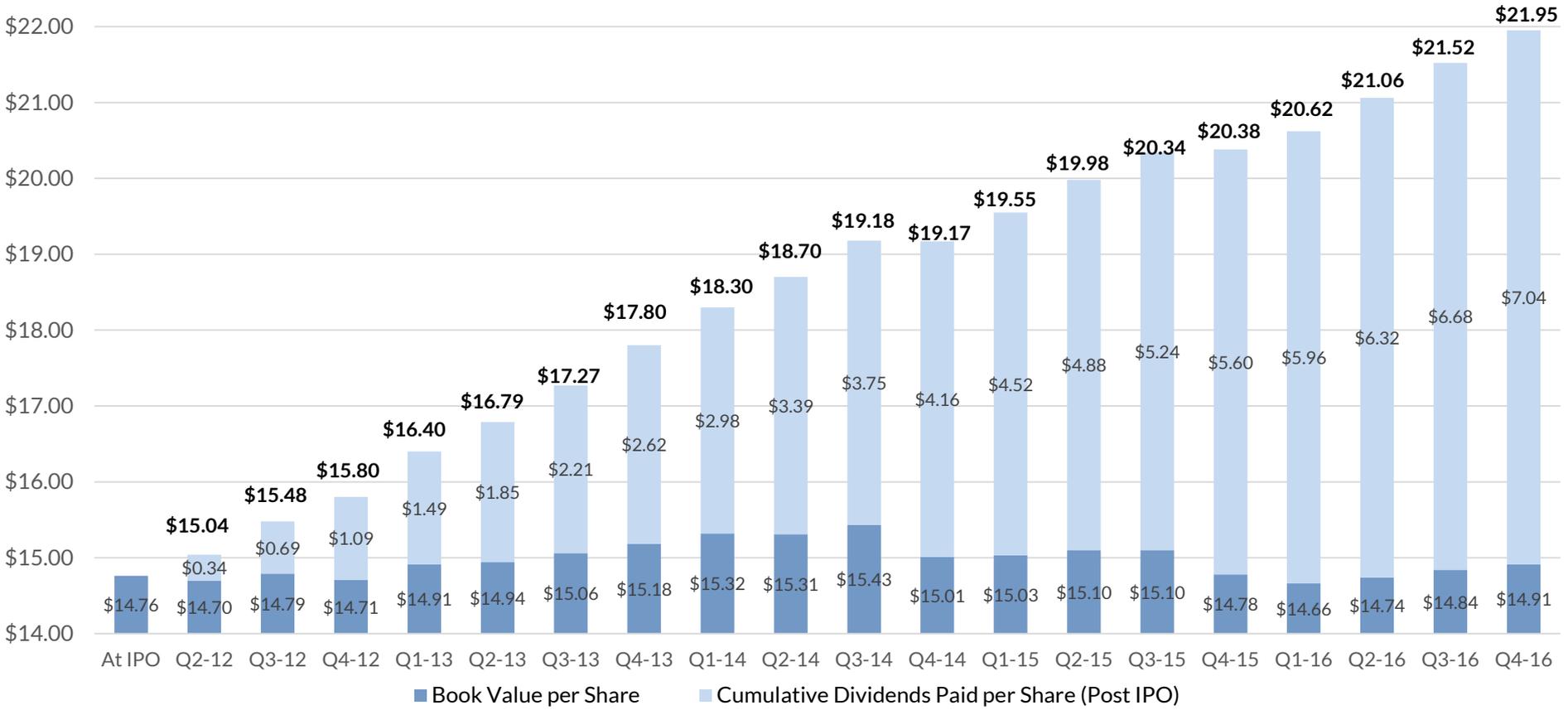
	2012 ⁽²⁾			2013				2014				2015				2016				
Per Share	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	ITD Total
Regular dividend	0.34	0.35	0.35	0.35	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36	6.79
Net investment income	0.40	0.43	0.59	0.49	0.38	0.40	0.38	0.39	0.40	0.38	0.38	0.37	0.44	0.40	0.43	0.38	0.38	0.39	0.36	7.77
Regular Dividend Coverage	118%	123%	169%	140%	104%	110%	106%	107%	111%	104%	106%	103%	122%	110%	118%	106%	106%	108%	100%	114%
Special dividend			0.05	0.05			0.05		0.05		0.05									0.25

(1) After incentive compensation.

(2) Incentive compensation was waived prior to January 1, 2013.

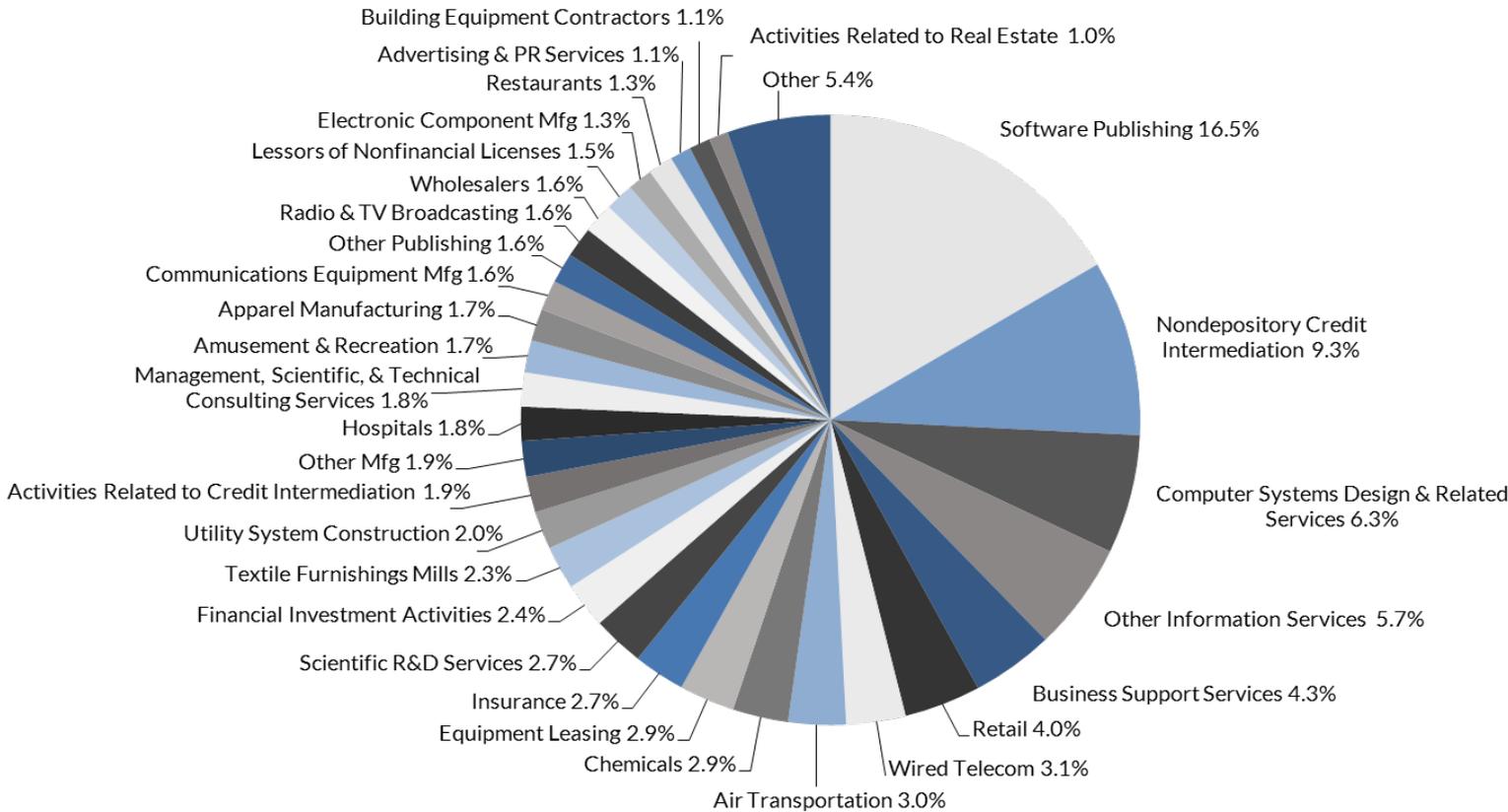
Strong Track Record of Positive Performance

Book Value per Share and Dividends Paid



Portfolio Highlights as of December 31, 2016

- \$1.3 billion portfolio fair value
- 81% of debt portfolio is floating rate
- 95% of portfolio is senior secured debt
- 10.9% weighted average effective yield on debt portfolio⁽¹⁾

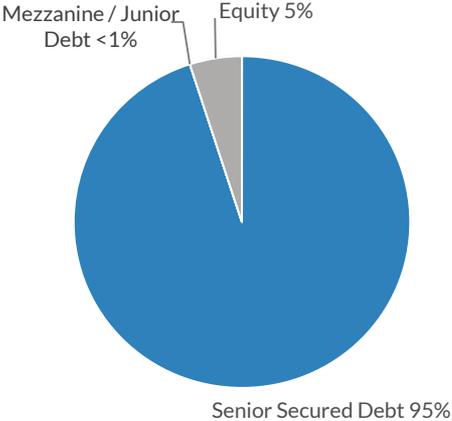


(1) Weighted average annual effective yield includes amortization of deferred debt origination and exit fees and original issue discount, but excludes market discount, any repayment and make-whole fee income, and any debt investments on non-accrual status.

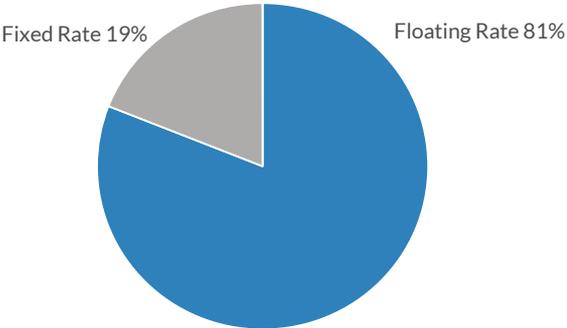
Conservatively Positioned Portfolio

As of December 31, 2016

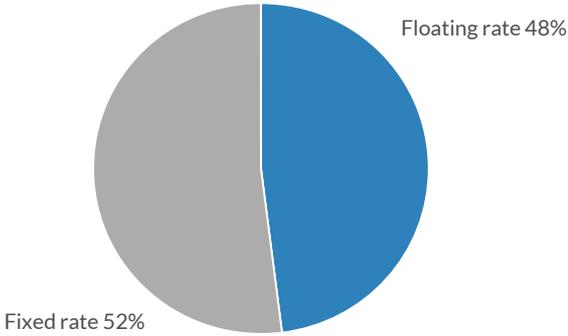
Portfolio by Asset Type



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	+\$22,625,925	\$0.43
Up 200 basis points	+\$15,208,241	\$0.29
Up 100 basis points	+\$7,793,015	\$0.15
Down 100 basis points	+\$800,237	\$0.02

(1) Please refer to page 67 of the Company’s 10-K as of December 31, 2016.

Portfolio Highlights

Asset Mix of the Investment Portfolio <i>(in thousands)</i>	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Senior secured debt	\$ 1,248,888	\$ 1,221,182	\$ 1,176,581	\$ 1,173,244	\$ 1,129,571
Mezzanine/subordinated debt	-	-	-	65	965
Equity	66,082	55,248	54,920	53,836	52,384
Total investments	1,314,970	1,276,430	1,231,501	1,227,145	1,182,920

Portfolio Activity <i>(in thousands)</i>	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Gross new commitments	\$ 207,402	\$ 146,640	\$ 119,118	\$ 114,059	\$ 77,580
Exits (includes repayments)	179,233	108,179	119,906	66,140	(150,553)
Net commitments	28,169	38,461	(788)	47,919	(72,973)

Quarterly Operating Results

	Three Months Ended				
	(Unaudited; dollar amounts in thousands, except per share data)				
	12/31/2016	9/30/2016	6/30/2016	3/31/2016	12/31/2015
Investment income					
Interest income	\$ 39,104	\$ 38,277	\$ 34,763	\$ 32,874	\$ 39,159
Lease income	74	71	650	776	375
Other income	349	121	182	939	82
Total investment income	<u>39,527</u>	<u>38,469</u>	<u>35,595</u>	<u>34,589</u>	<u>39,616</u>
Expenses					
Interest and other debt expenses	7,615	6,199	5,834	5,545	5,409
Management and advisory fees	4,905	4,816	4,656	4,504	4,912
Administrative expenses	426	430	416	422	423
Legal fees, professional fees and due diligence expenses	537	550	731	503	846
Other expenses	1,891	809	824	745	1,111
Total expenses	<u>15,374</u>	<u>12,804</u>	<u>12,461</u>	<u>11,719</u>	<u>12,701</u>
Net investment income before taxes	<u>24,153</u>	<u>25,665</u>	<u>23,134</u>	<u>22,870</u>	<u>26,915</u>
Excise taxes	569	-	-	-	877
Net investment income	<u>23,584</u>	<u>25,665</u>	<u>23,134</u>	<u>22,870</u>	<u>26,038</u>
Net realized and unrealized gain (loss)	4,054	209	2,675	(6,823)	(18,739)
Dividends on preferred equity facility	-	-	-	-	-
Incentive allocation distributions	(4,717)	(5,133)	(4,627)	(4,574)	(5,208)
Net increase in net assets to common equity	<u>\$ 22,921</u>	<u>\$ 20,741</u>	<u>\$ 21,182</u>	<u>\$ 11,473</u>	<u>\$ 2,091</u>
Earnings per share	\$ 0.43	\$ 0.39	\$ 0.43	\$ 0.24	\$ 0.04
Net investment income per share ⁽¹⁾	\$ 0.36	\$ 0.39	\$ 0.38	\$ 0.38	\$ 0.43
Dividend per share	\$ 0.36	\$ 0.36	\$ 0.36	\$ 0.36	\$ 0.36
Weighted average common shares outstanding	53,041,753	52,736,835	49,224,367	48,746,521	48,877,803
Ending common shares outstanding	53,041,900	53,041,751	50,705,049	48,694,292	48,834,734

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

Financial Highlights

(\$ per share)	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Net investment income before taxes ⁽¹⁾	\$ 0.46	0.49	\$ 0.47	\$ 0.47	\$ 0.55
Excise taxes	(0.01)	-	-	-	(0.02)
Incentive compensation on NII	(0.09)	(0.10)	(0.09)	(0.09)	(0.11)
Net investment income, after incentive ⁽¹⁾	0.36	0.39	0.38	0.38	0.43
Net realized & unrealized gains (losses)	0.07	-	0.05	(0.14)	(0.39)
Net increase in net assets from operations	0.43	0.39	0.43	0.24	0.04
Dividend paid	0.36	0.36	0.36	0.36	0.36
Net asset value	14.91	14.84	14.74	14.66	14.78
	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Total fair value of investments (000s)	\$ 1,314,970	1,276,430	\$ 1,231,501	\$ 1,227,145	\$ 1,182,920
Number of portfolio companies	90	88	89	90	88
Average investment size (000s)	\$ 14,611	14,505	\$ 13,837	\$ 13,635	\$ 13,442
Debt/equity ratio ⁽²⁾	.66x	.74x	.62x	.69x	.64x
Debt/equity ratio, net of cash ⁽²⁾⁽³⁾	.60x	.56x	.58x	.67x	.60x

(1) After preferred dividends.

(2) Excludes SBIC debt, which is exempt from regulatory asset coverage requirements.

(3) Net of trades pending settlement.

Quarterly Balance Sheets

<i>(in thousands, except per share data)</i>	12/31/2016 (audited)	9/30/2016 (unaudited)	6/30/2016 (unaudited)	3/31/2016 (unaudited)	12/31/2015 (audited)
ASSETS					
Investments at fair value	\$ 1,314,970	1,276,430	\$ 1,231,501	\$ 1,227,145	\$ 1,182,920
Cash and cash equivalents	53,580	140,874	38,314	22,691	35,629
Accrued interest income	13,692	12,120	9,306	12,296	9,613
Receivable for investments sold	-	6,307	27,667	-	-
Other assets	5,356	6,098	8,824	9,093	10,951
Total assets	<u>1,387,598</u>	<u>1,441,829</u>	<u>1,315,612</u>	<u>1,271,225</u>	<u>1,239,113</u>
LIABILITIES					
Debt, net of unamortized issuance costs	\$ 571,659	631,702	\$ 516,661	\$ 539,595	\$ 498,206
Payable for investments purchased	12,349	9,151	40,952	5,286	6,425
Incentive allocation payable	4,717	5,133	4,627	4,574	5,208
Interest payable	5,014	4,520	2,996	4,151	2,911
Other liabilities	2,924	4,215	3,185	3,558	4,386
Total liabilities	<u>596,662</u>	<u>654,721</u>	<u>568,421</u>	<u>557,164</u>	<u>517,136</u>
NET ASSETS	<u>\$ 790,936</u>	<u>787,108</u>	<u>\$ 747,191</u>	<u>\$ 714,061</u>	<u>\$ 721,977</u>
NET ASSETS PER SHARE	<u>\$ 14.91</u>	<u>14.84</u>	<u>\$ 14.74</u>	<u>\$ 14.66</u>	<u>\$ 14.78</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"> 2.0% quarterly return on NAV 	<ul style="list-style-type: none"> 2.0% 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 hurdle</u> Ordinary Income: 20% subject to a <u>cumulative (infinite), annualized 8.0% total return hurdle</u>
		<p>✓ Subject to cumulative high water mark</p>

(1) Source: SEC filings.

Diversified Sources of Funding

As of December 31, 2016

Source	Capacity	Drawn Amount	Available	Pricing	Maturity
SVCP Revolver	\$116.0mm	-	\$116.0mm	L + 2.50%	Jul-18
Term Loan	\$100.5mm	\$100.5mm	-	L + 2.50%	Jul-18
2019 Convertible Senior Unsecured Notes	\$106.5mm ⁽¹⁾	\$106.5mm	-	5.25%	Dec-19
2022 Convertible Senior Unsecured Notes	\$136.9mm ⁽²⁾	\$136.9mm	-	4.63%	Mar-22
TCPC Funding Facility	\$350.0mm	\$175.0mm	\$175.0mm	L + 2.50% ⁽³⁾	Mar-20
SBA Debentures	\$150.0mm	\$61.0mm	\$89.0mm	2.58% ⁽⁴⁾	2024-2026
Total leverage	\$959.9mm	\$579.9mm	\$380.0mm	3.95% ⁽⁵⁾	
Cash			\$53.6mm		
Net settlements			\$(12.4)mm		
Unamortized debt issuance costs		\$(8.2)mm			
Net		\$571.7mm	\$421.2mm		

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

(1) \$108 million par. Carrying value shown.

(2) \$140 million par. Carrying value shown.

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

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

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

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