



# Shareholder Presentation

Financial Results  
For Fiscal Quarter  
Ended May 31, 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 May 31, 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 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**

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## Financial Highlights

### First Quarter 2008 Operating Results

- Net income: \$3.7 million or \$0.44 per share; ahead of consensus estimate of \$0.24 per share<sup>1</sup>
- Adjusted net investment income: \$2.2 million or \$0.26 per share<sup>2</sup>
- Adjusted net gain on investments: \$1.5 million or \$0.18 per share<sup>2</sup>
- Dividend: Paid \$0.24 per share; annualized quarterly dividend of \$0.34 per share; an annual dividend yield of 10.2%<sup>3</sup>

### Attractive Risk- Adjusted Portfolio

- 75% senior secured loans and notes
- 81% middle market assets

### Market Status

- Market dislocation may provide challenges and/or attractive investment opportunities
- Issue of refinancing of portfolio companies; \$34 million of redemptions during the quarter

<sup>1</sup> Mean estimate for Citigroup Global Markets Inc., Ferris, Baker Watts, Incorporated, J.P. Morgan Securities Inc., Stifel, Nicolaus & Company, Incorporated, and Wachovia Capital Markets, LLC.

<sup>2</sup> Basic and diluted adjusted net investment income per share and adjusted net gain on investments per share are non-GAAP financial measures. Reconciliations of basic and diluted adjusted net investment income per share and adjusted net gain on investments per share to the most directly comparable GAAP financial measure are set forth in Appendix to this Presentation.

<sup>3</sup> On May 21, 2007, the Company declared a dividend of \$0.24 per share payable on June 6, 2007 to common stockholders of record on May 29, 2007 on which date the closing stock price was \$13.90. The dividend was for the partial fiscal quarter ending May 31, 2007. The dividend yield above is based on the closing stock price of \$13.30 on July 12, 2007.

## II. Market Overview

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## Market Overview

- Broader leverage finance market exhibited weakness in June
  - High yield credit spreads widened by 50 bps from 263 bps to 313 bps<sup>1</sup>
  - Loan spreads reached a five month high of L+232 and secondary prices fell to a nine month low of 100.35<sup>2</sup>
  - Investor resistance to aggressively structured transactions
    - Multiple failed/restructured transactions
    - Repricing of collateral in secondary market with covenant lite loans and PIK toggle securities being hit the hardest
  - Concerns about rising interest rates, problems enveloping hedge funds, and uncertainty in the leveraged derivatives markets
  - Sub-prime weakness: increases general “nervousness” in the credit market

<sup>1</sup> As of June 29, 2007, JPMorgan High Yield Weekly Update.

<sup>2</sup> As of July 2, 2007, Standard & Poor's Leveraged Commentary & Data.

## Market Overview – Impact to GNV's Portfolio

- GNV invests primarily in middle market assets, which have :
  - Less aggressive capital structures
    - Less leverage
    - Tighter financial covenants
  - More attractively priced collateral
- Only \$1.0 mm of exposure to PIK toggle securities and covenant lite first lien loans
  - Grant Forest Second Lien Term Loan (\$1.0 mm - PIK toggle)

## III. Portfolio Review

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## Portfolio Review

**Mar 28<sup>th</sup>  
IPO:** \$100.7 million portfolio purchase

**Apr 13<sup>th</sup>:** \$55.8 million portfolio purchase

**May 1<sup>st</sup>:** \$59.3 million portfolio purchase

*(dollars in millions)*

	Mar 28 <sup>th</sup>		Apr 13 <sup>th</sup>		May 1 <sup>st</sup>	
	Par	Coupon	Par	Coupon	Par	Coupon
First lien term loans	\$21.4	9.6%	\$10.4	9.5%	\$5.0	9.4%
Second lien term loans	37.8	11.7%	21.7	11.7%	7.3	12.2%
Senior secured notes	14.6	11.2%	8.4	11.2%	16.7	10.8%
Unsecured notes	26.9	11.6%	15.3	11.5%	30.4	12.3%
Total	\$100.7	11.1%	\$55.8	11.2%	\$59.3	11.6%

## Attractive, Diversified Portfolio

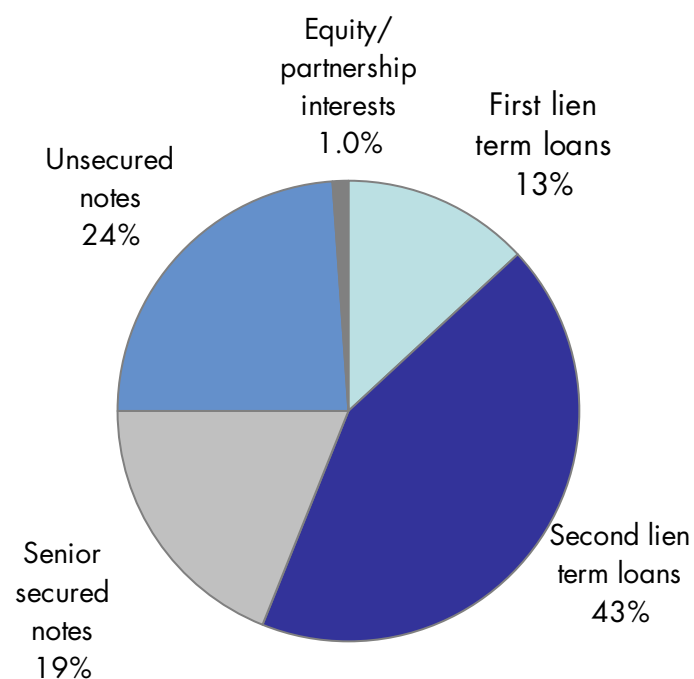
(as of May 31, 2007)

### Portfolio Statistics

<b>Total Portfolio</b>	
Market value	\$208.8 mm
Average coupon	11.3%
Portfolio companies	41
Average position size	\$5.1 mm
<b>First Lien Term Loans</b>	
Market value	\$28.0 mm
Average coupon	9.5%
<b>Second Lien Term Loans</b>	
Market value	\$89.5 mm
Average coupon	11.8%
<b>Senior Secured Notes</b>	
Market value	\$38.7 mm
Average coupon	11.1%
<b>Unsecured Notes</b>	
Market value	\$49.8 mm
Average coupon	11.6%
<b>Equity/Partnership Interests</b>	
Market value	\$2.8 mm
Average coupon	N/A

### Portfolio Breakdown By Asset Class

**75% Secured Loans and Notes**  
**81% Middle Market Companies**  
**55% Floating Rate Collateral**



## Attractive, Diversified Portfolio

(as of May 31, 2007)

Industry Diversification	
Restaurants	15.6%
Automotive	11.4
Manufacturing	9.3
Apparel	9.1
Packaging	9.1
Electronics	7.2
Consumer Products	4.9
Homebuilding	4.9
Healthcare Services	3.6
Leisure Equipment	3.4
Consumer Services	3.1
Oil and Gas	3.0
Environmental	2.8
Publishing	2.5
Agriculture	2.4
Financial Services	2.3
Building Products	2.0
Telecommunications	2.0
Business Services	0.9
Natural Resources	0.5

Geographic Diversification	
Midwest	26.4%
West	20.5
Mid Atlantic	18.7
Southeast	17.2
Northeast	13.7
International	3.4

## IV. Financial Results

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## Financial Results

### First Quarter 2008 Operating Results

- Net income: \$3.7 million or \$0.44 per share
- Adjusted net investment income: \$2.2 million or \$0.26 per share<sup>1</sup>
- Adjusted net gain on investments: \$1.5 million or \$0.18 per share<sup>1</sup>

### Financial Highlights

- Stockholders' Equity: \$117.9 million
- Net Asset Value per share: \$14.21
- Total Fair Value of Investments: \$208.8 million
- Dividend per share: \$0.24

### First Quarter 2008 Portfolio Activity

- Investments made during the period: \$243.1 million
- Redemptions of investments during the period: \$34 million
- Number of portfolio company investments as of May 31, 2007: 41
- Weighted average coupon of investment portfolio as of May 31, 2007: 11.3%

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

## Summary Income Statement

*(dollars in millions, except per share data)*

**For the Quarter Ended  
May 31, 2007**

Investment income	\$4.1
Net Investment income	\$2.0
Net realized gain of sale of investments	1.0
Net unrealized appreciation on investment	0.8
Other items	(0.1)
Net income	<u>3.7</u>
GAAP earnings per share (basic and diluted)	<u>\$0.44</u>
Adjusted net investment income per share	<u>\$0.26</u>
Declared dividend	<u>\$0.24</u>

## Summary Balance Sheet

(dollars in millions, except per share data)

	Pro forma <sup>1</sup> March 28, 2007	As of May 31, 2007
<b>Assets</b>		
Total investments at fair value	\$114.1	\$208.8
Cash and cash equivalents	1.6	5.9
Other assets	1.6	7.6
Total assets	\$117.3	\$222.3
<b>Liabilities</b>		
Debt <sup>2</sup>	\$0.0	\$100.2
Other liabilities	1.1	4.2
Total liabilities	\$1.1	\$104.4
<b>Stockholders' Equity</b>		
Total stockholders' equity	\$116.2	\$117.9
Total liabilities and stockholders' equity	\$117.3	\$222.3
Net Asset Value per Share	\$14.01	\$14.21

<sup>1</sup> Pro forma for the completion of the Company's IPO and the initial portfolio acquisition.

<sup>2</sup> Our credit facilities bear interest at commercial paper plus 0.70%, payable quarterly.

## V. Company Highlights

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## Company Highlights

### Attractive Dividend

- Paid dividend of \$0.24 per share; an annual dividend yield of 10.2%<sup>1</sup>
- ~100% of net investment income from contractual cash pay instruments

### Seasoned Senior Secured Portfolio

- The initial portfolio consists of 41 investments that have been outstanding for on average 1.75 years
- 34 portfolio companies
- 75% of portfolio consists of senior secured loans and notes

### Experienced Credit-Focused Management Team

- GSC Investment leverages GSC Group's U.S. Corporate Credit Group
  - A leading U.S. middle market CLO manager
  - Manages 13 investment vehicles with \$5.1 billion in U.S. assets under management, including \$3.7 billion in leverage loans<sup>2</sup>
- GSC Group has established relationships with banks, sponsors and originators in the middle market loan segment

<sup>1</sup> On May 21, 2007, the Company declared a dividend of \$0.24 per share payable on June 6, 2007 to common stockholders of record on May 29, 2007 on which date the closing stock price was \$13.90. The dividend was for the partial fiscal quarter ending May 31, 2007. The dividend yield above is based on the closing stock price of \$13.30 on July 12, 2007.

<sup>2</sup> Includes leverage and warehoused assets; as of March 31, 2007.

## Appendix

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## 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 on investments per share to basic and diluted GAAP EPS, the most directly comparable GAAP financial measure, for the three months ended May 31, 2007 is provided below.

	<u>For the three months ended May 31, 2007</u> (unaudited)	
Net investment income per share, basic and diluted	\$ 0.24	
Incentive fees attributed to gains (losses)	<u>\$ 0.02</u>	
Adjusted net investment income per share, basic and diluted		\$ 0.26
Net gain on investments per share, basic and diluted	\$ 0.20	
Incentive fees attributed to gains (losses)	<u>\$ (0.02)</u>	
Adjusted net gain on investments per share, basic and diluted		<u>\$ 0.18</u>
Basic and diluted GAAP EPS		<u>\$ 0.44</u>

<sup>1</sup> Basic and diluted adjusted net investment income per share and basic and diluted adjusted net gain 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 on investments per share is the net gain 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 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.