



Shareholder Presentation

Financial Results
For Fiscal Quarter
Ended August 31, 2009

Important Notice

This presentation should be read in conjunction with our financial statements and related notes and other information appearing in our Quarterly Report on Form 10-Q for the quarter ended August 31, 2009 (the "10-Q") and our Annual Report on Form 10-K for the fiscal year ended February 28, 2009 (the "10-K"). 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 Part I, Item 1A in the 10-K and Part II, Item 1A in our Quarterly Report on Form 10-Q for the quarter ended May 31, 2009.

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;
- the ability of our investment adviser to locate suitable investments for us and to monitor and administer our investments; and
- continued access to our revolving credit facility.

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.

Note Regarding the Calculation of Assets Under Management

The AUM of the corporate credit group represents (i) the principal balance of assets held in CLOs, adjusted for defaulted securities and excess "Caa / CCC" rated securities plus the market value of equity securities, all as measured under the relevant account documents and (ii) the market value of each investment held by GSC Investment Corp. plus available cash.

I. Introduction

Financial Highlights

(at August 31, 2009)

Second Quarter 2010 Operating Results

Investment portfolio:	\$100.0 million
Net assets:	\$57.3 million
Net asset value:	\$6.91 per share

- Operating results for the quarter ended August 31, 2009
 - Net investment income: \$1.1 million or \$0.13 per share
 - Net loss on investments: \$17.2 million or \$2.07 per share, primarily due to unrealized depreciation on the value of the portfolio due to negative changes in the fair value of investments
 - Net decrease in net assets from operations: \$16.1 million or \$1.94 per share

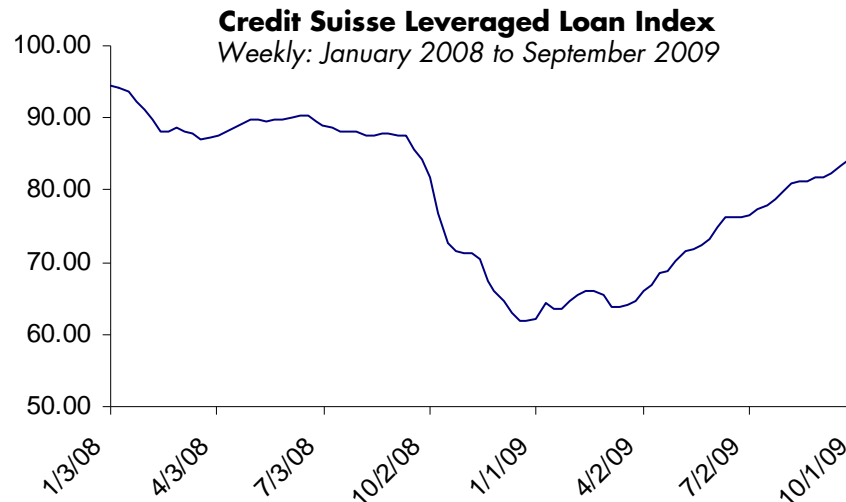
Attractive Risk- Adjusted Portfolio

- 8.2% current yield on investment portfolio
- Corporate Debt Portfolio¹:
 - 41 investments across 33 portfolio companies with an average investment of \$2.6 million
 - 79% senior secured loans and notes

¹ Excludes the investments in GSCIC CLO 2007, Ltd. and GSC Partners CDO GP III, LP.

Market Update

- The average price on the CS Leveraged Loan index rebounded by 22 points to 84.3 since the end of 2008 mainly due to a reversal of the technical trends that drove the leverage loan market in 2008 and increasing signs of a global economic recovery
- Technical factors that have led to turnaround:
 - Significant cash inflows in the high yield and leveraged loan markets, driven by easing concerns about the global financial system
 - CLOs are staying fully invested to avoid prepaying liabilities and are chasing B2 or better rated names higher
- While fundamentals have been improving, continued high default rates and weakness in the economic data worry market participants



Source: Data from Credit Suisse

- High yield bond spreads have tightened from 1,706bps at the end of 2008 to 780bps as of October 1, 2009 ⁽¹⁾, driven by the same technicals that have supported the loan market
 - So far this year, high yield mutual funds have received over \$20bn of inflows

¹ Source: CSFB High Yield Index

II. Portfolio Review

Portfolio Review

(at August 31, 2009; dollars in millions)

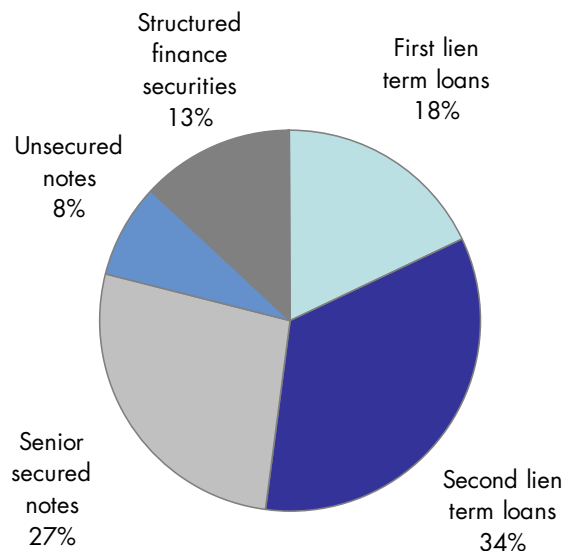
Portfolio Composition	
Total Portfolio	
Size	\$100.0
Weighted average yield ¹	8.2%
First Lien Term Loans	
Size	\$17.4
Average yield	7.4%
Second Lien Term Loans	
Size	\$34.3
Average yield	9.5%
Senior Secured Notes	
Size	\$27.2
Average yield	11.6%
Unsecured Notes	
Size	\$7.7
Average yield	12.3%
Structured Finance Securities	
Size	\$13.3
Average yield	0.1%

Asset Class Diversification²

79% Secured Loans and Notes

65% Middle Market Companies^{3,4}

57% Floating Rate Collateral⁴



1 Weighted average yield and average yield calculated based on original cost.
 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.
 4 Excludes Structured Finance Securities and Equity/Limited Partnership Interest.

Portfolio Review

(at August 31, 2009; dollars in millions)

Issuer Diversification

Corporate Debt Investments

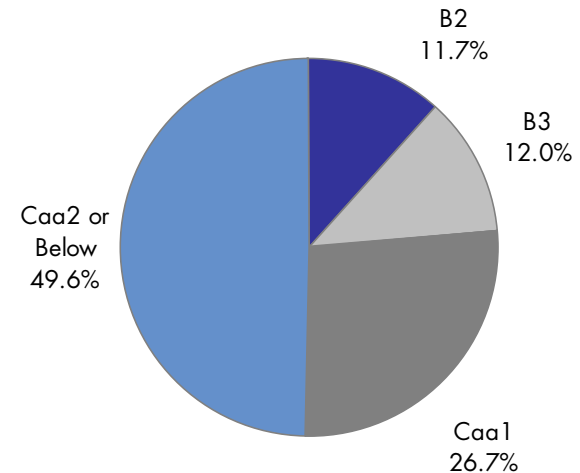
- 41 investments
- 33 portfolio companies
- \$2.6 average investment by portfolio company

	Issuer	Mkt	%
1	GNV CLO	\$13.3	13.3%
2	Terphane Holdings Corp.*	9.0	9.0
3	Gear for Sports	6.2	6.2
4	Jason Incorporated*	5.1	5.1
5	Targus Group International	4.4	4.4
6	Group Dekko*	4.4	4.4
7	Elyria Foundry Company	4.4	4.4
8	Specialized Technology Resources	4.4	4.4
9	McMillin Companies*	4.3	4.3
10	PRACS Institute	3.5	3.5
	Other	<u>41.0</u>	<u>41.0%</u>
	Total	\$100.0	100.0%

* Watch List name

Ratings Profile¹

- 18% quarterly increase in Caa2 or below investments



¹ Based on the Moody's public asset rating or private credit estimate for each obligation

Portfolio Review

(at August 31, 2009)

Industry Diversification

Structured Finance Securities	13.3%
Packaging	11.5
Manufacturing	9.4
Publishing	7.7
Consumer Products	7.2
Healthcare Services	7.0
Apparel	6.2
Electronics	6.0
Oil and Gas	5.2
Metals	4.4
Homebuilding	4.3
Environmental	3.1
Financial Services	2.7
Natural Resources	2.7
Logistics	1.7
Printing	1.7
Building Products	1.6
Food and Beverage	1.6
Chemicals	0.9
Software	0.9
Education	0.6
Consumer Services	<u>0.3</u>
Total	100.0%

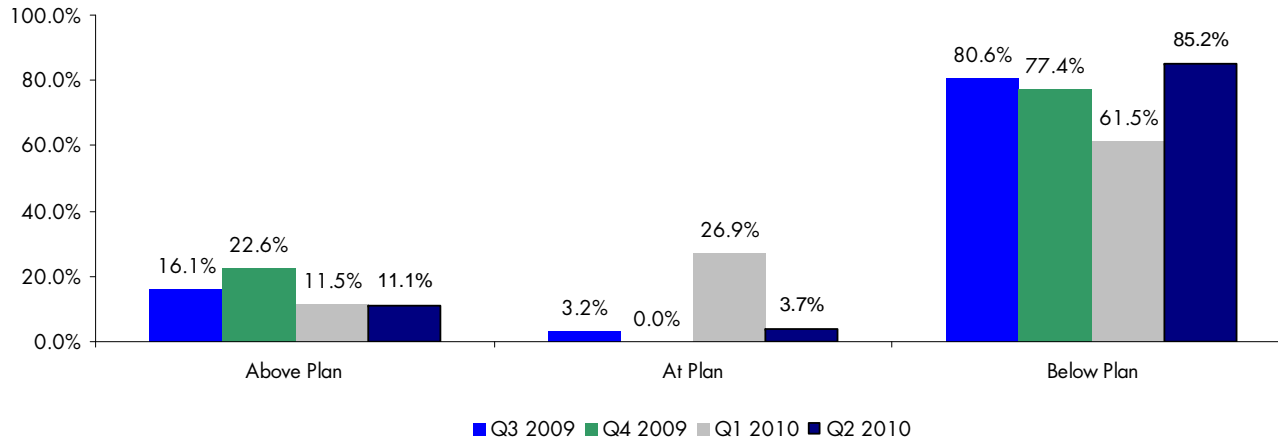
Geographic Diversification¹

Midwest	26.4%
Southeast	18.0
West	16.7
Other	13.4
Northeast	12.9
International	11.7
Mid Atlantic	<u>0.9</u>
Total	100.0%

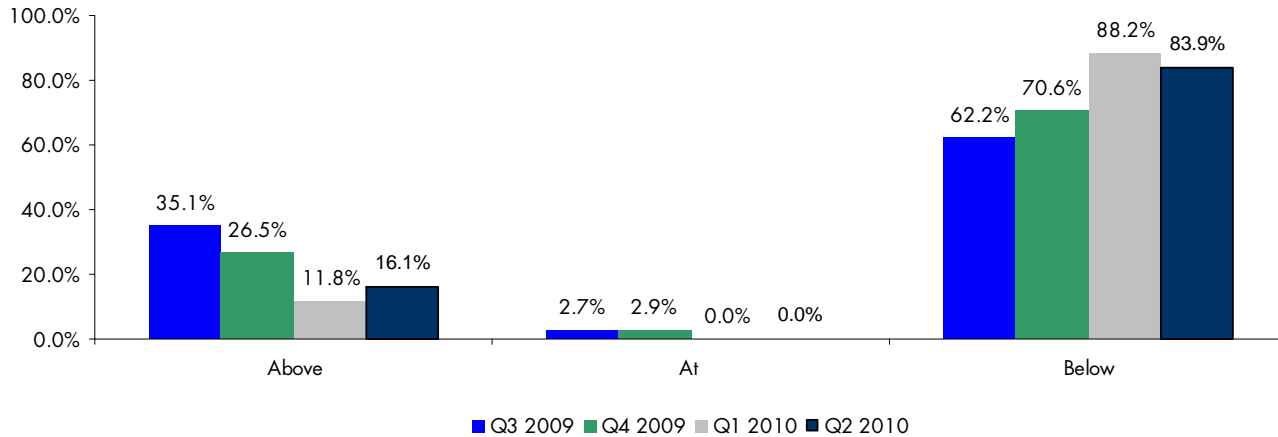
¹ Based on corporate headquarters

Performance for Balance Sheet Investments

Company Performance to Plan



Quarter over Quarter EBITDA Comparison



Average Investment Leverage¹

(at August 31, 2009)

	Number of Securities	Leverage Ahead of Security	Leverage After CapEx Ahead of Security
First Lien Loans	14	0.3x	0.5x
Second Lien Loans	15	4.2x	5.3x
Senior Secured Notes	6	4.3x	4.9x
Unsecured Notes	2	4.1x	6.2x
Weighted Average		2.9x	3.7x

	Leverage Through Security	Leverage After CapEx Through Security
First Lien Loans	6.5x	7.7x
Second Lien Loans	6.3x	7.7x
Senior Secured Notes	9.5x	14.6x
Unsecured Notes	8.1x	11.4x
Weighted Average	7.1x	9.3x

¹ Leverage defined as debt divided by earnings before interest, taxes, depreciation, and amortization (EBITDA). Excludes issuers with negative EBITDA based on information provided by portfolio companies

Watch List

(dollars in millions)

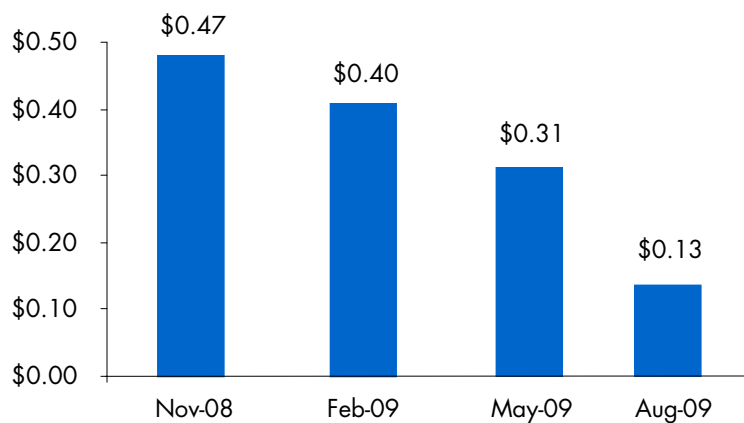
Issuer	Quarter Added	At August 31, 2009	
		Cost Basis	Fair Value
Abitibi Consolidated Company of Canada	4Q09	\$2.9	\$2.3
Advanstar Communications Inc.	1Q10	1.6	1.1
Affinity Group, Inc.	1Q10	0.8	0.7
Brown Publishing Company	4Q09	1.2	0.2
Grant U.S. Holdings LLP	1Q10	6.3	0.4
Group Dekko	1Q10	6.8	4.4
Jason Incorporated	1Q10	13.7	5.1
Legacy Cabinets, Inc.	1Q10	3.2	1.6
Lyondell Chemical Company	4Q09	1.6	0.9
M/C Communications, LLC	3Q09	0.8	0.5
McMillin Companies LLC	3Q09	7.3	4.3
Network Communications, Inc.	1Q10	5.1	2.5
Penton Media, Inc.	1Q10	3.8	3.1
Stronghaven, Inc.	1Q10	2.5	2.5
Terphane Holdings Corp.	1Q09	10.4	9.0
USS Mergerco, Inc.	2Q09	5.9	3.0
Worldwide Express Operations, LLC	4Q09	2.8	1.8
Total		\$76.7	\$43.4

III. Financial Results

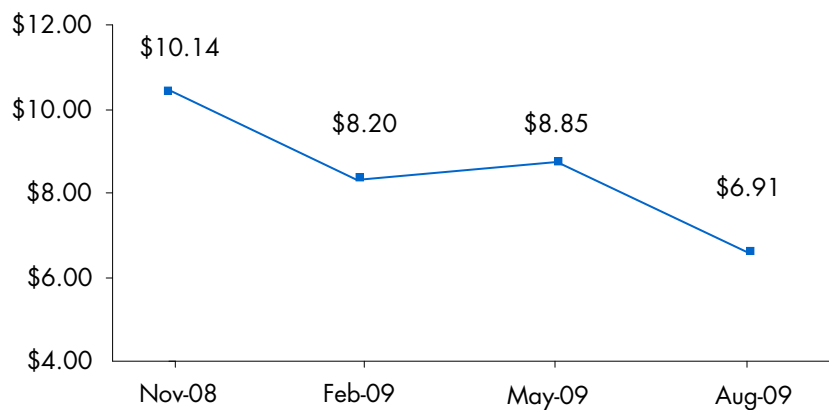
The following information is a summary only. Investors are urged to review our Quarterly Report on Form 10-Q for the quarterly period ended August 31, 2009, particularly the financial statements and related notes, the management discussion and analysis of financial condition and results of operations, and the quantitative and qualitative disclosures about market risk set forth therein, the Annual Report on Form 10-K for the fiscal year ended February 28, 2009, the risk factors set forth in Part II, Item 1A in our Quarterly Report on Form 10-Q for the quarter ended May 31, 2009, and any Current Reports on Form 8-K, filed with the Securities and Exchange Commission, for important information regarding the business of the Company, its financial condition, risk factors, and the results of its operations for the indicated periods.

Financial Highlights

Net Investment Income Per Share



Net Asset Value Per Share



Financial Results

(at August 31, 2009)

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- There were no investments made during the period
- Redemptions of investments during the period: \$4.0 million

Second Quarter 2010 Portfolio Activity

Income Statement

(dollars in millions, except per share data)

	For the Three Months Ended August 31, 2009	For the Three Months Ended August 31, 2008
Investment income	\$3.7	\$5.8
Net investment income	\$1.1	\$3.5
Realized and unrealized gain/(loss) on investments:		
Net realized and unrealized loss from investments and derivatives	(17.2)	(6.0)
Net loss	<u>(\$16.1)</u>	<u>(\$2.6)</u>
Weighted average - basic and diluted earnings per common share	<u>(\$1.94)</u>	<u>(\$0.31)</u>
Net investment income per common share (basic and diluted)	<u>\$0.13</u>	<u>\$0.42</u>
Weighted average common stock outstanding (basic and diluted)	8,291,384	8,291,384

Summary Balance Sheet

(dollars in millions, except per share data)

	As of August 31, 2009	As of February 28, 2009
Assets		
Total investments at fair value	\$100.0	\$118.9
Cash	7.1	7.5
Other assets	3.9	4.3
Total assets	<u>\$111.0</u>	<u>\$130.7</u>
Liabilities		
Revolving credit facility	\$49.6	\$59.0
Other liabilities	4.1	3.7
Total liabilities	<u>\$53.7</u>	<u>\$62.7</u>
Stockholders' Equity		
Total stockholders' equity	\$57.3	\$68.0
Total liabilities and stockholders' equity	<u>\$111.0</u>	<u>\$130.7</u>
Net asset value per share	<u>\$6.91</u>	<u>\$8.20</u>

Unrealized Loss Analysis – Second Quarter

(dollars in thousands)

Issuer	Pricing Methodology	Cost	Fair value	Total Unrealized Gain (Loss)	Q2 Change in Unrealized Gain (Loss)
GSCIC CLO	Fair Value	\$29,233	\$13,348	(\$15,885)	(\$5,859)
Jason Incorporated	Fair Value	13,700	5,106	(8,594)	(4,692)
Energy Alloys, LLC	Fair Value	6,200	3,096	(3,104)	(2,777)
USS Mergerco, Inc.	Fair Value	5,858	3,047	(2,811)	(1,286)
Group Dekko	Fair Value	6,774	4,376	(2,398)	(1,126)
GFSI, Inc.	Fair Value	7,082	6,157	(925)	(677)
Worldwide Express Operations, LLC	Fair Value	2,781	1,753	(1,028)	(604)
Grant U.S. Holdings LLP	Fair Value	6,345	408	(5,937)	(543)
Targus Group International	Fair Value	7,718	4,413	(3,305)	(448)
Bankruptcy Management Solutions, Inc.	Fair Value	4,836	2,707	(2,129)	(340)
Total - Top 10		90,527	44,411	(46,116)	(18,352)
Remaining Portfolio		70,912	55,627	(15,285)	2,216
Total Portfolio		\$161,439	100,038	(\$61,401)	(\$16,136)