



GSC Investment Corp. Announces Agreement With Terphane Holding Corporation

NEW YORK, Aug 05, 2009 /PRNewswire-FirstCall via COMTEX News Network/ -- GSC Investment Corp. (NYSE: GNV), a business development company, today announced the completion of a forbearance agreement between Terphane Holding Corporation and the holders of a majority of its senior secured notes, including GSC Investment Corp. Terphane is GSC Investment Corp.'s second largest corporate investment.

The Terphane notes matured but were unpaid on June 15, 2009. Pursuant to the recently completed agreement, the noteholders agreed to forebear from exercising certain remedies under the notes and the indenture governing the notes for a period not to exceed one year, subject to the terms and conditions of the agreement. Pursuant to the agreement, Terphane made an interest payment under the notes in an amount equal to the regular interest payment that was due on June 15, 2009, and has committed to make regularly scheduled interest payments during the scheduled forbearance period.

"We are pleased that Terphane and the majority noteholders were able to reach an agreement that will provide Terphane with additional time to seek to resolve its capital issues," said GSC Investment Corp. CEO Seth Katzenstein. "We are hopeful that the agreement will increase the chance that Terphane's noteholders, including GSC Investment Corp., will receive a full repayment and consider it to be a positive outcome for GSC Investment Corp."

About GSC Investment Corp.

GSC Investment Corp. is a specialty finance company that invests primarily in leveraged loans and mezzanine debt issued by U.S. middle-market companies, high yield bonds and collateralized loan obligations. It has elected to be treated as a business development company under the Investment Company Act of 1940. The Company may also opportunistically invest in distressed debt, debt issued by non-middle market companies, and equity securities issued by middle and non-middle market companies. The Company draws upon the support and investment advice of its external manager, GSC Group, an alternative asset investment manager that focuses on complex, credit-driven strategies. GSC Investment Corp. is traded on the New York Stock Exchange under the symbol "GNV."

Forward Looking Statements

Information provided in this press release, including valuation of certain of our investments, may contain statements relating to current expectations, estimates, forecasts and projections about future events that are forward-looking statements. These forward-looking statements generally relate to GSC Investment Corp.'s plans, objectives and expectations for future operations and are based upon management's current estimates and projections of future results or trends. Actual future results may differ materially from those projected as a result of certain risks and uncertainties. For a discussion of such risks and uncertainties, see "Note About Forward-Looking Statements" included in the Company's most recent 10-Q which has been filed with the U.S. Securities and Exchange Commission. These forward-looking statements are made only as of the date hereof, and GSC Investment Corp. undertakes no obligation to update or revise the forward-looking statements, whether as a result of the new information, future events or otherwise.

Contact: Carl J. Crosetto
GSC Group
973-437-1007

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