



TCP CAPITAL CORP.

TCP Capital Corp. Investor Presentation

Quarter Ended March 31, 2013

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.tccapital.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 preliminary prospectus dated April 1, 2013 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.tccapital.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⁾
 - ✓ 9.2% current dividend yield ⁽²⁾

Investment Objective

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

Leveraged Loans

Focused on senior secured loans:

- ✓ 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 \$15.67 as of 5/8/2013.

Q1 2013 Highlights

- Net investment income of \$0.49 per share (after preferred dividends and incentive compensation)
 - Special dividend of \$0.05 per share paid on March 29, 2013
 - Quarterly dividend of \$0.35 per share paid on March 29, 2013
- Q2 2013 quarterly dividend raised to \$0.36 per share
 - Payable on June 28, 2013 to holders of record as of June 7, 2013
- Earnings per share \$0.60; NAV increased by 1.4%, to \$14.91 per share
- Estimated NAV as April 30, 2013 was \$15.14 per share

Financial Highlights

(\$ per share)	Q1 2013	Q4 2012	Q3 2012	Q2 2012	Q1 2012 ⁽¹⁾
Net investment income before taxes ⁽²⁾	\$ 0.64	\$ 0.64	\$ 0.43	\$ 0.40	\$ 0.41
Excise taxes	-	(0.05)	-	-	(0.02)
Net investment income	0.64	0.59	0.43	0.40	0.39
Net realized & unrealized gains (losses)	0.11	(0.27)	0.01	(0.12)	(0.22)
Incentive allocation and reserve	(0.15)	-	-	-	-
Net increase in net assets from operations	0.60	0.32	0.44	0.28	0.17
Quarterly dividend paid	0.35	0.35	0.35	0.34	0.34
Special dividend paid	0.05	0.05	-	-	-
Net asset value	14.91	14.71	14.79	14.70	14.76

	Q1 2013	Q4 2012	Q3 2012	Q2 2012	Q1 2012
Total fair value of investments (000s)	\$ 509,995	\$ 517,683	\$ 490,123	\$ 452,318	\$ 404,117
Number of portfolio company investments	54	54	46	44	40
Average investment size (000s)	\$ 9,444	\$ 9,587	\$ 10,655	10,280	10,103
Debt/equity ratio	.64x	.66x	.57x	.48x	.75x
Debt/equity ratio, net of cash	.60x	.65x	.56x	.45x	.72x

(1) Pro forma assuming the Conversion and the offering occurred on January 1, 2012.

(2) After preferred dividends. Includes \$0.14 per share of pre-payment compensation (gross).

Portfolio Highlights

Asset Mix of the Investment Portfolio (in thousands)	Q1 2013	Q4 2012	Q3 2012	Q2 2012	Q1 2012
Senior secured debt	\$ 453,895	\$ 463,394	\$ 417,026	\$ 361,247	\$ 304,860
Senior unsecured debt	7,553	7,167	7,883	7,615	10,146
Mezzanine/subordinated debt	12,151	12,241	12,304	12,284	20,882
Equity	36,396	34,881	52,910	71,172	68,229
Total investments	509,995	517,683	490,123	452,318	404,117

Select Portfolio Data (in thousands)	Q1 2013	Q4 2012	Q3 2012	Q2 2012	Q1 2012
Gross new commitments	\$ 40,264	\$ 112,981	\$ 80,043	\$ 90,395	\$ 75,602
Exits of commitments (includes repayments)	(51,006)	(82,110)	(43,489)	(40,008)	(45,609)
Net commitments	(10,742)	30,871	36,554	50,387	29,993

Quarterly Balance Sheets

	3/31/2013 (unaudited)	12/31/2012 (audited)	9/30/2012 (unaudited)	6/30/2012 (unaudited)	3/31/2012 (unaudited)
<i>(Dollar amounts in thousands, except per share data)</i>					
ASSETS					
Investments at fair value	\$ 509,995	\$ 517,683	\$ 490,123	\$ 452,318	\$ 404,117
Cash and cash equivalents	11,177	18,035	11,514	11,208	29,546
Accrued interest income	7,123	4,575	6,774	6,288	6,126
Deferred Debt issuance costs	588	696	807	918	1,028
Receivable for investments sold	-	7,728	11,162	214	3,331
Unrealized appreciation on swaps	349	179	321	438	49
Prepaid expenses and other assets	779	346	572	570	1,723
Total assets	<u>530,011</u>	<u>549,242</u>	<u>521,273</u>	<u>471,954</u>	<u>445,920</u>
LIABILITIES					
Credit facility payable	\$ 70,000	\$ 74,000	\$ 48,000	\$ 17,000	\$ 42,000
Incentive allocation payable	2,724	-	-	-	-
Payable for investments purchased	157	21,815	19,925	2,177	25,965
Distribution payable	-	-	-	-	5,400
Management and advisory fees payable	-	-	-	-	566
Payable to the Investment Manager	106	109	249	2,031	669
Interest payable	151	119	58	35	64
Accrued expenses and other liabilities	1,698	2,685	870	558	842
Total liabilities	<u>74,836</u>	<u>98,728</u>	<u>69,102</u>	<u>21,801</u>	<u>75,506</u>
Preferred equity interests	134,510	134,526	134,536	134,533	134,510
Minority interest	471	-	-	-	-
Net assets applicable to common shareholders	<u>\$ 320,193</u>	<u>\$ 315,988</u>	<u>\$ 317,635</u>	<u>\$ 315,620</u>	<u>\$ 235,904</u>
STOCKHOLDER'S EQUITY					
Common stock	\$ 22	\$ 22	\$ 21	\$ 21	\$ 1
Paid-in capital in excess of par value	444,252	444,234	445,697	445,715	364,743
Accumulated net investment income	24,359	22,526	19,346	17,657	16,436
Accumulated net realized losses	(58,506)	(59,024)	(39,393)	(47,797)	(50,674)
Accumulated net unrealized depreciation	(89,933)	(91,770)	(108,036)	(99,976)	(94,602)
Total stockholders' equity	<u>\$ 320,193</u>	<u>\$ 315,988</u>	<u>\$ 317,635</u>	<u>\$ 315,620</u>	<u>\$ 235,904</u>
NET ASSETS PER SHARE	<u>\$ 14.91</u>	<u>\$ 14.71</u>	<u>\$ 14.79</u>	<u>\$ 14.70</u>	<u>N/A</u>

Quarterly Operating Results

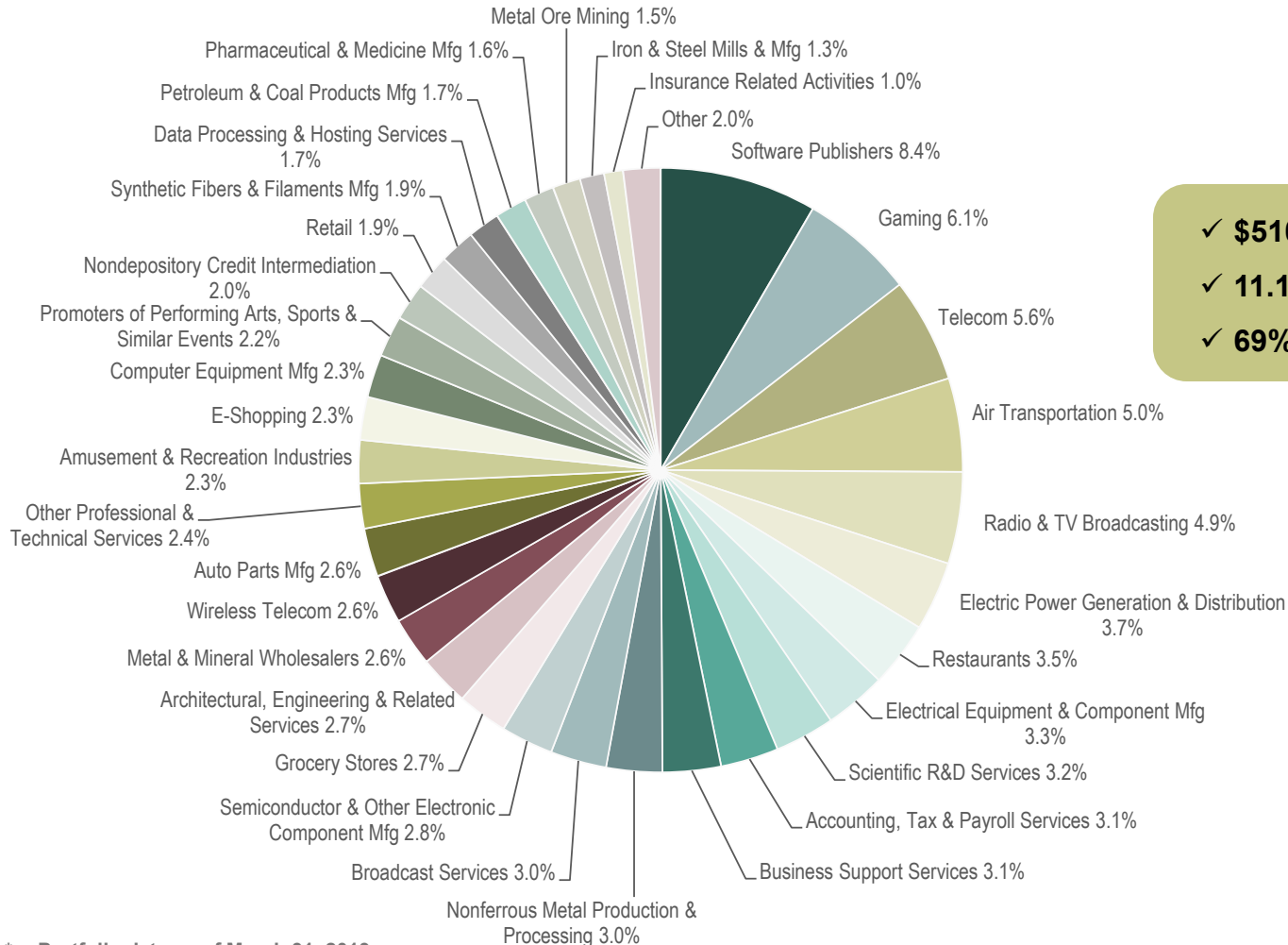
(Unaudited; dollar amounts in thousands, except per share data)

	3/31/2013	12/31/2012	9/30/2012	6/30/2012	3/31/2012
Investment Income					
Interest income	\$ 16,464	\$ 16,666	\$ 11,834	\$ 10,909	\$ 9,835
Dividend income	-	-	-	-	1,811
Other income	402	516	277	177	168
Total investment income	<u>16,866</u>	<u>17,182</u>	<u>12,111</u>	<u>11,086</u>	<u>11,814</u>
Expenses					
Management and advisory fees	1,965	1,922	1,737	1,553	1,697
Administrative expenses	168	-	-	-	-
Legal fees, professional fees and due diligence expenses	139	509	295	271	502 ⁽¹⁾
Amortization of deferred debt issuance costs	109	110	111	110	110
Commitment fees	23	33	61	70	62
Interest expense	136	100	34	10	47
Director fees	72	62	37	47	53
Custody fees	29	28	26	23	23
Insurance expenses	36	37	37	27	29
Other operating expenses	193	344	169	54	53
Total expenses	<u>2,870</u>	<u>3,145</u>	<u>2,507</u>	<u>2,165</u>	<u>2,576</u>
Net investment income before taxes	<u>13,996</u>	<u>14,037</u>	<u>9,604</u>	<u>8,921</u>	<u>9,238</u>
Excise taxes	-	977	-	-	503
Net investment income	<u>13,996</u>	<u>13,060</u>	<u>9,604</u>	<u>8,921</u>	<u>8,735</u>
Net realized gains (losses) on investments	517	(22,061)	8,404	2,929	(5,262)
Net unrealized appreciation (depreciation) on investments	1,838	16,317	(8,060)	(5,426)	375
Net realized and unrealized gain (loss)	<u>2,355</u>	<u>(5,744)</u>	<u>344</u>	<u>(2,497)</u>	<u>(4,887)</u>
Dividends on preferred equity facility	(377)	(391)	(399)	(398)	(415)
Incentive allocation distributions	(2,724)	-	-	-	-
Incentive allocation reserve	(471)	-	-	-	-
Net increase in net assets resulting from operations	<u>\$ 12,779</u>	<u>\$ 6,925</u>	<u>\$ 9,549</u>	<u>\$ 6,026</u>	<u>\$ 3,433</u>
Earnings per share	<u>\$ 0.60</u>	<u>\$ 0.32</u>	<u>\$ 0.44</u>	<u>\$ 0.28</u>	<u>\$ 0.16</u>
Net investment income per share after dividends & incentive allocation	<u>\$ 0.49</u>	<u>\$ 0.59</u>	<u>\$ 0.43</u>	<u>\$ 0.40</u>	<u>\$ 0.39</u>
Dividends per share	<u>\$ 0.40</u>	<u>\$ 0.40</u>	<u>\$ 0.35</u>	<u>\$ 0.34</u>	<u>\$ 0.34</u>
Weighted average common shares outstanding	<u>21,477,628</u>	<u>21,476,464</u>	<u>21,475,635</u>	<u>21,475,635</u>	<u>21,475,635</u>

(1) Includes \$412K in professional fees relating to the Conversion.

Portfolio Highlights*

Investment by Industry

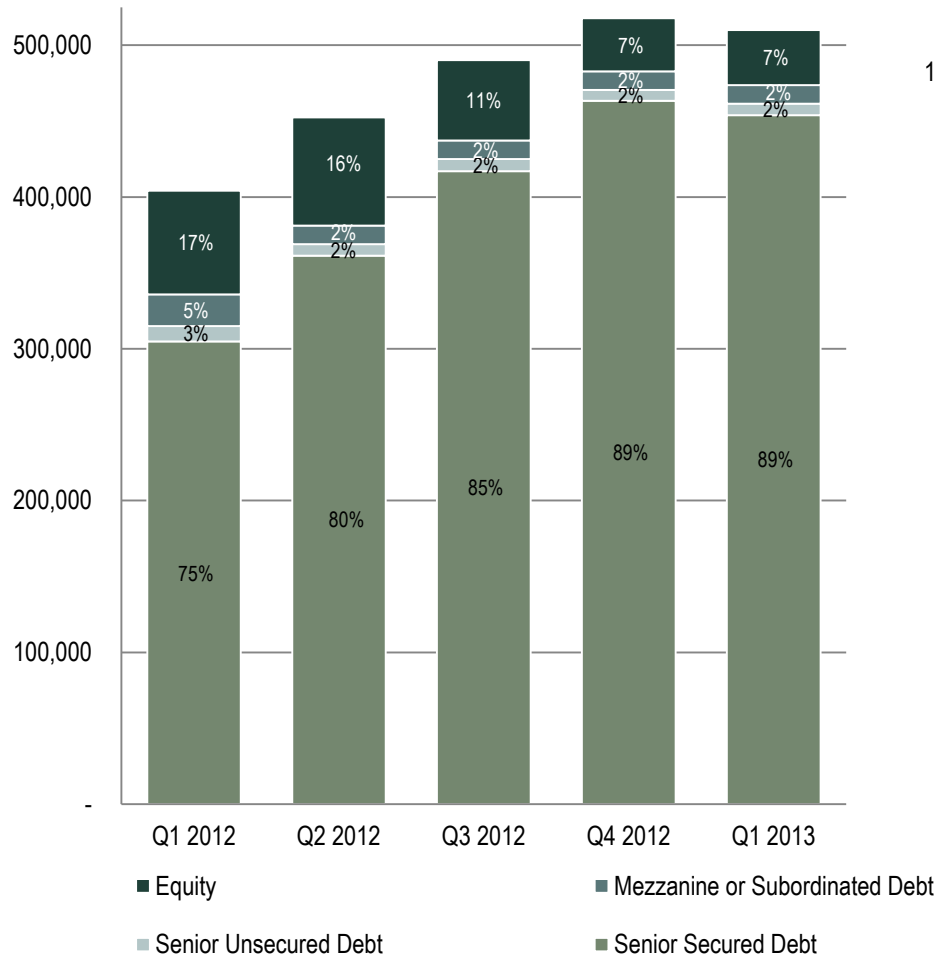


- ✓ \$510 million portfolio fair value
- ✓ 11.1% average effective yield
- ✓ 69% floating rate

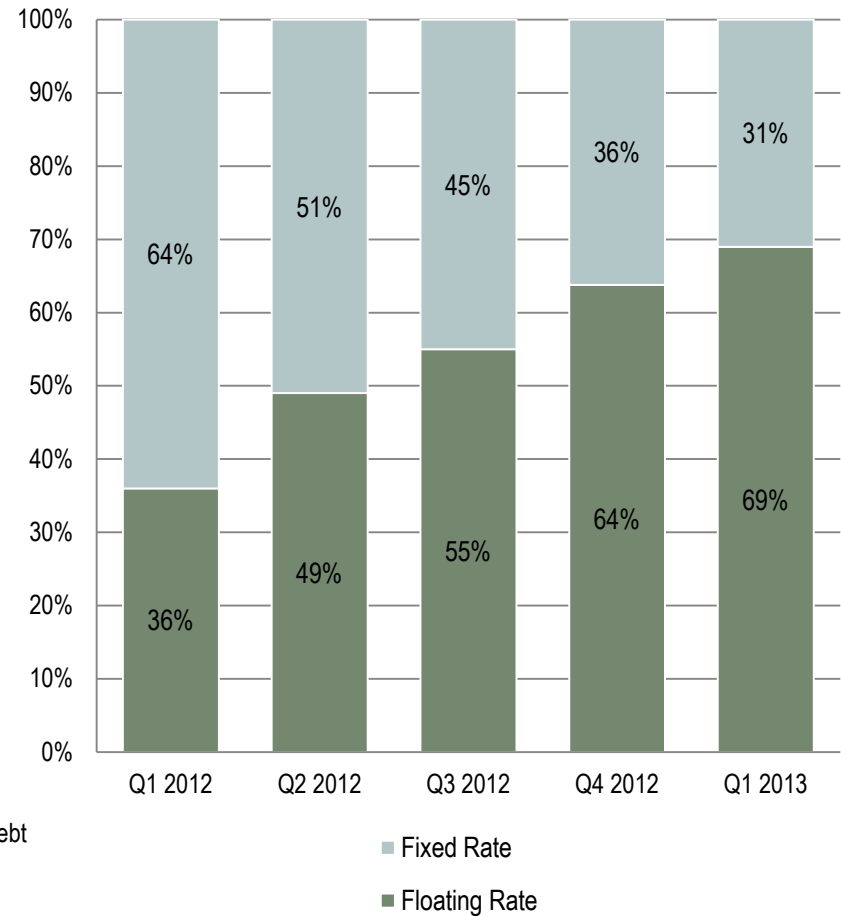
* Portfolio data as of March 31, 2013.

Portfolio Highlights

End of Period Investments



Fixed vs. Floating Rate



Attractive Leverage Program

TCP Capital Corp.

Facility	Pricing Range	Maturity Date
\$250m Leverage Program:		
■ \$116m Senior Secured Credit Facility	L + 0.44%	Jul-14
■ \$134m Preferred Interests	L + 0.85%	Jul-16

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.

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