



TCP CAPITAL CORP.

TCP Capital Corp. Investor Presentation

Quarter Ended June 30, 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.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 supplement dated May 21, 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.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⁾
 - ✓ 9.2% 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 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 \$15.60 as of 8/7/2013.

Q2 2013 Highlights

- Net investment income⁽¹⁾ of \$0.38 per share on a diluted basis
 - Quarterly dividend of \$0.36 per share paid on June 28, 2013
- Declared Q3 2013 quarterly dividend of \$0.36 per share
 - Payable on September 30, 2013 to holders of record as of September 9, 2013
- Earnings per share \$0.40; NAV increased from \$14.91 to \$14.94 per share
- Deployed \$131 million in 13 investments
- Closed follow-on offering of 5,175,000 shares at \$15.63 on May 24, 2013
- Closed new \$50 million credit facility with Deutsche Bank on May 17, 2013
 - Interest rate of L + 2.75%

Per Share	Q2-12	Q3-12	Q4-12	Q1-13	Q2-13	ITD Total
Regular dividend	0.34	0.35	0.35	0.36	0.36	1.85
Special dividend		0.05	0.05			

(1) After preferred dividends and incentive compensation, excluding incentive compensation on realized gains.

Financial Highlights

(\$ per share)	Q2 2013	Q1 2013	Q4 2012	Q3 2012	Q2 2012
Net investment income before taxes ⁽¹⁾	\$ 0.47	\$ 0.64	\$ 0.64	\$ 0.43	\$ 0.40
Excise taxes	-	-	(0.05)	-	-
Net investment income	0.47	0.64	0.59	0.43	0.40
Net realized & unrealized gains (losses)	0.03	0.11	(0.27)	0.01	(0.12)
Incentive allocation and reserve	(0.10)	(0.15)	-	-	-
Net increase in net assets from operations	0.40	0.60	0.32	0.44	0.28
Quarterly dividend paid	0.36	0.35	0.35	0.35	0.34
Special dividend paid	-	0.05	0.05	-	-
Net asset value	14.94	14.91	14.71	14.79	14.70

	Q2 2013	Q1 2013	Q4 2012	Q3 2012	Q2 2012
Total fair value of investments (000s)	\$ 571,762	\$ 509,995	\$ 517,683	\$ 490,123	\$ 452,318
Number of portfolio company investments	57	54	54	46	44
Average investment size (000s)	10,031	\$ 9,444	\$ 9,587	\$ 10,655	10,280
Debt/equity ratio	.42x	.64x	.66x	.57x	.48x
Debt/equity ratio, net of cash	.44x	.60x	.65x	.56x	.45x

(1) After preferred dividends.

Portfolio Highlights

Asset Mix of the Investment Portfolio (in thousands)	Q2 2013	Q1 2013	Q4 2012	Q3 2012	Q2 2012
Senior secured debt	\$ 515,778	\$ 453,895	\$ 463,394	\$ 417,026	\$ 361,247
Senior unsecured debt	7,591	7,553	7,167	7,883	7,615
Mezzanine/subordinated debt	10,859	12,151	12,241	12,304	12,284
Equity	37,534	36,396	34,881	52,910	71,172
Total investments	571,762	509,995	517,683	490,123	452,318

Select Portfolio Data (in thousands)	Q2 2013	Q1 2013	Q4 2012	Q3 2012	Q2 2012
Gross new commitments	\$ 130,600	\$ 40,264	\$ 112,981	\$ 80,043	\$ 90,395
Exits of commitments (includes repayments)	(70,044)	(51,006)	(82,110)	(43,489)	(40,008)
Net commitments	60,556	(10,742)	30,871	36,554	50,387

Quarterly Balance Sheets

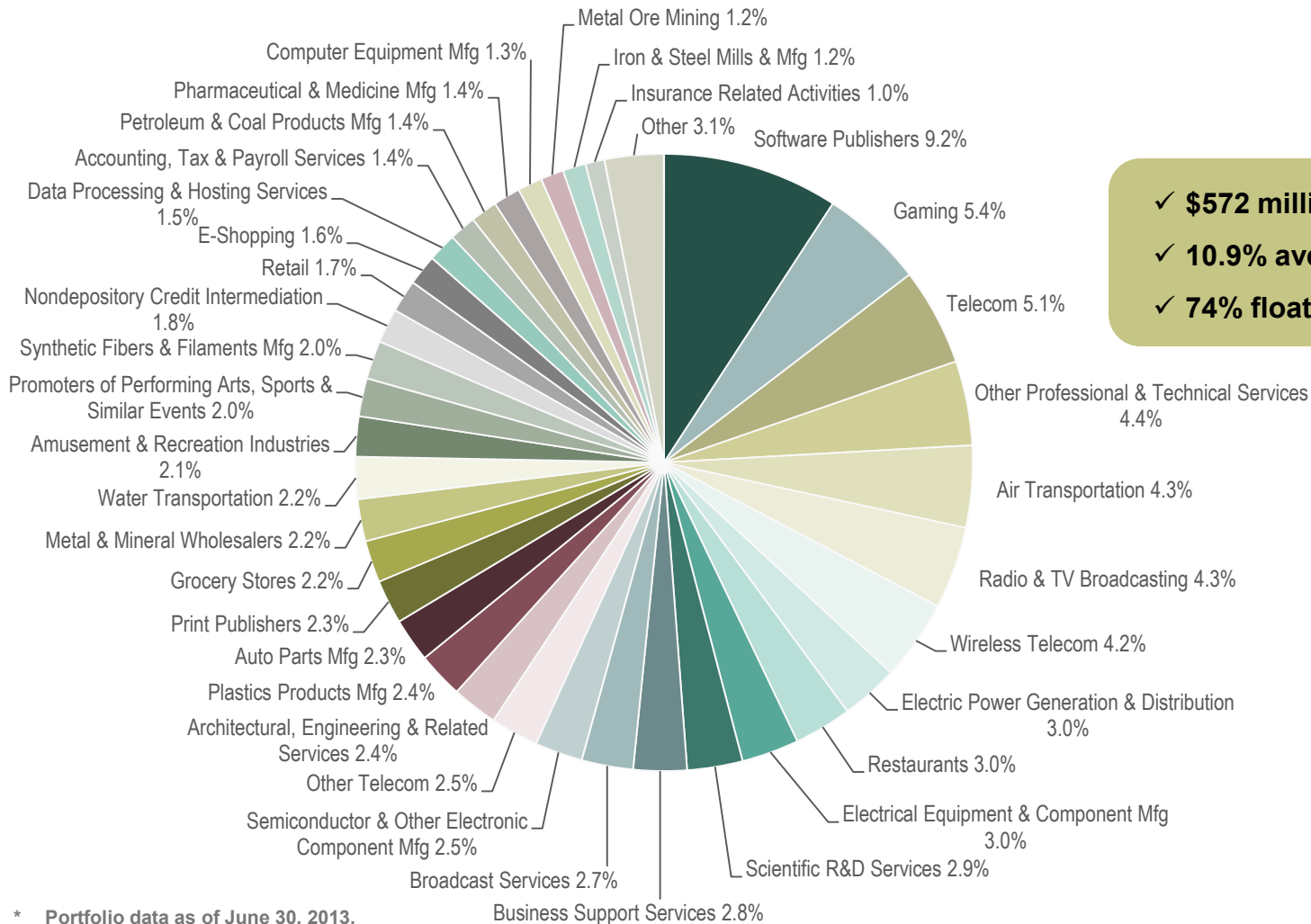
	6/30/2013 (unaudited)	3/31/2013 (unaudited)	12/31/2012 (audited)	9/30/2012 (unaudited)	6/30/2012 (unaudited)
<i>(Dollar amounts in thousands, except per share data)</i>					
ASSETS					
Investments at fair value	\$ 571,762	\$ 509,995	\$ 517,683	\$ 490,123	\$ 452,318
Cash and cash equivalents	40,066	11,177	18,035	11,514	11,208
Accrued interest income	6,338	7,123	4,575	6,774	6,288
Deferred debt issuance costs	1,234	588	696	807	918
Receivable for investments sold	2,695	-	7,728	11,162	214
Unrealized appreciation on swaps	272	349	179	321	438
Prepaid expenses and other assets	1,042	779	346	572	570
Total assets	<u>623,409</u>	<u>530,011</u>	<u>549,242</u>	<u>521,273</u>	<u>471,954</u>
LIABILITIES					
Credit facility payable	\$ 33,000	\$ 70,000	\$ 74,000	\$ 48,000	\$ 17,000
Incentive allocation payable	2,476	2,724	-	-	-
Payable for investments purchased	50,179	157	21,815	19,925	2,177
Management and advisory fees payable	1,940	-	-	-	-
Payable to the Investment Manager	625	106	109	249	2,031
Interest payable	226	151	119	58	35
Accrued expenses and other liabilities	1,939	1,698	2,685	870	558
Total liabilities	<u>90,385</u>	<u>74,836</u>	<u>98,728</u>	<u>69,102</u>	<u>21,801</u>
Preferred equity interests	134,491	134,510	134,526	134,536	134,533
Minority interest	344	471	-	-	-
Net assets applicable to common shareholders	<u>\$ 398,188</u>	<u>\$ 320,193</u>	<u>\$ 315,988</u>	<u>\$ 317,635</u>	<u>\$ 315,620</u>
STOCKHOLDER'S EQUITY					
Common stock	\$ 27	\$ 22	\$ 22	\$ 21	\$ 21
Paid-in capital in excess of par value	522,439	444,252	444,234	445,697	445,715
Accumulated net investment income	23,502	24,359	22,526	19,346	17,657
Accumulated net realized losses	(62,601)	(58,506)	(59,024)	(39,393)	(47,797)
Accumulated net unrealized depreciation	(85,179)	(89,933)	(91,770)	(108,036)	(99,976)
Total stockholders' equity	<u>\$ 398,188</u>	<u>\$ 320,193</u>	<u>\$ 315,988</u>	<u>\$ 317,635</u>	<u>\$ 315,620</u>
NET ASSETS PER SHARE	<u>\$ 14.94</u>	<u>\$ 14.91</u>	<u>\$ 14.71</u>	<u>\$ 14.79</u>	<u>\$ 14.70</u>

Quarterly Operating Results

	For the Three Months Ended				
	(Unaudited; dollar amounts in thousands, except per share data)				
	6/30/2013	3/31/2013	12/31/2012	9/30/2012	6/30/2012
Investment Income					
Interest income	\$ 13,762	\$ 16,464	\$ 16,666	\$ 11,834	\$ 10,909
Dividend income	-	-	-	-	-
Other income	707	402	516	277	177
Total investment income	14,469	16,866	17,182	12,111	11,086
Expenses					
Management and advisory fees	1,940	1,965	1,922	1,737	1,553
Administrative expenses	168	168	-	-	-
Legal fees, professional fees and due diligence expenses	162	139	509	295	271
Amortization of deferred debt issuance costs	143	109	110	111	110
Commitment fees	39	23	33	61	70
Interest expense	187	136	100	34	10
Director fees	72	72	62	37	47
Custody fees	30	29	28	26	23
Insurance expenses	42	36	37	37	27
Other operating expenses	225	193	344	169	54
Total expenses	3,007	2,870	3,145	2,507	2,165
Net investment income before taxes	11,462	13,996	14,037	9,604	8,921
Excise taxes	-	-	977	-	-
Net investment income	11,462	13,996	13,060	9,604	8,921
Net realized gains (losses) on investments	(4,095)	517	(22,061)	8,404	2,929
Net unrealized appreciation (depreciation) on investments	4,754	1,838	16,317	(8,060)	(5,426)
Net realized and unrealized gain (loss)	658	2,355	(5,744)	344	(2,497)
Dividends on preferred equity facility	(374)	(377)	(391)	(399)	(398)
Incentive allocation distributions	(2,476)	(2,724)	-	-	-
Incentive allocation reserve	127	(471)	-	-	-
Net increase in net assets resulting from operations	\$ 9,397	\$ 12,779	\$ 6,925	\$ 9,549	\$ 6,026
Earnings per share	\$ 0.40	\$ 0.60	\$ 0.32	\$ 0.44	\$ 0.28
Net investment income per share after dividends & incentive allocation	\$ 0.38	\$ 0.49	\$ 0.59	\$ 0.43	\$ 0.40
Dividends per share	\$ 0.36	\$ 0.40	\$ 0.40	\$ 0.35	\$ 0.34
Weighted average common shares outstanding	23,639,742	21,477,628	21,476,464	21,475,635	21,475,635

Portfolio Highlights*

Investment by Industry



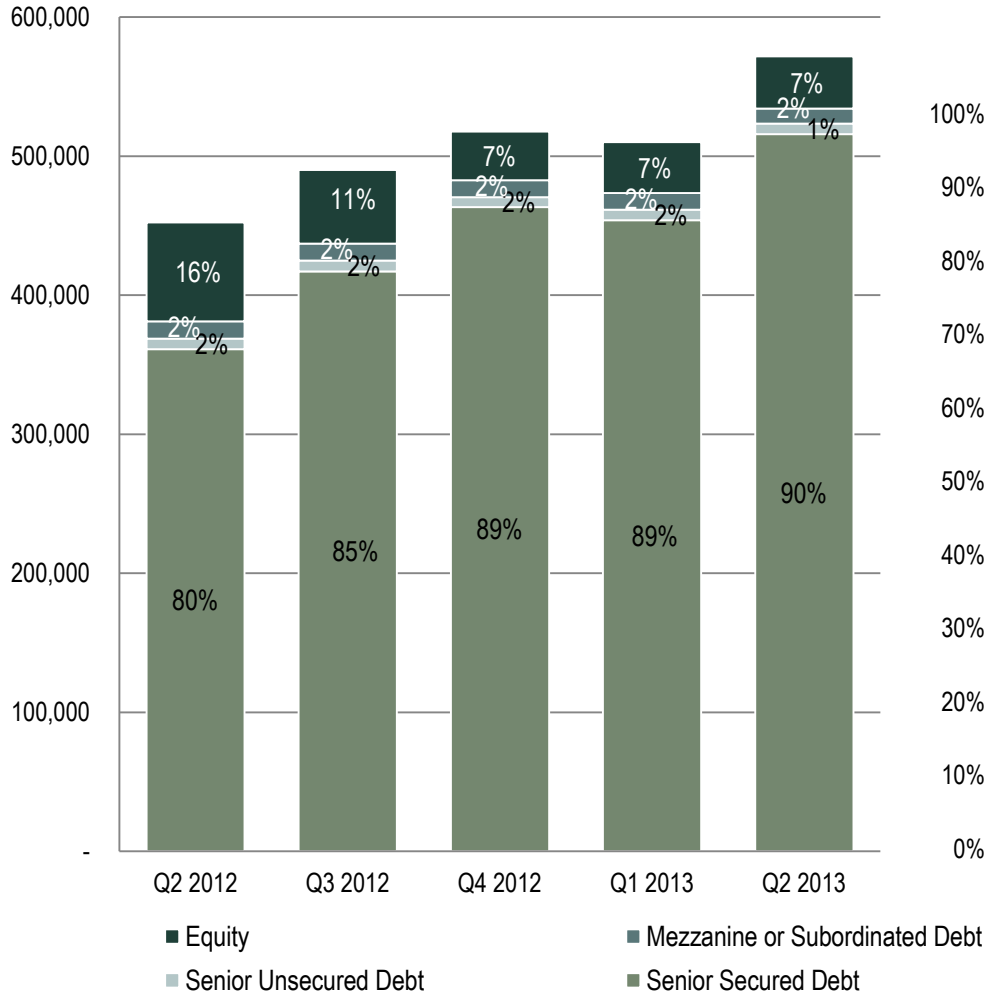
- ✓ **\$572 million portfolio fair value**
- ✓ **10.9% average effective yield**
- ✓ **74% floating rate**

* Portfolio data as of June 30, 2013.

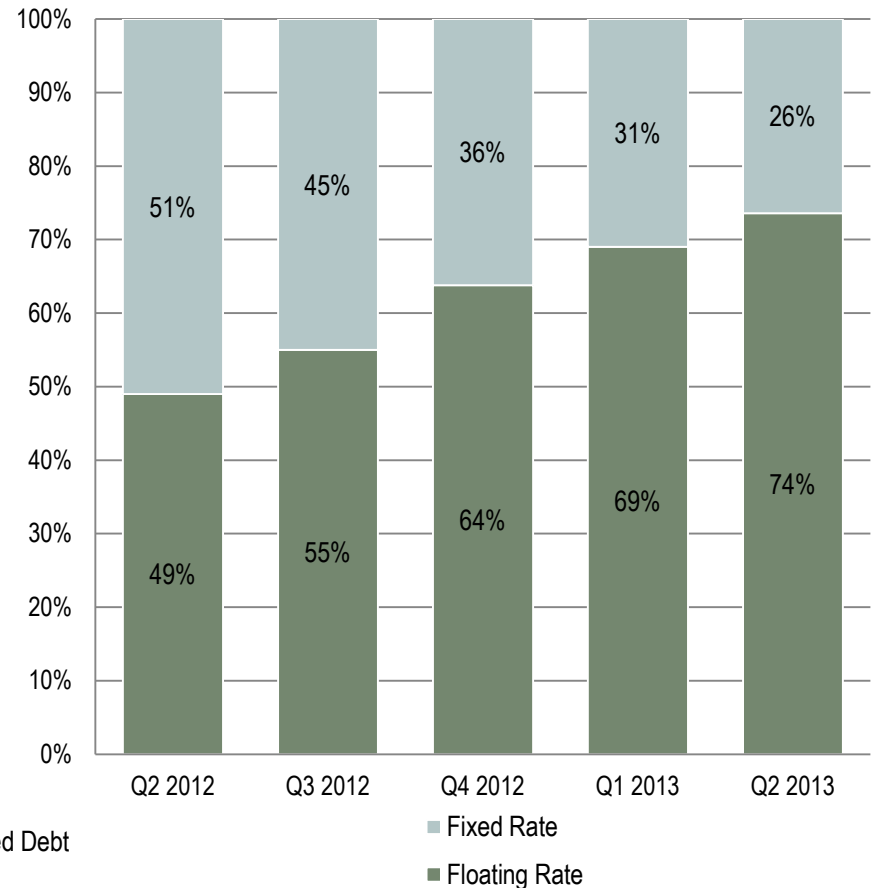
Portfolio Highlights

End of Period Investments

(\$ in thousands)



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
TCPC Funding I: ¹		
■ \$50m Revolving Credit Facility	L + 2.75%	May-16

(1) TCPC Funding I, LLC is an indirect, wholly-owned subsidiary of TCPC. Revolving credit facility was obtained in May 2013.

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.

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