



Shareholder Presentation

Financial Results
For Fiscal Quarter
Ended November 30, 2007

Disclaimer

This presentation should be read in conjunction with our financial statements and related notes and other financial information appearing in our Quarterly Report on Form 10-Q for the fiscal quarter ended November 30, 2007 (the "10-Q"). In addition to historical information, this presentation contains forward-looking information that involves risks and uncertainties. Our actual results could differ materially from those anticipated by such forward-looking information due to the factors discussed in Item 1A of Part I in our Annual Report on Form 10-K for the fiscal year ended February 28, 2007, Item 1A of Part II of our Quarterly Report on Form 10-Q for the fiscal quarter ended May 31, 2007 and item 1A of Part II of the 10-Q.

The forward-looking statements are based on our beliefs, assumptions and expectations of our future performance, taking into account all information currently available to us. These beliefs, assumptions and expectations can change as a result of many possible events or factors, not all of which are known to us or are within our control. If a change occurs, our business, financial condition, liquidity and results of operations may vary materially from those expressed in our forward-looking statements.

The forward-looking statements contained in this presentation include statements as to:

- our future operating results;
- our business prospects and the prospects of our portfolio companies;
- the impact of investments that we expect to make;
- our contractual arrangements and relationships with third parties;
- the dependence of our future success on the general economy and its impact on the industries in which we invest;
- the ability of our portfolio companies to achieve their objectives;
- our expected financings and investments;
- our regulatory structure and tax treatment, including our ability to operate as a business development company and a regulated investment company;
- the adequacy of our cash resources and working capital;
- the timing of cash flows, if any, from the operations of our portfolio companies; and
- the ability of our investment adviser to locate suitable investments for us and to monitor and administer our investments.

You should not place undue reliance on these forward-looking statements.

The forward-looking statements made in this presentation relate only to events as of the date on which the statements are made. We undertake no obligation to update any forward-looking statement to reflect events or circumstances occurring after the date of this presentation.

I. Introduction

Financial Highlights

Third Quarter 2008 Operating Results

- Net income: \$1.1 million or \$0.13 per share
- Adjusted net investment income: \$3.1 million or \$0.37 per share ahead of consensus estimate of \$0.36 per share^{1,2}
- Adjusted net loss on investments: \$2.0 million or \$0.24 per share¹
- Quarterly dividend: Paid \$0.38 per share³
- Special dividend: Declared \$0.18 per share³
- Net asset value: \$13.51 per share

Attractive Risk- Adjusted Portfolio

- 11.8% investment portfolio current yield
- 80% senior secured loans and notes
- 68% middle market companies

¹ Basic and diluted adjusted net investment income per share and adjusted net gain (loss) on investments per share are non-GAAP financial measures. Reconciliations of basic and diluted adjusted net investment income per share and adjusted net gain (loss) on investments per share to the most directly comparable GAAP financial measure are set forth in the Appendix to this Presentation.

² Consensus estimate for Citigroup Global Markets Inc., J.P. Morgan Securities Inc., Stifel, Nicolaus & Company, Incorporated, and Ferris, Baker Watts, Incorporated.

³ On November 15th, 2007, the Board of Directors declared a \$0.38 per share dividend that was paid on December 3rd, 2007. On December 28th, 2007, the Board of Directors declared a \$0.18 per share special dividend that will be paid on January 28th, 2008.

Financial Highlights

Portfolio Developments/ Market Status

- Market conditions resulted in \$2.0 million 3Q08 unrealized loss
 - Over 36% of the investment portfolio valued at market prices or by an independent, third-party firm during the quarter
 - No non-performing investments, one delinquent investment
- Strategic reduction in portfolio size
 - High asset selectivity since market dislocation
 - \$21.9 million availability on our credit facility
- Increase in attractive investment opportunities
 - Significant spread widening after correction
 - Most prevalent in senior secured loans
 - Structured a CLO to capitalize on the market dislocation

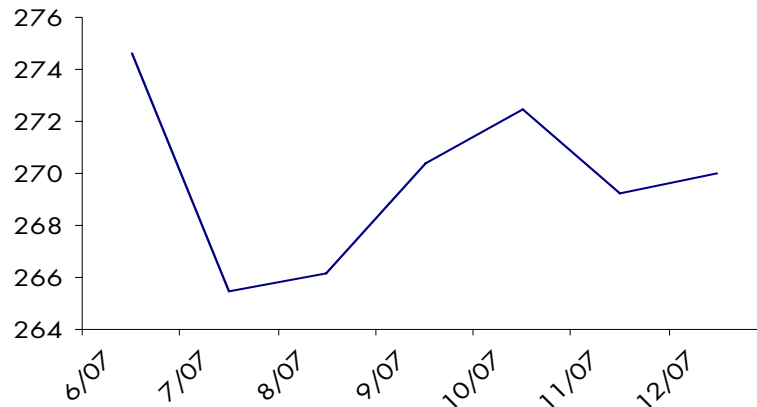
II. Market Overview

Market Overview

- The leveraged finance market approached the summer's lows during November

Credit Suisse Leveraged Loan Index (12/31/92=100)

Monthly: Jun 2007 to Dec 2007



Source: Credit Suisse

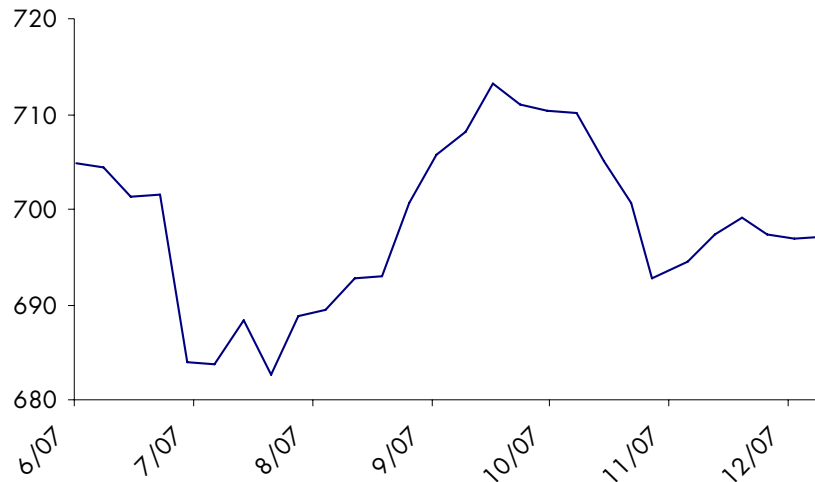
- Large new issue transactions continue to pressure the market
- Dealers sold their secondary market inventory at year-end
- The traditional CLO bid has not returned
- Alternate loan investors such as hedge funds and mutual funds have decreased their purchases of loans in the fourth quarter
- Selling pressure was especially severe on weaker credits and aggressive structures

Market Overview

- High yield bond spreads widened from 423bps as of September 28th to 589bps as of December 31st

Credit Suisse High Yield Index (12/31/85=100)

Weekly: Jun 2007 to Dec 2007



Source: Credit Suisse

- Investors are hesitant to finance highly leveraged subordinated risk
 - Investors are concerned about weakened consumer confidence and the potential for an economic slowdown in 2008
- The middle market loan activity has slowed
 - The occasional deals that have come to market have cleared due to off market demand from regional banks

Market Outlook and Expectations

- We expect continued market volatility in 2008
 - Banks will continue to slowly sell off previously underwritten deals
 - CLOs will continue to face very challenging marketing conditions
 - Shorter term investors such as hedge funds and mutual funds are being relied upon to purchase much of the excess paper
 - An increase in credit related issues
- Covenant-lite loans and highly leveraged subordinated debt should continue to trade poorly
- Certain sectors such as retail, restaurants, trucking, automotive, homebuilding and building products should continue to trade down due to weak recent performance
- New broadly syndicated loans are likely to come at attractive spreads and large discounts due to high leverage levels and aggressive structures
- Middle market loans should continue to have better structures and lower leverage levels, but may have less attractive economics

III. Portfolio Review

Portfolio Review

(at November 30, 2007, dollars in millions)

Portfolio Statistics

Total Portfolio

| | |
|-----------------------|----------------------|
| Size | \$185.7 ¹ |
| Average current yield | 11.8% |
| Portfolio companies | 36 |
| Median position size | \$4.3 |

First Lien Term Loans

| | |
|-----------------------|--------|
| Size | \$27.0 |
| Average current yield | 9.5% |

Second Lien Term Loans

| | |
|-----------------------|--------|
| Size | \$78.5 |
| Average current yield | 12.2% |

Senior Secured Notes

| | |
|-----------------------|--------|
| Size | \$42.8 |
| Average current yield | 11.8% |

Unsecured Notes

| | |
|-----------------------|--------|
| Size | \$25.2 |
| Average current yield | 13.3% |

Structured Finance Securities

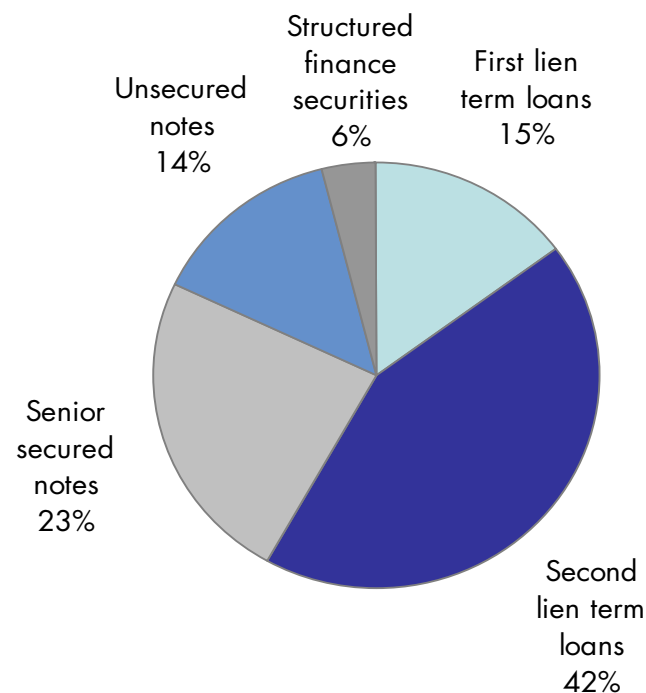
| | |
|-----------------------|--------|
| Size | \$11.8 |
| Average current yield | 11.4% |

Portfolio Breakdown By Asset Class²

80% Secured Loans and Notes

68% Middle Market Companies³

60% Floating Rate Collateral



¹ Excludes \$3.1mm CLO warehouse investment

² Equity/Limited Partnership Interest represents less than 1% of portfolio

³ Companies with LTM EBITDA of less than \$50mm at the time of initial acquisition

Portfolio Review

(at November 30, 2007, dollars in millions)

- 43 investments with a \$4.3 million median investment
- 36 portfolio companies with a \$5.2 million median portfolio company exposure

10 Largest Investments

| <u>Issuer</u> | <u>Mkt</u> | <u>%</u> |
|-----------------------------------|-------------------|-----------------|
| Strategic Industries | \$22.2 | 11.9% |
| Gear for Sports | 18.7 | 10.1 |
| Jason Incorporated | 15.4 | 8.3 |
| Terphane Holdings Corp. | 9.9 | 5.3 |
| McMillin Companies LLC | 8.4 | 4.5 |
| Targus Group International, Inc. | 7.0 | 3.8 |
| Worldwide Express Operations, LLC | 7.0 | 3.8 |
| Group Dekko | 6.7 | 3.6 |
| Stronghaven, Inc. | 6.5 | 3.5 |
| Energy Alloys, LLC | <u>6.2</u> | <u>3.3</u> |
| Total | \$108.0 | 58.1% |



McMillin redeemed 30% of its notes at par on December 28th

Portfolio Review

(at November 30, 2007)

Industry Breakdown

| | |
|-------------------------------|------------|
| Automotive | 12.5% |
| Packaging | 12.1 |
| Apparel | 10.1 |
| Manufacturing | 8.3 |
| Structured Finance Securities | 6.4 |
| Consumer Products | 5.5 |
| Oil and Gas | 5.4 |
| Publishing | 5.0 |
| Homebuilding | 4.5 |
| Healthcare Services | 4.0 |
| Logistics | 3.7 |
| Electronics | 3.6 |
| Environmental | 2.9 |
| Financial Services | 2.8 |
| Natural Resources | 2.7 |
| Agriculture | 2.5 |
| Consumer Services | 2.4 |
| Building Products | 2.1 |
| Retail | 1.3 |
| Steel Services | 1.2 |
| Business Services | <u>1.0</u> |
| Total | 100.0% |

Geographic Diversification¹

| | |
|---------------|------------|
| Midwest | 26.5% |
| Southeast | 24.8 |
| West | 19.2 |
| Mid-Atlantic | 12.2 |
| International | 8.0 |
| Other | 6.4 |
| Northeast | <u>2.9</u> |
| Total | 100.0% |

¹ Based on corporate headquarters

IV. Financial Results

Financial Results

Third Quarter 2008 Operating Results

- Net income: \$1.1 million or \$0.13 per share
- Adjusted net investment income: \$3.1 million or \$0.37 per share¹
- Adjusted net loss on investments: \$2.0 million or \$0.24 per share¹

Financial Highlights

- Stockholders' equity: \$112.0 million
- Net asset value per share: \$13.51
- Total fair value of investments: \$185.7 million
- Quarterly dividend per share: \$0.38²
- Special dividend per share: \$0.18²

Third Quarter 2008 Portfolio Activity

- Investments made during the period: \$14.6 million
- Redemptions of investments during the period: \$20.0 million
- Number of investments as of Nov. 30th, 2007: 43
- Weighted average current yield of investment portfolio as of Nov. 30th, 2007: 11.8%

¹ Basic and diluted adjusted net investment income per share and adjusted net gain (loss) on investments per share are non-GAAP financial measures. Reconciliations of basic and diluted adjusted net investment income per share and adjusted net gain (loss) on investments per share to the most directly comparable GAAP financial measure are set forth in the Appendix to this Presentation.

² On November 15th, 2007, the Board of Directors declared a \$0.38 per share dividend that was paid on December 3rd, 2007. On December 28th, 2007, the Board of Directors declared a \$0.18 per share special dividend that will be paid on January 28th, 2008.

Summary Income Statement

(dollars in millions, except per share data)

| | For the Quarter Ended November 30, 2007 | For the Nine Months Ended November 30, 2007 |
|--|--|--|
| Investment income | \$5.9 | \$15.9 |
| Net investment income | \$3.1 | \$8.2 |
| Realized and unrealized gains (losses) on investments: | | |
| Net realized gain on sale of investments | 1.7 | 3.1 |
| Net unrealized depreciation on investments | (3.6) | (7.2) |
| Net unrealized depreciation on derivatives | (0.1) | (0.1) |
| Net gain (loss) | (\$2.0) | (\$4.2) |
| GAAP earnings per share (basic and diluted) | \$0.13 | \$0.48 |
| Adjusted net investment income per share | \$0.37 | \$0.99 |
| Paid quarterly dividend per share ¹ | \$0.38 | \$0.98 |
| Declared special dividend per share ¹ | \$0.18 | \$0.18 |

¹ On November 15th, 2007, the Board of Directors declared a \$0.38 per share dividend that was paid on December 3rd, 2007. On December 28th, 2007, the Board of Directors declared a \$0.18 per share special dividend that will be paid on January 28th, 2008.

Summary Balance Sheets

(dollars in millions, except per share data)

| | Pro forma ¹ March 28, 2007 | As of November 30, 2007 |
|--|--|----------------------------|
| Assets | | |
| Total investments at fair value | \$114.1 | \$185.7 |
| Cash | 1.6 | 12.0 |
| Other assets | 1.6 | 6.2 |
| Total assets | \$117.3 | \$203.9 |
| Liabilities | | |
| Debt | \$0.0 | \$84.4 |
| Other liabilities | 1.1 | 7.5 |
| Total liabilities | \$1.1 | \$91.9 |
| Stockholders' Equity | | |
| Total stockholders' equity | \$116.2 | \$112.0 |
| Total liabilities and stockholders' equity | \$117.3 | \$203.9 |
| Net asset value per share | \$14.01 | \$13.51 |

¹ Pro forma for the completion of the Company's IPO and the initial portfolio acquisition

V. Company Highlights

Company Highlights

Quality Dividend

- Paid quarterly dividend of \$0.38 per share; an annual dividend yield of 14.9%¹
- Declared special dividend of \$0.18 per share
- Approximately 100% of net investment income from contractual cash pay instruments

Attractive Risk-Adjusted Portfolio

- 11.8% investment portfolio yield
- 80% senior secured loans and notes
- 68% middle market companies
- No non-performing investments, one delinquent investment

Experienced Credit-Focused Management Team

- GSC Investment Corp. leverages GSC Group's U.S. Corporate Credit Group
 - A leading U.S. middle market CLO manager
 - Manages 12 investment vehicles in the U.S. with \$4.0 billion assets under management, including \$3.3 billion in leveraged loans²
- GSC Group has established relationships with banks, sponsors, and originators in the middle market loan segment

¹ Based on the closing stock price of \$10.21 on January 9th, 2008

² As of September 30th, 2007, includes leverage and warehoused assets. Please see slide 21 for additional information on the calculation of assets under management.

Appendix

Reconciliation to Basic and Diluted GAAP EPS

Reconciliation of basic and diluted adjusted net investment income per share and basic and diluted adjusted net gain (loss) on investments per share to basic and diluted GAAP EPS, the most directly comparable GAAP financial measure, for the three months ended November 30th, 2007 is provided below¹.

| | For the Three Months Ended November 30, 2007 (unaudited) |
|--|--|
| Net investment income per share, basic and diluted | \$0.37 |
| Incentive fees attributed to gains | 0.0 |
| Adjusted net investment income per share, basic and diluted | <u>\$0.37</u> |
| Net gain (loss) on investments per share, basic and diluted | (\$0.24) |
| Incentive fees attributed to gains | 0.0 |
| Adjusted net gain (loss) on investments per share, basic and diluted | <u>(\$0.24)</u> |
| Basic and diluted GAAP EPS | <u>\$0.13</u> |

¹ Basic and diluted adjusted net investment income per share and basic and diluted adjusted net gain (loss) on investments per share are non-GAAP financial measures. Adjusted net investment income per share is the per share increase in net assets from operations less realized and unrealized gains and losses and any incentive management fees attributable to such net realized gains and losses. Adjusted net gain (loss) on investments per share is the net gain (loss) on investments per share less any incentive management fees attributable to such net realized gains and losses. The company believes that adjusted net investment income per share and adjusted net gain (loss) on investments per share provide useful information to investors regarding financial performance because it is one method the company uses to measure its financial condition and results of operations. The presentation of this additional information is not meant to be considered in isolation or as a substitute for financial results prepared in accordance with GAAP.

Note Regarding Calculation of Assets Under Management

The AUM of certain Corporate Credit U.S. Collateralized Corporate Debt CDO accounts and GSC Investment Corp. represent the sum of cash, uncalled capital commitments, as applicable, and the market value of each investment. The AUM of certain U.S. Collateralized Corporate Debt CDO accounts represent the principal balance of the underlying assets adjusted for defaulted securities plus the market value of equity securities, all as measured under the relevant account documents.