



Shareholder Presentation

Financial Results
For Fiscal Quarter
Ended August 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 August 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 our Quarterly Report on Form 10-Q for the fiscal quarter ended May 31, 2007.

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

Second Quarter 2008 Operating Results

- Net income: (\$0.8) million or (\$0.09) per share
- Adjusted net investment income: \$2.95 million or \$0.36 per share ahead of consensus estimate of \$0.34 per share^{1,2}
- Adjusted net gain (loss) on investments: (\$3.7) million or (\$0.45) per share¹
- Dividend: Paid \$0.36 per share
- Net asset value of \$13.76 per share

Attractive Risk-Adjusted Portfolio

- 11.8% investment portfolio current yield
- 82% senior secured loans and notes
- 73% 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., and Stifel, Nicolaus & Company, Incorporated

Financial Highlights

Portfolio Developments/ Market Status

- 38% of initial investment portfolio refinanced prior to August
 - Refinancings have decreased dramatically since the credit crunch
- Market dislocation resulted in \$4.4 million 2Q08 unrealized loss
 - More than 70% of the investment portfolio valued at market prices or by an independent, third-party firm
 - No non-performing or delinquent investments
- Tactical reduction in portfolio size
 - High asset selectivity during market dislocation
 - Approximately \$26 million availability on our credit facility
- Increase in attractive investment opportunities
 - 37 bps increase in investment portfolio current yield
 - Significant spread widening after correction
 - Most prevalent in senior secured loans and notes as well as CLO securities

II. Market Overview

Market Overview

- Leveraged finance market exhibited weakness in 2Q08
 - Loan prices decreased from 100.5 during the last week of May to 95.6 during the last week of August^{1,2}
 - Investor losses on subprime securities significantly reduced investor demand for all CLO securities, which drastically decreased demand for leveraged loans
 - High yield bond indices have fallen in this quarter
 - The single B, split B, and triple CCC/split C indices were down 2.91%, 5.62%, and 6.87%, respectively³
 - » Investors were hesitant to finance highly leveraged subordinated risk
 - The middle market loan market has been largely insulated from the broader credit market turbulence due to i) a less active trading market, ii) more stable investor base, and iii) continued investor demand for these types of assets

¹ As of May 29th, Standard & Poor's Leveraged Commentary & Data Flow-Name Composite Index

² As of August 28th, Standard & Poor's Leveraged Commentary & Data Flow-Name Composite Index

³ As of August 31st, Credit Suisse High Yield Indices

Market Outlook

- There is currently a lull in the credit market
 - Underwriters selectively divesting poorly structured transactions
 - Low issuance of broadly syndicated transactions
 - Middle market originators are re-pitching transactions to create market clearing structures
- The broadly syndicated loan market should continue to trade under par
 - Significant backlog of transactions underwritten prior to correction
 - Limited pipeline of new CLO's that typically purchase these loans
 - Hedge funds are purchasing excess paper, but they are generally price sensitive

III. Portfolio Review

Portfolio Review

(at August 31, 2007, dollars in millions)

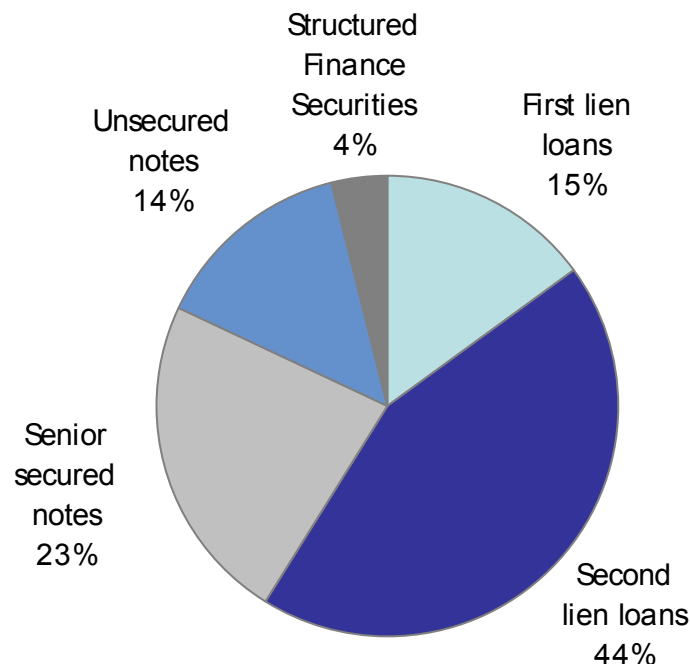
Portfolio Statistics	
Total Portfolio	
Size	\$194.2
Average current yield	11.8%
Investments	46
Median position size	\$4.2
First Lien Loans	
Size	\$28.9
Average current yield	9.1%
Second Lien Loans	
Size	\$85.2
Average current yield	12.6%
Senior Secured Notes	
Size	\$45.4
Average current yield	11.7%
Unsecured Notes	
Size	\$26.8
Average current yield	12.5%
Structured Finance Securities	
Size	\$7.5
Average current yield	12.4%
Equity/Limited Partnership Interest	
Size	\$0.4
Average current yield	NA

Portfolio Breakdown By Asset Class¹

82% Secured Loans and Notes

73% Middle Market Companies²

60% Floating Rate Collateral



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

² Companies with LTM EBITDA of less than \$50mm at the time of initial acquisition

Portfolio Review

(at August 31, 2007, dollars in millions)

- 46 investments
- 38 portfolio companies
- \$4.2 million median investment

10 Largest Investments

<u>Issuer</u>	<u>Market Value</u>	<u>%</u>
Strategic Industries	\$22.6	11.7%
Gear for Sports	19.0	9.8
Jason Incorporated	15.4	7.9
Terphane Holdings Corp.	9.9	5.1
McMillin Companies, LLC	9.6	4.9
Sportcraft, LTD	7.2	3.7
Worldwide Express Operations, LLC	7.0	3.6
Group Dekko	6.7	3.4
Stronghaven, Inc.	6.5	3.4
EuroFresh Inc.	<u>6.3</u>	<u>3.3</u>
Total	\$110.2	56.8%

Sportcraft repaid in full on September 29th



Portfolio Review

(at August 31, 2007)

Industry Breakdown

Automotive	12.2%
Packaging	11.6
Apparel	9.8
Manufacturing	7.9
Consumer Products	5.7
Oil and Gas	5.7
Electronics	5.5
Homebuilding	4.9
Structured Finance Securities	3.9
Healthcare Services	3.8
Leisure Equipment	3.7
Logistics	3.6
Agriculture	3.3
Consumer Services	3.2
Environmental	2.8
Publishing	2.6
Natural Resources	2.5
Building Products	2.1
Steel Services	1.8
Retail	1.3
Financial Services	1.2
Business Services	<u>0.9</u>
Total	100.0%

Geographic Diversification

Midwest	26.1%
Southeast	25.1
West	17.8
Mid-Atlantic	16.7
International	7.7
Other	3.8
Northeast	<u>2.8</u>
Total	100.0%

IV. Financial Results

Financial Results

Second Quarter 2008 Operating Results

- Net income: (\$0.8) million or (\$0.09) per share
- Adjusted net investment income: \$2.95 million or \$0.36 per share¹
- Adjusted net gain (loss) on investments: (\$3.7) million or (\$0.45) per share¹

Financial Highlights

- Stockholders' equity: \$114.1 million
- Net asset value per share: \$13.76
- Total fair value of investments: \$194.2 million
- Dividend per share: \$0.36

Second Quarter 2008 Portfolio Activity

- Investments made during the period: \$43.8 million
- Redemptions of investments during the period: \$47.7 million
- Number of investments as of Aug 31, 2007: 46
- Weighted average current yield of investment portfolio as of Aug 31, 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.

Summary Income Statement

(dollars in millions, except per share data)

	For the Quarter Ended August 31, 2007
Investment income	\$5.9
Net investment income	\$3.2
Net realized gain on sale of investments	0.4
Net unrealized depreciation on investments	(4.4)
Other items	0.0
Net gain (loss)	<u><u>(\$0.8)</u></u>
GAAP earnings per share (basic and diluted)	<u><u>(\$0.09)</u></u>
Adjusted net investment income per share	<u><u>\$0.36</u></u>
Declared dividend ¹	<u><u>\$0.36</u></u>

¹ On August 14th, the Board of Directors declared a \$0.36 per share dividend to be paid on August 31st

Summary Balance Sheets

(dollars in millions, except per share data)

	Pro forma ¹ March 28, 2007	As of August 31, 2007
Assets		
Total investments at fair value	\$114.1	\$194.2
Cash and cash equivalents	1.6	7.4
Other assets	1.6	5.7
Total assets	\$117.3	\$207.3
Liabilities		
Debt	\$0.0	\$85.7
Other liabilities	1.1	7.5
Total liabilities	\$1.1	\$93.2
Stockholders' Equity		
Total stockholders' equity	\$116.2	\$114.1
Total liabilities and stockholders' equity	\$117.3	\$207.3
Net asset value per share	\$14.01	\$13.76

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

V. Company Highlights

Company Highlights

Quality Dividend

- Paid dividend of \$0.36 per share; an annual dividend yield of 11.9%¹
- Approximately 100% of net investment income from contractual cash pay instruments

Attractive Risk-Adjusted Portfolio

- 11.8% investment portfolio yield
- 82% senior secured loans and notes
- 73% middle market companies
- No non-performing or delinquent investments

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 14 investment vehicles with \$4.5 billion in U.S. assets under management, including \$4.1 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 \$12.10 on October 11th, 2007

² As of June 30th, 2007, includes leverage and warehoused assets

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 August 31, 2007 is provided below¹.

	For the three months ended August 31, 2007 (unaudited)
Net investment income per share, basic and diluted	\$0.38
Incentive fees attributed to gains (losses)	(0.02)
Adjusted net investment income per share, basic and diluted	<u>\$0.36</u>
Net loss on investments per share, basic and diluted	(\$0.47)
Incentive fees attributed to gains (losses)	0.02
Adjusted net gain (loss) on investments per share, basic and diluted	<u>(\$0.45)</u>
Basic and diluted GAAP EPS	<u>(\$0.09)</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.