

TCP Capital Corp.
Form 497
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PROSPECTUS SUPPLEMENT

(To Prospectus dated July 2, 2014)

Up to \$100,000,000

Common Stock

We are a holding company (the "Holding Company") with no direct operations of our own, and currently our only business and sole asset is our ownership of all of the common limited partner interests in Special Value Continuation Partners, LP (the "Operating Company"), which represents approximately 100% of the common equity and 84.9% of the combined common equity, preferred equity and general partner interests in the Operating Company as of September 30, 2014. We and the Operating Company are externally managed, closed-end, non-diversified management investment companies that have elected to be treated as business development companies under the Investment Company Act of 1940 (the "1940 Act"). Our and the Operating Company's investment objective is to achieve high total returns through current income and capital appreciation, with an emphasis on principal protection. Both we and the Operating Company seek to achieve this investment objective primarily through investments in debt securities of middle-market companies as well as small businesses. Our primary investment focus is investing in and originating leveraged loans to performing middle-market companies as well as small businesses.

Tennenbaum Capital Partners, LLC (the "Advisor") serves as our and the Operating Company's investment advisor. The Advisor is a leading investment manager and specialty lender to middle-market companies that had approximately \$5.5 billion in capital commitments from investors ("committed capital") under management as of September 30, 2014, approximately 25% of which consists of our committed capital. SVOF/MM, LLC, an affiliate of the Advisor, is the Operating Company's general partner and provides the administrative services necessary for us to operate.

We have entered into an equity distribution agreement, dated as of October 3, 2014, with each of Raymond James & Associates, Inc. and Cantor Fitzgerald & Co. (each an "Agent" and together the "Agents") under which we may from time to time offer and sell shares of our common stock having an aggregate offering price of up to \$100,000,000 through the Agents, as our agents.

Sales of our common stock, if any, under this prospectus supplement and the accompanying prospectus may be made in negotiated transactions or transactions that are deemed to be "at the market" offerings, including sales made directly on the NASDAQ Global Select Market or sales made to or through a market maker other than on an exchange.

From time to time during the term of the equity distribution agreement, we may deliver a placement notice to one of the Agents specifying the length of the selling period, the amount of shares to be sold and the minimum price below which sales may not be made. Upon an Agent's acceptance of the terms of a placement notice from us, the Agent will

use its commercially reasonable efforts, consistent with its sales and trading practices, to solicit offers to purchase our common stock under the terms and subject to the conditions set forth in the equity distribution agreement. The Agents are not required to sell any specific number or dollar amount of common stock. Shares of our common stock to which this prospectus supplement relates will be sold only through one Agent on any given day. The offering of shares of common stock pursuant to the equity distribution agreement will terminate upon the earlier of (1) the sale of shares having an aggregate offering price of \$100,000,000 or (2) the termination of the equity distribution agreement so that neither Agent remains subject thereto. We may also sell our common stock to an Agent as principal for its own account at prices agreed upon at the time of sale. We will pay each Agent a commission for its services in acting as sales agent and/or principal in the sale of shares. Each Agent will be entitled to compensation that will not exceed, but may be up to, 2.0% of the gross sales price of all shares sold through it under the equity distribution agreement. Through December 18, 2014, we have sold 400,255 shares of our common stock pursuant to the equity distribution agreement, having an aggregate offering price of \$6,504,992. As a result, shares of common stock having an aggregate offering price of \$93,495,008, or 5,676,685 shares of common stock based on the last reported closing price for our common stock on December 18, 2014, remain available for sale pursuant to the equity distribution agreement. We are currently subject to contractual restrictions on our ability to sell common stock pursuant to which we may sell up to 2,000,000 shares of common stock pursuant to at-the-market offerings from December 11, 2014 through the expiration of the restricted period, which will end on January 5, 2015, unless extended. See "Plan of Distribution" on page S-37 of this prospectus supplement.

Our common stock is traded on the NASDAQ Global Select Market under the symbol "TCPC." The last reported closing price for our common stock on December 18, 2014 was \$16.47 per share. The offering price per share of our common stock sold in this offering less the Agents' commissions or discounts payable by us will not be less than the net asset value per share of our common stock at the time we sell common stock pursuant to this offering.

You should read this prospectus supplement and the accompanying prospectus carefully before you invest in shares of our common stock.

This prospectus supplement and the accompanying prospectus contain important information you should know before investing in our common stock. Please read it carefully before you invest and keep it for future reference. We file annual, quarterly and current reports, proxy statements and other information about us with the Securities and Exchange Commission (the "SEC"). A Statement of Additional Information, dated December 19, 2014, containing additional information about the Holding Company and the Operating Company has been filed with the SEC and is incorporated by reference in its entirety into this prospectus supplement. The Advisor maintains a website at <http://www.tennenbaumcapital.com>, and we make all of our annual, quarterly and current reports, proxy statements and other publicly filed information available, free of charge, on or through this website. You may also obtain free copies of our annual and quarterly reports, request a free copy of the Statement of Additional Information, the table of contents of which is on page S-40 of this prospectus supplement, and make stockholder inquiries by contacting us at Tennenbaum Capital Partners, LLC, c/o Investor Relations, 2951 28th Street, Suite 1000, Santa Monica, California 90405 or by calling us collect at (310) 566-1094. The SEC maintains a website at <http://www.sec.gov> where such information is available without charge upon request. Information contained on our website is not incorporated by reference into this prospectus supplement or the accompanying prospectus, and you should not consider information contained on our website to be part of this prospectus supplement or the accompanying prospectus.

The debt securities in which we typically invest are either rated below investment grade by independent rating agencies or would be rated below investment grade if such securities were rated by rating agencies. Below investment grade securities, which are often referred to as "hybrid securities," "junk bonds" or "leveraged loans" are regarded as having predominantly speculative characteristics with respect to the issuer's capacity to pay interest and repay principal. They may be illiquid and difficult to value and typically do not require repayment of principal prior to maturity, which potentially heightens the risk that we may lose all or part of our investment. In addition, a substantial majority of the Operating Company's debt investments include interest reset provisions that may make it more difficult for the borrowers to make debt repayments to the Operating Company if the reset provision has the effect of

increasing the applicable interest rate.

Shares of closed-end investment companies, including business development companies, frequently trade at a discount from their net asset value. If our shares trade at a discount to our net asset value, it will likely increase the risk of loss for purchasers in the offerings. Investing in our common stock involves a high degree of risk, including credit risk and the risk of the use of leverage. Before buying any shares of our common stock, you should read the discussion of the material risks of investing in our common stock in "Risks" beginning on page S-11 of this prospectus supplement and on page 23 of the accompanying prospectus.

Neither the SEC nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

Raymond James

Prospectus Supplement dated December 19, 2014

Cantor Fitzgerald & Co.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

In addition to factors previously identified elsewhere in this prospectus supplement and the accompanying prospectus, including the "Risks" section of the accompanying prospectus, the following factors, among others, could cause actual results to differ materially from forward-looking statements or historical performance:

the introduction, withdrawal, success and timing of business initiatives and strategies;

changes in political, economic or industry conditions, the interest rate environment or financial and capital markets, which could result in changes in the value of our assets;

the valuation of our investments in portfolio companies, particularly those having no liquid trading market;

the relative and absolute investment performance and operations of the Advisor;

the impact of increased competition;

the impact of future acquisitions and divestitures;

the unfavorable resolution of legal proceedings;

our business prospects and the financial condition and prospects of our portfolio companies;

the adequacy of our cash resources and working capital;

the timing of cash flows, if any, from the operations of our portfolio companies;

the impact of legislative and regulatory actions and reforms and regulatory, supervisory or enforcement actions of government agencies relating to us, the Advisor or our portfolio companies;

the ability of the Advisor to identify suitable investments for us and to monitor and administer our investments;

our contractual arrangements and relationships with third parties;

any future financings and investments by us;

the ability of the Advisor to attract and retain highly talented professionals;

fluctuations in interest rates or foreign currency exchange rates; and

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the impact of changes to tax legislation and, generally, our tax position.

This prospectus supplement and the accompanying prospectus contain, and other statements that we may make may contain, forward-looking statements with respect to future financial or business performance, strategies or expectations. Forward-looking statements are typically identified by words or phrases such as "trend," "opportunity," "pipeline," "believe," "comfortable," "expect," "anticipate," "current," "intention," "estimate," "position," "assume," "potential," "outlook," "continue," "remain," "maintain," "sustain," "seek," "achieve" and similar expressions, or future or conditional verbs such as "will," "would," "should," "could," "may" or similar expressions.

Forward-looking statements are subject to numerous assumptions, risks and uncertainties, which change over time. Forward-looking statements speak only as of the date they are made, and we assume no duty to and do not undertake to update forward-looking statements. These forward-looking statements do not meet the safe harbor for forward-looking statements pursuant to Section 27A of the Securities Act of 1933 (the "Securities Act") or Section 21E of

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the Securities Exchange Act of 1934 (the "Securities Exchange Act"). Actual results could differ materially from those anticipated in forward-looking statements and future results could differ materially from historical performance. Statistical and market data used in this prospectus supplement has been obtained from governmental and independent industry sources and publications. We have not independently verified the data obtained from these sources. Forward-looking information obtained from these sources is subject to the same qualifications and the additional uncertainties regarding the other forward-looking statements contained in this prospectus supplement, for which the safe harbor provided in Section 27A of the Securities Act and Section 21E of the Securities Exchange Act is not available.

You should rely only on the information contained in this prospectus supplement, the accompanying prospectus, the Statement of Additional Information, dated December 19, 2014, or SAI, incorporated by reference in its entirety in the accompanying prospectus, and the documents incorporated by reference herein or therein. We have not, and the Agents have not, authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not, and the Agents are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information in this prospectus supplement and the accompanying prospectus is accurate only as of the date on the front of this prospectus supplement and of the accompanying prospectus, respectively, and the information in the SAI and the documents incorporated by reference herein or in the accompanying prospectus or the SAI is accurate only as of their respective dates. Our business, financial condition and prospects may have changed since that date. To the extent required by applicable law, we will update this prospectus supplement, the accompanying prospectus and the SAI during the offering period to reflect material changes to the disclosure herein.

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PROSPECTUS SUMMARY

This summary highlights some of the information in this prospectus supplement. This summary is not complete and may not contain all of the information that you may want to consider before investing in our common stock. You should read the entire prospectus supplement, the accompanying prospectus, including "Risks," and the Statement of Additional Information dated December 19, 2014 (the "SAI").

Throughout this prospectus supplement, unless the context otherwise requires, a reference to:

"Holding Company" refers to Special Value Continuation Fund, LLC, a Delaware limited liability company, for the periods prior to the consummation of the Conversion (as defined below) described elsewhere in this prospectus supplement and to TCP Capital Corp. for the periods after the consummation of the Conversion;

"Operating Company" refers to Special Value Continuation Partners, LP, a Delaware limited partnership;

"TCPC Funding" refers to TCPC Funding I LLC, a Delaware limited liability company;

"TCPC SBIC" refers to TCPC SBIC, LP, a Delaware limited partnership;

"Advisor" refers to Tennenbaum Capital Partners, LLC, a Delaware limited liability company and the investment manager; and

"General Partner" and "Administrator" refer to SVOF/MM, LLC, a Delaware limited liability company, the general partner of the Operating Company and an affiliate of the Advisor and administrator of the Holding Company and the Operating Company.

For simplicity, this prospectus supplement uses the term "Company," "we," "us" and "our" to include the Holding Company and, where appropriate in the context, the Operating Company, TCPC Funding and TCPC SBIC, on a consolidated basis. For example, (i) although all or substantially all of the net proceeds from this offering will be invested in the Operating Company and all or substantially all of the Holding Company's investments will be made through the Operating Company, this prospectus supplement generally refers to the Holding Company's investments through the Operating Company as investments by the "Company," and (ii) although the Operating Company and TCPC Funding and not the Holding Company has entered into the Leverage Program (defined below), this prospectus supplement generally refers to the Operating Company's use of the Leverage Program as borrowings by the "Company," in all instances in order to make the operations and investment strategy easier to understand. The Holding Company and the Operating Company have the same investment objective and policies and the assets, liabilities and results of operations of the Holding Company are consolidated with those of the Operating Company as described in the accompanying prospectus under "Prospectus Summary Operating and Regulatory Tax Structure."

On April 2, 2012, we completed a conversion under which TCP Capital Corp. succeeded to the business of Special Value Continuation Fund, LLC and its consolidated subsidiaries, and the members of Special Value Continuation Fund, LLC became stockholders of TCP Capital Corp. In this prospectus supplement, we refer to such transactions as the "Conversion." Unless otherwise indicated, the disclosure in this prospectus supplement gives effect to the Conversion.

The Company

We are an externally managed, non-diversified closed-end management investment company that has elected to be regulated as a business development company, or BDC, under the Investment Company Act of 1940 or the 1940 Act. See the accompanying prospectus "Prospectus Summary Company History and BDC Conversion." We completed our initial public offering on April 10, 2012.

Our investment objective is to achieve high total returns through current income and capital appreciation, with an emphasis on principal protection. We seek to achieve our investment objective primarily through investments in debt securities of middle-market companies, which we typically define as those with enterprise values between \$100 million and \$1.5 billion as well as small businesses which meet the "small" enterprise definition of the rules and regulations of the Small Business Administration (the "SBA"). While we primarily focus on privately negotiated investments in debt of middle-market companies, we make investments of all kinds and at all levels of the capital structure, including in equity interests such as preferred or common stock and warrants or options received in connection with our debt investments. Our investment activities benefit from what we believe are the competitive advantages of the Advisor, including its diverse in-house skills, proprietary deal flow, and consistent and rigorous investment process focused on established, middle-market companies. We expect to generate returns through a combination of the receipt of contractual interest payments on debt investments and origination and similar fees, and, to a lesser extent, equity appreciation through options, warrants, conversion rights or direct equity investments. Substantially all of our operating history and performance results have been achieved through our predecessor, Special Value Continuation Fund, LLC, which was a registered investment company but was neither a business development company nor a publicly traded company. There are no material operating differences between us and our predecessor, however, as a BDC we are deemphasizing distressed debt investments, which may adversely affect our investment returns. See the accompanying prospectus "Prospectus Summary Company History and BDC Conversion".

To achieve our investment objectives, we intend to focus on a subset of the broader investment strategies historically pursued by the Advisor. Our primary investment focus is the ongoing origination of and investments in leveraged loans of performing middle-market companies as well as small businesses. For the purposes of this prospectus supplement, the term "leveraged loans" refers to senior debt investments that rank ahead of subordinated debt and that generally have the benefit of security interests in the assets of the borrower.

Our investments generally range from \$10 million to \$40 million per company, the size of which may grow over time in proportion with our capital base. We expect to generate current returns through a combination of the receipt of contractual interest payments on debt investments and origination and similar fees, and, to a lesser extent, equity appreciation through options, warrants, conversion rights or direct equity investments. We often receive equity interests such as preferred or common stock and warrants or options in connection with our debt investments. From time to time we may also use other investment strategies, which are not our primary focus, to attempt to enhance the overall return of our portfolio. These investment strategies may include, but are not limited to, the purchase of discounted debt, opportunistic investments, and financial instruments to hedge currency or interest rate risk associated with our portfolio.

As described in the accompanying prospectus under "Prospectus Summary Company History and BDC Conversion," we have no employees of our own and currently our only business and sole asset is the ownership of all of the common limited partner interests of the

Operating Company. Our investment activities are externally managed by the Advisor. Additionally, the Holding Company expects that it will continue to seek to qualify as a regulated investment company, or RIC, under Subchapter M of the Internal Revenue Code (the "Code").

As of September 30, 2014, we held investments in 82 portfolio companies. The aggregate fair value as of September 30, 2014 of investments in these portfolio companies was approximately \$1,074.8 million. Our portfolio across all our long-term debt investments had a weighted average annual effective yield of 10.7% as of September 30, 2014. In addition to the annual stated interest rate, this figure includes amortization of deferred debt origination fees and accretion of original issue discount, but excludes market discount, any prepayment and make-whole fee income, and any debt investments on non-accrual status.

Recent Developments

From October 1, 2014 through December 18, 2014, the Operating Company has invested approximately \$102.8 million in five new senior secured loans, three draws on existing loans, one loan to an existing portfolio company and one related equity investment with a combined effective yield on the debt investments of approximately 11.0%.

On October 3, 2014, the Company entered into the equity distribution agreement with the Agents under which the Company may from time to time offer and sell, at a premium to net asset value, shares of its common stock in negotiated transactions or "at the market" offerings having an aggregate offering price of up to \$100,000,000. Through December 17, 2014, the Company issued 400,255 shares pursuant the equity distribution agreement.

On November 5, 2014, the aggregate principal commitment on the TCPC Funding Facility increased to \$250 million and the facility's accordion feature expanded to \$300 million.

On November 6, 2014, the Company's board of directors declared a fourth quarter regular dividend of \$0.36 per share and a special dividend of \$0.05 per share. Both dividends are payable on December 31, 2014 to stockholders of record as of the close of business on December 8, 2014.

On November 21, 2014, the Company entered into an underwriting agreement with certain underwriters and sold 5,900,000 shares of common stock for \$97,577,150 in net proceeds. The Company granted the underwriters an option to purchase up to 885,000 additional shares of our common stock within 30 days of the date of such underwriting agreement. As of the date hereof, the underwriters have not exercised their option to purchase the additional shares. Pursuant to the underwriting agreement, we agreed not to sell or transfer any common stock or securities convertible into, exchangeable for, exercisable for, or repayable with common stock, for 45 days from the date of such underwriting agreement without first obtaining the written consent of each of the representatives. However, during this restricted period, we may sell up to 2,000,000 shares of common stock pursuant to at-the-market offerings on or after December 11, 2014. In the event that either (x) during the last 17 days of the restricted period referred to above, we issue an earnings release or material news or a material event relating to us occurs or (y) prior to the expiration of the restricted period, we announce that we will release earnings results or become aware that material news or a material event will occur during the 16-day period beginning on the last day of the restricted period, the restrictions shall continue to apply until the expiration of the 18-day period beginning on the issuance of the earnings release or the occurrence of the material news or material event.

On November 25, 2014, the SEC issued an order permitting affiliated transactions between us and two registered closed-end funds, Tennenbaum Opportunities Fund V, LLC ("TOF") and Tennenbaum Opportunities Partners V, LP. ("TOP") (through which TOF makes its investments), all managed by the Advisor. TOP and TOF have limited terms and are scheduled to terminate their existence in October 2016, subject to up to two two-year extensions. The order will allow the closed-end funds, prior to their termination, to sell to us assets that are consistent with our investment objectives and strategies. Before selling to us in reliance on the order, TOP is required by the conditions of the order to establish a bona fide market price by selling a portion of each asset to an independent third-party buyer at arm's-length. TOP and we will be able to enter into the proposed transactions in reliance on the order only if the price of the related third party transaction falls within a certain range above or below TOP's valuation of the relevant asset. The transactions will need to be approved by the Required Majority (as defined in the 1940 Act) of TOP's and our board.

Net combined leverage was approximately 0.66 times net equity at September 30, 2014 and approximately 0.56 times net equity at December 18, 2014.

Determinations of Net Asset Value In Connection with the Offering

The offering price per share of our common stock sold in this offering, less the Agents' commissions or discounts payable by us, will not be less than the net asset value per share of our common stock as determined by a committee of our board of directors within 48 hours of the time of sale. Our board of directors approves the fair value of our portfolio investments on a quarterly basis in connection with the preparation of quarterly financial statements, based on input from our Advisor and the audit committee of our board of directors. In connection with this offering, a committee of our board of directors will determine that we are not selling shares of our common stock at a price per share, after deducting the Agents' commissions or discounts, below the then current net asset value of our common stock. Therefore at such times as we are selling shares in this offering, a committee of our board, based on the input of our Advisor and in accordance with valuation procedures adopted by the board of directors, will periodically determine our net asset value on an interim basis between quarterly net asset value determinations. Our valuation procedures provide that our Advisor will give the committee of the board an updated net asset value recommendation, determined based on the net asset value of our common stock most recently disclosed by us in the most recent periodic report that we filed with the SEC and adjusted based on all factors that our Advisor determines to be relevant, including the realization of net gains on the sale of our portfolio investments and our Advisor's assessment of material changes, if any, in the fair value of our portfolio investments since the prior quarterly net asset value determination. Such interim net asset value calculations will occur within 48 hours of a sale of any shares in this offering.

Company Information

Our administrative and executive offices are located at 2951 28th Street, Suite 1000, Santa Monica, CA 90405, and our telephone number is (310) 566-1094. The Advisor maintains a website at <http://www.tennenbaumcapital.com>. Information contained on this website is not incorporated by reference into this prospectus supplement or the accompanying prospectus, and you should not consider information contained on the Advisor's website to be part of this prospectus supplement or the accompanying prospectus.

Presentation of Historical Financial Information

Unless otherwise indicated, historical references contained in this prospectus supplement and the accompanying prospectus, as applicable, in " Selected Financial Data," "Capitalization," "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Senior Securities" and "Portfolio Companies" relate to the Holding Company and the Operating Company on a consolidated basis.

For further information please see the "Prospectus Summary" in the accompanying prospectus.

FEES AND EXPENSES

The following table is intended to assist you in understanding the costs and expenses that an investor in our common stock will bear directly or indirectly. The expenses shown in the table under "Annual Expenses" (excluding incentive compensation payable under the investment management agreement) are based on the assumed sale of shares of our common stock having an aggregate offering price of \$100,000,000, and a maximum sales load of 2.00%, pursuant to the equity distribution agreements. The following table and example should not be considered a representation of our future expenses. Actual expenses may be greater or less than shown. The following table and example represent our best estimate of the fees and expenses that we expect to incur during the next twelve months. Further, the fees and expenses below are presented on a consolidated basis directly or indirectly to include expenses of the Company and the Operating Company that investors in our common stock will bear.

Stockholder Transaction Expenses:

| | |
|---|-----------|
| Sales Load (as a percentage of offering price) | 2.00% (1) |
| Offering Expenses (as a percentage of offering price) | 0.30% (2) |
| Dividend Reinvestment Plan Fees | (3) |

| | |
|---|--------------|
| Total Stockholder Transaction Expenses (as a percentage of offering price) | 2.30% |
|---|--------------|

Annual Expenses (as a Percentage of Consolidated Net Assets Attributable to Common Stock) (4):

| | |
|---|-----------|
| Base Management Fees | 2.40% (5) |
| Incentive Compensation Payable Under the Investment Management Agreement (20% of ordinary income and capital gains) | 2.02% (6) |
| Interest Payments on Borrowed Funds | 2.27% (7) |
| Preferred Dividends | 0.16% (8) |
| Other Expenses (estimated) | 0.63% (9) |

| | |
|------------------------------|--------------|
| Total Annual Expenses | 7.48% |
|------------------------------|--------------|

(1)

Represents the Agents' commissions with respect to the shares to be sold by us pursuant to this prospectus supplement and the accompanying prospectus. The Agents will be entitled to compensation of up to 2.00% of the gross proceeds of the sale of any shares of our common stock under the equity distribution agreement, with the exact amount of such compensation to be mutually agreed upon by the Company and the applicable Agent from time to time. There is no guarantee that there will be any sales of our common stock pursuant to this prospectus supplement and the accompanying prospectus.

(2)

Amount reflects estimated offering expenses of approximately \$300,000.

(3)

The expenses of the dividend reinvestment plan are included in "other expenses." See "Dividend Reinvestment Plan" in the SAI.

(4) The "consolidated net assets attributable to common stock" used to calculate the percentages in this table is our average consolidated net assets attributable to common stock of \$548.3 million for the 12 month period ending September 30, 2014.

(5) Base management fees are paid quarterly in arrears. The base management fee of 1.5% per year is calculated based on the value of our total assets (excluding cash and cash equivalents) at the end of the most recently completed calendar quarter. The percentage shown in the table, which assumes all capital and leverage is invested at the maximum level, is calculated by determining the ratio that the aggregate base management fee bears to our net assets attributable to common stock and not to our total assets. We make this conversion because all of our interest and preferred stock dividend payments are indirectly borne by our common stockholders. If we borrow money or issue preferred stock and invest the proceeds other than in cash and cash equivalents, our base management fees will increase. The base management fee for any partial quarter is appropriately pro-rated. See the accompanying prospectus "Management of the Company Investment Management Agreements."

(6)

Under the investment management agreements and the amended and restated limited partnership agreement of the Operating Company dated April 2, 2012, (the "Amended and Restated Limited Partnership Agreement"), no incentive compensation was incurred until after January 1, 2013. The incentive compensation has two components, ordinary income and capital gains. Each component is payable quarterly in arrears (or upon termination of the Advisor as the investment manager or the General Partner as of the termination date) and is calculated based on the cumulative return for periods beginning January 1, 2013 and ending on the relevant calculation date.

Each of the two components of incentive compensation is separately subject to a total return limitation. Thus, notwithstanding the following provisions, we are not obligated to pay or distribute any ordinary income incentive compensation or any capital gains incentive compensation if our cumulative total return does not exceed an 8% annual return on daily weighted average contributed common equity. The incentive compensation we would pay is subject to a total return limitation. That is, no incentive compensation is paid if our cumulative annual total return is less than 8% of our average contributed common equity. If our cumulative annual total return is above 8%, the total cumulative incentive compensation we pay is not more than 20% of our cumulative total return, or, if lower, the amount of our cumulative total return that exceeds the 8% annual rate.

Subject to the above limitation, the ordinary income component is the amount, if positive, equal to 20% of the cumulative ordinary income before incentive compensation, less cumulative ordinary income incentive compensation previously paid or distributed.

Subject to the above limitation, the capital gains component is the amount, if positive, equal to 20% of the cumulative realized capital gains (computed net of cumulative realized losses and cumulative net unrealized capital depreciation), less cumulative capital gains incentive compensation previously paid or distributed. For assets held on January 1, 2013, capital gain, loss and depreciation will be measured on an asset by asset basis against the value thereof as of December 31, 2012. The capital gains component is allocated, paid or distributed in full prior to payment or distribution of the ordinary income component.

(7)

"Interest Payments on Borrowed Funds" represents dividends, interest and fees estimated to be accrued on the Revolving Facilities (as defined below) and amortization of debt issuance costs, and assumes the Revolving Facilities are fully drawn (subject to asset coverage limitations under the 1940 Act) and that the interest rate on the debt issued under the Operating Company Facility (as defined below) is the rate in effect as of September 30, 2014, which was 2.65% and (ii) under the TCPC Funding Facility is the rate in effect as of September 30, 2014, which was 2.73%. "Interest Payments on Borrowed Funds" additionally represents interest and fees estimated to be accrued on \$108.0 million in aggregate principal amount of our 5.25% convertible senior unsecured notes due 2019 (the "2019 Notes") issued and outstanding as of the date of this prospectus supplement, which bear interest at a rate of 5.25% per year and are convertible into shares of our common stock under certain circumstances. When we borrow money or issue preferred stock, all of our interest and preferred stock dividend payments are indirectly borne by our common stockholders.

(8)

"Preferred Dividends" represents dividends estimated to be accumulated on the Preferred Interests and assumes that the dividend rate on the Preferred Interests is the rate in effect as of September 30, 2014 which was 1.00%. When we borrow money or issue preferred stock, all of our interest and preferred stock dividend payments are indirectly borne by our common stockholders.

(9)

"Other Expenses" includes our estimated overhead expenses, including expenses of the Advisor reimbursable under the investment management agreements and of the Administrator reimbursable under the administration agreement. Such expense estimate, other than the Administrator expenses, is based on actual other expenses for the three months ended September 30, 2014.

Example

The following example demonstrates the projected dollar amount of total cumulative expenses (including stockholder transaction expenses and annual expenses) that would be incurred over various periods with respect to a hypothetical investment in our common stock.

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In calculating the following expense amounts, we have assumed that our annual operating expenses remain at the levels set forth in the table above.

| | 1 year | 3 years | 5 years | 10 years |
|---|---------------|----------------|----------------|-----------------|
| You would pay the following expenses on a \$1000 investment assuming a 5% annual return | \$ 76 | \$ 181 | \$ 285 | \$ 542 |

While the example assumes, as required by the SEC, a 5% annual return, our performance will vary and may result in a return greater or less than 5%. There is no incentive compensation either on income or on capital gains under our investment management agreements and the Amended and Restated Limited Partnership Agreement assuming a 5% annual return and therefore it is not included in the example. If we achieve sufficient returns on our investments, including through the realization of capital gains, to trigger an incentive compensation of a material amount, our distributions to our common stockholders and our expenses would likely be higher. In addition, while the example assumes reinvestment of all dividends and distributions at net asset value, participants in our dividend reinvestment plan will receive a number of shares of our common stock, determined by dividing the total dollar amount of the dividend or distribution payable to a participant by the market price per share of our common stock at the close of trading on the valuation date for the dividend. See "Dividend Reinvestment Plan" in the SAI for additional information regarding our dividend reinvestment plan.

Except where the context suggests otherwise, whenever this prospectus supplement or the accompanying prospectus contains a reference to fees or expenses paid by "you," the "Company," the "Holding Company," the "Operating Company" or "us," our common stockholders will indirectly bear such fees or expenses, including through the Company's investment in the Operating Company.

This example and the expenses in the table above should not be considered a representation of our future expenses. Actual expenses (including the cost of debt, if any, and other expenses) may be greater or less than those shown.

SELECTED FINANCIAL DATA

The selected consolidated financial and other data below reflects the consolidated historical operations of the Holding Company and the Operating Company. This consolidated financial and other data is the Holding Company's historical financial and other data. The Operating Company will continue to be the Holding Company's sole investment following the completion of this offering.

The selected consolidated financial data below for the years ended December 31, 2013, 2012, 2011, 2010 and 2009 has been derived from the consolidated financial statements that were audited by our independent registered public accounting firm. The selected consolidated financial data at and for the three and nine months ended September 30, 2014 and 2013 have been derived from unaudited financial data, but in the opinion of our management, reflects all adjustments (consisting only of normal recurring adjustments) that are necessary to present fairly the results for such interim periods. Interim results at and for the three and nine months ended September 30, 2014 are not necessarily indicative of the results that may be expected for the year ending December 31, 2014. This selected financial data should be read in conjunction with our financial statements and related notes thereto, which are incorporated by reference into the SAI, and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Senior Securities" included elsewhere in this prospectus supplement.

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The historical financial information may not be representative of the Company's financial information in future periods.

| For the Three Months Ended September 30, | | For the Nine Months Ended September 30, | | For the Year Ended December 31, | | | |
|---|---------------|--|---------------|---------------------------------|---------------|---------------|---------------|
| 2014 | 2013 | 2014 | 2013 | 2013 | 2012 | 2011 | 2010 |
| 26,642,901 | \$ 16,489,727 | \$ 70,303,667 | \$ 46,716,446 | \$ 66,979,064 | \$ 49,243,332 | \$ 42,113,358 | \$ 32,410,811 |
| | | 1,968,748 | | | 1,811,189 | 10,610,159 | 13,547,921 |
| 547,565 | 798,644 | 2,173,996 | 1,906,863 | 2,629,982 | 1,138,238 | 2,134,159 | 1,842,466 |
| 27,190,466 | 17,288,371 | 74,446,411 | 48,623,309 | 69,609,046 | 52,192,759 | 54,857,676 | 47,801,211 |
| 2,778,702 | 426,460 | 4,662,376 | 810,663 | 2,339,447 | 857,757 | 942,288 | 893,800 |
| 3,513,238 | 2,205,517 | 9,504,317 | 6,110,550 | 8,820,229 | 6,908,942 | 6,787,188 | 6,787,188 |
| 1,698,336 | 1,068,415 | 4,862,659 | 2,656,476 | 4,119,108 | 4,105,700 | 1,520,474 | 1,213,680 |
| 7,990,276 | 3,700,392 | 19,029,352 | 9,577,689 | 15,278,784 | 11,872,399 | 9,249,950 | 8,894,670 |
| 19,200,190 | 13,587,979 | 55,417,059 | 39,045,620 | | | | |
| 19,200,190 | 13,587,979 | 55,417,059 | 39,045,620 | 54,330,262 | 40,320,360 | 45,607,726 | 38,906,530 |
| (4,505,178) | 2,937,047 | (2,337,098) | 5,950,799 | 9,071,361 | (12,784,251) | (38,878,881) | 31,621,010 |
| (362,169) | (387,982) | (1,077,869) | (1,138,942) | (1,494,552) | (1,602,799) | (1,545,555) | (1,519,750) |
| (3,767,604) | (2,694,156) | (10,867,837) | (7,893,933) | (12,381,416) | | | |

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901,035 (533,253) 467,419 (877,563)

11,466,274 \$ 12,909,635 \$ 41,601,674 \$ 35,085,981 \$ 49,525,655 \$ 25,933,310 \$ 5,183,290 \$ 69,007,79

0.29 0.48 \$ 1.11 \$ 1.47 \$ 1.91 \$ 1.21 \$ 12.37 \$ 164.7

(0.36) (0.36) (1.13) (1.12) (1.53) (1.43) (75.19) (89.9

40,079,914 26,654,702 37,507,497 23,942,996 25,926,493 21,475,847 418,956 418,95

1,074,797,327 \$ 704,095,487 \$ 1,074,797,327 \$ 704,095,487 \$ 766,262,959 \$ 517,683,087 \$ 378,960,536 \$ 453,034,87

44,808,737 25,161,493 44,808,737 25,161,493 37,066,243 31,559,015 24,492,967 20,604,28

1,119,606,064 729,256,980 1,119,606,064 729,256,980 803,329,202 549,242,102 403,453,503 473,639,15

319,099,077 150,000,000 319,099,077 150,000,000 95,000,000 74,000,000 29,000,000 50,000,00

10,773,837 42,341,463 10,773,837 42,341,463 23,045,112 24,728,267 2,116,211 25,050,17

329,872,914 192,341,463 329,872,914 192,341,463 118,045,112 98,728,267 31,116,211 75,050,17

23,52

134,498,858 134,534,213 134,498,858 134,534,213 134,504,252 134,526,285 134,466,418 134,377,86

701,164 877,563 701,164 877,563 1,168,583

654,533,128 \$ 401,503,741 \$ 654,533,128 \$ 401,503,741 \$ 549,611,255 \$ 315,987,550 \$ 237,870,874 \$ 264,187,58

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66

82

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| | | | | | | | |
|-------------|----------------|----------------|----------------|----------------|----------------|----------------|---------------|
| 207,058,940 | \$ 183,674,477 | \$ 486,041,022 | \$ 354,537,980 | \$ 471,087,319 | \$ 359,020,926 | \$ 237,870,874 | \$ 262,837,72 |
| 22,573,585 | \$ 55,466,349 | \$ 177,994,806 | \$ 176,516,171 | \$ 235,641,665 | \$ 211,216,033 | \$ 216,916,444 | \$ 192,419,66 |
| 10.7% | 10.8% | 10.7% | 10.8% | 10.9% | 11.3% | 14.2% | 13. |

*

Per share amounts prior to 2012 were calculated based on 418,986 pre-Conversion shares outstanding. Per share amounts for 2012 are calculated on 21,475,847 weighted-average post-Conversion shares outstanding.

(1)

Weighted-average effective yield includes amortization of deferred debt origination fees and accretion of original issue discount, but excludes market discount, any repaying and make-whole fee income, and any debt investments on non-accrual status.

RISKS

Investing in our common stock involves a high degree of risk. You should carefully consider the risks described below and in the accompanying prospectus on page 23, together with all of the other information included in this prospectus supplement and in the accompanying prospectus, before you decide whether to make an investment in our common stock. The risks set forth below and in the accompanying prospectus are not the only risks we face. If any of the adverse events or conditions described below or in the accompanying prospectus occur, our business, financial condition and results of operations could be materially adversely affected. In such case, our net asset value, or NAV, and the trading price of our common stock could decline, we could reduce or eliminate our dividend and you could lose all or part of your investment.

Our board of directors most recently approved NAV on September 30, 2014 and our quarterly NAV when calculated effective December 31, 2014 may be higher or lower.

Our quarterly NAV per share most recently approved by our board of directors is \$15.43 as of September 30, 2014. NAV per share as of December 31, 2014, may be higher or lower than our NAV per share as of September 30, 2014 based on potential changes in valuations, issuances of securities, dividends paid and earnings for the quarter then ended. Our board of directors approves the fair value of our portfolio investments on a quarterly basis in connection with the preparation of quarterly financial statements and based on input from our Advisor and the audit committee of our board of directors. At such times as we are selling shares in this offering, a committee of our board, based on the input of our Advisor and in accordance with valuation procedures adopted by the board of directors, will periodically determine our net asset value on an interim basis between quarterly net asset value determinations.

If we incur additional leverage, it will increase the risk of investing in shares of our common stock.

The Company has indebtedness and the Preferred Interests outstanding pursuant to the Leverage Program and expects, in the future, to borrow additional amounts under the Revolving Facilities and may increase the size of the Revolving Facilities or enter into other borrowing arrangements. The Company's portfolio must experience an annual return of 1.68% in order to cover annual interest and dividend payments under the Leverage Program as of September 30, 2014.

Illustration. The following table illustrates the effect of leverage on returns from an investment in our common stock assuming various annual returns, net of expenses and preferred dividends. The calculations in the table below are hypothetical and actual returns may be higher or lower than those appearing below. The calculation is based on our level of leverage at September 30, 2014, which represented borrowings and preferred stock equal to 65.8% of our total assets. On such date, we also had \$1,119.6 million in total assets; an average cost of funds of 2.83%; \$453.1 million aggregate principal amount of debt and liquidation preference of the Preferred Interests outstanding; and \$654.5 million of total net assets. In order to compute the "Corresponding Return to Common Stockholders," the "Assumed Return on Portfolio (Net of Expenses Other than Interest)" is multiplied by the total value of our investment portfolio at September 30, 2014 to obtain an assumed return to us. From this amount, the interest expense and preferred dividends calculated by multiplying the blended interest and dividend rate of 2.83% by the \$453.1 million of debt and preferred stock is subtracted to determine the return available to common stockholders. The return available to common stockholders is then divided by the total value of our net assets at September 30,

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2014 to determine the "Corresponding Return to Common Stockholders." Actual interest payments and preferred dividends may be different.

Assumed Return on Portfolio (Net of Expenses Other than Interest and Preferred Dividends)

| | -10% | -5% | 0% | 5% | 10% |
|---|-------------|------------|-----------|-----------|------------|
| Corresponding Return to Common Stockholders | -18% | -10% | -2% | 6% | 14% |

The assumed portfolio return in the table is based on SEC regulations and is not a prediction of, and does not represent, our projected or actual performance. The table also assumes that we will maintain a constant level of leverage. The amount of leverage that we use will vary from time to time.

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

The information contained in this section should be read in conjunction with the selected financial data appearing elsewhere in this prospectus supplement and the accompanying prospectus and our consolidated financial statements and related notes thereto appearing elsewhere in this prospectus supplement and the accompanying prospectus.

Overview

The Holding Company is a Delaware corporation formed on April 2, 2012 and is an externally managed, closed-end, non-diversified management investment company. The Holding Company elected to be treated as a business development company ("BDC") under the Investment Company Act of 1940, as amended (the "1940 Act"). Our investment objective is to seek to achieve high total returns through current income and capital appreciation, with an emphasis on principal protection. We invest primarily in the debt of middle-market companies as well as small businesses, including senior secured loans, junior loans, mezzanine debt and bonds. Such investments may include an equity component, and, to a lesser extent, we may make equity investments directly. Investment operations are conducted either in Special Value Continuation Partners, LP, a Delaware Limited Partnership (the "Operating Company"), of which the Holding Company owns 100% of the common limited partner interests, or in one of the Operating Company's wholly-owned subsidiaries, TCPC Funding I, LLC ("TCPC Funding") and TCPC SBIC, LP (the "SBIC"). The Operating Company has also elected to be treated as a BDC under the 1940 Act. The General Partner of the Operating Company is SVOF/MM, LLC ("SVOF/MM"), which also serves as the administrator ("Administrator") of the Holding Company and the Operating Company. The managing member of SVOF/MM is Tennenbaum Capital Partners, LLC (the "Advisor"), which serves as the investment manager to the Holding Company, the Operating Company, TCPC Funding, and the SBIC. Most of the equity interests in the General Partner are owned directly or indirectly by the Advisor and its employees.

The SBIC was organized as a Delaware limited partnership in June 2013. On April 22, 2014, the SBIC received a license from the United States Small Business Administration (the "SBA") to operate as a small business investment company under the provisions of Section 301(c) of the Small Business Investment Act of 1958.

The Holding Company has elected to be treated as a regulated investment company ("RIC") for U.S. federal income tax purposes. As a RIC, the Holding Company will not be taxed on its income to the extent that it distributes such income each year and satisfies other applicable income tax requirements. The Operating Company, TCPC Funding, and the SBIC have elected to be treated as partnerships for U.S. federal income tax purposes.

As of September 30, 2014, our leverage program was comprised of \$116 million in available debt under a senior secured revolving credit facility issued by the Operating Company (the "Operating Company Facility"), \$200 million in available debt under a senior secured revolving credit facility issued by TCPC Funding (the "TCPC Funding Facility," and, together with the Operating Company Facility, the "Revolving Facilities"), \$108 million in convertible senior unsecured notes issued by the Holding Company (the "Convertible Notes"), \$75 million in committed leverage from the SBA (the "SBA Program"), and \$134 million of outstanding preferred limited partner interests in the Operating Company (the "Preferred Interests," and, together with the Revolving Facilities, the Convertible Notes, and the SBA Program, the "Leverage Program").

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To qualify as a RIC, we must, among other things, meet certain source-of-income and asset diversification requirements and timely distribute to our stockholders generally at least 90% of our investment company taxable income, as defined by the Internal Revenue Code of 1986, as amended, for each year. Pursuant to this election, we generally will not have to pay corporate level taxes on any income that we distribute to our stockholders provided that we satisfy those requirements.

Investments

Our level of investment activity can and does vary substantially from period to period depending on many factors, including the amount of debt and equity capital available to middle-market companies, the level of merger and acquisition activity, the general economic environment and the competitive environment for the types of investments we make.

As a BDC, we are required to comply with certain regulatory requirements. For instance, we generally have to invest at least 70% of our total assets in "qualifying assets," including securities and indebtedness of private U.S. companies, public U.S. operating companies whose securities are not listed on a national securities exchange or registered under the Securities Exchange Act of 1934, as amended, public domestic operating companies having a market capitalization of less than \$250 million, cash, cash equivalents, U.S. government securities and high-quality debt investments that mature in one year or less. We are also permitted to make certain follow-on investments in companies that were eligible portfolio companies at the time of initial investment but that no longer meet the definition. As of September 30, 2014, 88.3% of our total assets were invested in qualifying assets.

Revenues

We generate revenues primarily in the form of interest on the debt we hold. We also generate revenue from dividends on our equity interests and capital gains on the sale of warrants and other debt or equity interests that we acquire. Our investments in fixed income instruments generally have an expected maturity of three to five years, although we have no lower or upper constraint on maturity. Interest on our debt investments is generally payable quarterly or semi-annually. Payments of principal of our debt investments may be amortized over the stated term of the investment, deferred for several years or due entirely at maturity. In some cases, our debt investments and preferred stock investments may defer payments of cash interest or dividends or PIK. Any outstanding principal amount of our debt investments and any accrued but unpaid interest will generally become due at the maturity date. In addition, we may generate revenue in the form of prepayment fees, commitment, origination, structuring or due diligence fees, fees for providing significant managerial assistance, consulting fees and other investment related income.

Expenses

Our primary operating expenses include the payment of a base management fee and, depending on our operating results, incentive compensation, expenses reimbursable under the management agreement, administration fees and the allocable portion of overhead under the administration agreement. The base management fee and incentive compensation remunerates the Advisor for work in identifying, evaluating, negotiating, closing and monitoring our investments. Our administration agreement with SVOF/MM, LLC (the "Administrator") provides that the Administrator may be reimbursed for costs and expenses incurred by the Administrator for office space rental, office equipment and utilities allocable to us under the administration agreement, as well as any costs and expenses incurred by the Administrator or its affiliates relating to any non-investment advisory, administrative or

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operating services provided by the Administrator or its affiliates to us. We also bear all other costs and expenses of our operations and transactions (and the Holding Company's common stockholders indirectly bear all of the costs and expenses of the Holding Company, the Operating Company, TCPC Funding and the SBIC), which may include those relating to:

our organization;

calculating our net asset value (including the cost and expenses of any independent valuation firms);

interest payable on debt, if any, incurred to finance our investments;

costs of future offerings of our common stock and other securities, if any;

the base management fee and any incentive compensation;

dividends and distributions on our preferred shares, if any, and common shares;

administration fees payable under the administration agreement;

fees payable to third parties relating to, or associated with, making investments;

transfer agent and custodial fees;

registration fees;

listing fees;

taxes;

director fees and expenses;

costs of preparing and filing reports or other documents with the SEC;

costs of any reports, proxy statements or other notices to our stockholders, including printing costs;

our fidelity bond;

directors and officers/errors and omissions liability insurance, and any other insurance premiums;

indemnification payments;

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direct costs and expenses of administration, including audit and legal costs; and

all other expenses reasonably incurred by us and the Administrator in connection with administering our business, such as the allocable portion of overhead under the administration agreement, including rent and other allocable portions of the cost of certain of our officers and their respective staffs.

The investment management agreement provides that the base management fee be calculated at an annual rate of 1.5% of our total assets (excluding cash and cash equivalents) payable quarterly in arrears. For purposes of calculating the base management fee, "total assets" is determined without deduction for any borrowings or other liabilities. The base management fee is calculated based on the value of our total assets (excluding cash and cash equivalents) at the end of the most recently completed calendar quarter.

Additionally, the investment management agreement and the Amended and Restated Limited Partnership Agreement provide that the Advisor or its affiliates may be entitled to incentive compensation under certain circumstances. The incentive compensation equals the sum of (1) 20% of all ordinary income since January 1, 2013 and (2) 20% of all net realized

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capital gains (net of any net unrealized capital depreciation) since January 1, 2013, with each component being subject to a total return requirement of 8% of contributed common equity annually. The incentive compensation is payable to the General Partner by the Operating Company pursuant to the Amended and Restated Limited Partnership Agreement. If the Operating Company is terminated or for any other reason incentive compensation is not paid by the Operating Company, it would be paid pursuant to the investment management agreement between us and the Advisor. The determination of incentive compensation is subject to limitations under the 1940 Act and the Advisers Act.

Critical accounting policies

Our discussion and analysis of our financial condition and results of operations are based upon our financial statements, which have been prepared in accordance with GAAP. The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. Changes in the economic environment, financial markets and any other parameters used in determining such estimates could cause actual results to differ. Management considers the following critical accounting policies important to understanding the financial statements. In addition to the discussion below, our critical accounting policies are further described in the notes to our financial statements.

Valuation of portfolio investments

We value our portfolio investments at fair value based upon the principles and methods of valuation set forth in policies adopted by our board of directors. Fair value is defined as the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. Market participants are buyers and sellers in the principal (or most advantageous) market for the asset that (i) are independent of us, (ii) are knowledgeable, having a reasonable understanding about the asset based on all available information (including information that might be obtained through due diligence efforts that are usual and customary), (iii) are able to transact for the asset, and (iv) are willing to transact for the asset or liability (that is, they are motivated but not forced or otherwise compelled to do so).

Investments for which market quotations are readily available are valued at such market quotations unless the quotations are deemed not to represent fair value. We generally obtain market quotations from recognized exchanges, market quotation systems, independent pricing services or one or more broker-dealers or market makers. However, short term debt investments with remaining maturities within 90 days are generally valued at amortized cost, which approximates fair value. Debt and equity securities for which market quotations are not readily available, which is the case for many of our investments, or for which market quotations are deemed not to represent fair value, are valued at fair value using a consistently applied valuation process in accordance with our documented valuation policy that has been reviewed and approved by our board of directors, who also approve in good faith the valuation of such securities as of the end of each quarter. Due to the inherent uncertainty and subjectivity of determining the fair value of investments that do not have a readily available market value, the fair value of our investments may differ significantly from the values that would have been used had a readily available market value existed for such investments and may differ materially from the values that we may ultimately realize. In addition, changes in the market environment and other events may have differing impacts on the market quotations used to value some of our investments than on the fair values of our investments for which market quotations are not readily available. Market quotations may be deemed not

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to represent fair value in certain circumstances where we believe that facts and circumstances applicable to an issuer, a seller or purchaser, or the market for a particular security cause current market quotations to not reflect the fair value of the security. Examples of these events could include cases where a security trades infrequently causing a quoted purchase or sale price to become stale, where there is a "forced" sale by a distressed seller, where market quotations vary substantially among market makers, or where there is a wide bid-ask spread or significant increase in the bid-ask spread.

The valuation process adopted by our board of directors with respect to investments for which market quotations are not readily available or for which market quotations are deemed not to represent fair value is as follows:

The investment professionals of the Advisor provide recent portfolio company financial statements and other reporting materials to independent valuation firms approved by our board of directors.

Such firms evaluate this information along with relevant observable market data to conduct independent appraisals each quarter, and their preliminary valuation conclusions are documented and discussed with senior management of the Advisor.

The fair value of smaller investments comprising in the aggregate less than 5% of our total capitalization may be determined by the Advisor in good faith in accordance with our valuation policy without the employment of an independent valuation firm.

The audit committee of the board of directors discusses the valuations, and the board of directors approves the fair value of the investments in our portfolio in good faith based on the input of the Advisor, the respective independent valuation firms (to the extent applicable) and the audit committee of the board of directors.

Those investments for which market quotations are not readily available or for which market quotations are deemed not to represent fair value are valued utilizing a market approach, an income approach, or both approaches, as appropriate. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities (including a business). The income approach uses valuation techniques to convert future amounts (for example, cash flows or earnings) to a single present amount (discounted). The measurement is based on the value indicated by current market expectations about those future amounts. In following these approaches, the types of factors that we may take into account in determining the fair value of our investments include, as relevant and among other factors: available current market data, including relevant and applicable market trading and transaction comparables, applicable market yields and multiples, security covenants, call protection provisions, information rights, the nature and realizable value of any collateral, the portfolio company's ability to make payments, its earnings and discounted cash flows, the markets in which the portfolio company does business, comparisons of financial ratios of peer companies that are public, merger and acquisition comparables, our principal market (as the reporting entity) and enterprise values.

When valuing all of our investments, we strive to maximize the use of observable inputs and minimize the use of unobservable inputs. Inputs refer broadly to the assumptions that market participants would use in pricing an asset, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing an asset or liability developed based on market data obtained from sources independent of us. Unobservable inputs are inputs that reflect our

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assumptions about the assumptions market participants would use in pricing an asset or liability developed based on the best information available in the circumstances.

Our investments may be categorized based on the types of inputs used in their valuation. The level in the GAAP valuation hierarchy in which an investment falls is based on the lowest level input that is significant to the valuation of the investment in its entirety. Investments are classified by GAAP into the three broad levels as follows:

Level 1 Investments valued using unadjusted quoted prices in active markets for identical assets.

Level 2 Investments valued using other unadjusted observable market inputs, e.g. quoted prices in markets that are not active or quotes for comparable instruments.

Level 3 Investments that are valued using quotes and other observable market data to the extent available, but which also take into consideration one or more unobservable inputs that are significant to the valuation taken as a whole.

As of September 30, 2014, 0.1% of our investments were categorized as Level 1, 22.8% were categorized as Level 2, 76.6% were Level 3 investments valued based on valuations by independent third party sources, and 0.5% were Level 3 investments valued based on valuations by the Advisor.

Determination of fair value involves subjective judgments and estimates. Accordingly, the notes to our financial statements express the uncertainty with respect to the possible effect of such valuations, and any change in such valuations, on the financial statements.

Revenue recognition

Interest and dividend income, including income paid in kind, is recorded on an accrual basis to the extent that such amounts are determined to be collectible. Origination, structuring, closing, commitment and other upfront fees earned with respect to capital commitments are generally amortized or accreted into interest income over the life of the respective debt investment. Other fees, including certain amendment fees, prepayment fees and commitment fees on broken deals, are recognized as earned. Prepayment fees and similar income received upon the early repayment of a loan or debt security are included in interest income.

Certain of our debt investments are purchased at a considerable discount to par as a result of the underlying credit risks and financial results of the issuer, as well as general market factors that influence the financial markets as a whole. GAAP generally requires that discounts on the acquisition of corporate bonds, municipal bonds and treasury bonds be amortized using the effective-interest or constant-yield method. GAAP also requires that we consider the collectability of interest when making accruals. Accordingly, when accounting for purchase discounts, we recognize discount accretion income when it is probable that such amounts will be collected.

Net realized gains or losses and net change in unrealized appreciation or depreciation

We measure realized gains or losses by the difference between the net proceeds from the repayment or sale and the amortized cost basis of the investment, without regard to unrealized appreciation or depreciation previously recognized. Realized gains and losses are computed using the specific identification method. Net change in unrealized appreciation or depreciation reflects the change in portfolio investment values during the reporting period, including the reversal of previously recorded unrealized appreciation or depreciation when gains or losses are realized.

Portfolio and investment activity

During the three months ended September 30, 2014, we invested approximately \$207.0 million, comprised of new investments in 10 new and 4 existing portfolio companies, as well as draws made on existing commitments and PIK received on prior investments. Of these investments, 98.5% were in senior secured debt comprised of senior loans (\$203.9 million, or 98.5% of the total). The remaining \$3.1 million (1.5% of the total) were comprised of two equity investments and PIK payments received on investments in unsecured debt. Additionally, we received approximately \$22.6 million in proceeds from sales or repayments of investments during the three months ended September 30, 2014.

During the nine months ended September 30, 2014, we invested approximately \$486.0 million, comprised of new investments in 27 new and 12 existing portfolio companies, as well as draws made on existing commitments and PIK received on prior investments. Of these investments, 99.3% were in senior secured debt comprised of senior loans (\$446.7 million, or 91.9% of the total) and senior secured notes (\$36.0 million, or 7.4% of the total). The remaining \$3.4 million (0.7% of the total) were comprised of four equity investments and PIK payments received on investments in unsecured debt. Additionally, we received approximately \$178.0 million in proceeds from sales or repayments of investments during the nine months ended September 30, 2014.

At September 30, 2014, our investment portfolio of \$1,074.8 million (at fair value) consisted of 82 portfolio companies and was invested 97% in debt investments, of which 100.0% was in senior secured debt. In aggregate, our investment portfolio was invested 83% in senior secured loans, 14% in senior secured notes, and 3% in equity investments. Our average portfolio company investment at fair value was approximately \$13.1 million. Our largest portfolio company investment by value was approximately \$31.0 million and our five largest portfolio company investments by value comprised approximately 13% of our portfolio at September 30, 2014. At December 31, 2013, our investment portfolio of \$766.3 million (at fair value) consisted of 67 portfolio companies and was invested 95% in debt investments, of which 98% was in senior secured debt and 2% in unsecured or subordinated debt. In aggregate, our investment portfolio was invested 76% in senior secured loans, 17% in senior secured notes, 2% in unsecured or subordinated debt, and 5% in equity investments. Our average portfolio company investment at fair value was approximately \$11.4 million. Our largest portfolio company investment by value was approximately \$21.3 million and our five largest portfolio company investments by value comprised approximately 13% of our portfolio at December 31, 2013.

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The industry composition of our portfolio at fair value at September 30, 2014 was as follows:

| Industry | Percent of Total Investments |
|--|---|
| Software Publishers | 11.7% |
| Computer Systems Design and Related Services | 8.7% |
| Insurance Carriers | 3.9% |
| Oil and Gas Extraction | 3.6% |
| Scheduled Air Transportation | 3.3% |
| Grocery Stores | 3.1% |
| Wired Telecommunications Carriers | 3.0% |
| Newspaper, Periodical, Book, and Directory Publishers | 2.7% |
| Data Processing, Hosting, and Related Services | 2.7% |
| Wireless Telecommunications | 2.4% |
| Nondepository Credit Intermediation | 2.4% |
| Radio and Television Broadcasting | 2.4% |
| Utility System Construction | 2.3% |
| Basic Chemical Manufacturing | 2.3% |
| Nonscheduled Air Transportation | 2.1% |
| Semiconductor and Other Electronic Component Manufacturing | 2.0% |
| General Medical and Surgical Hospitals | 2.0% |
| Chemical Manufacturing | 1.9% |
| Other Information Services | 1.8% |
| Communications Equipment Manufacturing | 1.8% |
| Scientific Research and Development Services | 1.7% |
| Gaming Industries | 1.7% |
| Retail | 1.7% |
| Business Support Services | 1.6% |
| Activities Related to Real Estate | 1.5% |
| Electrical Equipment and Component Manufacturing | 1.5% |
| Advertising, Public Relations, and Related Services | 1.5% |
| Textile Furnishings Mills | 1.5% |
| Lessors of Nonfinancial Intangible Assets | 1.5% |
| Structured Note Funds | 1.5% |
| Motion Picture and Video Industries | 1.4% |
| Full-Service Restaurants | 1.4% |
| Cut and Sew Apparel Manufacturing | 1.4% |
| Other Telecommunications | 1.3% |
| Lessors of Real Estate | 1.3% |
| Plastics Products Manufacturing | 1.3% |
| Electric Power Generation, Transmission and Distribution | 1.2% |
| Artificial Synthetic Fibers and Filaments Manufacturing | 1.1% |
| Financial Investment Activities | 1.0% |
| Other | 7.3% |
| Total | 100.0% |

The weighted average effective yield of the debt securities in our portfolio was 10.7% at September 30, 2014 and 10.9% at December 31, 2013. At September 30, 2014, 79.7% of our debt investments bore interest based on floating rates, such as LIBOR, EURIBOR, the Federal Funds Rate or the Prime Rate, and 20.3% bore interest at fixed rates. The percentage of our floating rate debt investments that bore interest based on an interest rate floor was 86.2% at

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September 30, 2014. At December 31, 2013, 71.2% of our debt investments bore interest based on floating rates, and 28.8% bore interest at fixed rates. The percentage of our floating rate debt investments that bore interest based on an interest rate floor was 92.1% at December 31, 2013.

Results of operations

Investment income

Investment income totaled \$27.2 million and \$17.3 million, respectively, for the three months ended September 30, 2014 and 2013, of which \$26.6 million and \$16.5 million were attributable to interest and fees on our debt investments and \$0.6 million and \$0.8 million to other income, respectively. The increase in investment income in the three months ended September 30, 2014 compared to the three months ended September 30, 2013 reflects an increase in interest income due to the larger investment portfolio and a higher percentage of the portfolio in income-producing assets in the three months ended September 30, 2014 compared to the three months ended September 30, 2013.

Investment income totaled \$74.5 million and \$48.6 million, respectively, for the nine months ended September 30, 2014 and 2013, of which \$70.3 million and \$46.7 million were attributable to interest and fees on our debt investments, \$2.0 million and \$0.0 million to dividends from equity securities, and \$2.2 million and \$1.9 million to other income, respectively. The increase in investment income in the nine months ended September 30, 2014 compared to the nine months ended September 30, 2013 reflects an increase in interest income due to the larger investment portfolio and a higher percentage of the portfolio in income-producing assets in the nine months ended September 30, 2014 compared to the nine months ended September 30, 2013 and an increase in dividend income and other income.

Expenses

Total operating expenses for the three months ended September 30, 2014 and 2013 were \$8.0 million and \$3.7 million, respectively, comprised of \$3.5 million and \$2.2 million in base management fees, \$0.3 million and \$0.2 million in legal and professional fees, \$2.8 million and \$0.4 million in interest expense and fees related to the Convertible Notes and the Revolving Facilities, \$0.5 million and \$0.2 million in amortization of debt issuance costs, and \$0.9 million and \$0.7 million in other expenses, respectively. The increase in expenses in the three months ended September 30, 2014 compared to the three months ended September 30, 2013 primarily reflects the increase in management fees due to the larger portfolio and the increase in interest expense and other costs related to the increase in available and outstanding debt and the higher average interest rate following the issuance of the Convertible Notes.

Total operating expenses for the nine months ended September 30, 2014 and 2013 were \$19.0 million and \$9.6 million, respectively, comprised of \$9.5 million and \$6.1 million in base management fees, \$0.8 million and \$0.5 million in legal and professional fees, \$4.7 million and \$0.8 million in interest expense and fees related to the Convertible Notes and the Revolving Facilities, \$1.3 million and \$0.5 million in amortization of debt issuance costs, and \$2.7 million and \$1.7 million in other expenses, respectively. The increase in expenses in the nine months ended September 30, 2014 compared to the nine months ended September 30, 2013 primarily reflects the increase in management fees due to the larger portfolio and the increase in interest expense and other costs related to the increase in available and outstanding debt and the higher average interest rate following the issuance of the Convertible Notes.

Net investment income

Net investment income was \$19.2 million and \$13.6 million, respectively, for the three months ended September 30, 2014 and 2013. The increase in net investment income in the three months ended September 30, 2014 compared to the three months ended September 30, 2013 primarily reflects the increased interest income in the three months ended September 30, 2014, partially offset by the increase in expenses.

Net investment income was \$55.4 million and \$39.0 million, respectively, for the nine months ended September 30, 2014 and 2013. The increase in net investment income in the nine months ended September 30, 2014 compared to the nine months ended September 30, 2013 primarily reflects the increased interest and dividend income in the nine months ended September 30, 2014, partially offset by the increase in expenses.

Net realized and unrealized gain or loss

Net realized gains for the three months ended September 30, 2014 and 2013 were \$0.9 million and \$0.8 million, respectively. For the three months ended September 30, 2014 and 2013, the change in net unrealized depreciation was \$(5.4) million and \$2.1 million, respectively. The change in net unrealized depreciation for the three months ended September 30, 2014 was primarily a result of increases in market yield spreads and a mark down on an investment made prior to our initial public offering. The change in net unrealized depreciation for the three months ended September 30, 2013 was primarily due to the reversal of unrealized depreciation on a taxable recapitalization of a portfolio investment.

Net realized gains (losses) for the nine months ended September 30, 2014 and 2013 were \$(4.9) million and \$(2.8) million, respectively. The net realized loss during the nine months ended September 30, 2014 was due primarily to the disposition of our investment in ESP Holdings, Inc., an investment made prior to our initial public offering as part of our legacy distressed strategy and which has generated substantial cash interest income. For the nine months ended September 30, 2014 and 2013, the change in net unrealized appreciation was \$2.6 million and \$8.7 million, respectively. The change in net unrealized depreciation for the nine months ended September 30, 2014 and September 30, 2013 were primarily due to reversals of prior period unrealized depreciation partially offset by mark to market adjustments during the period.

Income tax expense, including excise tax

The Holding Company has elected to be treated as a RIC under Subchapter M of the Code and operates in a manner so as to qualify for the tax treatment applicable to RICs. To qualify as a RIC, the Holding Company must, among other things, timely distribute to its stockholders generally at least 90% of its investment company taxable income, as defined by the Code, for each year. The Holding Company has made and intends to continue to make the requisite distributions to its stockholders which will generally relieve the Holding Company from U.S. federal income taxes.

Depending on the level of taxable income earned in a tax year, we may choose to carry forward taxable income in excess of current year dividend distributions from such current year taxable income into the next tax year and pay a 4% excise tax on such income. Any excise tax expense is recorded at year-end as such amounts are known. There was no U.S. federal excise tax recorded during the nine months ended September 30, 2014 and 2013.

Dividends to preferred equity holders

Dividends on the Preferred Interests for the three months ended September 30, 2014 and 2013 were \$0.4 million and \$0.4 million, respectively, as average LIBOR rates for the two periods were similar. Dividends on the Preferred Interests for the nine months ended September 30, 2014 and 2013 were \$1.1 million and \$1.1 million, respectively, as average LIBOR rates for the two periods were similar.

Incentive compensation

Incentive compensation distributable to the General Partner for the three months ended September 30, 2014 and 2013 was \$2.9 million and \$3.2 million, respectively. Incentive compensation distributable to the General Partner for the nine months ended September 30, 2014 and 2013 was \$10.4 million and \$8.8 million, respectively. Incentive compensation for the three and nine months ended September 30, 2014 and 2013 was distributable due to our performance exceeding the total return threshold. The reserve for incentive compensation to the General Partner decreased during the three months ended September 30, 2014 by \$0.9 million and increased during the three months ended September 30, 2013 by \$0.5 million. The reserve for incentive compensation to the General Partner decreased during the nine months ended September 30, 2014 and 2013 by \$0.5 million and increased during the nine months ended September 30, 2013 by \$0.9 million. The change in reserve for incentive compensation for the three and nine months ended September 30, 2014 reflects the change in the amount in excess of distributable incentive compensation which would have been earned by the General Partner had we liquidated at net asset value at September 30, 2014 and September 30, 2013, respectively.

Net increase or decrease in net assets resulting from operations

The net increase in net assets resulting from operations was \$11.5 million and \$12.9 million for the three months ended September 30, 2014 and 2013, respectively. The lower net increase in net assets resulting from operations during the three months ended September 30, 2014 is primarily due to the net realized and unrealized loss during the three months ended September 30, 2014 compared to the net realized and unrealized gain during the three months ended September 30, 2013. The net increase in net assets resulting from operations was \$41.6 million and \$35.1 million for the nine months ended September 30, 2014 and 2013, respectively. The higher net increase in net assets resulting from operations during the nine months ended September 30, 2014 is primarily due to the increase in net investment income.

Liquidity and capital resources

Since our inception, our liquidity and capital resources have been generated primarily through the initial private placement of common shares of Special Value Continuation Fund, LLC (the predecessor entity) which were subsequently converted to common stock of the Holding Company, the net proceeds from the initial and secondary public offerings of our common stock, borrowings under our Leverage Program, and cash flows from operations, including investments sales and repayments and income earned from investments and cash equivalents. The primary uses of cash have been investments in portfolio companies, cash distributions to our equity holders, payments to service our Leverage Program and other general corporate purposes.

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Amounts outstanding and available under the combined Leverage Program at September 30, 2014 were as follows:

| | Rate | Carrying Value** | Available | Total Capacity |
|---------------------------------------|-------------|-----------------------------|------------------|---------------------------|
| Operating Company Facility | L+250* | \$ 45,000,000 | \$ 71,000,000 | \$ 116,000,000 |
| TCPC Funding Facility | L+250* | 150,000,000 | 50,000,000 | 200,000,000 |
| Convertible Notes (\$108 million par) | 5.25% | 105,599,077 | | 105,599,077 |
| SBA Program | 3.015% | 18,500,000 | 56,500,000 | 75,000,000 |
| Preferred Interests | L+85* | 134,000,000 | | 134,000,000 |
| | | | | |
| Total Leverage Program | | \$ 453,099,077 | \$ 177,500,000 | \$ 630,599,077 |

*
Based on either LIBOR or the lender's cost of funds, subject to certain limitations.

**
Except for the Convertible Notes, all carrying values are the same as the principal amounts outstanding.

Net cash used in operating activities during the nine months ended September 30, 2014 was \$279.2 million. Our primary use of cash in operating activities during this period consisted of the settlement of acquisitions of investments (net of dispositions) of \$303.7 million, partially offset by net investment income less preferred dividends and incentive allocation (net of non-cash income and expenses) of approximately \$24.5 million.

Net cash provided by financing activities was \$280.4 million during the nine months ended September 30, 2014, consisting primarily of \$226.5 million of net borrowings and \$103.9 million of net proceeds from the public offering of our common stock on August 1, 2014, reduced by \$43.1 million in dividends on common equity, \$1.1 million in dividends on the Preferred Interests, and payment of \$5.8 million in debt issuance costs.

At September 30, 2014, we had \$24.1 million in cash and cash equivalents.

The Revolving Facilities are secured by substantially all of the assets in our portfolio, including cash and cash equivalents, and are subject to compliance with customary affirmative and negative covenants, including the maintenance of a minimum shareholders' equity, the maintenance of a ratio of not less than 200% of total assets (less total liabilities other than indebtedness) to the sum of total preferred equity and indebtedness, and restrictions on certain payments and issuance of debt. Unfavorable economic conditions may result in a decrease in the value of our investments, which would affect both the asset coverage ratios and the value of the collateral securing the Revolving Facilities, and may therefore impact our ability to borrow under the Revolving Facilities. In addition to regulatory restrictions that restrict our ability to raise capital, the Leverage Program contains various covenants which, if not complied with, could accelerate repayment of debt or require redemption of the Preferred Interests, thereby materially and adversely affecting our liquidity, financial condition and results of operations. At September 30, 2014, we were in compliance with all financial and operational covenants required by the Leverage Program.

Unfavorable economic conditions, while potentially creating attractive opportunities for us, may decrease liquidity and raise the cost of capital generally, which could limit our ability to renew, extend or replace the Leverage Program on terms as favorable as are currently included therein. If we are unable to renew, extend or replace the Leverage Program upon the various dates of maturity, we expect to have sufficient funds to repay the outstanding balances in full from our net investment income and sales of, and repayments of principal from, our portfolio company investments, as well as from anticipated debt and equity capital raises, among other sources. Unfavorable economic conditions may limit our ability to raise capital or the ability of the companies in which we invest to repay our loans or engage in a

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liquidity event, such as a sale, recapitalization or initial public offering. The Operating Company Facility, the TCPC Funding Facility and the Convertible Notes mature in July 2016, May 2017, and December 2019, respectively, and the Preferred Interests will be subject to mandatory redemption in July 2016. Any inability to renew, extend or replace the Leverage Program could adversely impact our liquidity and ability to find new investments or maintain distributions to our stockholders.

Challenges in the market are intensified for us by certain regulatory limitations under the Code and the 1940 Act. To maintain our qualification as a RIC, we must satisfy, among other requirements, an annual distribution requirement to pay out at least 90% of our ordinary income and short-term capital gains to our stockholders. Because we are required to distribute our income in this manner, and because the illiquidity of many of our investments may make it difficult for us to finance new investments through the sale of current investments, our ability to make new investments is highly dependent upon external financing. While we anticipate being able to continue to satisfy all covenants and repay the outstanding balances under the Leverage Program when due, there can be no assurance that we will be able to do so, which could lead to an event of default.

Contractual obligations

In addition to obligations under our Leverage Program, we have entered into several contracts under which we have future commitments. Pursuant to an investment management agreement, the Advisor manages our day-to-day operations and provides investment advisory services to us. Payments under the investment management agreement will be equal to a percentage of the value of our gross assets (excluding cash and cash equivalents) and an incentive compensation, plus reimbursement of certain expenses incurred by the Advisor. Under our administration agreement, the Administrator provides us with administrative services, facilities and personnel. Payments under the administration agreement are equal to an allocable portion of overhead and other expenses incurred by the Administrator in performing its obligations to us, and may include rent and our allocable portion of the cost of certain of our officers and their respective staffs. We are responsible for reimbursing the Advisor for due diligence and negotiation expenses, fees and expenses of custodians, administrators, transfer and distribution agents, counsel and directors, insurance, filings and registrations, proxy expenses, expenses of communications to investors, compliance expenses, interest, taxes, portfolio transaction expenses, costs of responding to regulatory inquiries and reporting to regulatory authorities, costs and expenses of preparing and maintaining our books and records, indemnification, litigation and other extraordinary expenses and such other expenses as are approved by the directors as being reasonably related to our organization, offering, capitalization, operation or administration and any portfolio investments, as applicable. The Advisor is not responsible for any of the foregoing expenses and such services are not investment advisory services under the 1940 Act. Either party may terminate each of the investment management agreement and administration agreement without penalty upon not less than 60 days' written notice to the other.

Distributions

Our quarterly dividends and distributions to common stockholders are recorded on the ex-dividend date. Distributions are declared considering our estimate of annual taxable income available for distribution to stockholders and the amount of taxable income carried over from the prior year for distribution in the current year. We do not have a policy to pay distributions at a specific level and expect to continue to distribute substantially all of our taxable income. We cannot assure stockholders that they will receive any distributions or distributions at a particular level.

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The following tables summarize dividends declared for the nine months ended September 30, 2014 and September 30, 2013:

| Date Declared | Record Date | Payment Date | Amount Per Share | Total Amount |
|---|-----------------------|-----------------------|---------------------|-----------------|
| March 6, 2014 | March 17, 2014 | March 31, 2014 | \$ 0.36 | \$ 13,031,970 |
| May 7, 2014 | June 18, 2014 | June 30, 2014 | 0.41* | 14,842,008 |
| August 7, 2014 | September 16, 2014 | September 30, 2014 | 0.36 | 15,267,647 |
| Total for nine months ended September 30, 2014 | | | \$ 1.13 | \$ 43,141,625 |

| | | | | |
|---|-------------------|-----------------------|----------|---------------|
| March 7, 2013 | March 18, 2013 | March 29, 2013 | \$ 0.40* | \$ 8,591,051 |
| May 8, 2013 | June 7, 2013 | June 28, 2013 | 0.36 | 9,595,344 |
| August 8, 2013 | September 9, 2013 | September 30, 2013 | 0.36 | 9,595,692 |
| Total for nine months ended September 30, 2013 | | | \$ 1.12 | \$ 27,782,087 |

*

Includes a special dividend of \$0.05.

The following table summarizes the total shares issued in connection with our dividend reinvestment plan for the nine months ended September 30, 2014 and 2013:

| | 2014 | 2013 |
|-------------------------|----------|-----------|
| Shares Issued | 326 | 2,174 |
| Average Price Per Share | \$ 16.90 | \$ 16.33 |
| Proceeds | \$ 5,509 | \$ 35,507 |

We have elected to be taxed as a RIC under Subchapter M of the Code. In order to maintain favorable RIC tax treatment, we must distribute annually to our stockholders at least 90% of our ordinary income and realized net short-term capital gains in excess of realized net long-term capital losses, if any, out of the assets legally available for distribution. In order to avoid certain excise taxes imposed on RICs, we must distribute during each calendar year an amount at least equal to the sum of:

98% of our ordinary income (not taking into account any capital gains or losses) for the calendar year;

98.2% of the amount by which our capital gains exceed our capital losses (adjusted for certain ordinary losses) for the one-year period generally ending on October 31 of the calendar year; and

certain undistributed amounts from previous years on which we paid no U.S. federal income tax.

We may, at our discretion, carry forward taxable income in excess of calendar year distributions and pay a 4% excise tax on this income. If we choose to do so, all other things being equal, this would increase expenses and reduce the amounts available to be distributed to our

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stockholders. We will accrue excise tax on estimated taxable income as required. In addition, although we currently intend to distribute realized net capital gains (i.e., net long-term capital gains in excess of short-term capital losses), if any, at least annually, out of the assets legally available for such distributions, we may in the future decide to retain such capital gains for investment.

We have adopted an "opt in" dividend reinvestment plan for our common stockholders. As a result, if we declare a dividend or other distribution payable in cash, each stockholder that has not "opted in" to our dividend reinvestment plan will receive such dividends in cash,

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rather than having their dividends automatically reinvested in additional shares of our common stock.

We may not be able to achieve operating results that will allow us to make dividends and distributions at a specific level or to increase the amount of these dividends and distributions from time to time. Also, we may be limited in our ability to make dividends and distributions due to the asset coverage test applicable to us as a BDC under the 1940 Act and due to provisions in our existing and future credit facilities. If we do not distribute a certain percentage of our income annually, we will suffer adverse tax consequences, including possible loss of favorable RIC tax treatment. In addition, in accordance with U.S. generally accepted accounting principles and tax regulations, we include in income certain amounts that we have not yet received in cash, such as PIK interest, which represents contractual interest added to the loan balance that becomes due at the end of the loan term, or the accrual of original issue or market discount. Since we may recognize income before or without receiving cash representing such income, we may have difficulty meeting the requirement to distribute at least 90% of our investment company taxable income to obtain tax benefits as a RIC and may be subject to an excise tax.

In order to satisfy the annual distribution requirement applicable to RICs, we have the ability to declare a large portion of a dividend in shares of our common stock instead of in cash. As long as a portion of such dividend is paid in cash and certain requirements are met, the entire distribution would be treated as a dividend for U.S. federal income tax purposes.

Related Parties

We have entered into a number of business relationships with affiliated or related parties, including the following:

Each of the Holding Company, the Operating Company, TCPC Funding, and the SBIC has entered into an investment management agreement with the Advisor.

The Administrator provides us with administrative services necessary to conduct our day-to-day operations. For providing these services, facilities and personnel, the Administrator may be reimbursed by us for expenses incurred by the Administrator in performing its obligations under the administration agreement, including our allocable portion of the cost of certain of our officers and the Administrator's administrative staff and providing, at our request and on our behalf, significant managerial assistance to our portfolio companies to which we are required to provide such assistance.

We have entered into a royalty-free license agreement with the Advisor, pursuant to which the Advisor has agreed to grant us a non-exclusive, royalty-free license to use the name "TCP."

Pursuant to its limited partnership agreement, the general partner of the Operating Company is SVOF/MM, LLC. SVOF/MM, LLC is an affiliate of the Advisor and the general partners or managing member of certain other funds managed by the Advisor.

The Advisor and its affiliates, employees and associates currently do and in the future may manage other funds and accounts. The Advisor and its affiliates may determine that an investment is appropriate for us and for one or more of those other funds or accounts. Accordingly, conflicts may arise regarding the allocation of investments or opportunities among us and those accounts. In general, the Advisor will allocate investment opportunities pro rata among us and the other funds and accounts (assuming the investment satisfies the objectives of each) based on the amount of committed capital each then has available. The allocation of certain investment opportunities in private placements is subject to independent director approval pursuant to the terms of the co-investment exemptive order applicable to

us. In certain cases, investment opportunities may be made other than on a pro rata basis. For example, we may desire to retain an asset at the same time that one or more other funds or accounts desire to sell it or we may not have additional capital to invest at a time the other funds or accounts do. If the Advisor is unable to manage our investments effectively, we may be unable to achieve our investment objective. In addition, the Advisor may face conflicts in allocating investment opportunities between us and certain other entities that could impact our investment returns. While our ability to enter into transactions with our affiliates is restricted under the 1940 Act, we have received an exemptive order from the SEC permitting certain affiliated investments subject to certain conditions. As a result, we may face conflict of interests and investments made pursuant to the exemptive order conditions which could in certain circumstances affect adversely the price paid or received by us or the availability or size of the position purchased or sold by us.

Recent Developments

From October 1, 2014 through December 18, 2014, the Operating Company has invested approximately \$102.8 million in five new senior secured loans, three draws on existing loans, one loan to an existing portfolio company and one related equity investment with a combined effective yield on the debt investments of approximately 11.0%.

On October 3, 2014, the Company entered into the equity distribution agreement with the Agents under which the Company may from time to time offer and sell, at a premium to net asset value, shares of its common stock in negotiated transactions or "at the market" offerings having an aggregate offering price of up to \$100,000,000. Through December 18, 2014, the Company issued 400,255 shares pursuant the equity distribution agreement.

On November 5, 2014, the aggregate principal commitment on the TCPC Funding Facility increased to \$250 million and the facility's accordion feature expanded to \$300 million.

On November 6, 2014, the Company's board of directors declared a fourth quarter regular dividend of \$0.36 per share and a special dividend of \$0.05 per share. Both dividends are payable on December 31, 2014 to stockholders of record as of the close of business on December 8, 2014.

On November 21, 2014, the Company entered into an underwriting agreement with certain underwriters and sold 5,900,000 shares of common stock for \$97,577,150 in net proceeds. The Company granted the underwriters an option to purchase up to 885,000 additional shares of our common stock within 30 days of the date of such underwriting agreement. As of the date hereof, the underwriters have not exercised their option to purchase the additional shares. Pursuant to the underwriting agreement, we agreed not to sell or transfer any common stock or securities convertible into, exchangeable for, exercisable for, or repayable with common stock, for 45 days from the date of such underwriting agreement without first obtaining the written consent of each of the representatives. However, during this restricted period, we may sell up to 2,000,000 shares of common stock pursuant to at-the-market offerings on or after December 11, 2014. In the event that either (x) during the last 17 days of the restricted period referred to above, we issue an earnings release or material news or a material event relating to us occurs or (y) prior to the expiration of the restricted period, we announce that we will release earnings results or become aware that material news or a material event will occur during the 16-day period beginning on the last day of the restricted period, the restrictions shall continue to apply until the expiration of the 18-day period beginning on the issuance of the earnings release or the occurrence of the material news or material event.

On November 25, 2014, the SEC issued an order permitting affiliated transactions between us and two registered closed-end funds, Tennenbaum Opportunities Fund V, LLC ("TOF") and

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Tennenbaum Opportunities Partners V, LP. ("TOP") (through which TOF makes its investments), all managed by the Advisor. TOP and TOF have limited terms and are scheduled to terminate their existence in October 2016, subject to up to two two-year extensions. The order will allow the closed-end funds, prior to their termination, to sell to us assets that are consistent with our investment objectives and strategies. Before selling to us in reliance on the order, TOP is required by the conditions of the order to establish a bona fide market price by selling a portion of each asset to an independent third-party buyer at arm's-length. TOP and we will be able to enter into the proposed transactions in reliance on the order only if the price of the related third party transaction falls within a certain range above or below TOP's valuation of the relevant asset. The transactions will need to be approved by the Required Majority (as defined in the 1940 Act) of TOP's and our board.

Net combined leverage was approximately 0.66 times net equity at September 30, 2014 and approximately 0.56 times net equity at December 18, 2014.

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QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

We are subject to financial market risks, including changes in interest rates. At September 30, 2014, 79.7% of our debt investments bore interest based on floating rates, such as LIBOR, EURIBOR, the Federal Funds Rate or the Prime Rate. The interest rates on such investments generally reset by reference to the current market index after one to six months. At September 30, 2014, the percentage of our floating rate debt investments that bore interest based on an interest rate floor was 86.2%. Floating rate investments subject to a floor generally reset by reference to the current market index after one to six months only if the index exceeds the floor.

Interest rate sensitivity refers to the change in earnings that may result from changes in the level of interest rates. Because we fund a portion of our investments with borrowings, our net investment income is affected by the difference between the rate at which we invest and the rate at which we borrow. As a result, there can be no assurance that a significant change in market interest rates will not have a material adverse effect on our net investment income. We assess our portfolio companies periodically to determine whether such companies will be able to continue making interest payments in the event that interest rates increase. There can be no assurances that the portfolio companies will be able to meet their contractual obligations at any or all levels of increases in interest rates.

Based on our September 30, 2014 balance sheet, the following table shows the annual impact on net income (excluding the related incentive compensation impact) of base rate changes in interest rates (considering interest rate floors for variable rate instruments) assuming no changes in our investment and borrowing structure:

| Basis Point Change | Interest income | Interest Expense | Net Income |
|---------------------------|----------------------------|-----------------------------|-------------------|
| Up 300 basis points | \$ 20,189,336 | \$ (10,425,000) | \$ 9,764,336 |
| Up 200 basis points | 11,474,475 | (6,950,000) | 4,524,475 |
| Up 100 basis points | 3,065,566 | (3,475,000) | (409,434) |
| Down 100 basis points | (330,249) | 813,150 | 482,901 |
| Down 200 basis points | (330,249) | 813,150 | 482,901 |
| Down 300 basis points | (330,249) | 813,150 | 482,901 |

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USE OF PROCEEDS

Sales of our common stock, if any, under this prospectus supplement and the accompanying prospectus may be made in negotiated transactions or transactions that are deemed to be "at the market" offerings, including sales made directly on the NASDAQ Global Select Market or sales made to or through a market maker other than on an exchange. There is no guarantee that there will be any sales of our common stock pursuant to this prospectus supplement and the accompanying prospectus. Actual sales, if any, of our common stock under this prospectus supplement and the accompanying prospectus may be less than as set forth in this paragraph depending on, among other things, the market price of our common stock and the net asset value per share of our common stock at the time of any such sale. As a result, the actual net proceeds we receive may be more or less than the amount of net proceeds estimated in this prospectus supplement. However, the offering price per share of our common stock offered by this prospectus supplement and the accompanying prospectus, less the Agents' commissions and discounts payable by us, will not be less than the net asset value per share of our common stock at the time we sell common stock pursuant to this offering. Assuming the sale of shares of common stock having an aggregate offering price of \$100,000,000 pursuant to the equity distribution agreement, we estimate that the net proceeds would be approximately \$97.7 million after deducting the estimated Agents' commissions and our estimated offering expenses.

We intend to use the net proceeds from this offering to repay amounts outstanding under the Revolving Facilities, if any, (which will increase the funds under the Revolving Facilities available to us to make additional investments in portfolio companies) and to make investments in portfolio companies in accordance with our investment objective and for other general corporate purposes, including payment of operating expenses. We anticipate that substantially all of such remainder of the net proceeds of the offering will be invested in accordance with our investment objective within six to twelve months following completion of the offering, depending on the availability of appropriate investment opportunities consistent with our investment objective and market conditions. We cannot assure you that we will achieve our targeted investment pace.

As of December 18, 2014, we had \$15 million outstanding under the Operating Company Facility, with advances generally bearing interest at LIBOR plus 2.50%, subject to certain limitations. The Operating Company Facility matures July 31, 2016.

As of December 18, 2014, we had \$125 million outstanding under the TCPC Funding Facility, with advances generally bearing interest at LIBOR plus 2.50%, subject to certain limitations. The TCPC Funding Facility matures on May 15, 2017, subject to extension by the lender at our request for one 12-month period.

Pending investments in portfolio companies by the Company, the Company will invest the remaining net proceeds of an offering primarily in cash, cash equivalents, U.S. Government securities and other high-quality debt investments that mature in one year or less. These securities may have lower yields than our other investments and accordingly may result in lower distributions, if any, during such period. See "Regulation Temporary Investments" and "Management of the Company Investment Management Agreements" in the accompanying prospectus.

PRICE RANGE OF COMMON STOCK

Our common stock began trading on April 5, 2012 and is currently traded on The Nasdaq Global Select Market under the symbol "TCPC." The following table lists the high and low closing sale price for our common stock, the premium (discount) of the related closing sale price as a percentage of NAV and quarterly distributions per share since shares of our common stock began being regularly quoted on The Nasdaq Global Select Market.

| | Stock Price | | | Premium (Discount) of High Sales Price to | Premium (Discount) of Low Sales Price to | Declared Distributions |
|--|-------------|----------|----------|--|---|---------------------------|
| | NAV(1) | High(2) | Low(2) | NAV(3) | NAV(3) | |
| Fiscal year ended December 31, 2012 | | | | | | |
| Second Quarter ⁽⁴⁾ | \$ 14.70 | \$ 14.75 | \$ 13.80 | 0.3% | (6.1)% | \$ 0.34 |
| Third Quarter | 14.79 | 15.96 | 14.23 | 7.9% | (3.8)% | 0.35 |
| Fourth Quarter | 14.71 | 15.80 | 14.66 | 7.4% | (0.3)% | 0.40 ⁽⁵⁾ |
| Fiscal year ended December 31, 2013 | | | | | | |
| First Quarter | \$ 14.91 | \$ 16.16 | \$ 14.64 | 8.4% | (1.8)% | \$ 0.40 ⁽⁵⁾ |
| Second Quarter | \$ 14.94 | \$ 16.77 | \$ 15.01 | 12.2% | 0.5% | \$ 0.36 |
| Third Quarter | \$ 15.06 | \$ 16.80 | \$ 14.99 | 11.6% | (0.5)% | \$ 0.36 |
| Fourth Quarter | \$ 15.18 | \$ 17.42 | \$ 15.98 | 14.8% | 5.3% | \$ 0.41 ⁽⁵⁾ |
| Fiscal year ended December 31, 2014 | | | | | | |
| First Quarter | \$ 15.32 | \$ 17.97 | \$ 16.36 | 17.3% | 6.8% ⁽⁶⁾ | \$ 0.36 |
| Second Quarter | \$ 15.31 | \$ 18.31 | \$ 15.80 | 19.6% | 3.2% | \$ 0.41 ⁽⁵⁾ |
| Third Quarter | \$ 15.43 | \$ 18.31 | \$ 16.07 | 18.7% | 4.1% | \$ 0.36 |
| Fourth Quarter (to December 18, 2014) | \$ (6) | \$ 17.19 | \$ 15.25 | ⊘ ¹⁾ | ⊘ ¹⁾ | \$ 0.41 ⁽⁵⁾ |

- (1) NAV per share is determined as of the last day in the relevant quarter and therefore may not reflect the NAV per share on the date of the high and low sales prices. The NAVs shown are based on outstanding shares at the end of each period.
- (2) The High/Low Stock Price is calculated as of the closing price on a given day in the applicable quarter.
- (3) Calculated as the respective High/Low Stock Price minus the quarter end NAV, divided by the quarter end NAV.
- (4) From April 5, 2012 (initial public offering) to June 30, 2012.
- (5) Includes a special dividend of \$0.05 per share.
- (6) NAV has not yet been finally determined for this period.

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On December 18, 2014, the closing price of our common stock was \$16.47 per share. As of December 18, 2014, we had 29 stockholders of record.

The table below sets forth each class of our outstanding securities as of December 18, 2014.

| Title of Class | Amount Authorized | Amount Held by Registrant or for its Account | Amount Outstanding |
|-----------------------|------------------------------|---|-------------------------------|
| Common Stock | 200,000,000 | | 48,710,497 |

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CAPITALIZATION

The following table sets forth (1) our actual capitalization at September 30, 2014, (2) our capitalization on an as adjusted basis giving effect to the issuance of 400,255 shares of our common stock pursuant to the at-the-market program after September 30, 2014 and the issuance and sale of 5,900,000 shares of our common stock in an underwritten offering and the application of the net proceeds of such issuances, and (3) our capitalization on an as further adjusted basis giving effect to the transactions noted above and the assumed sale of 5,676,685 shares of our common stock at the public offering price of \$16.47 per share, the last reported closing price of our common stock on December 18, 2014, after deducting the maximum Agents' commissions and estimated offering expenses payable by us and the application of the estimated net proceeds of this offering. You should read this table together with "Use of Proceeds" in this prospectus supplement and the accompanying prospectus. There is no guarantee that there will be any sales of our common stock pursuant to this prospectus supplement and the accompanying prospectus.

| | As of September 30, 2014 | | |
|---|---------------------------------|-------------------------|----------------------------|
| | Actual | As Adjusted | As Adjusted Further |
| Assets: | | | |
| Cash and cash equivalents | \$ 24,144,075 | \$ 24,144,075 | \$ 24,144,075 |
| Investments | 1,074,797,327 | 1,074,797,327 | 1,074,797,327 |
| Other assets | 20,664,662 | 20,664,662 | 20,664,662 |
| Total assets | \$ 1,119,606,064 | \$ 1,119,606,064 | \$ 1,119,606,064 |
| Liabilities: | | | |
| Operating Company Facility(1) | \$ 45,000,000 | \$ | \$ |
| TCPC Funding Facility(1) | 150,000,000 | 91,302,424 | 6,397,742 |
| 2019 Notes(2) | 105,599,077 | 105,599,077 | 105,599,077 |
| SBA Debentures(1) | 18,500,000 | 18,500,000 | 18,500,000 |
| Other liabilities | 10,773,837 | 10,773,837 | 10,773,837 |
| Total liabilities | \$ 329,872,914 | \$ 226,175,338 | \$ 141,270,656 |
| Stockholders' equity: | | | |
| Preferred Interests(3), \$20,000/share liquidation preference; 6,700 shares authorized, 6,700 preferred interests issued and outstanding, actual; 6,700 preferred interests issued and outstanding, pro forma | \$ 134,000,000 | \$ 134,000,000 | \$ 134,000,000 |
| Accumulated dividends on Preferred Interests | 498,858 | 498,858 | 498,858 |
| General Partner interest in Special Value Continuation Partners, LP | 701,164 | 701,164 | 701,164 |
| Common stock, par value \$0.001 per share; 200,000,000 shares of common stock authorized; 42,410,242 shares of common stock issued and outstanding, actual; 48,710,497 shares of common stock issued and outstanding, as adjusted; 54,387,182 shares of common stock issued and | 42,410 | 48,710 | 54,387 |

| | | | |
|--|----------------|----------------|----------------|
| outstanding, as adjusted further | | | |
| Preferred stock, par value \$0.001 per share; 100,000,000 shares of preferred stock authorized; no shares of preferred stock issued and outstanding, actual; no shares of preferred stock issued and outstanding, pro forma | | | |
| Paid-in capital in excess of par value | 774,297,634 | 877,988,910 | 962,887,915 |
| Accumulated net investment income | 24,345,823 | 24,345,823 | 24,345,823 |
| Accumulated net realized losses | (110,733,996) | (110,733,996) | (110,733,996) |
| Accumulated net unrealized depreciation | (32,717,579) | (32,717,579) | (32,717,579) |
| Non-controlling interest | (701,164) | (701,164) | (701,164) |
| | | | |
| Net assets applicable to common shareholders | \$ 654,533,128 | \$ 758,230,704 | \$ 843,135,386 |

| | | | |
|-----------------------------|-------------------------|-------------------------|-------------------------|
| Total capitalization | \$ 1,119,606,064 | \$ 1,119,606,064 | \$ 1,119,606,064 |
|-----------------------------|-------------------------|-------------------------|-------------------------|

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- (1) As of December 18, 2014, our debt outstanding under the Operating Company Facility, the TCPC Funding Facility and the SBA Debentures was \$15 million, \$125 million and \$28 million, respectively.
- (2) In accordance with Accounting Standards Codification ("ASC") 470-20, convertible debt that may be wholly or partially settled in cash is required to be separated into a liability and an equity component, such that interest expense reflects the issuer's non-convertible debt interest rate. Upon issuance, a debt discount will be recognized as a decrease in debt and an increase in equity. The debt component will accrete up to the principal amount over the expected term of the debt. ASC 470-20 does not affect the actual amount that we are required to repay, and the amount shown in the table above for the notes is the aggregate principal amount of the notes and does not reflect any debt discount, fees and expenses that we will be required to recognize.
- (3) Preferred Interests are a component of the \$250 million Leverage Program of the Operating Company.

SENIOR SECURITIES

Information about our senior securities is shown in the following table as of the end of each fiscal year ended since the Company commenced operations and as of September 30, 2014. The information in the senior securities table below as of the end of each fiscal year has been audited by our independent registered public accounting firm except for information for Fiscal 2014, which is unaudited.

| Class and Year | Total Amount Outstanding(4) | Asset Coverage Per Unit(5) | Involuntary Liquidating Preference Per Unit(6) | Average Market Value Per Unit(7) |
|---|--|---|---|---|
| Operating Company Facility⁽¹⁾ | | | | |
| Fiscal 2014 (as of September 30, 2014, unaudited) | \$ 45,000 | \$ 5,194 | \$ | N/A |
| Fiscal 2013 | 45,000 | 8,176 | | N/A |
| Fiscal 2012 | 74,000 | 7,077 | | N/A |
| Fiscal 2011 | 29,000 | 13,803 | | N/A |
| Fiscal 2010 | 50,000 | 8,958 | | N/A |
| Fiscal 2009 | 75,000 | 5,893 | | N/A |
| Fiscal 2008 | 34,000 | 10,525 | | N/A |
| Fiscal 2007 | 207,000 | 3,534 | | N/A |
| Preferred Interests⁽²⁾ | | | | |
| Fiscal 2014 (as of September 30, 2014, unaudited) | \$ 134,000 | \$ 48,805 | \$ 20,074 | N/A |
| Fiscal 2013 | 134,000 | 68,125 | 20,075 | N/A |
| Fiscal 2012 | 134,000 | 50,475 | 20,079 | N/A |
| Fiscal 2011 | 134,000 | 49,251 | 20,070 | N/A |
| Fiscal 2010 | 134,000 | 48,770 | 20,056 | N/A |
| Fiscal 2009 | 134,000 | 42,350 | 20,055 | N/A |
| Fiscal 2008 | 134,000 | 42,343 | 20,175 | N/A |
| Fiscal 2007 | 134,000 | 43,443 | 20,289 | N/A |
| TCPC Funding Facility⁽³⁾ | | | | |
| Fiscal 2014 (as of September 30, 2014, unaudited) | \$ 150,000 | \$ 5,194 | \$ | N/A |
| Fiscal 2013 | 50,000 | 8,176 | | N/A |
| SBA Debentures | | | | |
| Fiscal 2014 (as of September 30, 2014, unaudited) | \$ 18,500 | \$ 5,194 | \$ | N/A |
| 2019 Notes | | | | |
| Fiscal 2014 (as of September 30, 2014 unaudited) | \$ 108,000 | \$ 3,448 | \$ | N/A |

(1) The Operating Company entered into the Operating Company Facility, pursuant to which amounts may currently be drawn up to \$116 million. The Operating Company Facility matures on July 31, 2016.

(2) At September 30, 2014, the Operating Company had 6,700 Preferred Interests issued and outstanding with a liquidation preference of \$20,000 per interest. The Preferred Interests will be subject to mandatory redemption on July 31, 2016.

(3) TCPC Funding entered into the TCPC Funding Facility, pursuant to which amounts may currently be drawn up to \$200 million. The TCPC Funding Facility matures on May 15, 2017, subject to extension by the lender at our request for one 12-month period.

- (4) Total amount of each class of senior securities outstanding at the end of the period presented (in 000's).

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- (5) The asset coverage ratio for a class of senior securities representing indebtedness is calculated as our consolidated total assets, less all liabilities and indebtedness not represented by senior securities, divided by senior securities representing indebtedness. For the Revolving Facilities, the asset coverage ratio with respect to indebtedness is multiplied by \$1,000 to determine the Asset Coverage Per Unit. The asset coverage ratio for the Preferred Interests is calculated as our consolidated total assets, less all liabilities and indebtedness not represented by senior securities, divided by the sum of senior securities representing indebtedness and the liquidation preference of the Preferred Interests. For the Preferred Interests, the asset coverage ratio with respect to the Preferred Interests is multiplied by their liquidation value of \$20,000 plus accrued dividends to determine the Asset Coverage Per Unit.
- (6) The amount to which such class of senior security would be entitled upon the voluntary liquidation of the issuer in preference to any security junior to it. The " " in this column indicates that the SEC expressly does not require this information to be disclosed for certain types of senior securities.
- (7) Not applicable because our senior securities are not registered for public trading.

SUPPLEMENT TO U.S. FEDERAL INCOME TAX MATTERS

The following summary of U.S. federal income tax matters supplements the discussion set forth under the heading "U.S. Federal Income Tax Matters" and certain related tax disclosures in the accompanying prospectus and is subject to the qualifications and assumptions set forth therein.

The following paragraph replaces the paragraph under the heading "Risks Our stockholders may receive shares of our common stock as dividends, which could result in adverse tax consequences to stockholders." in the accompanying prospectus:

In order to satisfy the annual distribution requirement applicable to RICs, we have the ability to declare a large portion of a dividend in shares of our common stock instead of in cash. As long as a large enough portion of such dividend is paid in cash (there is no definitive guidance as to what percentage of the dividend must be in cash) and certain requirements are met, the entire distribution will be treated as a dividend for U.S. federal income tax purposes. As a result, a stockholder would be taxed on 100% of the dividend in the same manner as a cash dividend, even though most of the dividend was paid in shares of our common stock.

The following paragraph replaces the last paragraph under the heading "Management's Discussion and Analysis of Financial Condition and Results Of Operations Distributions" in the accompanying prospectus:

In order to satisfy the annual distribution requirement applicable to RICs, we have the ability to declare a large portion of a dividend in shares of our common stock instead of in cash. As long as a large enough portion of such dividend is paid in cash (there is no definitive guidance as to what percentage of the dividend must be in cash) and certain requirements are met, the entire distribution will be treated as a dividend for U.S. federal income tax purposes.

The following paragraph replaces the fourth paragraph under the heading "U.S. Federal Income Tax Matters Taxation of U.S. stockholders" in the accompanying prospectus:

Dividends and other taxable distributions are taxable to you even though they are reinvested in additional shares of our common stock. We have the ability to declare a large portion of a dividend in shares of our stock. As long as a large enough portion of such dividend is paid in cash (there is no definitive guidance as to what percentage of the dividend must be in cash) and certain requirements are met, the entire distribution will be treated as a dividend for U.S. federal income tax purposes. As a result, our stockholders will be taxed on 100% of the dividend in the same manner as a cash dividend, even though most of the dividend was paid in shares of our stock.

PLAN OF DISTRIBUTION

We have entered into an equity distribution agreement, dated as of October 3, 2014 (the "Equity Distribution Agreement"), with each of the Agents under which we may from time to time offer and sell shares of our common stock having an aggregate offering price of up to \$100,000,000. Sales of our shares, if any, under this prospectus supplement and the accompanying prospectus may be made in negotiated transactions or transactions that are deemed to be "at the market" offerings, including sales made directly on the NASDAQ Global Select Market ("Nasdaq") or sales made to or through a market maker other than on an exchange.

Upon its acceptance of written instructions from us, the relevant Agent will use its commercially reasonable efforts, consistent with its sales and trading practices, to solicit offers to purchase our shares under the terms and subject to the conditions set forth in the Equity Distribution Agreement. We will instruct the relevant Agent as to the amount of shares to be sold by it. We may instruct the relevant Agent not to sell shares if the sales cannot be effected at or above the price designated by us in any instruction. The offering price per share of our common stock sold in this offering less the Agents' commissions or discounts payable by us will not be less than the net asset value per share of our common stock at the time we sell common stock pursuant to this offering. Our shares sold pursuant to the Equity Distribution Agreement will be sold through only one of the Agents on any given day. We or either of the Agents may suspend the at the market offerings of shares upon proper notice and subject to other conditions.

The relevant Agent will provide written confirmation to us no later than 9:30 a.m. (New York City time) on the trading day following the trading day in which shares were sold under the Equity Distribution Agreement. Each confirmation will include the number of shares sold on the preceding day, the net proceeds to us and the compensation payable by us to the Agent in connection with the sales.

We will pay each Agent a commission for its services in acting as sales agent and/or principal in the sale of shares. Each Agent will be entitled to compensation that will not exceed, but may be up to, 2.0% of the gross sales price of all shares sold through it under the Equity Distribution Agreement. We estimate that the total expenses for the at the market offerings, excluding compensation payable to the Agents under the terms of the Equity Distribution Agreement, will be approximately \$300,000. In connection with the sale of shares on our behalf, the Agents may be deemed to be "underwriters" within the meaning of the Securities Act, and the compensation paid to the Agents may be deemed to be underwriting commissions and discounts.

Settlement of sales of shares will occur on the third trading day (or such earlier day as is industry practice for regular-way trading) following the date on which any sales are made, or on some other date that is agreed upon by us and the applicable Agent in connection with a particular transaction, in return for payment of the net proceeds to us. There is no arrangement for funds to be received in an escrow, trust or similar arrangement.

We will report at least quarterly the number of shares sold through the Agents under the Equity Distribution Agreement and the net proceeds to us in connection with the sales of shares.

If we or the Agents have reason to believe that the exemptive provisions set forth in Rule 101(c)(1) of Regulation M under the Securities Exchange Act are not satisfied, we or the Agents will promptly notify the other parties, and sales of shares under the Equity Distribution

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Agreement will be suspended until that or other exemptive provisions have been satisfied in the judgment of the Agents and us.

The at the market offerings of shares pursuant to the Equity Distribution Agreement will terminate upon the earlier of (1) the issuance and sale of shares having an aggregate offering price of \$100,000,000 pursuant to the Equity Distribution Agreement and (2) the termination of the Equity Distribution Agreement so that neither Agent remains subject thereto. The Equity Distribution Agreement may be terminated by either Agent as to itself or us at any time upon three days' notice, and by either Agent as to itself at any time in certain circumstances, including our failure to maintain a listing of our shares on the Nasdaq or the occurrence of a material adverse change in the company.

Through December 18, 2014, we have sold 400,255 shares of our common stock pursuant to the equity distribution agreement, having an aggregate offering price of \$6,504,992. As a result, shares of common stock having an aggregate offering price of \$93,495,008, or 5,676,685 shares of common stock based on the last reported closing price for our common stock on December 18, 2014, remain available for sale pursuant to the equity distribution agreement.

We, the Advisor and the General Partner have agreed to indemnify the Agents against certain liabilities, including liabilities under the Securities Act, or to contribute to payments the Agents may be required to make in respect of those liabilities.

Our common stock is listed on the NASDAQ Global Select Market under the symbol "TCPC."

Other Relationships

The Agents and their respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Some of the Agents and their affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with us or our affiliates. They have received, or may in the future receive, customary fees and commissions for these transactions.

In addition, in the ordinary course of their business activities, the Agents and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of ours or our affiliates. The Agents and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Principal Business Address

The principal business address of Raymond James & Associates, Inc. is 880 Carillon Parkway, St. Petersburg, FL 33716. The principal business address of Cantor Fitzgerald & Co. is 499 Park Avenue, New York, NY 10022.

LEGAL MATTERS

Certain legal matters regarding the common stock offered hereby have been passed upon for the Company by Skadden, Arps, Slate, Meagher & Flom LLP, New York, New York, and for the Agents by Proskauer Rose LLP, Los Angeles, California.

ADDITIONAL INFORMATION

We have filed with the SEC a shelf registration statement on Form N-2, together with all amendments and related exhibits, with respect to our common stock offered by this prospectus supplement. The registration statement contains additional information about us and the common stock being registered by this prospectus supplement and the accompanying prospectus. This prospectus supplement and the accompanying prospectus do not contain all of the information set forth in the registration statement, including any exhibits and schedules it may contain. For further information concerning us or the shares we are offering, please refer to the registration statement. Statements contained in this prospectus supplement and the accompanying prospectus as to the contents of any contract or other document referred to describe the material terms thereof but are not complete and in each instance reference is made to the copy of any contract or other document filed as an exhibit to the registration statement. Each statement is qualified in all respects by this reference.

We file with or submit to the SEC annual, quarterly and current periodic reports, proxy statements and other information meeting the informational requirements of the Securities Exchange Act. You may obtain free copies of this information, request a free copy of the SAI, the table of contents of which is on page S-40 of this prospectus supplement, and make stockholder inquiries by contacting us at Tennenbaum Capital Partners, LLC, c/o Investor Relations, 2951 28th Street, Suite 1000, Santa Monica, California 90405 or by calling us collect at (310) 566-1094. You may also inspect and copy these reports, proxy statements and other information, as well as the registration statement of which the accompanying prospectus forms a part and the related exhibits and schedules, at the Public Reference Room of the SEC at 100 F Street, N.E., Washington, D.C. 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. Copies of these reports, proxy and information statements and other information may be obtained, after paying a duplicating fee, by electronic request at the following e-mail address: publicinfo@sec.gov, or by writing the SEC's Public Reference Section, 100 F Street, N.E., Washington, D.C. 20549-0102. In addition, the SEC maintains an Internet website that contains reports, proxy and information statements and other information filed electronically by us with the SEC at <http://www.sec.gov>.

No dealer, salesperson or other individual has been authorized to give any information or to make any representation other than those contained in this prospectus supplement and the accompanying prospectus and, if given or made, such information or representations must not be relied upon as having been authorized by us or the Agents. This prospectus supplement does not constitute an offer to sell or a solicitation of an offer to buy any securities in any jurisdiction in which such an offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so, or to any person to whom it is unlawful to make such offer or solicitation. Neither the delivery of this prospectus supplement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in our affairs or that information contained herein is correct as of any time subsequent to the date hereof.

TABLE OF CONTENTS OF STATEMENT OF ADDITIONAL INFORMATION

A SAI dated as of December 19, 2014, has been filed with the SEC and is incorporated by reference in this prospectus supplement. An SAI and the material incorporated therein by reference may be obtained without charge by writing to us at Tennenbaum Capital Partners, LLC, c/o Investor Relations, 2951 28th Street, Suite 1000, Santa Monica, California 90405 or by calling us at (310) 566-1094. The Table of Contents of the SAI is as follows:

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TCP Capital Corp.

(successor to Special Value Continuation Fund, LLC)

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| Consolidated Schedule of Changes in Investments in Affiliates for the three and nine months ended September 30, 2014 (unaudited) and year ended December 31, 2013 | S-F-84 |
| Consolidated Schedule of Restricted Securities of Unaffiliated Issuers as of September 30, 2014 (unaudited) and December 31, 2013 | S-F-88 |

S-F-1

TCP Capital Corp.

Consolidated Statements of Assets and Liabilities

| | September 30, 2014 (unaudited) | December 31, 2013 |
|--|--------------------------------------|----------------------|
| Assets | | |
| Investments, at fair value: | | |
| Companies less than 5% owned (cost of \$1,012,619,777 and \$684,569,508, respectively) | \$ 1,010,685,137 | \$ 678,326,915 |
| Companies 5% to 25% owned (cost of \$54,987,297 and \$73,946,547, respectively) | 48,193,229 | 69,068,808 |
| Companies more than 25% owned (cost of \$40,807,126 and \$42,588,724 respectively) | 15,918,961 | 18,867,236 |
| | | |
| Total investments (cost of \$1,108,414,200 and \$801,104,779, respectively) | 1,074,797,327 | 766,262,959 |
| Cash and cash equivalents | 24,144,075 | 22,984,182 |
| Receivable for investments sold | | 3,605,964 |
| Accrued interest income: | | |
| Companies less than 5% owned | 9,677,087 | 6,282,353 |
| Companies 5% to 25% owned | 650,326 | 415,061 |
| Companies more than 25% owned | 31,901 | 41,691 |
| Deferred debt issuance costs | 7,487,811 | 2,969,085 |
| Unrealized appreciation on swaps | 1,071,130 | |
| Options (cost \$51,750) | 1,327 | 14,139 |
| Prepaid expenses and other assets | 1,745,080 | 753,768 |
| | | |
| Total assets | 1,119,606,064 | 803,329,202 |
| | | |
| Liabilities | | |
| Debt | 319,099,077 | 95,000,000 |
| Incentive allocation payable | 3,767,604 | 3,318,900 |
| Interest payable | 2,482,066 | 430,969 |
| Payable for investments purchased | 1,250,031 | 14,706,942 |
| Payable to the Investment Manager | 411,292 | 1,121,108 |
| Unrealized depreciation on swaps | | 331,183 |
| Accrued expenses and other liabilities | 2,862,844 | 3,136,010 |
| | | |
| Total liabilities | 329,872,914 | 118,045,112 |
| | | |
| Commitments and contingencies (Note 5) | | |
| Preferred equity facility | | |
| Series A preferred limited partner interests in Special Value Continuation Partners, LP; \$20,000/interest liquidation preference; 6,700 interests authorized, issued and outstanding | 134,000,000 | 134,000,000 |
| Accumulated dividends on Series A preferred equity facility | 498,858 | 504,252 |
| | | |
| Total preferred limited partner interests | 134,498,858 | 134,504,252 |
| | | |
| Non-controlling interest | | |
| General Partner interest in Special Value Continuation Partners, LP | 701,164 | 1,168,583 |

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| | | | | |
|---|-----------|--------------------|-----------|--------------------|
| Net assets applicable to common shareholders | \$ | 654,533,128 | \$ | 549,611,255 |
|---|-----------|--------------------|-----------|--------------------|

Composition of net assets applicable to common shareholders

| | | |
|--|---------------|---------------|
| Common stock, \$0.001 par value; 200,000,000 shares authorized, 42,410,242 and 36,199,916 shares issued and outstanding as of September 30, 2014 and December 31, 2013, respectively | 42,410 | 36,200 |
| Paid-in capital in excess of par | 774,297,634 | 667,842,020 |
| Accumulated net investment income | 24,345,823 | 24,016,095 |
| Accumulated net realized losses | (110,733,996) | (105,800,278) |
| Accumulated net unrealized depreciation | (32,717,579) | (35,314,199) |
| Non-controlling interest | (701,164) | (1,168,583) |

| | | | | |
|---|-----------|--------------------|-----------|--------------------|
| Net assets applicable to common shareholders | \$ | 654,533,128 | \$ | 549,611,255 |
|---|-----------|--------------------|-----------|--------------------|

| | | | | |
|-----------------------------|-----------|--------------|-----------|--------------|
| Net assets per share | \$ | 15.43 | \$ | 15.18 |
|-----------------------------|-----------|--------------|-----------|--------------|

See accompanying notes.

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TCP Capital Corp.

Consolidated Statement of Investments (Unaudited)

September 30, 2014

Showing Percentage of Total Cash and Investments of the Company

| Issuer | Instrument | Ref | Spread | Floor | Maturity | Principal | Cost | Value | % of Portfolio | Notes |
|---|----------------------------------|-------------|---------|-------|------------|---------------|------------|------------|----------------|-------|
| Debt Investments (A) | | | | | | | | | | |
| Accounting, Tax Preparation, Bookkeeping, and Payroll Services | | | | | | | | | | |
| Expert Global Solutions, LLC | First Lien Term Loan B | LIBOR (Q) | 7.25% | 1.25% | 4/3/2018 | \$ 683,590 | \$ 696,318 | \$ 684,728 | 0.06% | |
| Expert Global Solutions, LLC | Second Lien Term Loan | LIBOR (Q) | 11.00% | 1.50% | 10/3/2018 | \$ 7,448,973 | 7,266,578 | 7,363,310 | 0.67% | |
| | | | | | | | 7,962,896 | 8,048,038 | 0.73% | |
| Activities Related to Real Estate | | | | | | | | | | |
| Greystone Select Holdings, LLC | First Lien Term Loan | LIBOR (Q) | 8.00% | 1.00% | 3/26/2021 | \$ 16,511,362 | 16,284,331 | 16,560,896 | 1.51% | |
| Advertising, Public Relations, and Related Services | | | | | | | | | | |
| Doubleplay III Limited (United Kingdom) | First Lien Facility A1 Term Loan | EURIBOR (Q) | 6.25% | 1.25% | 3/18/2018 | € 13,165,705 | 16,717,182 | 16,213,862 | 1.48% | D/I |
| Artificial Synthetic Fibers and Filaments Manufacturing | | | | | | | | | | |
| AGY Holding Corp. | Sr Secured Term Loan | Fixed | 12.00% | | 9/15/2016 | \$ 2,298,418 | 2,298,418 | 2,298,418 | 0.21% | B |
| AGY Holding Corp. | Second Lien Notes | Fixed | 11.00% | | 11/15/2016 | \$ 9,268,000 | 7,586,318 | 8,637,777 | 0.79% | B/E |
| | | | | | | | 9,884,736 | 10,936,195 | 1.00% | |
| Basic Chemical Manufacturing | | | | | | | | | | |
| M&G Chemicals S.A. (Luxembourg) | Sr Secured Term Loan | LIBOR (Q) | 7.50% | | 3/18/2016 | \$ 15,632,077 | 15,632,077 | 15,632,077 | 1.42% | I |
| PeroxyChem, LLC | First Lien Term Loan | LIBOR (Q) | 6.50% | 1.00% | 2/28/2020 | \$ 8,955,000 | 8,794,870 | 9,089,325 | 0.83% | |
| | | | | | | | 24,426,947 | 24,721,402 | 2.25% | |
| Beverage Manufacturing | | | | | | | | | | |
| Carolina Beverage Group, LLC | Secured Notes | Fixed | 10.625% | | 8/1/2018 | \$ 7,780,000 | 7,780,000 | 8,091,200 | 0.74% | E/G |
| Business Support Services | | | | | | | | | | |
| FTG-Fairway Acquisitions, Inc. | Second Lien Term | LIBOR (Q) | 9.25% | 1.25% | 8/28/2019 | \$ 14,643,455 | 14,012,131 | 14,863,107 | 1.35% | |

| Loan | | | | | | | | | |
|---|---------------------------|-----------|---------------|-------|------------|---------------|------------|------------|-----------|
| Chemical Manufacturing | | | | | | | | | |
| Archroma | Term Loan | LIBOR | 8.25% | 1.25% | 9/30/2018 | \$ 19,946,579 | 19,627,478 | 20,208,378 | 1.84% |
| | B | (Q) | | | | | | | |
| Communications Equipment Manufacturing | | | | | | | | | |
| Globecomm Systems, Inc. | First Lien Term Loan | LIBOR (Q) | 7.625% | 1.25% | 12/11/2018 | \$ 14,887,500 | 14,738,625 | 14,746,069 | 1.34% B |
| Computer Equipment Manufacturing | | | | | | | | | |
| ELO Touch Solutions, Inc. | Second Lien Term Loan | LIBOR (Q) | 10.50% | 1.50% | 12/1/2018 | \$ 10,000,000 | 9,704,432 | 9,150,000 | 0.84% |
| Computer Systems Design and Related Services | | | | | | | | | |
| Autoalert, LLC | | | 4.75% | | | | | | |
| | First Lien Term Loan | LIBOR (Q) | Cash + 4% PIK | 0.25% | 3/31/2019 | \$ 30,613,101 | 30,061,099 | 30,980,458 | 2.82% |
| Blue Coat Systems, Inc. | First Lien Revolver | LIBOR (Q) | 3.50% | 1.00% | 5/31/2018 | \$ | (780,948) | (570,240) | (0.05)% L |
| Blue Coat Systems, Inc. | Second Lien Term Loan | LIBOR (Q) | 8.50% | 1.00% | 6/28/2020 | \$ 15,000,000 | 14,878,125 | 15,000,000 | 1.36% |
| MSC Software Corporation | Second Lien Term Loan | LIBOR (M) | 7.50% | 1.00% | 5/29/2021 | \$ 11,993,035 | 11,873,105 | 11,813,140 | 1.07% |
| DnX Enterprise Solutions, Ltd. | First Lien Term Loan | LIBOR (Q) | 8.00% | | 9/3/2018 | \$ 2,367,400 | 2,367,400 | 2,352,012 | 0.21% |
| DnX Enterprise Solutions, Ltd. | First Lien Term Loan | LIBOR (Q) | 7.00% | | 9/3/2018 | \$ 10,560,000 | 10,433,374 | 10,317,120 | 0.94% |
| DnX USA, LLC | First Lien Term Loan | LIBOR (Q) | 8.00% | | 9/3/2018 | \$ 4,734,800 | 4,734,800 | 4,704,024 | 0.43% |
| DnX USA, LLC | First Lien Term Loan | LIBOR (Q) | 7.00% | | 9/3/2018 | \$ 5,280,000 | 5,220,412 | 5,158,560 | 0.47% |
| Vistronix, LLC | First Lien Revolver | LIBOR (Q) | 7.50% | 1.00% | 12/4/2018 | \$ 131,329 | 125,092 | 131,329 | 0.01% |
| Vistronix, LLC | First Lien Term Loan | LIBOR (M) | 7.50% | 1.00% | 12/4/2018 | \$ 6,595,001 | 6,521,724 | 6,529,051 | 0.59% |
| Websense, Inc. | Second Lien Term Loan | LIBOR (Q) | 7.25% | 1.00% | 12/27/2020 | \$ 7,200,000 | 7,164,000 | 7,200,000 | 0.66% |
| | | | | | | | 92,598,183 | 93,615,454 | 8.51% |
| Cut and Sew Apparel Manufacturing | | | | | | | | | |
| ones Apparel, LLC | First Lien FILO Term Loan | LIBOR (M) | 9.60% | 1.00% | 4/8/2019 | \$ 14,329,403 | 14,186,109 | 14,479,862 | 1.32% |

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TCP Capital Corp.

Consolidated Statement of Investments (Unaudited) (Continued)

September 30, 2014

Showing Percentage of Total Cash and Investments of the Company

| Issuer | Instrument | Ref | Spread | Floor | Maturity | Principal | Cost | Value | % of Portfolio Notes |
|---|------------------------|-----------|-----------|-------|------------|---------------|-------------|-------------|----------------------|
| Debt Investments (continued) | | | | | | | | | |
| Data Processing, Hosting, and Related Services | | | | | | | | | |
| Asset International, Inc. | Delayed Draw Term Loan | LIBOR (M) | 7.00% | 1.00% | 7/30/2020 | \$ | \$ (42,880) | \$ (34,304) | 0.00% L |
| Asset International, Inc. | Revolver | LIBOR (M) | 7.00% | 1.00% | 7/30/2020 | \$ 355,485 | 345,667 | 347,406 | 0.03% |
| Asset International, Inc. | First Lien Term Loan | LIBOR (M) | 7.00% | 1.00% | 7/30/2020 | \$ 8,212,337 | 8,051,574 | 8,130,214 | 0.74% |
| Rightside Group, Ltd. | Second Lien Term Loan | LIBOR (Q) | 8.75% | 0.50% | 8/6/2019 | \$ 5,000,000 | 3,994,082 | 4,280,000 | 0.39% |
| The Telx Group, Inc. | Senior Notes | Fixed | 13.5% PIK | | 7/9/2021 | \$ 4,165,481 | 4,165,481 | 4,332,100 | 0.39% E |
| United TLD Holdco, Ltd. (Cayman Islands) | Second Lien Term Loan | LIBOR (Q) | 8.75% | 0.50% | 8/6/2019 | \$ 10,000,000 | 7,988,163 | 8,560,000 | 0.78% I |
| | | | | | | | 24,502,087 | 25,615,416 | 2.33% |
| Electric Power Generation, Transmission and Distribution | | | | | | | | | |
| Panda Sherman Power, LLC | First Lien Term Loan | LIBOR (Q) | 7.50% | 1.50% | 9/14/2018 | \$ 11,045,948 | 10,926,541 | 11,301,385 | 1.03% |
| Electrical Equipment and Component Manufacturing | | | | | | | | | |
| Palladium Energy, Inc. | First Lien Term Loan | LIBOR (Q) | 9.00% | 1.00% | 12/26/2017 | \$ 16,153,317 | 15,912,128 | 16,234,084 | 1.48% |
| Electrical Equipment Manufacturing | | | | | | | | | |
| API Technologies Corp. | First Lien Term Loan | LIBOR (Q) | 7.50% | 1.50% | 2/6/2018 | \$ 6,773,900 | 6,706,161 | 6,746,804 | 0.61% |
| Fabricated Metal Product Manufacturing | | | | | | | | | |
| Constellation Enterprises, LLC | First Lien Notes | Fixed | 10.625% | | 2/1/2016 | \$ 2,900,000 | 2,858,907 | 2,646,250 | 0.24% E |
| Financial Investment Activities | | | | | | | | | |
| Institutional Shareholder Services, Inc. | Second Lien Term Loan | LIBOR (Q) | 7.50% | 1.00% | 4/30/2022 | \$ 6,471,492 | 6,406,777 | 6,439,135 | 0.59% |
| Marsico Capital Management | First Lien Term Loan | LIBOR (M) | 5.00% | | 12/31/2022 | \$ 10,520,758 | 13,247,034 | 3,892,680 | 0.35% J |
| | | | | | | | 19,653,811 | 10,331,815 | 0.94% |
| Full-Service Restaurants | | | | | | | | | |

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| | | | | | | | | | |
|---|--|--------------|-------------------------|-------|------------|---------------|------------|------------|---------|
| RM Holdco, LLC | Subordinated Convertible Term Loan | Fixed | 1.12% PIK | | 3/21/2018 | \$ 5,164,796 | 5,164,796 | 15,494 | B |
| RM OpCo, LLC | Convertible Second Lien Term Loan Tranche B-1 | Fixed | 12% Cash + 7% PIK | | 3/21/2016 | \$ 1,565,489 | 1,543,886 | 1,565,489 | 0.14% B |
| RM OpCo, LLC | First Lien Term Loan Tranche A | Fixed | 11.00% | | 3/21/2016 | \$ 3,763,095 | 3,763,095 | 3,763,095 | 0.34% B |
| RM OpCo, LLC | Second Lien Term Loan Tranche B | Fixed | 12% Cash + 7% PIK | | 3/21/2016 | \$ 7,800,294 | 7,800,294 | 6,891,560 | 0.63% B |
| RM OpCo, LLC | Second Lien Term Loan Tranche B-1 | Fixed | 12% Cash + 7% PIK | | 3/21/2016 | \$ 2,456,579 | 2,427,363 | 2,456,579 | 0.22% B |
| | | | | | | | 20,699,434 | 14,692,217 | 1.33% |
| Gaming Industries | | | | | | | | | |
| AP Gaming I, LLC | First Lien Revolver | LIBOR (Q) | 8.25% | 1.00% | 12/20/2018 | \$ 2,500,000 | 2,879,797 | 3,000,000 | 0.27% |
| AP Gaming I, LLC | First Lien Term Loan B | LIBOR (Q) | 8.25% | 1.00% | 12/20/2020 | \$ 14,887,500 | 14,474,462 | 15,036,375 | 1.37% |
| | | | | | | | 17,354,259 | 18,036,375 | 1.64% |
| General Medical and Surgical Hospitals | | | | | | | | | |
| RegionalCare Hospital Partners, Inc. | Second Lien Term Loan | LIBOR (M) | 9.50% | 1.00% | 10/23/2019 | \$ 21,017,525 | 20,718,500 | 21,227,700 | 1.93% |
| Grocery Stores | | | | | | | | | |
| Bashas, Inc. | First Lien FILO Term Loan | LIBOR (M) | 9.35% | 1.50% | 12/28/2015 | \$ 12,537,855 | 12,502,700 | 12,531,586 | 1.14% |
| The Great Atlantic & Pacific Tea Company, Inc. | Term Loan Tranche B | LIBOR (M) | 8.85% | 1.00% | 9/17/2019 | \$ 21,162,842 | 20,794,482 | 21,236,912 | 1.93% |
| | | | | | | | 33,297,182 | 33,768,498 | 3.07% |
| Insurance Carriers | | | | | | | | | |
| Acrisure, LLC | Second Lien Notes | LIBOR (Q) | 10.50% | 1.00% | 3/7/2020 | \$ 1,265,299 | 1,169,087 | 1,311,491 | 0.12% E |
| Acrisure, LLC | Second Lien Notes | LIBOR (Q) | 10.50% | 1.00% | 3/7/2020 | \$ 20,627,638 | 20,219,076 | 20,823,601 | 1.90% E |
| US Apple Holdco, LLC | First Lien Term Loan | LIBOR (Q) | 11.50% | 0.50% | 8/29/2019 | \$ 20,000,000 | 19,209,747 | 19,800,000 | 1.80% |

40,597,910 41,935,092 3.82%

Insurance Related Activities

| | | | | | | | | | |
|-------------------------------|-----------------------|-----------|-------|-------|----------|--------------|-----------|-----------|-------|
| Confie Seguros Holding II Co. | Second Lien Term Loan | LIBOR (M) | 9.00% | 1.25% | 5/8/2019 | \$ 7,861,809 | 7,772,384 | 7,940,466 | 0.72% |
|-------------------------------|-----------------------|-----------|-------|-------|----------|--------------|-----------|-----------|-------|

Lessors of Nonfinancial Intangible Assets

| | | | | | | | | | |
|----------------------------------|-----------------------|-----------|-------|-------|-----------|---------------|------------|------------|-------|
| ABG Intermediate Holdings 2, LLC | Second Lien Term Loan | LIBOR (S) | 8.00% | 1.00% | 5/27/2022 | \$ 15,990,714 | 15,830,807 | 15,970,726 | 1.45% |
|----------------------------------|-----------------------|-----------|-------|-------|-----------|---------------|------------|------------|-------|

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TCP Capital Corp.

Consolidated Statement of Investments (Unaudited) (Continued)

September 30, 2014

Showing Percentage of Total Cash and Investments of the Company

| Issuer | Instrument | Ref | Spread | Floor | Maturity | Principal | Cost | Value | % of Portfolio Notes |
|--|---------------------------|-----------|--------|-------|------------|---------------|---------------|---------------|----------------------|
| Debt Investments (continued) | | | | | | | | | |
| Lessors of Real Estate | | | | | | | | | |
| Hunt Companies, Inc. | Senior Secured Notes | Fixed | 9.625% | | 3/1/2021 | \$ 13,084,000 | \$ 12,931,013 | \$ 13,672,780 | 1.24% E/G |
| Merchant Wholesalers | | | | | | | | | |
| Envision Acquisition Company, LLC | Second Lien Term Loan | LIBOR (Q) | 8.75% | 1.00% | 11/4/2021 | \$ 9,079,011 | 8,897,430 | 9,124,406 | 0.83% |
| Motion Picture and Video Industries | | | | | | | | | |
| CORE Entertainment, Inc. | First Lien Term Loan | Fixed | 9.00% | | 6/21/2017 | \$ 9,462,231 | 9,396,582 | 8,279,452 | 0.75% |
| CORE Entertainment, Inc. | Second Lien Term Loan | Fixed | 13.50% | | 6/21/2018 | \$ 7,569,785 | 7,513,892 | 6,812,807 | 0.62% |
| | | | | | | | 16,910,474 | 15,092,259 | 1.37% |
| Newspaper, Periodical, Book, and Directory Publishers | | | | | | | | | |
| Hanley-Wood, LLC | First Lien FILO Term Loan | LIBOR (Q) | 6.75% | 1.25% | 7/15/2018 | \$ 16,301,800 | 16,301,800 | 16,407,762 | 1.49% |
| MediMedia USA, Inc. | First Lien Revolver | LIBOR (Q) | 6.75% | | 5/20/2018 | \$ 3,875,000 | 3,005,743 | 3,458,283 | 0.31% |
| MediMedia USA, Inc. | First Lien Term Loan | LIBOR (Q) | 6.75% | 1.25% | 11/20/2018 | \$ 9,591,911 | 9,360,784 | 9,376,093 | 0.85% |
| | | | | | | | 28,668,327 | 29,242,138 | 2.65% |
| Nondepository Credit Intermediation | | | | | | | | | |
| Caribbean Financial Group (Cayman Islands) | | | | | | | | | |
| | Sr Secured Notes | Fixed | 11.50% | | 11/15/2019 | \$ 10,000,000 | 9,840,428 | 10,875,000 | 0.99% E/G/I |
| Trade Finance Funding I, Ltd. (Cayman Islands) | | | | | | | | | |
| | Secured Class B Notes | Fixed | 10.75% | | 11/13/2018 | \$ 15,084,000 | 15,084,000 | 15,084,000 | 1.37% E/I |
| | | | | | | | 24,924,428 | 25,959,000 | 2.36% |
| Nonscheduled Air Transportation | | | | | | | | | |
| | | Fixed | | | 6/3/2019 | \$ 18,518,669 | 17,275,660 | 19,074,229 | 1.74% |

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| | | | | | | | | | | |
|---|-----------------------------|-----------|-------------------|-------|------------|---------------|------------|------------|-----------|--|
| One Sky Flight, LLC | Second Lien Term Loan | | 12% Cash + 3% PIK | | | | | | | |
| Oil and Gas Extraction | | | | | | | | | | |
| Jefferson Gulf Coast Energy Partner, LLC | First Lien Term Loan B | LIBOR (M) | 8.00% | 1.00% | 2/27/2018 | \$ 15,000,000 | 14,850,000 | 14,943,750 | 1.36% | |
| MD America Energy, LLC | Second Lien Term Loan | LIBOR (Q) | 8.50% | 1.00% | 8/4/2019 | \$ 10,000,000 | 9,514,338 | 9,779,150 | 0.89% | |
| Willbros Group, Inc. | First Lien Term Loan | LIBOR (Q) | 9.75% | 1.25% | 8/7/2019 | \$ 13,622,801 | 13,292,164 | 13,781,711 | 1.25% | |
| | | | | | | | 37,656,502 | 38,504,611 | 3.50% | |
| Other Information Services | | | | | | | | | | |
| TCH-2 Holdings, LLC | Second Lien Term Loan | LIBOR (M) | 7.75% | 1.00% | 11/6/2021 | \$ 19,988,392 | 19,688,567 | 19,488,683 | 1.77% | |
| Other Telecommunications | | | | | | | | | | |
| Securus Technologies, Inc. | Second Lien Term Loan | LIBOR (Q) | 7.75% | 1.25% | 4/30/2021 | \$ 14,000,000 | 13,860,000 | 13,947,500 | 1.27% | |
| Petroleum and Coal Products Manufacturing | | | | | | | | | | |
| Boomerang Tube, LLC | Second Lien Term Loan | LIBOR (Q) | 9.50% | 1.50% | 10/11/2017 | \$ 3,879,333 | 3,819,695 | 3,481,701 | 0.32% | |
| Pesticide, Fertilizer, and Other Agricultural Chemical Manufacturing | | | | | | | | | | |
| VitAG Holdings, LLC | Sr Secured Term Loan | LIBOR (M) | 10.27% | | 2/1/2018 | \$ 7,700,000 | 7,545,323 | 7,766,000 | 0.71% | |
| Plastics Products Manufacturing | | | | | | | | | | |
| Iracore International, Inc. | Sr Secured Notes | Fixed | 9.50% | | 6/1/2018 | \$ 13,600,000 | 13,600,000 | 12,444,000 | 1.13% E/H | |
| Radio and Television Broadcasting | | | | | | | | | | |
| SiTV, Inc. | Sr Secured Notes | Fixed | 10.375% | | 7/1/2019 | \$ 7,312,000 | 7,312,000 | 7,248,020 | 0.66% E/G | |
| The Tennis Channel, Inc. | First Lien Term Loan | LIBOR (Q) | 8.50% | | 5/29/2017 | \$ 18,111,966 | 17,744,530 | 18,274,974 | 1.66% | |
| | | | | | | | 25,056,530 | 25,522,994 | 2.32% | |
| Retail | | | | | | | | | | |
| Kenneth Cole Productions, Inc. | First Lien FILO Term Loan | LIBOR (M) | 10.40% | 1.00% | 9/25/2017 | \$ 10,863,636 | 10,689,030 | 10,917,954 | 0.99% | |
| Shopzilla, Inc. | Second Lien Term Loan | LIBOR (Q) | 12.50% | | 3/31/2016 | \$ 6,630,353 | 6,536,895 | 6,567,364 | 0.60% | |
| Shop Holding, LLC | Convertible Promissory Note | Fixed | 5.00% | | 8/5/2015 | \$ 73,140 | 73,140 | 65,899 | 0.01% E | |

17,299,065 17,551,217 1.60%

Satellite Telecommunications

| | | | | | | | | | |
|---|------------|-------|--------|-----------|--------------|-----------|-----------|-------|-------|
| Avanti Communications Group, PLC (United Kingdom) | | | | | | | | | |
| | Sr Secured | | | | | | | | |
| | Notes | Fixed | 10.00% | 10/1/2019 | \$ 9,914,000 | 9,914,000 | 9,914,000 | 0.90% | E/G/I |
| | | | | S-F-5 | | | | | |

TCP Capital Corp.

Consolidated Statement of Investments (Unaudited) (Continued)

September 30, 2014

Showing Percentage of Total Cash and Investments of the Company

| Issuer | Instrument | Ref | Spread | Floor | Maturity | Principal | Cost | Value | % of Portfolio | Notes |
|--|---------------------------|-------|--------|-------|------------|------------|------------|---------|----------------|-------|
| Debt Investments (continued) | | | | | | | | | | |
| Scheduled Air Transportation | | | | | | | | | | |
| Aircraft Leased to Delta Air Lines, Inc. | | | | | | | | | | |
| 913DL | Aircraft Secured Mortgage | Fixed | 8.00% | | 3/15/2017 | \$ 226,723 | \$ 226,723 | 232,220 | 0.02% | F |
| 918DL | Aircraft Secured Mortgage | Fixed | 8.00% | | 8/15/2018 | \$ 332,830 | 332,830 | 341,360 | 0.03% | F |
| 954DL | Aircraft Secured Mortgage | Fixed | 8.00% | | 3/20/2019 | \$ 450,991 | 450,991 | 461,380 | 0.04% | F |
| 955DL | Aircraft Secured Mortgage | Fixed | 8.00% | | 6/20/2019 | \$ 472,313 | 472,313 | 483,140 | 0.05% | F |
| 956DL | Aircraft Secured Mortgage | Fixed | 8.00% | | 5/20/2019 | \$ 470,291 | 470,291 | 481,440 | 0.04% | F |
| 957DL | Aircraft Secured Mortgage | Fixed | 8.00% | | 6/20/2019 | \$ 476,444 | 476,444 | 487,560 | 0.04% | F |
| 959DL | Aircraft Secured Mortgage | Fixed | 8.00% | | 7/20/2019 | \$ 482,545 | 482,545 | 493,680 | 0.04% | F |
| 960DL | Aircraft Secured Mortgage | Fixed | 8.00% | | 10/20/2019 | \$ 504,728 | 504,728 | 516,120 | 0.05% | F |
| 961DL | Aircraft Secured Mortgage | Fixed | 8.00% | | 8/20/2019 | \$ 496,848 | 496,848 | 508,300 | 0.05% | F |
| 976DL | Aircraft Secured Mortgage | Fixed | 8.00% | | 2/15/2018 | \$ 330,316 | 330,316 | 338,640 | 0.03% | F |
| Aircraft Leased to United Airlines, Inc. | | | | | | | | | | |
| 510UA | Aircraft Secured Mortgage | Fixed | 20.00% | | 10/26/2016 | \$ 256,135 | 256,135 | 299,915 | 0.03% | B |
| 512UA | Aircraft Secured Mortgage | Fixed | 20.00% | | 10/26/2016 | \$ 263,385 | 263,385 | 310,270 | 0.03% | B |

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| | | | | | | | | | | |
|---|---|--------------|-----------------------|-----------|---------------|---------------|---------------|------------|------------|-------|
| 545UA | Mortgage Aircraft Secured | | | | | | | | | |
| | Mortgage | Fixed | 16.00% | 8/29/2015 | \$ 139,224 | 139,224 | 147,345 | 0.01% | B | |
| 659UA | Aircraft Secured | | | | | | | | | |
| | Mortgage | Fixed | 12.00% | 2/28/2016 | \$ 1,876,367 | 1,876,367 | 1,990,292 | 0.18% | F | |
| 661UA | Aircraft Secured | | | | | | | | | |
| | Mortgage | Fixed | 12.00% | 5/4/2016 | \$ 2,073,525 | 2,073,525 | 2,227,375 | 0.20% | F | |
| tesa Air group, Inc. | Acquisition Delayed | LIBOR | | | | | | | | |
| | Draw Loan | (M) | 7.25% | 7/15/2022 | \$ | (271,500) | 6,788 | | L | |
| tesa Air group, Inc. | Acquisition Loan | LIBOR (M) | 7.25% | 7/15/2022 | \$ 18,100,000 | 17,738,000 | 18,109,050 | 1.65% | | |
| | | | | | | | 26,319,165 | 27,434,875 | 2.49% | |
| Scientific Research and Development Services | | | | | | | | | | |
| PA laboratories, Inc. | Senior Secured Notes | Fixed | 12.25% | 4/1/2017 | \$ 17,200,000 | 16,536,295 | 18,640,500 | 1.70% | E/G | |
| Semiconductor and Other Electronic Component Manufacturing | | | | | | | | | | |
| ora, Inc. | Sr Secured Term Loan | LIBOR (M) | 10.27% | 9/1/2017 | \$ 22,500,000 | 21,771,128 | 21,892,500 | 1.99% | | |
| unEdison, Inc. | Senior Secured Letters of Credit | LIBOR (Q) | 3.75% | 2/28/2017 | \$ 9,379,246 | (1,031,717) | (937,925) | (0.09)% | K/L | |
| | | | | | | | 20,739,411 | 20,954,575 | 1.90% | |
| Software Publishers | | | | | | | | | | |
| ronis International GmbH (Switzerland) | First Lien Revolver | LIBOR (Q) | 9.50% | 1.00% | 2/21/2017 | \$ 5,634,068 | 5,634,068 | 5,634,068 | 0.51% | I |
| ronis International GmbH (Switzerland) | First Lien Term Loan | LIBOR (Q) | 9.50% | 1.00% | 2/21/2017 | \$ 25,000,000 | 24,774,635 | 24,612,500 | 2.25% | I |
| rcServe (USA), LLC | Second Lien Term Loan | LIBOR (Q) | 8.50% | 0.50% | 1/31/2020 | \$ 30,000,000 | 29,418,442 | 29,760,000 | 2.72% | I |
| ackLine ystems, Inc. | | | 0.4% | | | | | | | |
| | First Lien Term Loan | LIBOR (Q) | Cash + 7.6% PIK | 1.50% | 9/25/2018 | \$ 13,318,777 | 12,589,982 | 13,438,646 | 1.22% | |
| oreone echnologies, LLC | First Lien Term Loan | LIBOR (Q) | Cash + 5% PIK | 3.75% | 1.00% | 9/4/2018 | \$ 14,077,353 | 13,829,562 | 13,929,541 | 1.27% |
| eltek, Inc. | Second Lien Term Loan | LIBOR (Q) | 8.75% | 1.25% | 10/10/2019 | \$ 15,000,000 | 14,824,557 | 15,237,450 | 1.39% | |
| ndmentum, Inc. | | | 9.75% | 1.50% | 5/17/2019 | \$ 21,500,000 | 21,351,941 | 21,876,250 | 1.99% | |

Second Lien LIBOR
Term Loan (Q)

122,423,187 124,488,455 11.35%

Specialty Hospitals

BC Healthcare First Lien LIBOR
Analytics, Inc. Term Loan (Q) 9.00% 1.00% 7/1/2018 \$ 4,795,797 4,771,818 4,707,075 0.43%

Structured Note Funds

Magnolia Finance Asset-Backed
plc (Cayman Credit
lands) Linked Notes Fixed 13.125% 8/2/2021 \$ 15,000,000 15,000,000 15,211,500 1.38% E/I
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TCP Capital Corp.

Consolidated Statement of Investments (Unaudited) (Continued)

September 30, 2014

Showing Percentage of Total Cash and Investments of the Company

| Investor | Instrument | Ref | Spread | Floor | Maturity | Principal Amount or Shares | Cost | Value | % Portfolio |
|---|---------------------------------|--------------|--------|-------|-----------|----------------------------|---------------|---------------|-------------|
| Real Estate Investments (continued) | | | | | | | | | |
| Tile Furnishings Mills | | | | | | | | | |
| Mark Carpet s, Inc. | First Lien Term Loan | LIBOR (Q) | 10.00% | 1.00% | 9/30/2018 | \$ 15,758,531 | \$ 15,431,697 | \$ 15,994,909 | 1.46% |
| Utility System Construction | | | | | | | | | |
| va Solar Holdings ited | Revolving Credit Facility | Fixed | 8.00% | | 7/2/2017 | \$ 25,000,000 | 25,000,000 | 25,012,500 | 2.28% |
| Fixed Telecommunications Carriers | | | | | | | | | |
| heus munications, LLC | First Lien FILO Term Loan | LIBOR (Q) | 6.92% | 1.00% | 5/31/2018 | \$ 374,960 | 363,777 | 371,585 | 0.03% |
| heus munications, LLC | First Lien FILO Term Loan | LIBOR (Q) | 6.92% | 1.00% | 5/31/2018 | \$ 8,196,573 | 8,115,088 | 8,171,983 | 0.74% |
| gra Telecom dings, Inc. | Second Lien Term Loan | LIBOR (Q) | 8.50% | 1.25% | 2/22/2020 | \$ 15,000,000 | 14,728,136 | 15,225,000 | 1.39% |
| | | | | | | | 23,207,001 | 23,768,568 | 2.16% |
| Wireless Telecommunications Carriers | | | | | | | | | |
| go, LLC | First Lien Term Loan | LIBOR (Q) | 9.75% | 1.50% | 6/21/2017 | \$ 19,209,212 | 18,646,792 | 20,457,811 | 1.86% |
| go, LLC | First Lien Term Loan B-2 | LIBOR (Q) | 6.50% | 1.00% | 3/21/2018 | \$ 5,524,797 | 5,418,641 | 5,607,669 | 0.51% |
| | | | | | | | 24,065,433 | 26,065,480 | 2.37% |
| Total Debt Investments | | | | | | | 1,036,294,182 | 1,041,145,246 | 94.73% |
| Equity Securities | | | | | | | | | |
| Business Support Services | | | | | | | | | |
| lly Talent, LLC | Membership Units | | | | | 708,229 | 230,938 | 162,184 | 0.02% C/ |
| G-Fairway dings, LLC | Class A Units | | | | | 841,479 | 943,287 | 2,435,661 | 0.22% C/ |

| | | | | | |
|--|-----------------------------------|------------|------------|-----------|----------|
| | | | 1,174,225 | 2,597,845 | 0.24% |
| Communications Equipment Manufacturing | | | | | |
| Esserstein Cosmos Invest, L.P. | Limited Partnership Units | 5,000,000 | 5,000,000 | 4,375,000 | 0.40% B/ |
| Data Processing, Hosting, and Related Services | | | | | |
| Comp, Inc. | Class A Common Stock | 1,255,527 | 26,711,048 | 878,869 | 0.08% C/ |
| tside Group, Ltd. | Warrants | 498,855 | 2,778,622 | 2,391,002 | 0.22% C/ |
| | | | 29,489,670 | 3,269,871 | 0.30% |
| Depository Credit Intermediation | | | | | |
| al Financial Corporation (Puerto Rico) | Common Stock | 53,890 | 11,699,417 | 357,828 | 0.03% C/ |
| Financial Investment Activities | | | | | |
| sico Holdings, LLC | Common Interest Units | 168,698 | 172,694 | 18,557 | C/ |
| Full-Service Restaurants | | | | | |
| Holdco, LLC | Membership Units | 13,161,000 | 2,010,777 | | B/ |
| Machine Shops; Turned Product; and Screw, Nut, and Bolt Manufacturing | | | | | |
| ision Holdings, LLC | Class C Membership Interest | 33 | | 2,165 | C/ |
| Nonmetallic Mineral Mining and Quarrying | | | | | |
| MC HoldCo, LLC | Membership Units | 1,312,720 | | 682,614 | 0.06% B/ |
| Unscheduled Air Transportation | | | | | |
| ht Options Holdings I, Inc. | Warrants to Purchase Common Stock | 1,843 | 1,274,000 | 3,180,876 | 0.29% C/ |
| Radio and Television Broadcasting | | | | | |
| V, Inc. | Warrants to Purchase Common Stock | 233,470 | 300,322 | 247,478 | 0.02% C/ |

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TCP Capital Corp.

Consolidated Statement of Investments (Unaudited) (Continued)

September 30, 2014

Showing Percentage of Total Cash and Investments of the Company

| Issuer | Instrument | Ref Spread | Maturity | Principal Amount or Shares | Cost | Value | % Portfolio | Notes |
|--|------------------------------------|------------|----------|----------------------------|------------|------------|-------------|-------|
| Equity Securities (continued) | | | | | | | | |
| Retail | | | | | | | | |
| Shop Holding, LLC | Class A Units | | | \$ 507,167 | \$ 480,049 | \$ 276,862 | 0.03% | C/E |
| Shop Holding, LLC | Warrants to Purchase Class A Units | | | 326,691 | | 3 | | C/E |
| | | | | | 480,049 | 276,865 | 0.03% | |
| Scheduled Air Transportation | | | | | | | | |
| Aircraft Leased to Delta Air Lines, Inc. | | | | | | | | |
| N913DL | Trust Beneficial Interests | | | 937 | 89,178 | 119,680 | 0.01% | E/F |
| N918DL | Trust Beneficial Interests | | | 776 | 98,106 | 137,713 | 0.01% | E/F |
| N954DL | Trust Beneficial Interests | | | 728 | 115,597 | 71,400 | 0.01% | E/F |
| N955DL | Trust Beneficial Interests | | | 705 | 115,011 | 111,860 | 0.01% | E/F |
| N956DL | Trust Beneficial Interests | | | 710 | 114,963 | 107,440 | 0.01% | E/F |
| N957DL | Trust Beneficial Interests | | | 705 | 115,695 | 108,120 | 0.01% | E/F |
| N959DL | Trust Beneficial Interests | | | 699 | 116,425 | 109,140 | 0.01% | E/F |
| N960DL | Trust Beneficial Interests | | | 684 | 119,292 | 108,460 | 0.01% | E/F |

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| | | | | | |
|---|----------------------------------|-----|-----------|-----------|-----------|
| N961DL | Trust Beneficial Interests | 694 | 118,520 | 103,020 | 0.01% E/F |
| N976DL | Trust Beneficial Interests | 824 | 100,538 | 102,350 | 0.01% E/F |
| Aircraft Leased to United Airlines, Inc. | | | | | |
| N510UA | Trust Beneficial Interests | 63 | 243,188 | 416,889 | 0.04% B/E |
| N512UA | Trust Beneficial Interests | 62 | 237,703 | 408,217 | 0.04% B/E |
| N545UA | Trust Beneficial Interests | 79 | 422,890 | 598,547 | 0.05% B/E |
| United N659UA-767, LLC (N659UA) | Trust Beneficial Interests | 495 | 2,423,386 | 2,691,182 | 0.24% E/F |
| United N661UA-767, LLC (N661UA) | Trust Beneficial Interests | 481 | 2,375,446 | 2,708,220 | 0.25% E/F |
| | | | 6,805,938 | 7,902,238 | 0.72% |

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TCP Capital Corp.

Consolidated Statement of Investments (Unaudited) (Continued)

September 30, 2014

Showing Percentage of Total Cash and Investments of the Company

| Issuer | Instrument | Ref Spread | Maturity | Shares | Cost | Value | % of Portfolio | Notes |
|---|-----------------------------------|------------|----------|-----------|---------------|---------------|----------------|---------|
| Equity Securities (continued) | | | | | | | | |
| Resin, Synthetic Rubber, and Artificial Synthetic Fibers and Filaments Manufacturing | | | | | | | | |
| KAGY Holding Company, Inc. | Series A Preferred Stock | | | 9,778 | \$ 1,091,200 | \$ 579,951 | 0.05% | B/C/E |
| Semiconductor and Other Electronic Component Manufacturing | | | | | | | | |
| Ichor Systems Holdings, LLC | Membership Units | | | 352 | | 213,780 | 0.02% | C/E |
| Soraa, Inc. | Warrants to Purchase Common Stock | | | 315,000 | 408,987 | 411,611 | 0.04% | C/E |
| | | | | | 408,987 | 625,391 | 0.06% | |
| Software Publishers | | | | | | | | |
| Blackline Intermediate, Inc. | Warrants | | | 1,232,731 | 522,678 | 749,747 | 0.07% | C/E |
| Wired Telecommunications Carriers | | | | | | | | |
| Integra Telecom, Inc. | Common Stock | | | 1,274,522 | 8,433,885 | 5,200,177 | 0.47% | C/E |
| Integra Telecom, Inc. | Warrants | | | 346,939 | 19,920 | 191,406 | 0.02% | C/E |
| V Telecom Investment S.C.A. (Luxembourg) | Common Shares | | | 1,393 | 3,236,256 | 3,394,072 | 0.31% | C/D/E/I |
| | | | | | 11,690,061 | 8,785,655 | 0.80% | |
| Total Equity Securities | | | | | 72,120,018 | 33,652,081 | 3.07% | |
| Total Investments | | | | | 1,108,414,200 | 1,074,797,327 | 97.80% | |

Cash and Cash Equivalents

| | | |
|--|-------------------------|------------------|
| Wells Fargo & Company Money Market Deposit Account | 21,393,112 | 1.95% |
| Cash Denominated in Foreign Currencies | 240,156 | 0.02% |
| Cash Held on Account at Various Institutions | 2,510,807 | 0.23% |
| Cash and Cash Equivalents | 24,144,075 | 2.20% |
| Total Cash and Investments | \$ 1,098,941,402 | 100.00% M |

Notes to Consolidated Statement of Investments:

- (A) Investments in bank debt generally are bought and sold among institutional investors in transactions not subject to registration under the Securities Act of 1933. Such transactions are generally subject to contractual restrictions, such as approval of the agent or borrower.
- (B) Non-controlled affiliate as defined under the Investment Company Act of 1940 (ownership of between 5% and 25% of the outstanding voting securities of this issuer). See Consolidated Schedule of Changes in Investments in Affiliates.
- (C) Non-income producing security.
- (D) Principal amount denominated in foreign currency. Amortized cost and fair value converted from foreign currency to US dollars. (See Note 2)
- (E) Restricted security. (See Note 2)
- (F) Controlled issuer as defined under the Investment Company Act of 1940 (ownership of 25% or more of the outstanding voting securities of this issuer). Investment is not more than 50% owned nor deemed to be a significant subsidiary. See Consolidated Schedule of Changes in Investments in Affiliates.

- (G) Investment has been segregated to collateralize certain unfunded commitments.
- (H) \$3,600,000 principal amount of this investment has been segregated to collateralize certain unfunded commitments.
- (I) Non-U.S. company or principal place of business outside the U.S. and as a result the investment is not a qualifying asset under Section 55(a) of the Investment Company Act. Under the Investment Company Act, the Company may not acquire any non-qualifying asset unless, at the time such acquisition is made, qualifying assets represent at least 70% of the Company's total assets.
- (J) Exempt from the definition of investment company under Section 3(c) of the Investment Company Act and as a result the investment is not a qualifying asset under Section 55(a) of the Investment Company Act. Under the Investment Company Act, the Company may not acquire any non-qualifying asset unless, at the time such acquisition is made, qualifying assets represent at least 70% of the Company's total assets.

TCP Capital Corp.

Consolidated Statement of Investments (Unaudited) (Continued)

September 30, 2014

Showing Percentage of Total Cash and Investments of the Company

- (K) Publicly traded company with a market capitalization greater than \$250 million and as a result the investment is not a qualifying asset under Section 55(a) of the Investment Company Act. Under the Investment Company Act, the Company may not acquire any non-qualifying asset unless, at the time such acquisition is made, qualifying assets represent at least 70% of the Company's total assets.
- (L) Negative balances relate to an unfunded commitment that was acquired at a discount.
- (M) All cash and investments, except those referenced in Notes G above, are pledged as collateral under certain debt as described in Note 4 to the Consolidated Financial Statements.

LIBOR or EURIBOR resets monthly (M), quarterly (Q), or semiannually (S).

Aggregate acquisitions and aggregate dispositions of investments, other than government securities, totaled \$486,041,022, and \$177,994,806, respectively, for the nine months ended September 30, 2014. Aggregate acquisitions includes investment assets received as payment in kind. Aggregate dispositions includes principal paydowns on and maturities of debt investments. The total value of restricted securities and bank debt as of September 30, 2014 was \$1,074,439,499, or 97.8% of total cash and investments of the Company.

Options and swaps at September 30, 2014 were as follows:

| Investment | Notional Amount | Fair Value |
|--|----------------------------|-----------------------|
| Interest Rate Cap, 4%, expires 5/15/2016 | \$ 25,000,000 | \$ 1,327 |
| Euro/US Dollar Cross-Currency Basis Swap, Pay Euros/Receive USD, Expires 3/31/2017 | \$ 4,289,019 | \$ 1,071,130 |

See accompanying notes.

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TCP Capital Corp.

Consolidated Statement of Investments

December 31, 2013

Showing Percentage of Total Cash and Investments of the Company

| Borrower | Instrument | Ref | Spread | Floor | Maturity | Principal | Cost | Value | % of Portfolio | Notes |
|---|--|-------------|-------------------|-------|------------|---------------|------------|------------|----------------|-------|
| Debt Investments | | | | | | | | | | |
| (A) | | | | | | | | | | |
| Accounting, Tax Preparation, Bookkeeping, and Payroll Services | | | | | | | | | | |
| Expert Global Solutions, LLC | First Lien Term Loan | LIBOR (Q) | 7.25% | 1.25% | 4/3/2018 | \$ 699,754 | \$ 701,280 | \$ 703,691 | 0.09% | |
| Expert Global Solutions, LLC | Second Lien Term Loan | LIBOR (Q) | 11.00% | 1.50% | 10/3/2018 | \$ 7,434,877 | 7,228,004 | 7,382,833 | 0.94% | |
| | | | | | | | 7,929,284 | 8,086,524 | 1.03% | |
| Advertising, Public Relations, and Related Services | | | | | | | | | | |
| Doubleplay III Limited (United Kingdom) | First Lien Facility A1 Term Loan | EURIBOR (Q) | 6.25% | 1.25% | 3/18/2018 | € 13,165,705 | 16,428,630 | 16,736,606 | 2.12% | D/J |
| Architectural, Engineering, and Related Services | | | | | | | | | | |
| SP Holdings, Inc. | Jr Unsecured Subordinated Promissory Notes | Fixed | 6% Cash + 10% PIK | | 12/31/2019 | \$ 7,959,369 | 7,959,369 | 7,959,369 | 1.01% | B/E |
| Artificial Synthetic Fibers and Filaments | | | | | | | | | | |
| Manufacturing | | | | | | | | | | |
| GY Holding Corp. | Sr Secured Term Loan | Fixed | 12.00% | | 9/15/2016 | \$ 2,056,927 | 2,056,927 | 2,056,927 | 0.26% | B |
| GY Holding Corporation | Second Lien Term Loan | Fixed | 11.00% | | 11/15/2016 | \$ 9,268,000 | 7,586,317 | 9,268,000 | 1.17% | B/E |
| | | | | | | | 9,643,244 | 11,324,927 | 1.43% | |
| Beverage Manufacturing | | | | | | | | | | |
| Carolina Beverage Group, LLC | Secured Notes | Fixed | 10.625% | | 8/1/2018 | \$ 7,780,000 | 7,780,000 | 8,207,900 | 1.04% | E |
| Business Support Services | | | | | | | | | | |
| FTG-Fairway Acquisitions, Inc. | Second Lien Term Loan | LIBOR (Q) | 9.25% | 1.25% | 8/28/2019 | \$ 14,643,455 | 13,944,123 | 14,929,002 | 1.89% | |
| Chemical Manufacturing | | | | | | | | | | |

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|---|------------------------|-----------|-------------------|-------|------------|---------------|------------|------------|-----------|
| Archroma | Term Loan B | LIBOR (Q) | 8.25% | 1.25% | 9/30/2018 | \$ 17,456,250 | 17,107,125 | 17,401,699 | 2.20% |
| Communications Equipment Manufacturing | | | | | | | | | |
| Robcomm Systems Inc. | First Lien Term Loan | LIBOR (Q) | 7.625% | 1.25% | 12/11/2018 | \$ 15,000,000 | 14,850,000 | 15,097,500 | 1.91% B |
| Computer Equipment Manufacturing | | | | | | | | | |
| LO Touch Solutions, Inc. | Second Lien Term Loan | LIBOR (Q) | 10.50% | 1.50% | 12/1/2018 | \$ 10,000,000 | 9,666,672 | 9,100,000 | 1.15% |
| Converted Paper Products Manufacturing | | | | | | | | | |
| anpak Corp. | Second Lien Term Loan | LIBOR (Q) | 7.25% | 1.25% | 4/23/2020 | \$ 3,469,573 | 3,434,877 | 3,573,660 | 0.45% |
| Computer Systems Design and Related Services | | | | | | | | | |
| Blue Coat Systems | First Lien Revolver | LIBOR (Q) | 3.50% | 1.00% | 5/31/2018 | \$ 4,500,000 | 3,540,000 | 4,060,800 | 0.51% L |
| Blue Coat Systems | Second Lien Term Loan | LIBOR (Q) | 8.50% | 1.00% | 6/28/2020 | \$ 15,000,000 | 14,878,125 | 15,300,000 | 1.94% |
| nX Enterprise Solutions, Ltd. | First Lien Term Loan | LIBOR (Q) | 7.00% | | 9/3/2018 | \$ 10,640,000 | 10,483,300 | 10,709,160 | 1.36% |
| nX USA, LLC | First Lien Term Loan | LIBOR (Q) | 7.00% | | 9/3/2018 | \$ 5,320,000 | 5,244,790 | 5,354,580 | 0.68% |
| ebSense, Inc. | Second Lien Term Loan | LIBOR (Q) | 7.25% | 1.00% | 12/27/2020 | \$ 7,200,000 | 7,164,000 | 7,218,000 | 0.91% |
| | | | | | | | 41,310,215 | 42,642,540 | 5.40% |
| Data Processing, Hosting, and Related Services | | | | | | | | | |
| ne Telx Group, Inc. | Senior Unsecured Notes | Fixed | 10% Cash + 2% PIK | | 9/26/2019 | \$ 7,098,916 | 6,960,435 | 7,631,335 | 0.97% E |
| anda Sherman Power, LLC | First Lien Term Loan | LIBOR (Q) | 7.50% | 1.50% | 9/14/2018 | \$ 11,070,172 | 10,932,474 | 11,402,277 | 1.44% |
| anda Temple Power II, LLC | First Lien Term Loan | LIBOR (Q) | 6.00% | 1.25% | 4/3/2019 | \$ 5,892,970 | 5,834,041 | 6,069,759 | 0.77% |
| | | | | | | | 16,766,515 | 17,472,036 | 2.21% |
| Electrical Equipment and Component Manufacturing | | | | | | | | | |
| alladium Energy, Inc. | First Lien Term Loan | LIBOR (Q) | 9.00% | 1.00% | 12/26/2027 | \$ 16,500,317 | 16,225,541 | 16,426,066 | 2.08% |
| Fabricated Metal Product Manufacturing | | | | | | | | | |
| onstellation Enterprises, LLC | First Lien Notes | Fixed | 10.625% | | 2/1/2016 | \$ 12,500,000 | 12,322,875 | 10,875,000 | 1.38% E/G |
| Financial Investment Activities | | | | | | | | | |

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| | | | | | | | | | |
|---|----------------------|-----------|-------|--|------------|---------------|------------|-----------|---------|
| arsico Capital Management | First Lien Term Loan | LIBOR (M) | 5.00% | | 12/31/2022 | \$ 10,637,623 | 13,394,183 | 3,882,732 | 0.49% K |
| Freight Transportation Arrangement | | | | | | | | | |

| | | | | | | | | | |
|---------------------------------------|-----------------------|-----------|-------|-------|-----------|--------------|-----------|-----------|---------|
| vingston International, Inc. (Canada) | Second Lien Term Loan | LIBOR (Q) | 7.75% | 1.25% | 4/18/2020 | \$ 3,665,217 | 3,597,620 | 3,756,848 | 0.48% J |
|---------------------------------------|-----------------------|-----------|-------|-------|-----------|--------------|-----------|-----------|---------|

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TCP Capital Corp.

Consolidated Statement of Investments (Continued)

December 31, 2013

Showing Percentage of Total Cash and Investments of the Company

| Issuer | Instrument | Ref | Spread | Floor | Maturity | Principal | Cost | Value | % of Portfolio Notes |
|-------------------------------------|------------------------------------|-----------|-------------------|-------|------------|---------------|--------------|--------------|----------------------|
| Debt Investments (continued) | | | | | | | | | |
| Full-Service Restaurants | | | | | | | | | |
| ARM Holdco, LLC | Subordinated Convertible Term Loan | Fixed | 1.12% PIK | | 3/21/2018 | \$ 5,164,796 | \$ 5,164,796 | \$ 2,197,621 | 0.28% B |
| ARM OpCo, LLC | Convertible Second Lien Term Loan | | 12% Cash + 7% PIK | | 3/21/2016 | \$ 1,370,199 | 1,339,883 | 1,370,199 | 0.17% B |
| ARM OpCo, LLC | First Lien Term Loan | Fixed | 11.00% | | 3/21/2016 | \$ 3,626,947 | 3,626,947 | 3,626,947 | 0.46% B |
| ARM OpCo, LLC | Second Lien Term Loan | | 12% Cash + 7% PIK | | 3/21/2016 | \$ 6,825,328 | 6,825,328 | 6,825,328 | 0.86% B |
| ARM OpCo, LLC | Second Lien Term Loan | | 12% Cash + 7% PIK | | 3/21/2016 | \$ 2,150,088 | 2,109,019 | 2,150,088 | 0.27% B |
| | | | | | | | 19,065,973 | 16,170,183 | 2.04% |
| Gaming Industries | | | | | | | | | |
| AP Gaming I, LLC | First Lien Term Loan B | LIBOR (Q) | 8.25% | 1.00% | 12/20/2020 | \$ 15,000,000 | 14,550,000 | 14,737,500 | 1.87% |
| Grocery Stores | | | | | | | | | |
| Bashas, Inc. | First Lien FILO Term Loan | LIBOR (M) | 9.35% | 1.50% | 12/28/2015 | \$ 14,843,788 | 14,802,168 | 15,066,445 | 1.91% |
| Inland Water Transportation | | | | | | | | | |
| US Shipping Corp | First Lien Term Loan B | LIBOR (Q) | 7.75% | 1.25% | 4/30/2018 | \$ 12,603,333 | 12,477,300 | 12,965,679 | 1.64% |
| Insurance Related Activities | | | | | | | | | |
| Confie Seguros Holding II Co. | Second Lien Term Loan | LIBOR (Q) | 9.00% | 1.25% | 5/8/2019 | \$ 6,341,809 | 6,245,733 | 6,391,370 | 0.81% |

Merchant Wholesalers

| | | | | | | | | | |
|-----------------------------------|-----------------------|-----------|-------|-------|-----------|--------------|-----------|-----------|-------|
| Envision Acquisition Company, LLC | Second Lien Term Loan | LIBOR (Q) | 8.75% | 1.00% | 11/4/2021 | \$ 9,079,011 | 8,897,430 | 9,192,498 | 1.16% |
|-----------------------------------|-----------------------|-----------|-------|-------|-----------|--------------|-----------|-----------|-------|

Metal Ore Mining

| | | | | | | | | | |
|-----------------------------|-------------------------------------|-------|--------|--|-----------|--------------|-----------|-----------|--------|
| St Barbara Ltd. (Australia) | First Priority Senior Secured Notes | Fixed | 8.875% | | 4/15/2018 | \$ 7,359,000 | 7,326,651 | 6,144,765 | 0.78%E |
|-----------------------------|-------------------------------------|-------|--------|--|-----------|--------------|-----------|-----------|--------|

Motion Picture and Video Industries

| | | | | | | | | | |
|--------------------------|----------------------|-------|-------|--|-----------|--------------|-----------|-----------|-------|
| CORE Entertainment, Inc. | First Lien Term Loan | Fixed | 9.00% | | 6/21/2017 | \$ 9,462,231 | 9,381,116 | 8,610,631 | 1.09% |
|--------------------------|----------------------|-------|-------|--|-----------|--------------|-----------|-----------|-------|

| | | | | | | | | | |
|--------------------------|-----------------------|-------|--------|--|-----------|--------------|-----------|-----------|-------|
| CORE Entertainment, Inc. | Second Lien Term Loan | Fixed | 13.50% | | 6/21/2018 | \$ 7,569,785 | 7,502,054 | 6,858,225 | 0.88% |
|--------------------------|-----------------------|-------|--------|--|-----------|--------------|-----------|-----------|-------|

16,883,170 15,468,856 1.97%

Newspaper, Periodical, Book, and Directory Publishers

| | | | | | | | | | |
|------------------|---------------------------|-----------|-------|-------|-----------|---------------|------------|------------|-------|
| Hanley-Wood, LLC | First Lien FILO Term Loan | LIBOR (Q) | 6.75% | 1.25% | 7/15/2018 | \$ 16,707,600 | 16,707,600 | 16,699,246 | 2.13% |
|------------------|---------------------------|-----------|-------|-------|-----------|---------------|------------|------------|-------|

| | | | | | | | | | |
|---------------------|---------------------|-----------|-------|--|-----------|--------------|-----------|-----------|-------|
| MediMedia USA, Inc. | First Lien Revolver | LIBOR (M) | 6.75% | | 5/20/2018 | \$ 4,960,000 | 3,797,500 | 4,523,908 | 0.57% |
|---------------------|---------------------|-----------|-------|--|-----------|--------------|-----------|-----------|-------|

| | | | | | | | | | |
|---------------------|----------------------|-----------|-------|-------|------------|--------------|-----------|-----------|-------|
| MediMedia USA, Inc. | First Lien Term Loan | LIBOR (M) | 6.75% | 1.25% | 11/20/2018 | \$ 9,701,250 | 9,433,029 | 9,458,719 | 1.20% |
|---------------------|----------------------|-----------|-------|-------|------------|--------------|-----------|-----------|-------|

29,938,129 30,681,873 3.90%

Nondepository Credit Intermediation

| | | | | | | | | | |
|--|----------------------|-------|--------|--|------------|---------------|-----------|------------|--------|
| Caribbean Financial Group (Cayman Islands) | Senior Secured Notes | Fixed | 11.50% | | 11/15/2019 | \$ 10,000,000 | 9,824,072 | 10,700,000 | 1.35%E |
|--|----------------------|-------|--------|--|------------|---------------|-----------|------------|--------|

| | | | | | | | | | |
|--|-----------------------|-------|--------|--|------------|---------------|------------|------------|----------|
| Trade Finance Funding I, Ltd. (Cayman Islands) | Secured Class B Notes | Fixed | 10.75% | | 11/13/2018 | \$ 15,000,000 | 15,000,000 | 14,962,500 | 1.90%E/J |
|--|-----------------------|-------|--------|--|------------|---------------|------------|------------|----------|

24,824,072 25,662,500 3.25%

Nonresidential Building Construction

| | | | | | | | | | |
|-------------------------|----------------------|-----------|--------|-------|-----------|---------------|-----------|-----------|-------|
| NCM Group Holdings, LLC | First Lien Term Loan | LIBOR (Q) | 11.50% | 1.00% | 8/29/2018 | \$ 10,000,000 | 9,620,619 | 9,875,000 | 1.25% |
|-------------------------|----------------------|-----------|--------|-------|-----------|---------------|-----------|-----------|-------|

Nonscheduled Air Transportation

| | | | | | | | | | |
|---------------------|-----------------------|-------|------------------|--|----------|---------------|------------|------------|-------|
| One Sky Flight, LLC | Second Lien Term Loan | Fixed | 12% Cash +3% PIK | | 5/4/2019 | \$ 18,200,000 | 16,929,086 | 17,708,600 | 2.24% |
|---------------------|-----------------------|-------|------------------|--|----------|---------------|------------|------------|-------|

Oil and Gas Extraction

| | | | | | | | | | |
|----------------------|----------------------|-----------|-------|-------|----------|---------------|------------|------------|-------|
| Willbros Group, Inc. | First Lien Term Loan | LIBOR (Q) | 9.75% | 1.25% | 8/7/2019 | \$ 15,426,118 | 15,051,713 | 15,657,510 | 1.98% |
|----------------------|----------------------|-----------|-------|-------|----------|---------------|------------|------------|-------|

Other Telecommunications

| | | | | | | | | | |
|----------------------------|-----------------------|-----------|-------|-------|-----------|---------------|------------|------------|-------|
| Securus Technologies, Inc. | Second Lien Term Loan | LIBOR (Q) | 7.75% | 1.25% | 4/30/2021 | \$ 14,000,000 | 13,860,000 | 13,925,660 | 1.76% |
|----------------------------|-----------------------|-----------|-------|-------|-----------|---------------|------------|------------|-------|

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TCP Capital Corp.

Consolidated Statement of Investments (Continued)

December 31, 2013

Showing Percentage of Total Cash and Investments of the Company

| Issuer | Instrument | Ref | Spread | Floor | Maturity | Principal | Cost | Value | % of Portfolio Notes |
|---|---------------------------|-----------|------------------|-------|------------|---------------|--------------|--------------|----------------------|
| Debt Investments (continued) | | | | | | | | | |
| Petroleum and Coal Products Manufacturing | | | | | | | | | |
| Boomerang Tube, LLC | Second Lien Term Loan | LIBOR (Q) | 9.50% | 1.50% | 10/11/2017 | \$ 7,749,023 | \$ 7,563,978 | \$ 7,477,807 | 0.95% |
| Plastics Products Manufacturing | | | | | | | | | |
| Iracore International, Inc. | Senior Secured Notes | Fixed | 9.50% | | 6/1/2018 | \$ 13,600,000 | 13,600,000 | 14,426,622 | 1.83% E |
| Professional, Scientific, and Technical Services | | | | | | | | | |
| Connolly, LLC | Second Lien Term Loan | LIBOR (Q) | 9.25% | 1.25% | 7/15/2019 | \$ 12,000,000 | 11,829,534 | 12,270,000 | 1.55% |
| ConvergeOne Holdings | First Lien Term Loan | LIBOR (Q) | 8.00% | 1.25% | 5/8/2019 | \$ 12,654,643 | 12,464,823 | 12,570,236 | 1.59% |
| | | | | | | | 24,294,357 | 24,840,236 | 3.14% |
| Promoters of Performing Arts, Sports, and Similar Events | | | | | | | | | |
| Stadium Management Group | Second Lien Term Loan | LIBOR (M) | 9.50% | 1.25% | 12/7/2018 | \$ 11,000,000 | 10,817,390 | 11,055,000 | 1.40% |
| Radio and Television Broadcasting | | | | | | | | | |
| SiTV, Inc. | First Lien Term Loan | LIBOR (Q) | 6% Cash + 4% PIK | 2.00% | 8/3/2016 | \$ 6,995,124 | 6,648,634 | 6,774,778 | 0.86% |
| The Tennis Channel, Inc. | First Lien Term Loan | LIBOR (Q) | 8.50% | | 5/29/2017 | \$ 17,589,459 | 17,134,705 | 17,615,843 | 2.23% |
| | | | | | | | 23,783,339 | 24,390,621 | 3.09% |
| Retail | | | | | | | | | |
| Kenneth Cole Productions, Inc. | First Lien FILO Term Loan | LIBOR (M) | 10.40% | 1.00% | 9/25/2017 | \$ 11,272,727 | 11,051,496 | 11,329,090 | 1.44% |
| Shopzilla, Inc. | | | 9.50% | | 3/31/2016 | \$ 6,710,057 | 6,525,027 | 6,683,216 | 0.85% |

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Second
Lien Term
Loan LIBOR
(Q)

17,576,523 18,012,306 2.29%

Satellite Telecommunications

| | | | | | | | | |
|--|----------------------------|-------|--------|-----------|--------------|-----------|------------|-------------|
| Avanti Communications Group, PLC (United Kingdom) | Senior Secured Notes | Fixed | 10.00% | 10/1/2019 | \$ 9,914,000 | 9,914,000 | 10,335,345 | 1.31% E/H/J |
|--|----------------------------|-------|--------|-----------|--------------|-----------|------------|-------------|

Scheduled Air Transportation

| | | | | | | | | |
|--|---------------------------------|-------|--------|------------|------------|---------|---------|---------|
| Aircraft Leased to Delta Air Lines, Inc. | | | | | | | | |
| N913DL | Aircraft Secured Mortgage | Fixed | 8.00% | 3/15/2017 | \$ 289,048 | 289,048 | 296,820 | 0.04% F |
| N918DL | Aircraft Secured Mortgage | Fixed | 8.00% | 8/15/2018 | \$ 388,001 | 388,001 | 397,290 | 0.05% F |
| N954DL | Aircraft Secured Mortgage | Fixed | 8.00% | 3/20/2019 | \$ 514,375 | 514,375 | 524,620 | 0.07% F |
| N955DL | Aircraft Secured Mortgage | Fixed | 8.00% | 6/20/2019 | \$ 533,283 | 533,283 | 543,320 | 0.07% F |
| N956DL | Aircraft Secured Mortgage | Fixed | 8.00% | 5/20/2019 | \$ 532,275 | 532,275 | 542,640 | 0.07% F |
| N957DL | Aircraft Secured Mortgage | Fixed | 8.00% | 6/20/2019 | \$ 537,947 | 537,947 | 548,250 | 0.07% F |
| N959DL | Aircraft Secured Mortgage | Fixed | 8.00% | 7/20/2019 | \$ 543,573 | 543,573 | 553,520 | 0.07% F |
| N960DL | Aircraft Secured Mortgage | Fixed | 8.00% | 10/20/2019 | \$ 564,855 | 564,855 | 574,430 | 0.07% F |
| N961DL | Aircraft Secured Mortgage | Fixed | 8.00% | 8/20/2019 | \$ 558,427 | 558,427 | 568,310 | 0.07% F |
| N976DL | Aircraft Secured Mortgage | Fixed | 8.00% | 2/15/2018 | \$ 394,360 | 394,360 | 404,600 | 0.05% F |
| Aircraft Leased to United Airlines, Inc. | | | | | | | | |
| N510UA | | Fixed | 20.00% | 10/26/2016 | \$ 328,848 | 328,848 | 404,605 | 0.05% B |

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| | | | | | | | | | |
|---|----------------------------|-----------|-----------------|------------|---------------|---------------|------------|------------|-------|
| | Aircraft Secured Mortgage | | | | | | | | |
| N512UA | Aircraft Secured Mortgage | Fixed | 20.00% | 10/26/2016 | \$ 334,535 | 334,535 | 414,010 | 0.05% | B |
| N536UA | Aircraft Secured Mortgage | Fixed | 16.00% | 9/29/2014 | \$ 108,845 | 108,845 | 114,000 | 0.01% | B |
| N545UA | Aircraft Secured Mortgage | Fixed | 16.00% | 8/29/2015 | \$ 249,695 | 249,695 | 275,405 | 0.03% | B |
| N585UA | Aircraft Secured Mortgage | Fixed | 20.00% | 10/25/2016 | \$ 392,794 | 392,794 | 486,115 | 0.06% | B |
| N659UA | Aircraft Secured Mortgage | Fixed | 12.00% | 2/28/2016 | \$ 2,708,150 | 2,708,150 | 2,948,986 | 0.37% | F |
| N661UA | Aircraft Secured Mortgage | Fixed | 12.00% | 5/4/2016 | \$ 2,880,186 | 2,880,186 | 3,171,026 | 0.40% | F |
| | | | | | | 11,859,197 | 12,767,947 | 1.60% | |
| Scientific Research and Development Services | | | | | | | | | |
| BPA Laboratories, Inc. | Senior Secured Notes | Fixed | 12.25% | 4/1/2017 | \$ 17,200,000 | 16,536,295 | 17,630,000 | 2.23% | E |
| Semiconductor and Other Electronic Component Manufacturing | | | | | | | | | |
| Isola USA Corporation | Senior Secured Term Loan B | LIBOR (Q) | 8.25% | 1.00% | 11/29/2018 | \$ 14,583,333 | 14,366,560 | 14,729,167 | 1.87% |
| Software Publishers | | | | | | | | | |
| BlackLine Systems, Inc. | First Lien Term Loan | LIBOR (Q) | Cash + 7.6% PIK | 1.50% | 9/25/2018 | \$ 12,579,747 | 11,811,044 | 12,183,485 | 1.56% |
| Coreone Technologies, LLC | First Lien Term Loan | LIBOR (Q) | Cash + 5% PIK | 1.00% | 9/14/2018 | \$ 13,556,801 | 13,243,533 | 13,455,125 | 1.72% |
| Deltek, Inc. | Second Lien Term Loan | LIBOR (Q) | 8.75% | 1.25% | 10/10/2019 | \$ 15,000,000 | 14,805,253 | 15,300,000 | 1.94% |
| Edmentum, Inc. | Second Lien Term Loan | LIBOR (Q) | 9.75% | 1.50% | 5/17/2019 | \$ 15,000,000 | 14,748,486 | 15,112,500 | 1.91% |

54,608,316 56,051,110 7.13%

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TCP Capital Corp.

Consolidated Statement of Investments (Continued)

December 31, 2013

Showing Percentage of Total Cash and Investments of the Company

| Suer | Instrument | Ref | Spread | Floor | Maturity | Principal | Cost | Value | % of Portfolio | Notes |
|--|-----------------------------------|-----------|---------|-------|-----------|---------------|--------------|--------------|----------------|-------|
| Debt Investments (continued) | | | | | | | | | | |
| Specialty Hospitals | | | | | | | | | | |
| BC Healthcare Analytics, Inc. | First Lien Term Loan | LIBOR (Q) | 9.00% | 1.00% | 7/1/2018 | \$ 5,526,021 | \$ 5,498,391 | \$ 5,559,177 | 0.70% | |
| Advantage Oncology, LLC | Senior Secured Notes | Fixed | 9.50% | | 6/15/2017 | \$ 5,000,000 | 5,000,000 | 5,137,500 | 0.65% | E |
| | | | | | | | 10,498,391 | 10,696,677 | 1.35% | |
| Structured Note Funds | | | | | | | | | | |
| Magnolia Finance plc (Cayman Islands) | Asset-Backed Credit Linked Notes | Fixed | 13.125% | | 8/2/2021 | \$ 15,000,000 | 15,000,000 | 15,000,000 | 1.90% | E/J |
| Textile Furnishings Mills | | | | | | | | | | |
| Exmark Carpet Mills, Inc. | First Lien Term Loan | LIBOR (Q) | 10.00% | 1.00% | 9/30/2018 | \$ 16,351,467 | 15,942,680 | 16,392,346 | 2.08% | |
| Wired Telecommunications Carriers | | | | | | | | | | |
| Integra Telecom Holdings, Inc. | Second Lien Term Loan | LIBOR (Q) | 8.50% | 1.25% | 2/22/2020 | \$ 15,000,000 | 14,701,027 | 15,459,375 | 1.96% | |
| Wireless Telecommunications Carriers | | | | | | | | | | |
| Alpheus Communications, LLC | First Lien Delayed FILO Term Loan | LIBOR (Q) | 6.92% | 1.00% | 5/31/2018 | \$ | (11,183) | (8,437) | | M |
| Alpheus Communications, LLC | First Lien FILO Term Loan | LIBOR (Q) | 6.92% | 1.00% | 5/31/2018 | \$ 8,248,124 | 8,166,127 | 8,186,263 | 1.04% | |
| Globalive Wireless Management Corp. (Canada) | First Lien Term Loan | LIBOR (Q) | 10.90% | | 4/30/2014 | \$ 3,037,292 | 2,933,872 | 3,067,665 | 0.39% | J |
| Logo, LLC | First Lien Term Loan | LIBOR (Q) | 9.75% | 1.50% | 6/21/2017 | \$ 19,587,428 | 18,707,700 | 21,252,360 | 2.69% | |
| | | | | | | | 29,796,516 | 32,497,851 | 4.12% | |

| | | | |
|--------------------|-------------|-------------|--------|
| Total Debt | | | |
| Investments | 720,651,321 | 726,514,593 | 92.05% |

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TCP Capital Corp.

Consolidated Statement of Investments (Continued)

December 31, 2013

Showing Percentage of Total Cash and Investments of the Company

| Issuer | Instrument | Ref Spread | Maturity | Shares | Cost | Value | % of Portfolio | Notes |
|--|---------------------------|------------|----------|------------|--------------|--------------|----------------|-------|
| Equity Securities | | | | | | | | |
| Architectural, Engineering, and Related Services | | | | | | | | |
| ESP Holdings, Inc. | Cumulative Preferred 15% | | | 20,297 | \$ 2,249,930 | \$ 3,947,862 | 0.51% | B/C/E |
| ESP Holdings, Inc., Common Stock | Common Stock | | | 88,670 | 9,311,782 | 2,856,346 | 0.36% | B/C/E |
| | | | | | 11,561,712 | 6,804,208 | 0.87% | |
| Business Support Services | | | | | | | | |
| STG-Fairway Holdings | Class A Units | | | 841,479 | 1,174,225 | 1,722,508 | 0.22% | C/E |
| Wasserstein Cosmos Co-Invest, L.P. | Limited Partnership Units | | | 5,000,000 | 5,000,000 | 5,000,000 | 0.64% | B/C/E |
| | | | | | 6,174,225 | 6,722,508 | 0.86% | |
| Data Processing, Hosting, and Related Services | | | | | | | | |
| Anacomp, Inc. | Class A Common Stock | | | 1,255,527 | 26,711,048 | 1,004,422 | 0.13% | B/C/E |
| Depository Credit Intermediation | | | | | | | | |
| Doral Financial Corporation | Common Stock | | | 53,890 | 11,699,417 | 843,913 | 0.11% | C/L |
| Financial Investment Activities | | | | | | | | |
| Marsico Holdings, LLC | Common Interest Units | | | 168,698 | 172,694 | 4,302 | | C/E/K |
| Full-Service Restaurants | | | | | | | | |
| RM Holdco, LLC | Membership Units | | | 13,161,000 | 2,010,777 | | | B/C/E |
| Machine Shops; Turned Product; and Screw, Nut, and Bolt Manufacturing | | | | | | | | |

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| | | | | |
|-------------------------|------------------------------|----|--------|-----------|
| Precision Holdings, LLC | Class C Membership Interests | 33 | 41,645 | 0.01% C/E |
|-------------------------|------------------------------|----|--------|-----------|

Nonmetallic Mineral Mining and Quarrying

| | | | | |
|------------------|------------------|-----------|-----------|-----------|
| EPMC HoldCo, LLC | Membership Units | 1,312,720 | 1,562,137 | 0.20% B/E |
|------------------|------------------|-----------|-----------|-----------|

Nonscheduled Air Transportation

| | | | | | |
|---------------------------------|-----------------------------------|-------|-----------|-----------|-----------|
| Flight Options Holdings I, Inc. | Warrants to Purchase Common Stock | 1,843 | 1,274,000 | 1,268,904 | 0.16% C/E |
|---------------------------------|-----------------------------------|-------|-----------|-----------|-----------|

Radio and Television Broadcasting

| | | | | | |
|------------|-----------------------------------|---------|---------|---------|-----------|
| SiTV, Inc. | Warrants to Purchase Common Stock | 233,470 | 300,322 | 354,874 | 0.04% C/E |
|------------|-----------------------------------|---------|---------|---------|-----------|

Retail

| | | | | | |
|-------------------|-----------------------------------|---------|---------|---------|-----------|
| Shop Holding, LLC | Class A Unit | 490,037 | 462,576 | 532,919 | 0.07% C/E |
| Shop Holding, LLC | Warrants to Purchase Class A Unit | 326,691 | | 38,258 | C/E |

462,576 571,177 0.07%

Scheduled Air Transportation

| | | | | | |
|--|----------------------------|-----|---------|---------|-----------|
| Aircraft Leased to Delta Air Lines, Inc. | | | | | |
| N913DL | Trust Beneficial Interests | 727 | 97,376 | 125,970 | 0.02% E/F |
| N918DL | Trust Beneficial Interests | 623 | 109,938 | 142,970 | 0.02% E/F |
| N954DL | Trust Beneficial Interests | 591 | 133,027 | 68,000 | 0.01% E/F |
| N955DL | Trust Beneficial Interests | 576 | 133,868 | 113,560 | 0.01% E/F |
| N956DL | Trust Beneficial Interests | 580 | 133,907 | 108,800 | 0.01% E/F |
| N957DL | Trust Beneficial Interests | 576 | 134,785 | 109,650 | 0.01% E/F |

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| | | | | | |
|---|----------------------------------|-----|-----------|-----------|-----------|
| N959DL | Trust Beneficial Interests | 573 | 135,658 | 110,500 | 0.01% E/F |
| N960DL | Trust Beneficial Interests | 563 | 139,173 | 109,650 | 0.01% E/F |
| N961DL | Trust Beneficial Interests | 570 | 138,350 | 103,870 | 0.01% E/F |
| N976DL | Trust Beneficial Interests | 654 | 113,413 | 103,033 | 0.01% E/F |
| Aircraft Leased to United Airlines, Inc. | | | | | |
| N510UA | Trust Beneficial Interests | 54 | 197,409 | 465,625 | 0.06% B/E |
| N512UA | Trust Beneficial Interests | 53 | 193,046 | 458,277 | 0.06% B/E |
| N536UA | Trust Beneficial Interests | 81 | 396,289 | 656,766 | 0.08% B/E |
| N545UA | Trust Beneficial Interests | 67 | 348,071 | 641,840 | 0.08% B/E |
| N585UA | Trust Beneficial Interests | 53 | 214,737 | 571,706 | 0.07% B/E |
| United N659UA-767, LLC (N659UA) | Trust Beneficial Interests | 412 | 2,097,640 | 2,840,323 | 0.36% E/F |
| United N661UA-767, LLC (N661UA) | Trust Beneficial Interests | 400 | 2,066,062 | 2,852,677 | 0.36% E/F |
| | | | 6,782,749 | 9,583,217 | 1.19% |

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TCP Capital Corp.

Consolidated Statement of Investments (Continued)

December 31, 2013

Showing Percentage of Total Cash and Investments of the Company

| Issuer | Instrument | Ref | Spread | Floor | Maturity | Shares | Cost | Value | % of Portfolio | Notes |
|---|-----------------------------------|-----|--------|-------|----------|-----------|--------------|-------------|----------------|---------|
| Equity Securities (continued) | | | | | | | | | | |
| Resin, Synthetic Rubber, and Artificial Synthetic Fibers and Filaments Manufacturing | | | | | | | | | | |
| KAGY Holding Company, Inc. | Series A Preferred Stock | | | | | 9,778 | \$ 1,091,200 | \$ 662,134 | 0.08% | B/C/E |
| Semiconductor and Other Electronic Component Manufacturing | | | | | | | | | | |
| AIP/IS Holdings, LLC | Membership Units | | | | | 352 | | 229,504 | 0.03% | C/E |
| Software Publishers | | | | | | | | | | |
| SLS Breeze Intermediate Holdings, Inc. | Warrants to Purchase Common Stock | | | | | 1,232,731 | 522,678 | 561,632 | 0.07% | C/E |
| Wired Telecommunications Carriers | | | | | | | | | | |
| Integra Telecom, Inc. | Common Stock | | | | | 1,274,522 | 8,433,884 | 5,583,686 | 0.72% | C/E |
| Integra Telecom, Inc. | Warrants | | | | | 346,939 | 19,920 | 194,050 | 0.02% | C/E |
| V Telecom Investment S.C.A (Luxembourg) | Common Shares | | | | | 1,393 | 3,236,256 | 3,756,053 | 0.48% | C/D/E/J |
| | | | | | | | 11,690,060 | 9,533,789 | 1.22% | |
| Total Equity Securities | | | | | | | 80,453,458 | 39,748,366 | 5.04% | |
| Total Investments | | | | | | | 801,104,779 | 766,262,959 | | |

Cash and Cash Equivalents

| | | | | | | |
|--|--------------------------------|-------|-------|----------|----------------|----------------------|
| Wells Fargo & Company | Overnight Repurchase Agreement | Fixed | 0.09% | 1/2/2014 | 10,501,688 | 1.33% |
| Union Bank of California | Commercial Paper | Fixed | 0.10% | 1/2/2014 | 8,499,976 | 1.07% |
| Cash Denominated in Foreign Currencies | | | | | 121,389 | 0.02% |
| Cash Held on Account at Various Institutions | | | | | 3,861,129 | 0.49% |
| Cash and Cash Equivalents | | | | | 22,984,182 | 2.91% |
| Total Cash and Investments | | | | | \$ 789,247,141 | 100.00% ^I |

Notes to Consolidated Statement of Investments:

- (A) Investments in bank debt generally are bought and sold among institutional investors in transactions not subject to registration under the Securities Act of 1933. Such transactions are generally subject to contractual restrictions, such as approval of the agent or borrower.
- (B) Non-controlled affiliate as defined under the Investment Company Act of 1940 (ownership of between 5% and 25% of the outstanding voting securities of this issuer). See Consolidated Schedule of Changes in Investments in Affiliates.
- (C) Non-income producing security.
- (D) Principal amount denominated in foreign currency. Amortized cost and fair value converted from foreign currency to US dollars. (See Note 2)
- (E) Restricted security. (See Note 2)
- (F)

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Controlled issuer as defined under the Investment Company Act of 1940 (ownership of 25% or more of the outstanding voting securities of this issuer). Investment is not more than 50% owned nor deemed to be a significant subsidiary. See Consolidated Schedule of Changes in Investments in Affiliates.

- (G) Investment has been segregated to collateralize certain unfunded commitments.
- (H) \$2,000,000 principal amount of this investment has been segregated to collateralize certain unfunded commitments.
- (I) All cash and investments, except those referenced in Notes G and H above, are pledged as collateral under the Revolving Facilities as described in Note 4 to the Consolidated Financial Statements.
- (J) Non-U.S. company or principal place of business outside the U.S. and as a result the investment is not qualifying asset under Section 55(a) of the Investment Company Act. Under the Investment Company Act, the Company may not acquire any non-qualifying asset unless, at the time such acquisition is made, qualifying assets represent at least 70% of the Company's total assets.
- (K) Excepted from the definition of investment company under Section 3(c) of the Investment Company Act and as a result the investment is not a qualifying asset under Section 55(a) of the Investment Company Act. Under the Investment Company Act, the Company may not acquire any non-qualifying asset unless, at the time such acquisition is made, qualifying assets represent at least 70% of the Company's total assets.
- (L) Publicly traded company with a market capitalization greater than \$250 million and as a result the investment is not a qualifying asset under Section 55(a) of the Investment Company Act. Under the Investment Company Act, the Company may not acquire any non-qualifying asset unless, at the time such acquisition is made, qualifying assets represent at least 70% of the Company's total assets.
- (M) Negative balances relate to an unfunded commitment that was acquired at a discount.

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TCP Capital Corp.

Consolidated Statement of Investments (Continued)

December 31, 2013

Showing Percentage of Total Cash and Investments of the Company

LIBOR or EURIBOR resets monthly (M), quarterly (Q), or semiannually (S).

Aggregate acquisitions and aggregate dispositions of investments, other than government securities, totaled \$471,087,319, and \$235,641,665, respectively for the year ended December 31, 2013. Aggregate acquisitions includes investment assets received as payment in kind. Aggregate dispositions includes principal paydowns on and maturities of debt investments. The total value of restricted securities and bank debt as of December 31, 2013 was \$765,419,046, or 97.0% of total cash and investments of the Company.

Options and Swaps at December 31, 2013 were as follows:

| Investment | Notional Amount | Fair Value |
|--|------------------------|-------------------|
| Interest Rate Cap, 4%, expires 5/15/2016 | \$ 25,000,000 | \$ 14,139 |
| Euro/US Dollar Cross-Currency Basis Swap, Pay Euros/Receive USD, Expires 3/31/17 | \$ 4,289,019 | \$ (331,183) |

See accompanying notes.

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TCP Capital Corp.

Consolidated Statements of Operations (Unaudited)

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|--|-------------------------------------|---------------|------------------------------------|---------------|
| | 2014 | 2013 | 2014 | 2013 |
| Investment income | | | | |
| Interest income: | | | | |
| Companies less than 5% owned | \$ 24,699,976 | \$ 14,257,066 | \$ 65,174,101 | \$ 41,745,035 |
| Companies 5% to 25% owned | 1,728,834 | 1,938,950 | 4,423,013 | 4,035,115 |
| Companies more than 25% owned | 214,091 | 293,711 | 706,553 | 936,296 |
| Dividend income: | | | | |
| Companies 5% to 25% owned | | | 1,968,748 | |
| Other income: | | | | |
| Companies less than 5% owned | 210,622 | 529,011 | 1,164,938 | 1,105,959 |
| Companies 5% to 25% owned | 74,038 | 85,983 | 282,581 | 305,739 |
| Companies more than 25% owned | 262,905 | 183,650 | 726,477 | 495,165 |
| | | | | |
| Total investment income | 27,190,466 | 17,288,371 | 74,446,411 | 48,623,309 |
| | | | | |
| Operating expenses | | | | |
| Management and advisory fees | 3,513,238 | 2,205,517 | 9,504,317 | 6,110,550 |
| Interest expense | 2,535,555 | 340,711 | 4,012,167 | 663,820 |
| Amortization of deferred debt issuance costs | 545,294 | 218,764 | 1,347,442 | 470,242 |
| Administrative expenses | 392,794 | 256,806 | 1,029,069 | 592,422 |
| Legal fees, professional fees and due diligence expenses | 268,710 | 188,284 | 828,102 | 489,488 |
| Commitment fees | 243,147 | 85,749 | 650,209 | 146,843 |
| Director fees | 88,395 | 76,478 | 255,776 | 220,288 |
| Insurance expense | 83,996 | 55,020 | 202,823 | 133,816 |
| Custody fees | 54,369 | 45,776 | 166,025 | 105,427 |
| Other operating expenses | 264,778 | 227,287 | 1,033,422 | 644,793 |
| | | | | |
| Total operating expenses | 7,990,276 | 3,700,392 | 19,029,352 | 9,577,689 |
| | | | | |
| Net investment income | 19,200,190 | 13,587,979 | 55,417,059 | 39,045,620 |
| Net realized and unrealized gain (loss) on investments and foreign currency | | | | |
| Net realized gain (loss): | | | | |
| Investments in companies less than 5% owned | 544,212 | 804,482 | (5,317,388) | (2,773,020) |
| Investments in companies 5% to 25% owned | 383,670 | | 383,670 | |
| | | | | |
| Net realized gain (loss) | 927,882 | 804,482 | (4,933,718) | (2,773,020) |
| | (5,433,060) | 2,132,565 | 2,596,620 | 8,723,819 |

| | | | | |
|---|----------------------|----------------------|----------------------|----------------------|
| Net change in net unrealized appreciation/depreciation | | | | |
| Net realized and unrealized gain (loss) | (4,505,178) | 2,937,047 | (2,337,098) | 5,950,799 |
| Dividends on Series A preferred equity facility | (357,451) | (364,043) | (1,083,263) | (1,131,014) |
| Net change in accumulated dividends on Series A preferred equity facility | (4,718) | (23,939) | 5,394 | (7,928) |
| Distributions of incentive allocation to the General Partner from: | | | | |
| Net investment income | (3,767,604) | (2,639,999) | (10,867,837) | (7,581,335) |
| Net realized gains | | (54,157) | | (312,598) |
| Net change in reserve for incentive allocation | 901,035 | (533,253) | 467,419 | (877,563) |
| Net increase in net assets applicable to common shareholders resulting from operations | \$ 11,466,274 | \$ 12,909,635 | \$ 41,601,674 | \$ 35,085,981 |
| | | | | |
| Basic and diluted earnings per common share | \$ 0.29 | \$ 0.48 | \$ 1.11 | \$ 1.47 |
| | | | | |
| Basic and diluted weighted average common shares outstanding | 40,079,914 | 26,654,702 | 37,507,497 | 23,942,996 |

See accompanying notes.

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TCP Capital Corp.

Consolidated Statements of Changes in Net Assets

| | Common Stock | | | Paid in | Accumulated | Accumulated | Accumulated | Total |
|--|--------------|------------|--------------------------|-----------------------|---------------------|-----------------------------|--------------------------|----------------|
| | Shares | Par Amount | Capital in Excess of Par | Net Investment Income | Net Realized Losses | Net Unrealized Depreciation | Non-controlling Interest | Net Assets |
| Balance at December 31, 2012 | 21,477,628 | \$ 21,478 | \$ 444,234,060 | \$ 22,526,179 | \$ (59,023,861) | \$ (91,770,306) | | \$ 315,987,550 |
| Issuance of common stock in public offering, net | 14,720,000 | 14,720 | 224,548,170 | | | | | 224,562,890 |
| Issuance of common stock from dividend reinvestment plan | 2,288 | 2 | 37,414 | | | | | 37,416 |
| Net investment income | | | | 54,330,262 | | | | 54,330,262 |
| Realized and unrealized gains (losses) | | | | | (47,384,746) | 56,456,107 | | 9,071,361 |
| Dividends on Series A preferred equity facility | | | | (1,494,552) | | | | (1,494,552) |
| General Partner incentive allocation | | | | (10,567,142) | (645,691) | | (1,168,583) | (12,381,416) |
| Dividends paid to common shareholders | | | | (40,502,256) | | | | (40,502,256) |
| Tax reclassification of stockholders' equity in accordance with generally accepted accounting principles | | | (977,624) | (276,396) | 1,254,020 | | | |

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| | | | | | | | | |
|--|------------|-----------|----------------|---------------|------------------|-----------------|----------------|----------------|
| Balance at December 31, 2013 | 36,199,916 | \$ 36,200 | \$ 667,842,020 | \$ 24,016,095 | \$ (105,800,278) | \$ (35,314,199) | \$ (1,168,583) | \$ 549,611,255 |
| Issuance of common stock in public offering, net | 6,210,000 | 6,210 | 103,934,511 | | | | | 103,940,721 |
| Issuance of common stock from dividend reinvestment plan | 326 | | 5,509 | | | | | 5,509 |
| Issuance of convertible debt | | | 2,515,594 | | | | | 2,515,594 |
| Net investment income | | | | 55,417,059 | | | | 55,417,059 |
| Realized and unrealized gains (losses) | | | | | (4,933,718) | 2,596,620 | | (2,337,098) |
| Dividends on Series A preferred equity facility | | | | (1,077,869) | | | | (1,077,869) |
| General Partner incentive allocation | | | | (10,867,837) | | 467,419 | | (10,400,418) |
| Dividends paid to common shareholders | | | | (43,141,625) | | | | (43,141,625) |
| Balance at September 30, 2014 | 42,410,242 | \$ 42,410 | \$ 774,297,634 | \$ 24,345,823 | \$ (110,733,996) | \$ (32,717,579) | \$ (701,164) | \$ 654,533,128 |

See accompanying notes.

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TCP Capital Corp.

Consolidated Statements of Cash Flows (Unaudited)

| | Nine Months Ended September 30, | |
|---|--|----------------------|
| | 2014 | 2013 |
| Operating activities | | |
| Net increase in net assets applicable to common shareholders resulting from operations | \$ 41,601,674 | \$ 35,085,981 |
| Adjustments to reconcile net increase in net assets applicable to common shareholders resulting from operations to net cash used in operating activities: | | |
| Net realized loss | 4,933,718 | 2,773,020 |
| Net change in unrealized appreciation/depreciation of investments | (2,614,461) | (8,675,023) |
| Dividends paid on Series A preferred equity facility | 1,083,263 | 1,131,014 |
| Net change in accumulated dividends on Series A preferred equity facility | (5,394) | 7,928 |
| Net change in reserve for incentive allocation | (467,419) | 877,563 |
| Accretion of original issue discount on investments | (3,044,889) | (1,703,018) |
| Net accretion of market discount/premium | (1,152,021) | (674,077) |
| Accretion of original issue discount on convertible debt | 114,671 | |
| Interest and dividend income paid in kind | (4,366,287) | (1,248,459) |
| Amortization of deferred debt issuance costs | 1,347,442 | 470,242 |
| Changes in assets and liabilities: | | |
| Purchases of investment securities | (481,674,735) | (353,293,497) |
| Proceeds from sales, maturities and paydowns of investments | 177,994,806 | 176,516,172 |
| Increase in accrued interest income companies less than 5% owned | (3,394,734) | (2,346,218) |
| Increase in accrued interest income companies 5% to 25% owned | (235,265) | (321,152) |
| Decrease in accrued interest income companies more than 25% owned | 9,790 | 8,749 |
| Decrease in receivable for investments sold | 3,605,964 | 6,439,614 |
| Increase in prepaid expenses and other assets | (991,312) | (371,259) |
| Increase (decrease) in payable for investments purchased | (13,456,911) | 15,103,635 |
| Increase (decrease) in payable to the Investment Manager | (709,816) | 171,251 |
| Increase in interest payable | 2,051,097 | 170,674 |
| Increase in incentive allocation payable | 448,704 | 2,694,156 |
| Decrease in accrued expenses and other liabilities | (273,166) | (526,520) |
| Net cash used in operating activities | (279,195,281) | (127,709,224) |
| Financing activities | | |
| Borrowings | 519,500,000 | 191,000,000 |
| Repayments of debt | (293,000,000) | (115,000,000) |
| Payments of debt issuance costs | (5,866,168) | (3,058,502) |
| Dividends paid on Series A preferred equity facility | (1,083,263) | (1,131,014) |
| Dividends paid to common shareholders | (43,141,625) | (27,782,087) |
| Proceeds from shares issued in connection with dividend reinvestment plan | 5,509 | 35,507 |
| Proceeds from common shares sold, net of underwriting and offering costs | 103,940,721 | 78,176,790 |

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| | | |
|--|---------------|---------------|
| Net cash provided by financing activities | 280,355,174 | 122,240,694 |
| Net increase (decrease) in cash and cash equivalents | 1,159,893 | (5,468,530) |
| Cash and cash equivalents at beginning of period | 22,984,182 | 18,035,189 |
| Cash and cash equivalents at end of period | \$ 24,144,075 | \$ 12,566,659 |

Supplemental cash flow information

| | | |
|---------------------|--------------|------------|
| Interest payments | \$ 1,846,399 | \$ 493,146 |
| Excise tax payments | 938,460 | 969,946 |

See accompanying notes.

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TCP Capital Corp.

Notes to Consolidated Financial Statements (Unaudited)

September 30, 2014

1. Organization and Nature of Operations

TCP Capital Corp. (the "Company") is a Delaware corporation formed on April 2, 2012 as an externally managed, closed-end, non-diversified management investment company. The Company elected to be treated as a business development company ("BDC") under the Investment Company Act of 1940, as amended (the "1940 Act"). The Company's investment objective is to achieve high total returns through current income and capital appreciation, with an emphasis on principal protection. The Company invests primarily in the debt of middle-market companies as well as small businesses, including senior secured loans, junior loans, mezzanine debt and bonds. Such investments may include an equity component, and, to a lesser extent, the Company may make equity investments directly.

Investment operations are conducted in Special Value Continuation Partners, LP, a Delaware limited partnership (the "Partnership"), of which the Company owns 100% of the common limited partner interests, or in one of the Partnership's wholly owned subsidiaries, TCPC Funding I, LLC, a Delaware limited liability company ("TCPC Funding") and TCPC SBIC, LP, a Delaware limited partnership (the "SBIC"). The Partnership has also elected to be treated as a BDC under the 1940 Act. The SBIC was organized in June 2013, and on April 22, 2014, received a license from the United States Small Business Administration (the "SBA") to operate as a small business investment company under the provisions of Section 301(c) of the Small Business Investment Act of 1958. These consolidated financial statements include the accounts of the Company, the Partnership, TCPC Funding and the SBIC. All significant intercompany transactions and balances have been eliminated in the consolidation.

The Company has elected to be treated as a regulated investment company ("RIC") for U.S. federal income tax purposes. As a RIC, the Company will not be taxed on its income to the extent that it distributes such income each year and satisfies other applicable income tax requirements. The Partnership, TCPC Funding, and the SBIC have elected to be treated as partnerships for U.S. federal income tax purposes.

The general partner of the Partnership is SVOF/MM, LLC, which also serves as the administrator of the Company and the Partnership (the "Administrator" or the "General Partner"). The managing member of the General Partner is Tennenbaum Capital Partners, LLC (the "Advisor"), which serves as the Investment Manager to the Company, the Partnership, TCPC Funding, and the SBIC. Most of the equity interests in the General Partner are owned directly or indirectly by the Advisor and its employees.

Company management consists of the Investment Manager and the Board of Directors. Partnership management consists of the General Partner and the Board of Directors. The Investment Manager and the General Partner direct and execute the day-to-day operations of the Company and the Partnership, respectively, subject to oversight from the respective Board of Directors, which sets the broad policies of the Company and performs certain functions required by the 1940 Act in the case of the Partnership.

The Board of Directors of the Partnership has delegated investment management of the Partnership's assets to the Investment Manager. Each Board of Directors consists of five persons, three of whom are independent. If the Company or the Partnership has preferred equity interests outstanding, as the Partnership currently does, the holders of the preferred interests voting separately as a class are entitled to elect two of the Directors. The remaining

TCP Capital Corp.

Notes to Consolidated Financial Statements (Unaudited) (Continued)

September 30, 2014

1. Organization and Nature of Operations (continued)

directors will be subject to election by holders of the common shares and preferred interests voting together as a single class.

2. Summary of Significant Accounting Policies

Basis of Presentation

The consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP"). The following is a summary of the significant accounting policies of the Company and the Partnership.

Use of Estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Although management believes these estimates and assumptions to be reasonable, actual results could differ from those estimates and differences could be material.

Investment Valuation

The Company's investments are generally held by the Partnership, TCPC Funding, or the SBIC. Management values investments at fair value based upon the principles and methods of valuation set forth in policies adopted by the Partnership's Board of Directors and in conformity with procedures set forth in the Revolving Facilities and the statement of preferences for the Preferred Interests, as defined in Note 4, below. Fair value is generally defined as the amount for which an investment would be sold in an orderly transaction between market participants at the measurement date.

All investments are valued at least quarterly based on affirmative pricing or quotations from independent third-party sources, with the exception of investments priced directly by the Investment Manager which together comprise, in total, less than 5% of the capitalization of the Partnership. Investments listed on a recognized exchange or market quotation system, whether U.S. or foreign, are valued for financial reporting purposes as of the last business day of the reporting period using the closing price on the date of valuation. Liquid investments not listed on a recognized exchange or market quotation system are valued using prices provided by a nationally recognized pricing service or by using quotations from broker-dealers. Investments not priced by a pricing service or for which market quotations are either not readily available or are determined to be unreliable are valued using affirmative valuations performed by independent valuation services or, for investments aggregating less than 5% of the total capitalization of the Partnership, directly by the Investment Manager.

Fair valuations of investments are determined under our documented valuation policy that has been reviewed and approved by the Boards of Directors of the Company and the Partnership, and are subject to their approval in good faith. Generally, to increase objectivity in valuing the investments, the Investment Manager will utilize external measures of value,

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TCP Capital Corp.

Notes to Consolidated Financial Statements (Unaudited) (Continued)

September 30, 2014

2. Summary of Significant Accounting Policies (continued)

such as public markets or third-party transactions, whenever possible. The Investment Manager's valuation is not based on long-term work-out value, immediate liquidation value, nor incremental value for potential changes that may take place in the future. The values assigned to investments that are valued by the Investment Manager are based on available information and do not necessarily represent amounts that might ultimately be realized, as these amounts depend on future circumstances and cannot reasonably be determined until the individual investments are actually liquidated. The foregoing policies apply to all investments, including those in companies and groups of affiliated companies aggregating more than 5% of the Company's assets.

Fair valuations of investments in each asset class are determined using one or more methodologies including the market approach, income approach, or, in the case of recent investments, the cost approach, as appropriate. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets. The income approach uses valuation techniques to convert future amounts (for example, cash flows or earnings) to a single present value amount (discounted). The measurement is based on the value indicated by current market expectations about those future amounts. In following these approaches, the types of factors that may be taken into account include, as relevant: available current market data, including relevant and applicable market trading and transaction comparables, applicable market yields and multiples, security covenants, call protection provisions, information rights, the nature and realizable value of any collateral, the portfolio company's ability to make payments, its earnings and discounted cash flows, the markets in which the portfolio company does business, comparisons of financial ratios of peer companies that are public, M&A comparables, our principal market and enterprise values, among other factors.

Unobservable inputs used in the fair value measurement of Level 3 investments as of September 30, 2014 included the following:

| Asset Type | Fair Value | Valuation Technique | Unobservable Input | Range (Weighted Avg.) |
|----------------------|----------------|-----------------------------|---------------------------|--------------------------|
| Bank Debt | \$ 508,251,512 | Market rate approach | Market yields | 3.8% - 18.9% (11.2%) |
| | 213,520,856 | Market quotations | Indicative bid/ask quotes | 1 - 3 (1) |
| | 14,692,216 | Market comparable companies | Revenue multiples | 0.4x (0.4x) |
| | 2,298,418 | Market comparable companies | EBITDA multiples | 7.8x (7.8x) |
| Other Corporate Debt | 65,899 | Market rate approach | Market yields | 19.0% (19.0%) |
| | 43,816,750 | Market quotations | Indicative bid/ask quotes | 1 (1) |
| | 12,969,876 | Market comparable companies | EBITDA multiples | 7.8x - 10.5x (8.7x) |
| Equity | 7,902,239 | Market rate approach | Market yields | 13.0% - 18.0% (13.7%) |
| | 5,648,331 | Market quotations | Indicative bid/ask quotes | 1 - 2 (1) |
| | 878,869 | Market comparable companies | Revenue multiples | 0.4x - 1.1x (1.1x) |
| | 18,864,816 | Market comparable companies | EBITDA multiples | 4.6x - 7.0x (6.3x) |

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TCP Capital Corp.

Notes to Consolidated Financial Statements (Unaudited) (Continued)

September 30, 2014

2. Summary of Significant Accounting Policies (continued)

Generally, a change in an unobservable input may result in a change to the value of an investment as follows:

| Input | Impact to Value if Input Increases | Impact to Value if Input Decreases |
|-------------------|---|---|
| Market yields | Decrease | Increase |
| Revenue multiples | Increase | Decrease |
| EBITDA multiples | Increase | Decrease |

Investments may be categorized based on the types of inputs used in valuing such investments. The level in the GAAP valuation hierarchy in which an investment falls is based on the lowest level input that is significant to the valuation of the investment in its entirety. Transfers between levels are recognized as of the beginning of the reporting period.

At September 30, 2014, the Company's investments were categorized as follows:

| Level | Basis for Determining Fair Value | Bank Debt | Other Corporate Debt | Equity Securities |
|--------------|---|-----------------------|-----------------------------|--------------------------|
| 1 | Quoted prices in active markets for identical assets | \$ | \$ | \$ 357,828 |
| 2 | Other observable market inputs * | 175,519,217 | 70,010,500 | |
| 3 | Independent third-party pricing sources that employ significant unobservable inputs | 738,763,002 | 52,520,425 | 32,003,559 |
| 3 | Investment Manager valuations with significant unobservable inputs | | 4,332,100 | 1,290,696 |
| Total | | \$ 914,282,219 | \$ 126,863,025 | \$ 33,652,083 |

*

For example, quoted prices in inactive markets or quotes for comparable investments.

TCP Capital Corp.

Notes to Consolidated Financial Statements (Unaudited) (Continued)

September 30, 2014

2. Summary of Significant Accounting Policies (continued)

Changes in investments categorized as Level 3 during the nine months ended September 30, 2014 were as follows:

| | Independent Third-Party Valuation | | |
|---|-----------------------------------|----------------------|-------------------|
| | Bank Debt | Other Corporate Debt | Equity Securities |
| Beginning balance | \$ 515,953,643 | \$ 53,334,634 | \$ 36,066,746 |
| Net realized and unrealized gains (losses) | 47,146 | (14,913) | (1,335,910) |
| Acquisitions | 424,280,318 | 174,943 | 5,882,955 |
| Dispositions | (115,964,311) | (22,549,239) | (10,046,998) |
| Transfers out of Level 3 | (89,614,594) | | |
| Transfers into Level 3 | 4,060,800 | 21,575,000 | |
| Reclassifications within Level 3 § | | | 1,436,766 |
| Ending balance | \$ 738,763,002 | \$ 52,520,425 | \$ 32,003,559 |
| Net change in unrealized appreciation/ depreciation during the period on investments still held at period end (included in net realized and unrealized gains/losses, above) | \$ 1,089,298 | \$ 1,005,398 | \$ (1,075,632) |

Comprised of nine investments that transferred to Level 2 due to increased observable market activity.

Comprised of two investments that transferred from Level 2 due to reduced trading volumes.

§

Comprised of two investments that reclassified from Investment Manager Valuation and one that reclassified to Investment Manager Valuation.

| | Investment Manager Valuation | | |
|---|------------------------------|----------------------|-------------------|
| | Bank Debt | Other Corporate Debt | Equity Securities |
| Beginning balance | \$ 4,060,800 | \$ 7,631,335 | \$ 2,837,707 |
| Net realized and unrealized losses | | (504,281) | (313,703) |
| Acquisitions | | 4,303,962 | 230,937 |
| Dispositions | (4,060,800) | (7,098,916) | (27,479) |
| Reclassifications within Level 3 ** | | | (1,436,766) |
| Ending balance | \$ | \$ 4,332,100 | \$ 1,290,696 |
| Net change in unrealized appreciation/ depreciation during the period on investments still held at period end (included in net realized and unrealized gains/losses, above) | \$ | \$ 166,619 | \$ (341,183) |

**

Comprised of two investments that reclassified to Independent Third-Party Valuation and one that reclassified from Independent Third-Party Valuation.

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TCP Capital Corp.

Notes to Consolidated Financial Statements (Unaudited) (Continued)

September 30, 2014

2. Summary of Significant Accounting Policies (continued)

There were no transfers between Level 1 and 2 during the nine months ended September 30, 2014.

At September 30, 2013, the Company's investments were categorized as follows:

| Level | Basis for Determining Fair Value | Bank Debt | Other Corporate Debt | Equity Securities |
|--------------|---|-----------------------|-----------------------|----------------------|
| 1 | Quoted prices in active markets for identical assets | \$ | \$ | \$ 1,028,216 |
| 2 | Other observable market inputs * | 100,098,095 | 70,698,908 | |
| 3 | Independent third-party pricing sources that employ significant unobservable inputs | 448,827,207 | 38,174,605 | 34,757,266 |
| 3 | Investment Manager valuations with significant unobservable inputs | | 7,628,686 | 2,882,504 |
| Total | | \$ 548,925,302 | \$ 116,502,199 | \$ 38,667,986 |

*

For example, quoted prices in inactive markets or quotes for comparable investments.

Changes in investments categorized as Level 3 during the nine months ended September 30, 2013 were as follows:

| | Independent Third-Party Valuation | | |
|---|-----------------------------------|----------------------|----------------------|
| | Bank Debt | Other Corporate Debt | Equity Securities |
| Beginning balance | \$ 359,343,326 | \$ 17,171,637 | \$ 32,675,370 |
| Net realized and unrealized gains (losses) | (1,062,389) | 7,520,997 | (3,573,701) |
| Acquisitions | 215,773,748 | 22,962,665 | 11,023,992 |
| Dispositions | (100,185,011) | (15,172,634) | (3,215,534) |
| Transfers out of Level 3 | (58,651,283) | (10,300,000) | |
| Transfers into Level 3 | 33,608,816 | 15,991,940 | |
| Reclassifications within Level 3 § | | | (2,152,861) |
| Ending balance | \$ 448,827,207 | \$ 38,174,605 | \$ 34,757,266 |
| Net change in unrealized appreciation/ depreciation during the period on investments still held at period end (included in net realized and unrealized gains/losses, above) | \$ (740,697) | \$ 1,570,023 | \$ (2,724,223) |

Comprised of nine investments that transferred to Level 2 due to increased observable market activity.

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Comprised of five investments that transferred from Level 2 due to reduced trading volumes.

§

Comprised of one investment that was reclassified to Investment Manager Valuation.

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TCP Capital Corp.

Notes to Consolidated Financial Statements (Unaudited) (Continued)

September 30, 2014

2. Summary of Significant Accounting Policies (continued)

| | Investment Manager Valuation | | |
|---|------------------------------|--------------|--------------|
| | Bank | Other | Equity |
| | Debt | Corporate | Securities |
| | | Debt | |
| Beginning balance | \$ | \$ 7,167,458 | \$ 1,424,764 |
| Net realized and unrealized gains (losses) | | 356,327 | (607,055) |
| Acquisitions | | 104,901 | |
| Dispositions | | | (88,066) |
| Reclassifications within Level 3 § | | | 2,152,861 |
| Ending balance | \$ | \$ 7,628,686 | \$ 2,882,504 |
| Net change in unrealized appreciation/ depreciation during the period on investments still held at period end (included in net realized and unrealized gains/losses, above) | \$ | \$ 356,327 | \$ (607,055) |

§

Comprised of one investment that was reclassified from Independent Third-Party Valuation.

There were no transfers between Level 1 and 2 during the nine months ended September 30, 2013.

Investment Transactions

Investment transactions are recorded on the trade date, except for private transactions that have conditions to closing, which are recorded on the closing date. The cost of investments purchased is based upon the purchase price plus those professional fees which are specifically identifiable to the investment transaction. Realized gains and losses on investments are recorded based on the identification method, which typically allocates the highest cost inventory to the basis of investments sold.

Cash and Cash Equivalents

Cash consists of amounts held in accounts with brokerage firms and the custodian bank. Cash equivalents consist of highly liquid investments with an original maturity of three months or less.

Repurchase Agreements

In connection with transactions in repurchase agreements, it is the Company's policy that the custodian take possession of the underlying collateral, the fair value of which is required to exceed the principal amount of the repurchase transaction, including accrued interest, at all times. If the seller defaults, and the fair value of the collateral declines, realization of the collateral may be delayed or limited.

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TCP Capital Corp.

Notes to Consolidated Financial Statements (Unaudited) (Continued)

September 30, 2014

2. Summary of Significant Accounting Policies (continued)

Restricted Investments

The Company may invest without limitation in instruments that are subject to legal or contractual restrictions on resale. These instruments generally may be resold to institutional investors in transactions exempt from registration or to the public if the securities are registered. Disposal of these investments may involve time-consuming negotiations and additional expense, and prompt sale at an acceptable price may be difficult. Information regarding restricted investments is included at the end of the Consolidated Statement of Investments. Restricted investments, including any restricted investments in affiliates, are valued in accordance with the investment valuation policies discussed above.

Foreign Investments

The Company may invest in instruments traded in foreign countries and denominated in foreign currencies. Foreign currency denominated investments comprised approximately 1.8% and 2.7% of total investments at September 30, 2014 and December 31, 2013, respectively. Such positions were converted at the respective closing rate in effect at September 30, 2014 and December 31, 2013 and reported in U.S. dollars. Purchases and sales of investments and income and expense items denominated in foreign currencies, when they occur, are translated into U.S. dollars on the respective dates of such transactions. The portion of gains and losses on foreign investments resulting from fluctuations in foreign currencies is included in net realized and unrealized gain or loss from investments.

Investments in foreign companies and securities of foreign governments may involve special risks and considerations not typically associated with investing in U.S. companies and securities of the U.S. government. These risks include, among other things, revaluation of currencies, less reliable information about issuers, different transaction clearance and settlement practices, and potential future adverse political and economic developments. Moreover, investments in foreign companies and securities of foreign governments and their markets may be less liquid and their prices more volatile than those of comparable U.S. companies and the U.S. government.

Derivatives

In order to mitigate certain currency exchange and interest rate risks, the Partnership has entered into certain swap and option transactions. All derivatives are recognized as either assets or liabilities in the Consolidated Statement of Assets and Liabilities. The transactions entered into are accounted for using the mark-to-market method with the resulting change in fair value recognized in earnings for the current period. Risks may arise upon entering into these contracts from the potential inability of counterparties to meet the terms of their contracts and from unanticipated movements in interest rates and the value of foreign currency relative to the U.S. dollar.

The Partnership did not enter into any new derivative transactions during the nine months ended September 30, 2014. At September 30, 2014, the Partnership held an interest rate cap with a notional amount of \$25,000,000 and a cross currency basis swap with a notional amount of \$4,289,019. Gains and losses from derivatives during the nine months ended

TCP Capital Corp.

Notes to Consolidated Financial Statements (Unaudited) (Continued)

September 30, 2014

2. Summary of Significant Accounting Policies (continued)

September 30, 2014 were included in net realized and unrealized loss on investments in the Consolidated Statement of Operations as follows:

| Instrument | Realized Gains (Losses) | Unrealized Gains (Losses) |
|----------------------------|--|--|
| Cross currency basis swaps | \$ | \$ 1,402,313 |
| Interest rate cap | | (12,812) |

During the nine months ended September 30, 2013, TCPC Funding purchased an interest rate cap with a notional amount of \$25,000,000 and continued to hold a cross currency basis swap with a notional amount of \$6,040,944. Gains and losses from derivatives during the nine months ended September 30, 2013 were included in net realized and unrealized loss on investments in the Consolidated Statement of Operations as follows:

| Instrument | Realized Gains (Losses) | Unrealized Gains (Losses) |
|----------------------------|--|--|
| Cross currency basis swaps | \$ | \$ (126,670) |
| Interest rate cap | | (32,598) |

Valuations of derivatives held at September 30, 2014 and September 30, 2013 were determined using observable market inputs other than quoted prices in active markets for identical assets and, accordingly, are classified as Level 2 in the GAAP valuation hierarchy.

Debt Issuance Costs

Costs of approximately \$3.5 million and \$1.5 million were incurred during 2006 and 2013 in connection with placing and extending the Partnership's revolving credit facility (see Note 4), respectively. Costs of approximately \$1.6 million and \$1.3 million were incurred during 2013 and 2014 in connection with placing and extending TCPC Funding's revolving credit facility (see Note 4), respectively. Costs of approximately \$3.4 million were incurred in June 2014 in connection with placing the Company's unsecured convertible notes (see Note 4). These costs were deferred and are being amortized on a straight-line basis over the estimated life of the respective instruments. The impact of utilizing the straight-line amortization method versus the effective-interest method is not material to the operations of the Company or the Partnership.

Revenue Recognition

Interest and dividend income, including income paid in kind, is recorded on an accrual basis. Origination, structuring, closing, commitment and other upfront fees, including original issue discounts, earned with respect to capital commitments are generally amortized or accreted into interest income over the life of the respective debt investment. Other fees, including certain amendment fees, prepayment fees and commitment fees on broken deals, are recognized as earned. Prepayment fees and similar income received upon the early repayment of a loan or debt security are included in interest income.

TCP Capital Corp.

Notes to Consolidated Financial Statements (Unaudited) (Continued)

September 30, 2014

2. Summary of Significant Accounting Policies (continued)

Certain debt investments are purchased at a considerable discount to par as a result of the underlying credit risks and financial results of the issuer, as well as general market factors that influence the financial markets as a whole. GAAP generally requires that discounts on the acquisition of corporate bonds, municipal bonds and treasury bonds be amortized using the effective-interest or constant-yield method. GAAP also requires the collectability of interest to be considered when making accruals. Accordingly, when accounting for purchase discounts, discount accretion income is recognized when it is probable that such amounts will be collected, generally at disposition. When principal payments on a loan are received in an amount in excess of the loan's amortized cost, the excess principal payments are recorded as interest income.

Income Taxes

The Company intends to comply with the applicable provisions of the Internal Revenue Code of 1986, as amended, pertaining to regulated investment companies and to make distributions of taxable income sufficient to relieve it from substantially all federal income taxes. Accordingly, no provision for income taxes is required in the consolidated financial statements. The income or loss of the Partnership, TCPC Funding and the SBIC is reported in the respective partners' income tax returns. In accordance with ASC Topic 740 *Income Taxes*, the Company recognizes in its consolidated financial statements the effect of a tax position when it is determined that such position is more likely than not, based on the technical merits, to be sustained upon examination. As of September 30, 2014, all tax years of the Company, the Partnership, TCPC Funding and the SBIC since January 1, 2010 remain subject to examination by federal tax authorities. No such examinations are currently pending.

Cost and unrealized appreciation and depreciation of the Partnership's investments (including derivatives) for U.S. federal income tax purposes at September 30, 2014 were as follows:

| | | |
|-------------------------|----|--------------|
| Unrealized appreciation | \$ | 32,760,177 |
| Unrealized depreciation | | (65,356,343) |

| | | |
|-----------------------------|--|--------------|
| Net unrealized depreciation | | (32,596,166) |
|-----------------------------|--|--------------|

| | | |
|------|----|---------------|
| Cost | \$ | 1,108,465,950 |
|------|----|---------------|

3. Management Fees, Incentive Compensation and Other Expenses

The Company's management fee is calculated at an annual rate of 1.5% of total assets (excluding cash and cash equivalents) on a consolidated basis as of the beginning of each quarter and is payable to the Investment Manager quarterly in arrears.

Incentive compensation is only paid to the extent the total performance of the Company exceeds a cumulative 8% annual return since January 1, 2013 (the "Total Return Hurdle"). Beginning January 1, 2013, the incentive compensation equals 20% of net investment income (reduced by preferred dividends) and 20% of net realized gains (reduced by any net unrealized losses), subject to the Total Return Hurdle. The incentive compensation is payable quarterly in

TCP Capital Corp.

Notes to Consolidated Financial Statements (Unaudited) (Continued)

September 30, 2014

3. Management Fees, Incentive Compensation and Other Expenses (continued)

arrears as an allocation and distribution to the General Partner and is calculated as the difference between cumulative incentive compensation earned since January 1, 2013 and cumulative incentive compensation paid since January 1, 2013. A reserve for incentive compensation is accrued based on the amount of additional incentive compensation that would have been distributable to the General Partner assuming a hypothetical liquidation of the Company at net asset value on the balance sheet date. At September 30, 2014, the General Partner's equity interest in the Partnership was comprised entirely of the reserve amount and is reported as a non-controlling interest in the consolidated financial statements of the Company.

The Company and the Partnership bear all respective expenses incurred in connection with the business of the Company and the Partnership, including fees and expenses of outside contracted services, such as custodian, administrative, legal, audit and tax preparation fees, costs of valuing investments, insurance costs, brokers' and finders' fees relating to investments, and any other transaction costs associated with the purchase and sale of investments.

4. Leverage

Leverage is comprised of convertible senior unsecured notes issued by the Company (the "Convertible Notes"), amounts outstanding under senior secured revolving credit facilities issued by the Partnership (the "Partnership Facility") and TCPC Funding (the "TCPC Funding Facility," and, together with the Partnership Facility, the "Revolving Facilities"), debentures guaranteed by the SBA (the "SBA Debentures"), and amounts outstanding under a preferred leverage facility issued by the Partnership (the "Preferred Interests"), as follows:

| | September 30, 2014 | December 31, 2013 |
|-----------------------|-------------------------------|------------------------------|
| Convertible Notes | \$ 105,599,077 | \$ |
| Partnership Facility | 45,000,000 | 45,000,000 |
| SBA Debentures | 18,500,000 | |
| TCPC Funding Facility | 150,000,000 | 50,000,000 |
| Total Debt | \$ 319,099,077 | \$ 95,000,000 |
| Preferred Interests | 134,000,000 | 134,000,000 |
| Total Leverage | \$ 453,099,077 | \$ 229,000,000 |

The combined weighted-average interest and dividend rates on total leverage outstanding at September 30, 2014 and December 31, 2013 were 2.83% and 1.38%, respectively.

Amounts outstanding under the Revolving Facilities, the Convertible Notes and the SBA Debentures are carried at amortized cost in the Statement of Assets and Liabilities. As of September 30, 2014, the estimated fair value of the TCPC Funding Facility and the SBA Debentures approximated its carrying value, and the Partnership Facility and Convertible Notes had estimated fair values of \$44,314,383 and \$108,000,000, respectively. The estimated fair values of the Revolving Facilities, the Convertible Notes and the SBA Debentures are

TCP Capital Corp.

Notes to Consolidated Financial Statements (Unaudited) (Continued)

September 30, 2014

4. Leverage (continued)

determined by discounting projected remaining payments using market interest rates for our borrowings and entities with similar credit risks at the measurement date. At September 30, 2014, the Revolving Facilities, the Convertible Notes and the SBA Debentures were deemed to be Level 3 in the GAAP valuation hierarchy.

Convertible Notes

On June 11, 2014, the Company issued \$108 million of convertible senior unsecured notes that mature on December 15, 2019, unless previously converted or repurchased in accordance with their terms. The Convertible Notes are general unsecured obligations of the Company, and rank structurally junior to the Revolving Facilities and Preferred Interests. The Company does not have the right to redeem the Convertible Notes prior to maturity. The Convertible Notes bear interest at an annual rate of 5.25%, payable semi-annually. In certain circumstances, the Convertible Notes will be convertible into cash, shares of the Company's common stock or a combination of cash and shares of common stock (such combination to be at the Company's election), at an initial conversion rate of 50.9100 shares of common stock per one thousand dollar principal amount of the Convertible Notes, which is equivalent to an initial conversion price of approximately \$19.64 per share of common stock, subject to customary anti-dilution adjustments. The initial conversion price was approximately 12.5% above the \$17.46 per share closing price of the Company's common stock on June 11, 2014. At September 30, 2014, the principal amount of the Convertible Notes exceeded the value of the conversion rate multiplied by the per share closing price of the Company's common stock. Therefore, no additional shares have been added to the calculation of diluted earnings per common share and weighted average common shares outstanding.

Prior to the close of business on the business day immediately preceding June 15, 2019, holders may convert their Convertible Notes only under certain circumstances set forth in the indenture governing the terms of the Convertible Notes (the "Indenture"). On or after June 15, 2019 until the close of business on the scheduled trading day immediately preceding December 15, 2019, holders may convert their Convertible Notes at any time. Upon conversion, the Company will pay or deliver, as the case may be, at its election, cash, shares of the Company's common stock or a combination of cash and shares of the Company's common stock, subject to the requirements of the Indenture.

The Convertible Notes are accounted for in accordance with ASC Topic 470-20 *Debt with Conversion and Other Options*. Upon conversion of any Convertible Note, the Company intends to pay the outstanding principal amount in cash and to the extent that the conversion value exceeds the principal amount, has the option to pay in cash or shares of our common stock (or a combination of cash and shares) in respect of the excess amount, subject to the requirements of the Indenture. The Company has determined that the embedded conversion option in the Convertible Notes is not required to be separately accounted for as a derivative under GAAP. At the time of issuance the estimated values of the debt and equity components of the Convertible Notes were approximately 97.7% and 2.3%, respectively. The original issue discount equal to the equity component of the Convertible Notes was recorded in "paid-in-capital in excess of par" in the accompanying Consolidated Statement of Assets and Liabilities. As a result, the Company will record interest expense comprised of both stated

TCP Capital Corp.

Notes to Consolidated Financial Statements (Unaudited) (Continued)

September 30, 2014

4. Leverage (continued)

interest and accretion of the original issue discount. At the time of issuance, the equity component was \$2,515,594. As of September 30, 2014, the components of the carrying value of the Convertible Notes were as follows:

| | | |
|---|-----------|--------------------|
| Principal amount of debt | \$ | 108,000,000 |
| Original issue discount, net of accretion | | (2,400,923) |
| Carrying value of debt | \$ | 105,599,077 |

For the nine months ended September 30, 2014, the components of interest expense for the Convertible Notes were as follows:

| | | |
|--------------------------------------|-----------|------------------|
| Stated interest expense | \$ | 1,759,233 |
| Accretion of original issue discount | | 114,671 |
| Total interest expense | \$ | 1,873,904 |

The estimated effective interest rate of the debt component of the Convertible Notes, equal to the stated interest of 5.25% plus the accretion of the original issue discount, was approximately 5.75% for the nine months ended September 30, 2014.

Partnership Facility

The Partnership Facility provides for amounts to be drawn up to \$116 million, subject to certain collateral and other restrictions. The Partnership Facility matures on July 31, 2016. Most of the cash and investments held directly by the Partnership, as well as the net assets of TCPC Funding and the SBIC, are included in the collateral for the facility.

Advances under the Partnership Facility through July 31, 2014 bore interest at an annual rate equal to 0.44% plus either LIBOR or the lender's cost of funds (subject to a cap of LIBOR plus 20 basis points). Advances under the Partnership Facility for periods from July 31, 2014 through the maturity date of the facility bear interest at an annual rate equal to 2.5% plus either LIBOR or the lender's cost of funds (subject to a cap of LIBOR plus 20 basis points). In addition to amounts due on outstanding debt, the facility accrues commitment fees of 0.20% per annum on the unused portion of the facility, or 0.25% per annum when less than \$46.4 million in borrowings are outstanding. The facility may be terminated, and any outstanding amounts thereunder may become due and payable, should the Partnership fail to satisfy certain financial or other covenants. As of September 30, 2014, the Partnership was in full compliance with such covenants.

SBA Debentures

As of September 30, 2014 the SBIC is able to issue up to \$75 million in SBA Debentures, subject to funded regulatory capital and other customary regulatory requirements. As of September 30, 2014, the Partnership had committed \$75 million of regulatory capital to the SBIC, \$23 million of which had been funded. SBA Debentures are non-recourse and may be

TCP Capital Corp.

Notes to Consolidated Financial Statements (Unaudited) (Continued)

September 30, 2014

4. Leverage (continued)

prepaid at any time without penalty. The interest rate on SBA Debentures is fixed at the time of issuance at a market-driven spread over 10-year U.S. Treasury Notes.

SBA Debentures as of September 30, 2014 were as follows:

| Issuance Date | Maturity | Debenture Amount | Fixed Interest Rate | SBA Annual Charge |
|--------------------|-------------------|------------------|---------------------|-------------------|
| September 24, 2014 | September 1, 2024 | \$ 18,500,000 | 3.015% | 0.355% |

TCPC Funding Facility

The TCPC Funding Facility, issued on May 15, 2013, provides for amounts to be drawn up to \$200 million, subject to certain collateral and other restrictions. The TCPC Funding Facility matures on May 15, 2017, subject to extension by the lender at the request of TCPC Funding. The facility contains an accordion feature which allows for expansion of the facility up to \$250 million subject to consent from the lender and other customary conditions. The cash and investments of TCPC Funding are included in the collateral for the facility.

As of September 30, 2014, borrowings under the TCPC Funding Facility bore interest at a rate of LIBOR plus 2.50% per annum. In addition to amounts due on outstanding debt, the facility accrues commitment fees of 0.75% per annum on the unused portion of the facility, or 1.00% per annum when the unused portion is greater than 33% of the total facility. The facility may be terminated, and any outstanding amounts thereunder may become due and payable, should TCPC Funding fail to satisfy certain financial or other covenants. As of September 30, 2014, TCPC Funding was in full compliance with such covenants.

Preferred Interests

At September 30, 2014, the Preferred Interests were comprised of 6,700 Series A preferred limited partner interests issued and outstanding with a liquidation preference of \$20,000 per interest. The Preferred Interests accrue dividends at an annual rate equal to 0.85% plus either LIBOR or the interestholder's cost of funds (subject to a cap of LIBOR plus 20 basis points). The Preferred Interests are redeemable at the option of the Partnership, subject to certain conditions. Additionally, under certain conditions, the Partnership may be required to either redeem certain of the Preferred Interests or repay indebtedness, at the Partnership's option. Such conditions would include a failure by the Partnership to maintain adequate collateral as required by its credit facility agreement or by the Statement of Preferences of the Preferred Interests or a failure by the Partnership to maintain sufficient asset coverage as required by the 1940 Act. As of September 30, 2014, the Partnership was in full compliance with such requirements.

5. Commitments, Contingencies, Concentration of Credit Risk and Off-Balance Sheet Risk

The Partnership, TCPC Funding and the SBIC conduct business with brokers and dealers that are primarily headquartered in New York and Los Angeles and are members of the major securities exchanges. Banking activities are conducted with a firm headquartered in the San Francisco area.

TCP Capital Corp.**Notes to Consolidated Financial Statements (Unaudited) (Continued)****September 30, 2014****5. Commitments, Contingencies, Concentration of Credit Risk and Off-Balance Sheet Risk (continued)**

In the normal course of business, investment activities involve executions, settlement and financing of various transactions resulting in receivables from, and payables to, brokers, dealers and the custodian. These activities may expose the Company, the Partnership, TCPC Funding and the SBIC to risk in the event that such parties are unable to fulfill contractual obligations. Management does not anticipate any material losses from counterparties with whom it conducts business. Consistent with standard business practice, the Company, the Partnership, TCPC Funding and the SBIC enter into contracts that contain a variety of indemnifications, and are engaged from time to time in various legal actions. The maximum exposure under these arrangements and activities is unknown. However, management expects the risk of material loss to be remote.

The Consolidated Statement of Investments includes certain revolving loan facilities and other commitments held by the Partnership with unfunded balances at September 30, 2014 as follows:

| | |
|------------------------------|---------------|
| Revolving Loan Facilities | \$ 20,517,102 |
| Delayed Draw Loans and Notes | 25,652,366 |
| Letters of Credit | 9,379,246 |

| | |
|----------------------------|---------------|
| Total Unfunded Commitments | \$ 55,548,714 |
|----------------------------|---------------|

6. Related Parties

The Company, the Partnership, TCPC Funding, the SBIC, the Investment Manager, the General Partner and their members and affiliates may be considered related parties. From time to time, the Partnership advances payments to third parties on behalf of the Company which are reimbursable through deductions from distributions to the Company. At September 30, 2014, no such amounts were outstanding. From time to time, the Investment Manager advances payments to third parties on behalf of the Company and the Partnership and receives reimbursement from the Company and the Partnership. At September 30, 2014, amounts reimbursable to the Investment Manager totaled \$411,292, as reflected in the Consolidated Statement of Assets and Liabilities.

Pursuant to administration agreements between the Administrator and each of the Company and the Partnership (the "Administration Agreements"), the Administrator may be reimbursed for costs and expenses incurred by the Administrator for office space rental, office equipment and utilities allocable to the Company or the Partnership, as well as costs and expenses incurred by the Administrator or its affiliates relating to any administrative, operating, or other non-investment advisory services provided by the Administrator or its affiliates to the Company or the Partnership. For the nine months ended September 30, 2014, expenses allocated pursuant to the Administration Agreements totaled \$1,002,418. The Administrator waived reimbursement of all administrative expenses prior to January 1, 2013.

TCP Capital Corp.

Notes to Consolidated Financial Statements (Unaudited) (Continued)

September 30, 2014

7. Stockholders' Equity and Dividends

The following table summarizes the total shares issued and proceeds received in the public offering of the Company's common stock net of underwriting discounts and offering costs as well as shares issued in connection with the Company's dividend reinvestment plan for the nine months ended September 30, 2014.

| | Shares Issued | Price Per Share | Net Proceeds |
|---|------------------|--------------------|----------------|
| August 1, 2014 public offering | 6,210,000 | \$ 17.33 | \$ 103,940,721 |
| Shares issued from dividend reinvestment plan | 326 | \$ 16.90 | \$ 5,509 |

The following table summarizes the total shares issued and proceeds received in the public offering of the Company's common stock net of underwriting discounts and offering costs as well as shares issued in connection with the Company's dividend reinvestment plan for the year ended December 31, 2013:

| | Shares Issued | Price Per Share | Net Proceeds |
|---|------------------|--------------------|---------------|
| May 21, 2013 public offering | 5,175,000 | \$ 15.63 | \$ 78,176,790 |
| October 1, 2013 public offering | 4,370,000 | \$ 15.76 | \$ 66,473,600 |
| December 18, 2013 public offering | 5,175,000 | \$ 16.00 | \$ 79,912,500 |
| Shares issued from dividend reinvestment plan | 2,288 | \$ 16.35 | \$ 37,416 |

The Company's dividends are recorded on the ex-dividend date. The following table summarizes the Company's dividends declared for the nine months ended September 30, 2014:

| Date Declared | Record Date | Payment Date | Amount Per Share | Total Amount |
|----------------|--------------------|--------------------|---------------------|-----------------|
| March 6, 2014 | March 17, 2014 | March 31, 2014 | \$ 0.36 | \$ 13,031,970 |
| May 7, 2014 | June 18, 2014 | June 30, 2014 | \$ 0.41* | \$ 14,842,008 |
| August 7, 2014 | September 16, 2014 | September 30, 2014 | \$ 0.36 | \$ 15,267,647 |
| | | | | \$ 43,141,625 |

*

Includes a special dividend of \$0.05.

The following table summarizes the Company's dividends declared for the nine months ended September 30, 2013:

| Date Declared | Record Date | Payment Date | Amount Per Share | Total Amount |
|----------------|-------------------|--------------------|---------------------|-----------------|
| March 7, 2013 | March 18, 2013 | March 29, 2013 | \$ 0.40* | \$ 8,591,051 |
| May 8, 2013 | June 7, 2013 | June 28, 2013 | \$ 0.36 | \$ 9,595,344 |
| August 8, 2013 | September 9, 2014 | September 30, 2013 | \$ 0.36 | \$ 9,595,692 |

\$ 27,782,087

*

Includes a special dividend of \$0.05.

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TCP Capital Corp.

Notes to Consolidated Financial Statements (Unaudited) (Continued)

September 30, 2014

8. Earnings Per Share

The following information sets forth the computation of the net increase in net assets per share resulting from operations for the nine months ended September 30, 2014 and September 30, 2013:

| | Nine Months Ended September 30, 2014 | Nine Months Ended September 30, 2013 |
|--|---|---|
| Net increase in net assets applicable to common shareholders resulting from operations | \$ 41,601,674 | \$ 35,085,981 |
| Weighted average shares outstanding | 37,507,497 | 23,942,996 |
| Earnings per share | \$ 1.11 | \$ 1.47 |

9. Subsequent Events

On October 3, 2014, the Company entered into an equity distribution agreement with each of Raymond James & Associates, Inc. and Cantor Fitzgerald & Co. under which the Company may from time to time offer and sell, at a premium to net asset value, shares of its common stock in negotiated transactions or "at the market" offerings having an aggregate offering price of up to \$100,000,000. Through November 3, 2014, the Company issued 400,255 shares pursuant the equity distribution agreement.

On November 5, 2014, the aggregate principal commitment on the TCPC Funding Facility increased to \$250 million and the facility's accordion feature expanded to \$300 million.

On November 6, 2014, the Company's board of directors declared a fourth quarter regular dividend of \$0.36 per share and a special dividend of \$0.05 per share. Both dividends are payable on December 31, 2014 to stockholders of record as of the close of business on December 8, 2014.

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TCP Capital Corp.

Notes to Consolidated Financial Statements (Unaudited) (Continued)

September 30, 2014

10. Financial Highlights

**Nine Months Ended
September 30,
2014 2013**

Per Common Share

| | | |
|---|--------------|--------------|
| Per share NAV at beginning of period (1) | \$ 15.18 | \$ 14.71 |
| Investment operations: | | |
| Net investment income | 1.48 | 1.64 |
| Net realized and unrealized gain | (0.06) | 0.25 |
| Dividends on Series A preferred equity facility | (0.03) | (0.05) |
| Incentive allocation reserve and distributions | (0.28) | (0.37) |
| Total from investment operations | 1.11 | 1.47 |
| Issuance of common stock | 0.20 | |
| Issuance of convertible debt | 0.07 | |
| Distributions to common shareholders from: | | |
| Net investment income | (1.13) | (1.12) |
| Per share NAV at end of period | \$ 15.43 | \$ 15.06 |

| | | |
|--|----------------|----------------|
| Per share market price at end of period | \$ 16.07 | \$ 16.23 |
| Total return based on market value (1), (2) | 2.5% | 17.7% |
| Total return based on net asset value (1), (3) | 9.1% | 10.1% |
| Shares outstanding at end of period | 42,410,242 | 26,654,802 |

**Nine Months Ended
September 30,
2014 2013**

| | | |
|---|--------------------|--------------------|
| Ratios to average common equity: (4), (5) | | |
| Net investment income (6) | 11.0% | 12.3% |
| Expenses | 4.4% | 3.5% |
| Expenses and incentive allocation (7) | 6.3% | 5.7% |
| Ending common shareholder equity | \$ 654,533,128 | \$ 401,503,741 |
| Portfolio turnover rate (1) | 20.2% | 31.1% |
| Weighted-average debt outstanding | \$ 179,507,606 | \$ 77,106,227 |
| Weighted-average interest rate on debt | 3.0% | 1.2% |
| Weighted-average number of common shares | 37,507,497 | 23,942,996 |
| Average debt per share | \$ 4.79 | \$ 3.22 |

- (1) Not annualized.
- (2) Total return based on market value equals the change in ending market value per share during the period plus declared dividends per share during the period, divided by the market value per share at the beginning of the period.
- (3) Total return based on net asset value equals the change in net asset value per share during the period plus declared dividends per share during the period, divided by the beginning net asset value per share at the beginning of the period.

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TCP Capital Corp.

Notes to Consolidated Financial Statements (Unaudited) (Continued)

September 30, 2014

10. Financial Highlights (continued)

- (4) Annualized, except for incentive allocation.
- (5) These ratios include interest expense but do not reflect the effect of dividends on the preferred equity facility.
- (6) Net of incentive allocation.
- (7) Includes incentive allocation payable to the General Partner and all Company expenses.

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TCP Capital Corp.

Consolidated Schedule of Investments in Affiliates (1) (Unaudited)

Nine Months Ended September 30, 2014

| Security | Acquisitions | Dispositions (2) | Dividends or Interest (3) |
|--|--------------|---------------------|---------------------------------|
| AGY Holding Corp., Senior Secured Term Loan, 12%, due 9/15/16 | \$ 241,491 | \$ | \$ 194,666 |
| AGY Holding Corporation, Senior Secured 2nd Lien Notes, 11%, due 11/15/16 | | | 764,610 |
| Anacomp, Inc., Class A Common Stock | | | |
| EPMC HoldCo, LLC, Membership Units | | (969,969) | |
| ESP Holdings, Inc., Cumulative Preferred 15% | | (2,489,100) | 1,968,748 |
| ESP Holdings, Inc., Common Stock | | (3,481,696) | 289,315 |
| ESP Holdings, Inc., Junior Unsecured Subordinated Promissory Notes, 6% Cash + 10% PIK, due 12/31/19 | | (7,959,369) | 205,175 |
| Globecom Systems Inc., Senior Secured 1st Lien Term Loan, LIBOR + 7.625%, 1.25% LIBOR Floor, due 12/11/18 | | (112,500) | 1,007,054 |
| KAGY Holding Company, Inc., Series A Preferred Stock | | | |
| N510UA Aircraft Secured Mortgage, 20%, due 10/26/16 | | (72,713) | 44,412 |
| N512UA Aircraft Secured Mortgage, 20%, due 10/26/16 | | (71,150) | 17,362 |
| N536UA Aircraft Secured Mortgage, 16%, due 9/29/14 | | (108,844) | 4,678 |
| N545UA Aircraft Secured Mortgage, 16%, due 8/29/15 | | (110,472) | 23,416 |
| N585UA Aircraft Secured Mortgage, 20%, due 10/25/16 | | (392,795) | 27,571 |
| N659UA Aircraft Secured Mortgage, 12%, due 2/28/16 | | (831,783) | 210,182 |
| N661UA Aircraft Secured Mortgage, 12%, due 5/4/16 | | (806,660) | 220,226 |
| N510UA Equipment Trust Beneficial Interests | 72,713 | (26,934) | 66,191 |
| N512UA Equipment Trust Beneficial Interests | 71,150 | (26,493) | 93,674 |
| N536UA Equipment Trust Beneficial Interests | 80,397 | (467,756) | 40,259 |
| N545UA Equipment Trust Beneficial Interests | 110,472 | (35,652) | 83,596 |
| N585UA Equipment Trust Beneficial Interests | 92,583 | (536,863) | 31,098 |
| N913DL Aircraft Secured Mortgage, 8%, due 3/15/17 | | (62,325) | 15,477 |
| N918DL Aircraft Secured Mortgage, 8%, due 8/15/18 | | (55,171) | 21,629 |
| N954DL Aircraft Secured Mortgage, 8%, due 3/20/19 | | (63,383) | 29,035 |
| N955DL Aircraft Secured Mortgage, 8%, due 6/20/19 | | (60,971) | 30,241 |
| N956DL Aircraft Secured Mortgage, 8%, due 5/20/19 | | (61,985) | 30,151 |
| N957DL Aircraft Secured Mortgage, 8%, due 6/20/19 | | (61,503) | 30,504 |
| N959DL Aircraft Secured Mortgage, 8%, due 7/20/19 | | (61,027) | 30,855 |
| N960DL Aircraft Secured Mortgage, 8%, due 10/20/19 | | (60,127) | 32,159 |
| N961DL Aircraft Secured Mortgage, 8%, due 8/20/19 | | (61,580) | 31,732 |
| N976DL Aircraft Secured Mortgage, 8%, due 2/15/18 | | (64,044) | 21,745 |
| N913DL Equipment Trust Beneficial Interests | 62,325 | (70,524) | 13,226 |
| N918DL Equipment Trust Beneficial Interests | 55,171 | (67,002) | 10,621 |
| N954DL Equipment Trust Beneficial Interests | 63,383 | (80,814) | 9,947 |
| N955DL Equipment Trust Beneficial Interests | 60,971 | (79,827) | 9,272 |
| N956DL Equipment Trust Beneficial Interests | 61,985 | (80,928) | 9,305 |
| N957DL Equipment Trust Beneficial Interests | 61,503 | (80,592) | 9,124 |
| N959DL Equipment Trust Beneficial Interests | 61,027 | (80,262) | 8,949 |
| N960DL Equipment Trust Beneficial Interests | 60,127 | (80,007) | 8,292 |
| N961DL Equipment Trust Beneficial Interests | 61,580 | (81,411) | 8,497 |
| N976DL Equipment Trust Beneficial Interests | 64,044 | (76,920) | 9,600 |

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TCP Capital Corp.

Consolidated Schedule of Investments in Affiliates (1) (Unaudited) (Continued)

Nine Months Ended September 30, 2014

| Security | Acquisitions | Dispositions (2) | Dividends or Interest (3) |
|--|--------------|---------------------|---------------------------------|
| RM Holdco, LLC, Membership Units | | | |
| RM Holdco, LLC, Subordinated Convertible Term Loan, 1.12% PIK, due 3/21/18 | | | 43,866 |
| RM OpCo, LLC, Senior Secured 1st Lien Term Loan Tranche A, 11%, due 3/19/16 | 278,599 | (142,450) | 310,334 |
| RM OpCo, LLC, Senior Secured 1st Lien Term Loan Tranche B, 12% Cash + 7% PIK, due 3/19/16 | 974,966 | | 1,056,044 |
| RM OpCo, LLC, Senior Secured 1st Lien Term Loan Tranche B-1, 12% Cash + 7% PIK, due 3/19/16 | 318,343 | | 344,447 |
| RM OpCo, LLC, Convertible 1st Lien Term Loan Tranche B-1, 12% Cash + 7% PIK, due 3/21/16 | 204,002 | | 220,664 |
| United N659UA-767, LLC (N659UA) | 831,783 | (506,034) | 318,023 |
| United N661UA-767, LLC (N661UA) | 806,660 | (497,274) | 315,057 |
| Wasserstein Cosmos Co-Invest, L.P., Limited Partnership Units | | | |

Notes to Schedule of Changes in Investments in Affiliates:

- (1) The issuers of the securities listed on this schedule are considered affiliates under the Investment Company Act of 1940 due to the ownership by the Company of 5% or more of the issuers' voting securities.
- (2) Dispositions include sales, paydowns, mortgage amortizations, and aircraft depreciation.
- (3) Also includes fee and lease income as applicable.

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TCP Capital Corp.

Consolidated Schedule of Changes in Investments in Affiliates (1)

Year Ended December 31, 2013

| Security | Acquisitions | Dispositions (2) | Dividends or Interest (3) |
|---|--------------|---------------------|---------------------------------|
| AGY Holding Corp., Senior Secured Term Loan, 12%, due 9/15/16 | \$ 2,056,927 | \$ | \$ 128,215 |
| AGY Holding Corporation, Senior Secured 2nd Lien Notes, 11%, due 11/15/16 | 7,586,317 | | 640,007 |
| Anacomp, Inc., Class A Common Stock | | | |
| EPMC HoldCo, LLC, Membership Units | | (1,481,930) | |
| ESP Holdings, Inc., Cumulative Preferred 15% | | | |
| ESP Holdings, Inc., Common Stock | | | 32,627 |
| ESP Holdings, Inc., Junior Unsecured Subordinated Promissory Notes, 6% Cash + 10% PIK, due 12/31/19 | 749,529 | | 1,199,575 |
| Globecomm Systems Inc., Senior Secured 1st Lien Term Loan, LIBOR + 7.625%, 1.25% LIBOR Floor, due 12/11/18 | 14,850,000 | | 83,281 |
| International Wire Group Holdings, Inc., Senior Secured Notes, 8.5%, due 10/15/17 | | (15,759,750) | 443,715 |
| KAGY Holding Company, Inc., Series A Preferred Stock | 8,096,057 | (1,644) | |
| N510UA Aircraft Secured Mortgage, 20%, due 10/26/16 | | (81,562) | 74,646 |
| N512UA Aircraft Secured Mortgage, 20%, due 10/26/16 | | (79,808) | 75,593 |
| N536UA Aircraft Secured Mortgage, 16%, due 9/29/14 | | (143,097) | 29,100 |
| N545UA Aircraft Secured Mortgage, 16%, due 8/29/15 | | (128,230) | 50,422 |
| N585UA Aircraft Secured Mortgage, 20%, due 10/25/16 | | (93,707) | 88,705 |
| N659UA Aircraft Secured Mortgage, 12%, due 2/28/16 | | (999,280) | 390,117 |
| N661UA Aircraft Secured Mortgage, 12%, due 5/4/16 | | (969,098) | 401,041 |
| N510UA Equipment Trust Beneficial Interests | 81,562 | (35,912) | 72,866 |
| N512UA Equipment Trust Beneficial Interests | 79,808 | (35,323) | 72,497 |
| N536UA Equipment Trust Beneficial Interests | 143,097 | (45,201) | 104,929 |
| N545UA Equipment Trust Beneficial Interests | 128,359 | (47,536) | 92,525 |
| N585UA Equipment Trust Beneficial Interests | 93,707 | (46,776) | 80,203 |
| N913DL Aircraft Secured Mortgage, 8%, due 3/15/17 | | (77,509) | 26,248 |
| N918DL Aircraft Secured Mortgage, 8%, due 8/15/18 | | (68,612) | 33,806 |
| N954DL Aircraft Secured Mortgage, 8%, due 3/20/19 | | (78,825) | 44,415 |
| N955DL Aircraft Secured Mortgage, 8%, due 6/20/19 | | (75,824) | 45,803 |
| N956DL Aircraft Secured Mortgage, 8%, due 5/20/19 | | (77,085) | 45,775 |
| N957DL Aircraft Secured Mortgage, 8%, due 6/20/19 | | (76,487) | 46,204 |
| N959DL Aircraft Secured Mortgage, 8%, due 7/20/19 | | (75,896) | 46,629 |
| N960DL Aircraft Secured Mortgage, 8%, due 10/20/19 | | (74,776) | 48,285 |
| N961DL Aircraft Secured Mortgage, 8%, due 8/20/19 | | (76,582) | 47,846 |
| N976DL Aircraft Secured Mortgage, 8%, due 2/15/18 | | (79,647) | 34,759 |
| N913DL Equipment Trust Beneficial Interests | 77,509 | (94,032) | 12,045 |
| N918DL Equipment Trust Beneficial Interests | 68,612 | (89,338) | 9,213 |
| N954DL Equipment Trust Beneficial Interests | 78,825 | (107,751) | 7,578 |
| N955DL Equipment Trust Beneficial Interests | 75,824 | (106,437) | 6,891 |
| N956DL Equipment Trust Beneficial Interests | 77,085 | (107,904) | 6,845 |
| N957DL Equipment Trust Beneficial Interests | 76,487 | (107,457) | 6,648 |
| N959DL Equipment Trust Beneficial Interests | 75,896 | (107,015) | 6,456 |

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TCP Capital Corp.

Consolidated Schedule of Changes in Investments in Affiliates (1) (Continued)

Year Ended December 31, 2013

| Security | Acquisitions | Dispositions (2) | Dividends or Interest (3) |
|---|--------------|---------------------|---------------------------------|
| N960DL Equipment Trust Beneficial Interests | 74,776 | (106,678) | 5,662 |
| N961DL Equipment Trust Beneficial Interests | 76,582 | (108,546) | 5,805 |
| N967DL Equipment Trust Beneficial Interests | 79,647 | (102,560) | 7,056 |
| RM Holdco, LLC, Membership Units | | | |
| RM Holdco, LLC, Subordinated Convertible Term Loan, 1.12% PIK, due 3/21/18 | 57,991 | | 57,992 |
| RM OpCo, LLC, Senior Secured 1st Lien Term Loan Tranche A, 11%, due 3/19/16 | 16,974 | (149,183) | 413,430 |
| RM OpCo, LLC, Senior Secured 1st Lien Term Loan Tranche B, 12% Cash + 7% PIK, due 3/19/16 | 567,205 | | 1,258,016 |
| RM OpCo, LLC, Senior Secured 1st Lien Term Loan Tranche B-1, 12% Cash + 7% PIK, due 3/19/16 | 186,901 | | 410,004 |
| RM OpCo, LLC, Convertible 1st Lien Term Loan Tranche B-1, 12% Cash + 7% PIK, due 3/21/16 | 1,339,883 | | 182,711 |
| United N659UA-767, LLC (N659UA) | 999,280 | (674,714) | 316,842 |
| United N661UA-767, LLC (N661UA) | 969,098 | (663,034) | 313,627 |
| Wasserstein Cosmos Co-Invest, L.P., Limited Partnership Units | 5,000,000 | | |

Notes to Schedule of Changes in Investments in Affiliates:

- (1) The issuers of the securities listed on this schedule are considered affiliates under the Investment Company Act of 1940 due to the ownership by the Company of 5% or more of the issuers' voting securities.
- (2) Dispositions include sales, paydowns, mortgage amortizations, and aircraft depreciation.
- (3) Also includes fee and lease income as applicable.

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TCP Capital Corp.

Consolidated Schedule of Restricted Securities of Unaffiliated Issuers (Unaudited)

September 30, 2014

| Investment | Acquisition Date |
|--|-----------------------------|
| Avanti Communications Group, PLC, Senior Secured Notes, 10%, due 10/1/19 | 9/26/13 |
| BlackLine Intermediate, Inc., Warrants to Purchase Common Stock | 9/25/13 |
| BPA Laboratories, Inc., Senior Secured Notes, 12.25%, due 4/1/17 | 3/5/12 |
| Caribbean Financial Group, Senior Secured Notes, 11.5%, due 11/15/19 | 10/19/12 |
| Carolina Beverage Group, LLC, Secured Notes, 10.625%, due 8/1/18 | 7/26/13 |
| Constellation Enterprises, LLC, Senior Secured 1st Lien Notes, 10.625%, due 2/1/16 | 1/20/11 |
| Findly Talent, LLC, Membership Units | 1/1/14 |
| Flight Options Holdings I, Inc., Warrants to Purchase Common Stock | 12/4/13 |
| Hunt Companies, Inc., Senior Secured Notes, 9.625%, due 3/1/21 | 2/25/14 |
| Ichor Systems Holdings, LLC, Membership Units | Var. 2009 & 2010 |
| Integra Telecom, Inc., Common Stock | 11/19/09 |
| Integra Telecom, Inc., Warrants | 11/19/09 |
| Iracore International, Inc., Senior Secured Notes, 9.5%, due 6/1/18 | 5/8/13 |
| Magnolia Finance V plc, Asset-Backed Credit Linked Notes, 13.125%, due 8/2/21 | 8/1/13 |
| Marsico Holdings, LLC Common Interest Units | 9/10/12 |
| Precision Holdings, LLC, Class C Membership Interests | Var. 2010 & 2011 |
| Rightside Group, Ltd, Warrants | 8/6/14 |
| Shop Holdings, LLC, Convertible Promissory Note, 5%, due 8/5/15 | 2/5/14 |
| Shop Holding, LLC, Class A Units | 6/2/11 |
| Shop Holding, LLC, Warrants to Purchase Class A Units | 6/2/11 |
| SiTV, Inc., Senior Secured Notes, 10.375%, due 7/1/19 | 6/18/14 |
| SiTV, Inc., Warrants to Purchase Common Stock | 8/3/12 |
| Soraa, Inc., Warrants to Purchase Common Stock | 8/29/14 |
| STG-Fairway Holdings, LLC, Class A Units | 12/30/10 |
| The Telx Group, Inc., Senior Notes, 13.5% PIK, due 7/9/21 | 4/9/14 |
| Trade Finance Funding I, Ltd., Secured Class B Notes, 10.75%, due 11/13/18 | 11/13/13 |
| V Telecom Investment S.C.A, Common Shares | 11/9/12 |

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TCP Capital Corp.

Consolidated Schedule of Restricted Securities of Unaffiliated Issuers

December 31, 2013

| Investment | Acquisition Date |
|--|-----------------------------|
| AIP/IS Holdings, LLC, Membership Units | Var. 2009 & 2010 |
| Avanti Communications Group, PLC, Senior Secured Notes, 10%, due 10/1/19 | 9/26/13 |
| BPA Laboratories, Inc., Senior Secured Notes, 12.25%, due 4/1/17 | 3/5/12 |
| Caribbean Financial Group, Senior Secured Notes, 11.5%, due 11/15/19 | 10/19/12 |
| Carolina Beverage Group, LLC, Secured Notes, 10.625%, due 8/1/18 | 7/26/13 |
| Constellation Enterprises, LLC, Senior Secured 1st Lien Notes, 10.625%, due 2/1/16 | 1/20/11 |
| Flight Options Holdings I, Inc., Warrants to Purchase Common Stock | 12/4/13 |
| Integra Telecom, Inc., Common Stock | 11/19/09 |
| Integra Telecom, Inc., Warrants | 11/19/09 |
| Iracore International, Inc., Senior Secured Notes, 9.5%, due 6/1/18 | 5/8/13 |
| Magnolia Finance V plc, Asset-Backed Credit Linked Notes, 13.125%, due 8/2/21 | 8/1/13 |
| Marsico Holdings, LLC Common Interest Units | 9/10/12 |
| Precision Holdings, LLC, Class C Membership Interests | Var. 2010 & 2011 |
| Shop Holding, LLC, Class A Units | 6/2/11 |
| Shop Holding, LLC, Warrants to Purchase Class A Units | 6/2/11 |
| SiTV, Inc., Warrants to Purchase Common Stock | 8/3/12 |
| SLS Breeze Intermediate Holdings, Inc., Warrants to Purchase Common Stock | 9/25/13 |
| St Barbara Ltd., 1st Priority Senior Secured Notes, 8.875%, due 4/15/18 | 3/22/13 |
| STG-Fairway Holdings, LLC, Class A Units | 12/30/10 |
| The Telx Group, Inc., Senior Unsecured Notes, 10% Cash + 2% PIK, due 9/26/19 | 9/26/11 |
| Trade Finance Funding I, Ltd., Secured Class B Notes, 10.75%, due 11/13/18 | 11/13/13 |
| V Telecom Investment S.C.A, Common Shares | 11/9/12 |
| Vantage Oncology, LLC, Senior Secured Notes, 9.5%, due 6/15/17 | 6/6/13 |

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TCP Capital Corp.

Consolidating Statement of Assets and Liabilities (Unaudited)
September 30, 2014

| | TCP Capital Corp. Standalone | Special Value Continuation Partners, LP Consolidated | Eliminations | TCP Capital Corp. Consolidated |
|---|------------------------------------|---|----------------------|--------------------------------------|
| Assets | | | | |
| Investments: | | | | |
| Companies less than 5% owned | \$ | \$ 1,010,685,137 | \$ | \$ 1,010,685,137 |
| Companies 5% to 25% owned | | 48,193,229 | | 48,193,229 |
| Companies more than 25% owned | | 15,918,961 | | 15,918,961 |
| Investment in subsidiary | 758,688,769 | | (758,688,769) | |
| Total investments | 758,688,769 | 1,074,797,327 | (758,688,769) | 1,074,797,327 |
| Cash and cash equivalents | | 24,144,075 | | 24,144,075 |
| Accrued interest income | | 10,359,314 | | 10,359,314 |
| Deferred debt issuance costs | 3,174,156 | 4,313,655 | | 7,487,811 |
| Unrealized appreciation on swaps | | 1,071,130 | | 1,071,130 |
| Interest rate cap option | | 1,327 | | 1,327 |
| Receivable from subsidiary | 633,589 | | (633,589) | |
| Prepaid expenses and other assets | 150,212 | 1,594,868 | | 1,745,080 |
| Total assets | 762,646,726 | 1,116,281,696 | (759,322,358) | 1,119,606,064 |
| Liabilities | | | | |
| Debt | 105,599,077 | 213,500,000 | | 319,099,077 |
| Incentive allocation payable | | 3,767,604 | | 3,767,604 |
| Interest payable | 1,656,229 | 825,837 | | 2,482,066 |
| Payable for investment securities purchased | | 1,250,031 | | 1,250,031 |
| Payable to the Investment Manager | 128,687 | 282,605 | | 411,292 |
| Payable to Parent | | 633,589 | (633,589) | |
| Accrued expenses and other liabilities | 729,605 | 2,133,239 | | 2,862,844 |
| Total liabilities | 108,113,598 | 222,392,905 | (633,589) | 329,872,914 |
| Preferred equity facility | | | | |
| Series A preferred limited partner interests | | 134,000,000 | | 134,000,000 |
| Accumulated dividends on Series A preferred equity facility | | 498,858 | | 498,858 |
| Total preferred limited partner interests | | 134,498,858 | | 134,498,858 |
| Non-controlling interest | | | | |
| General Partner interest in Special Value Continuation Partners, LP | | | 701,164 | 701,164 |

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| | | | | | | | | |
|-------------------|-----------|--------------------|-----------|--------------------|-----------|----------------------|-----------|--------------------|
| Net assets | \$ | 654,533,128 | \$ | 759,389,933 | \$ | (759,389,933) | \$ | 654,533,128 |
|-------------------|-----------|--------------------|-----------|--------------------|-----------|----------------------|-----------|--------------------|

Composition of net assets

| | | | | | | | | |
|----------------------------|----|---------------|----|--------------|----|---------------|----|---------------|
| Common stock | \$ | 42,410 | \$ | | \$ | | \$ | 42,410 |
| Additional paid-in capital | | 774,297,634 | | 771,171,985 | | (771,171,985) | | 774,297,634 |
| Accumulated deficit | | (119,806,916) | | (11,782,052) | | 12,483,216 | | (119,105,752) |
| Non-controlling interest | | | | | | (701,164) | | (701,164) |

| | | | | | | | | |
|-------------------|-----------|--------------------|-----------|--------------------|-----------|----------------------|-----------|--------------------|
| Net assets | \$ | 654,533,128 | \$ | 759,389,933 | \$ | (759,389,933) | \$ | 654,533,128 |
|-------------------|-----------|--------------------|-----------|--------------------|-----------|----------------------|-----------|--------------------|

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TCP Capital Corp.

Consolidating Statement of Assets and Liabilities
December 31, 2013

| | TCP Capital Corp. Standalone | Special Value Continuation Partners, LP Consolidated | Eliminations | TCP Capital Corp. Consolidated |
|---|---------------------------------------|---|----------------------|---|
| Assets | | | | |
| Investments: | | | | |
| Companies less than 5% owned | \$ | \$ 678,326,915 | \$ | \$ 678,326,915 |
| Companies 5% to 25% owned | | 69,068,808 | | 69,068,808 |
| Companies more than 25% owned | | 18,867,236 | | 18,867,236 |
| Investment in subsidiary | 551,095,042 | | (551,095,042) | |
| Total investments | 551,095,042 | 766,262,959 | (551,095,042) | 766,262,959 |
| Cash and cash equivalents | | 22,984,182 | | 22,984,182 |
| Accrued interest income | | 6,739,105 | | 6,739,105 |
| Receivable for investments sold | | 3,605,964 | | 3,605,964 |
| Deferred debt issuance costs | | 2,969,085 | | 2,969,085 |
| Interest rate cap option | | 14,139 | | 14,139 |
| Receivable from subsidiary | 531,717 | | (531,717) | |
| Prepaid expenses and other assets | 30,493 | 723,275 | | 753,768 |
| Total assets | 551,657,252 | 803,298,709 | (551,626,759) | 803,329,202 |
| Liabilities | | | | |
| Debt | | 95,000,000 | | 95,000,000 |
| Payable for investment securities purchased | | 14,706,942 | | 14,706,942 |
| Incentive allocation payable | | 3,318,900 | | 3,318,900 |
| Payable to the Investment Manager | 833,737 | 287,371 | | 1,121,108 |
| Interest payable | | 430,969 | | 430,969 |
| Unrealized depreciation on swaps | | 331,183 | | 331,183 |
| Payable to Parent | | 531,717 | (531,717) | |
| Accrued expenses and other liabilities | 1,212,260 | 1,923,750 | | 3,136,010 |
| Total liabilities | 2,045,997 | 116,530,832 | (531,717) | 118,045,112 |
| Preferred equity facility | | | | |
| Series A preferred limited partner interests | | 134,000,000 | | 134,000,000 |
| Accumulated dividends on Series A preferred equity facility | | 504,252 | | 504,252 |
| Total preferred limited partner interests | | 134,504,252 | | 134,504,252 |

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Non-controlling interest

| | | | | |
|---|--|--|-----------|-----------|
| General Partner interest in Special Value | | | | |
| Continuation Partners, LP | | | 1,168,583 | 1,168,583 |

Net assets \$ 549,611,255 \$ 552,263,625 \$ (552,263,625) \$ 549,611,255

Composition of net assets

| | | | | |
|----------------------------|---------------|---------------|---------------|---------------|
| Common stock | \$ 36,200 | \$ | \$ | \$ 36,200 |
| Additional paid-in capital | 667,842,020 | 666,530,318 | (666,530,318) | 667,842,020 |
| Accumulated deficit | (118,266,965) | (114,266,693) | 115,435,276 | (117,098,382) |
| Non-controlling interest | | | (1,168,583) | (1,168,583) |

Net assets \$ 549,611,255 \$ 552,263,625 \$ (552,263,625) \$ 549,611,255

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TCP Capital Corp.

Consolidating Statement of Operations (Unaudited)
Nine Months Ended September 30, 2014

| | TCP Capital Corp. Standalone | Special Value Continuation Partners, LP Consolidated | Eliminations | TCP Capital Corp. Consolidated |
|--|---------------------------------------|---|--------------|--------------------------------------|
| Investment income | | | | |
| Interest income: | | | | |
| Companies less than 5% owned | \$ | \$ 65,174,101 | \$ | \$ 65,174,101 |
| Companies 5% to 25% owned | | 4,423,013 | | 4,423,013 |
| Companies more than 25% owned | | 706,553 | | 706,553 |
| Dividend income: | | | | |
| Companies 5% to 25% owned | | 1,968,748 | | 1,968,748 |
| Other income: | | | | |
| Companies less than 5% owned | | 1,164,938 | | 1,164,938 |
| Companies 5% to 25% owned | | 282,581 | | 282,581 |
| Companies more than 25% owned | | 726,477 | | 726,477 |
| Total interest and related investment income | | 74,446,411 | | 74,446,411 |
| Operating expenses | | | | |
| Management and advisory fees | | 9,504,317 | | 9,504,317 |
| Interest expense | 1,759,234 | 2,252,933 | | 4,012,167 |
| Amortization of deferred debt issuance costs | 195,844 | 1,151,598 | | 1,347,442 |
| Administration expenses | | 1,029,069 | | 1,029,069 |
| Legal fees, professional fees and due diligence expenses | 285,870 | 542,232 | | 828,102 |
| Commitment fees | | 650,209 | | 650,209 |
| Director fees | 84,487 | 171,289 | | 255,776 |
| Insurance expense | 67,547 | 135,276 | | 202,823 |
| Custody fees | 2,625 | 163,400 | | 166,025 |
| Other operating expenses | 671,530 | 361,892 | | 1,033,422 |
| Total expenses | 3,067,137 | 15,962,215 | | 19,029,352 |
| Net investment income (loss) | (3,067,137) | 58,484,196 | | 55,417,059 |
| Net realized and unrealized gain (loss) on investments and foreign currency | | | | |
| Net realized gain (loss): | | | | |
| Investments in companies less than 5% owned | | (5,317,388) | | (5,317,388) |
| Investments in companies 5% to 25% owned | | 383,670 | | 383,670 |

| | | | | |
|---|------------|---------------|---------------|-------------------------------|
| Net realized loss | | (4,933,718) | | (4,933,718) |
| Net change in unrealized appreciation/depreciation | | 2,596,620 | | 2,596,620 |
| Net realized and unrealized gain | | (2,337,098) | | (2,337,098) |
| Interest in earnings of subsidiary | 44,668,811 | | (44,668,811) | |
| Dividends paid on Series A preferred equity facility | | (1,083,263) | | (1,083,263) |
| Net change in accumulated dividends on Series A preferred equity facility | | 5,394 | | 5,394 |
| Distributions of incentive allocation to the General Partner from net investment income | | | (10,867,837) | (10,867,837) |
| Net change in reserve for incentive allocation | | | 467,419 | 467,419 |
| Net increase in net assets resulting from operations | | \$ 41,601,674 | \$ 55,069,229 | \$ (55,069,229) \$ 41,601,674 |

S-F-48

TCP Capital Corp.

Consolidating Statement of Operations (Unaudited)
Nine Months Ended September 30, 2013

| | TCP Capital Corp. Standalone | Special Value Continuation Partners, LP Consolidated | Eliminations | TCP Capital Corp. Consolidated |
|---|---------------------------------------|--|--------------|---|
| Investment income | | | | |
| Interest income: | | | | |
| Unaffiliated issuers | \$ | \$ 41,745,035 | \$ | \$ 41,745,035 |
| Controlled companies | | 936,296 | | 936,296 |
| Affiliates | | 4,035,115 | | 4,035,115 |
| Other income: | | | | |
| Unaffiliated issuers | | 1,105,959 | | 1,105,959 |
| Controlled companies | | 495,165 | | 495,165 |
| Other Affiliates | | 305,739 | | 305,739 |
| Total interest and related investment income | | 48,623,309 | | 48,623,309 |
| Operating expenses | | | | |
| Management and advisory fees | | 6,110,550 | | 6,110,550 |
| Interest expense | | 663,820 | | 663,820 |
| Administration expenses | | 592,422 | | 592,422 |
| Amortization of deferred debt issuance costs | | 470,242 | | 470,242 |
| Legal fees, professional fees and due diligence expenses | 262,770 | 226,718 | | 489,488 |
| Commitment fees | | 146,843 | | 146,843 |
| Director fees | 73,243 | 147,045 | | 220,288 |
| Insurance expense | 44,555 | 89,261 | | 133,816 |
| Custody fees | 2,625 | 102,802 | | 105,427 |
| Other operating expenses | 409,651 | 235,142 | | 644,793 |
| Total expenses | 792,844 | 8,784,845 | | 9,577,689 |
| Net investment income | (792,844) | 39,838,464 | | 39,045,620 |
| Net realized and unrealized gain (loss) on investments and foreign currency | | | | |
| Net realized loss: | | | | |
| Investments in unaffiliated issuers | | (2,773,020) | | (2,773,020) |
| Net change in unrealized appreciation/depreciation | | 8,723,819 | | 8,723,819 |
| Net realized and unrealized gain | | 5,950,799 | | 5,950,799 |
| Interest in earnings of subsidiary | 35,878,825 | | (35,878,825) | |
| Dividends paid on Series A preferred equity facility | | (1,131,014) | | (1,131,014) |
| Net change in accumulated dividends on Series A preferred equity facility | | (7,928) | | (7,928) |
| Distributions of incentive allocation to the General Partner from net investment income | | | (7,581,335) | (7,581,335) |

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| | | | | | | | | |
|--|----|------------|----|------------|----|--------------|----|------------|
| Distributions of incentive allocation to the General Partner from net realized gains | | | | (312,598) | | (312,598) | | |
| Net change in reserve for incentive allocation | | | | (877,563) | | (877,563) | | |
| Net increase in net assets resulting from operations | \$ | 35,085,981 | \$ | 44,650,321 | \$ | (44,650,321) | \$ | 35,085,981 |

S-F-49

Special Value Continuation Partners, LP
(A Delaware Limited Partnership)

Consolidated Statements of Assets and Liabilities

| | September 30, 2014 (unaudited) | December 31, 2013 |
|--|---|------------------------------|
| Assets | | |
| Investments, at fair value: | | |
| Companies less than 5% owned (cost of \$1,012,619,777 and \$684,569,508, respectively) | \$ 1,010,685,137 | \$ 678,326,915 |
| Companies 5% to 25% owned (cost of \$54,987,297 and \$73,946,547, respectively) | 48,193,229 | 69,068,808 |
| Companies more than 25% owned (cost of \$40,807,126 and \$42,588,724 respectively) | 15,918,961 | 18,867,236 |
| | | |
| Total investments (cost of \$1,108,414,200 and \$801,104,779, respectively) | 1,074,797,327 | 766,262,959 |
| Cash and cash equivalents | 24,144,075 | 22,984,182 |
| Receivable for investments sold | | 3,605,964 |
| Accrued interest income: | | |
| Companies less than 5% owned | 9,677,087 | 6,282,353 |
| Companies 5% to 25% owned | 650,326 | 415,061 |
| Companies more than 25% owned | 31,901 | 41,691 |
| Deferred debt issuance costs | 4,313,655 | 2,969,085 |
| Unrealized appreciation on swaps | 1,071,130 | |
| Options (cost \$51,750) | 1,327 | 14,139 |
| Prepaid expenses and other assets | 1,594,868 | 723,275 |
| | | |
| Total assets | 1,116,281,696 | 803,298,709 |
| | | |
| Liabilities | | |
| Debt | 213,500,000 | 95,000,000 |
| Incentive allocation payable | 3,767,604 | 3,318,900 |
| Payable for investments purchased | 1,250,031 | 14,706,942 |
| Interest payable | 825,837 | 430,969 |
| Payable to Parent | 633,589 | 531,717 |
| Payable to the Investment Manager | 282,605 | 287,371 |
| Unrealized depreciation on swaps | | 331,183 |
| Accrued expenses and other liabilities | 2,133,239 | 1,923,750 |
| | | |
| Total liabilities | 222,392,905 | 116,530,832 |
| | | |
| Commitments and contingencies (Note 5) | | |
| Preferred equity facility | | |
| Series A preferred limited partner interests in Special Value Continuation Partners, LP; \$20,000/interest liquidation preference; 6,700 interests authorized, issued and outstanding | 134,000,000 | 134,000,000 |
| Accumulated dividends on Series A preferred equity facility | 498,858 | 504,252 |
| | | |
| Total preferred limited partner interests | 134,498,858 | 134,504,252 |

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| | | | | |
|---|-----------|--------------------|-----------|--------------------|
| Net assets applicable to common limited and general partners | \$ | 759,389,933 | \$ | 552,263,625 |
|---|-----------|--------------------|-----------|--------------------|

Composition of net assets applicable to common limited and general partners

| | | |
|---|---------------|---------------|
| Paid-in capital in excess of par | 875,112,706 | 666,530,318 |
| Accumulated net investment income | 27,731,167 | 26,850,149 |
| Accumulated net realized losses | (110,736,362) | (105,802,644) |
| Accumulated net unrealized depreciation | (32,717,578) | (35,314,198) |

| | | | | |
|---|-----------|--------------------|-----------|--------------------|
| Net assets applicable to common shareholders | \$ | 759,389,933 | \$ | 552,263,625 |
|---|-----------|--------------------|-----------|--------------------|

See accompanying notes.

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Special Value Continuation Partners, LP
(A Delaware Limited Partnership)

Consolidated Statement of Investments (Unaudited)

September 30, 2014

Showing Percentage of Total Cash and Investments of the Partnership

| Issuer | Instrument | Ref | Spread | Floor | Maturity | Principal | Cost | Value | % of Portfolio | Notes |
|---|----------------------------------|-------------|--------|-------|------------|---------------|------------|------------|----------------|-------|
| Debt Investments (A) | | | | | | | | | | |
| Accounting, Tax Preparation, Bookkeeping, and Payroll Services | | | | | | | | | | |
| Expert Global Solutions, LLC | First Lien Term Loan B | LIBOR (Q) | 7.25% | 1.25% | 4/3/2018 | \$ 683,590 | \$ 696,318 | \$ 684,728 | 0.06% | |
| Expert Global Solutions, LLC | Second Lien Term Loan | LIBOR (Q) | 11.00% | 1.50% | 10/3/2018 | \$ 7,448,973 | 7,266,578 | 7,363,310 | 0.67% | |
| | | | | | | | 7,962,896 | 8,048,038 | 0.73% | |
| Activities Related to Real Estate | | | | | | | | | | |
| Greystone Select Holdings, LLC | First Lien Term Loan | LIBOR (Q) | 8.00% | 1.00% | 3/26/2021 | \$ 16,511,362 | 16,284,331 | 16,560,896 | 1.51% | |
| Advertising, Public Relations, and Related Services | | | | | | | | | | |
| Doubleplay III Limited (United Kingdom) | First Lien Facility A1 Term Loan | EURIBOR (Q) | 6.25% | 1.25% | 3/18/2018 | € 13,165,705 | 16,717,182 | 16,213,862 | 1.48% | D/I |
| Artificial Synthetic Fibers and Filaments Manufacturing | | | | | | | | | | |
| AGY Holding Corp. | Sr Secured Term Loan | Fixed | 12.00% | | 9/15/2016 | \$ 2,298,418 | 2,298,418 | 2,298,418 | 0.21% | B |
| AGY Holding Corp. | Second Lien Notes | Fixed | 11.00% | | 11/15/2016 | \$ 9,268,000 | 7,586,318 | 8,637,777 | 0.79% | B/E |
| | | | | | | | 9,884,736 | 10,936,195 | 1.00% | |
| Basic Chemical Manufacturing M&G | | | | | | | | | | |
| Chemicals S.A. (Luxembourg) | Sr Secured Term Loan | LIBOR (Q) | 7.50% | | 3/18/2016 | \$ 15,632,077 | 15,632,077 | 15,632,077 | 1.42% | I |
| PeroxyChem, LLC | First Lien Term Loan | LIBOR (Q) | 6.50% | 1.00% | 2/28/2020 | \$ 8,955,000 | 8,794,870 | 9,089,325 | 0.83% | |

| | | | | | | | | | |
|---|------------------------|-----------|---------------|-------|------------|---------------|------------|------------|-----------|
| | | | | | | 24,426,947 | 24,721,402 | 2.25% | |
| Beverage Manufacturing | | | | | | | | | |
| Carolina Beverage Group, LLC | Secured Notes | Fixed | 10.625% | | 8/1/2018 | \$ 7,780,000 | 7,780,000 | 8,091,200 | 0.74% E/G |
| Business Support Services | | | | | | | | | |
| STG-Fairway Acquisitions, Inc. | Second Lien Term Loan | LIBOR (Q) | 9.25% | 1.25% | 8/28/2019 | \$ 14,643,455 | 14,012,131 | 14,863,107 | 1.35% |
| Chemical Manufacturing | | | | | | | | | |
| Archroma | Term Loan B | LIBOR (Q) | 8.25% | 1.25% | 9/30/2018 | \$ 19,946,579 | 19,627,478 | 20,208,378 | 1.84% |
| Communications Equipment Manufacturing | | | | | | | | | |
| Globecom Systems, Inc. | First Lien Term Loan | LIBOR (Q) | 7.625% | 1.25% | 12/11/2018 | \$ 14,887,500 | 14,738,625 | 14,746,069 | 1.34% B |
| Computer Equipment Manufacturing | | | | | | | | | |
| ELO Touch Solutions, Inc. | Second Lien Term Loan | LIBOR (Q) | 10.50% | 1.50% | 12/1/2018 | \$ 10,000,000 | 9,704,432 | 9,150,000 | 0.84% |
| Computer Systems Design and Related Services | | | | | | | | | |
| Autoalert, LLC | | | 4.75% | | | | | | |
| | First Lien Term Loan | LIBOR (Q) | Cash + 4% PIK | 0.25% | 3/31/2019 | \$ 30,613,101 | 30,061,099 | 30,980,458 | 2.82% |
| Blue Coat Systems, Inc. | First Lien Revolver | LIBOR (Q) | 3.50% | 1.00% | 5/31/2018 | \$ | (780,948) | (570,240) | (0.05)% L |
| Blue Coat Systems, Inc. | Second Lien Term Loan | LIBOR (Q) | 8.50% | 1.00% | 6/28/2020 | \$ 15,000,000 | 14,878,125 | 15,000,000 | 1.36% |
| MSC Software Corporation | Second Lien Term Loan | LIBOR (M) | 7.50% | 1.00% | 5/29/2021 | \$ 11,993,035 | 11,873,105 | 11,813,140 | 1.07% |
| DnX Enterprise Solutions, Ltd. | First Lien Term Loan B | LIBOR (Q) | 8.00% | | 9/3/2018 | \$ 2,367,400 | 2,367,400 | 2,352,012 | 0.21% |
| DnX Enterprise Solutions, Ltd. | First Lien Term Loan | LIBOR (Q) | 7.00% | | 9/3/2018 | \$ 10,560,000 | 10,433,374 | 10,317,120 | 0.94% |
| DnX USA, LLC | First Lien Term Loan B | LIBOR (Q) | 8.00% | | 9/3/2018 | \$ 4,734,800 | 4,734,800 | 4,704,024 | 0.43% |
| DnX USA, LLC | First Lien Term Loan | LIBOR (Q) | 7.00% | | 9/3/2018 | \$ 5,280,000 | 5,220,412 | 5,158,560 | 0.47% |
| Vistrionix, LLC | First Lien Revolver | LIBOR (Q) | 7.50% | 1.00% | 12/4/2018 | \$ 131,329 | 125,092 | 131,329 | 0.01% |
| Vistrionix, LLC | First Lien Term Loan | LIBOR (M) | 7.50% | 1.00% | 12/4/2018 | \$ 6,595,001 | 6,521,724 | 6,529,051 | 0.59% |

| | | | | | | | | | |
|----------------|-----------------------------|--------------|-------|-------|------------|--------------|------------|------------|-------|
| WebSense, Inc. | Second Lien Term Loan | LIBOR (Q) | 7.25% | 1.00% | 12/27/2020 | \$ 7,200,000 | 7,164,000 | 7,200,000 | 0.66% |
| | | | | | | | 92,598,183 | 93,615,454 | 8.51% |

Cut and Sew Apparel Manufacturing

| | | | | | | | | | |
|----------------------|---------------------------------|--------------|-------|-------|----------|---------------|------------|------------|-------|
| ones Apparel, LLC | First Lien FILO Term Loan | LIBOR (M) | 9.60% | 1.00% | 4/8/2019 | \$ 14,329,403 | 14,186,109 | 14,479,862 | 1.32% |
|----------------------|---------------------------------|--------------|-------|-------|----------|---------------|------------|------------|-------|

S-F-51

Special Value Continuation Partners, LP
(A Delaware Limited Partnership)

Consolidated Statement of Investments (Unaudited) (Continued)

September 30, 2014

Showing Percentage of Total Cash and Investments of the Partnership

| Issuer | Instrument | Ref | Spread | Floor | Maturity | Principal | Cost | Value | % of Portfolio Notes |
|---|------------------------|-----------|-----------|-------|------------|---------------|-------------|-------------|----------------------|
| Debt Investments (continued) | | | | | | | | | |
| Data Processing, Hosting, and Related Services | | | | | | | | | |
| Asset International, Inc. | Delayed Draw Term Loan | LIBOR (M) | 7.00% | 1.00% | 7/30/2020 | \$ | \$ (42,880) | \$ (34,304) | 0.00% L |
| Asset International, Inc. | Revolver | LIBOR (M) | 7.00% | 1.00% | 7/30/2020 | \$ 355,485 | 345,667 | 347,406 | 0.03% |
| Asset International, Inc. | First Lien Term Loan | LIBOR (M) | 7.00% | 1.00% | 7/30/2020 | \$ 8,212,337 | 8,051,574 | 8,130,214 | 0.74% |
| Rightside Group, Ltd. | Second Lien Term Loan | LIBOR (Q) | 8.75% | 0.50% | 8/6/2019 | \$ 5,000,000 | 3,994,082 | 4,280,000 | 0.39% |
| The Telx Group, Inc. | Senior Notes | Fixed | 13.5% PIK | | 7/9/2021 | \$ 4,165,481 | 4,165,481 | 4,332,100 | 0.39% E |
| United TLD Holdco, Ltd. (Cayman Islands) | Second Lien Term Loan | LIBOR (Q) | 8.75% | 0.50% | 8/6/2019 | \$ 10,000,000 | 7,988,163 | 8,560,000 | 0.78% I |
| | | | | | | | 24,502,087 | 25,615,416 | 2.33% |
| Electric Power Generation, Transmission and Distribution | | | | | | | | | |
| Panda Sherman Power, LLC | First Lien Term Loan | LIBOR (Q) | 7.50% | 1.50% | 9/14/2018 | \$ 11,045,948 | 10,926,541 | 11,301,385 | 1.03% |
| Electrical Equipment and Component Manufacturing | | | | | | | | | |
| Palladium Energy, Inc. | First Lien Term Loan | LIBOR (Q) | 9.00% | 1.00% | 12/26/2017 | \$ 16,153,317 | 15,912,128 | 16,234,084 | 1.48% |
| Electrical Equipment Manufacturing | | | | | | | | | |
| API Technologies Corp. | First Lien Term Loan | LIBOR (Q) | 7.50% | 1.50% | 2/6/2018 | \$ 6,773,900 | 6,706,161 | 6,746,804 | 0.61% |
| Fabricated Metal Product Manufacturing | | | | | | | | | |
| Constellation Enterprises, LLC | First Lien Notes | Fixed | 10.625% | | 2/1/2016 | \$ 2,900,000 | 2,858,907 | 2,646,250 | 0.24% E |

Financial Investment Activities

| | | | | | | | | | |
|--|-----------------------|-----------|-------|-------|------------|---------------|------------|------------|---------|
| Institutional Shareholder Services, Inc. | Second Lien Term Loan | LIBOR (Q) | 7.50% | 1.00% | 4/30/2022 | \$ 6,471,492 | 6,406,777 | 6,439,135 | 0.59% |
| Marsico Capital Management | First Lien Term Loan | LIBOR (M) | 5.00% | | 12/31/2022 | \$ 10,520,758 | 13,247,034 | 3,892,680 | 0.35% J |
| | | | | | | | 19,653,811 | 10,331,815 | 0.94% |

Full-Service Restaurants

| | | | | | | | | | |
|----------------|---|-------|-------------------|--|-----------|--------------|------------|------------|---------|
| RM Holdco, LLC | Subordinated Convertible Term Loan | Fixed | 1.12% PIK | | 3/21/2018 | \$ 5,164,796 | 5,164,796 | 15,494 | B |
| RM OpCo, LLC | Convertible Second Lien Term Loan Tranche B-1 | Fixed | 12% Cash + 7% PIK | | 3/21/2016 | \$ 1,565,489 | 1,543,886 | 1,565,489 | 0.14% B |
| RM OpCo, LLC | First Lien Term Loan Tranche A | Fixed | 11.00% | | 3/21/2016 | \$ 3,763,095 | 3,763,095 | 3,763,095 | 0.34% B |
| RM OpCo, LLC | Second Lien Term Loan Tranche B | Fixed | 12% Cash + 7% PIK | | 3/21/2016 | \$ 7,800,294 | 7,800,294 | 6,891,560 | 0.63% B |
| RM OpCo, LLC | Second Lien Term Loan Tranche B-1 | Fixed | 12% Cash + 7% PIK | | 3/21/2016 | \$ 2,456,579 | 2,427,363 | 2,456,579 | 0.22% B |
| | | | | | | | 20,699,434 | 14,692,217 | 1.33% |

Gaming Industries

| | | | | | | | | | |
|------------------|------------------------|-----------|-------|-------|------------|---------------|------------|------------|-------|
| AP Gaming I, LLC | First Lien Revolver | LIBOR (Q) | 8.25% | 1.00% | 12/20/2018 | \$ 2,500,000 | 2,879,797 | 3,000,000 | 0.27% |
| AP Gaming I, LLC | First Lien Term Loan B | LIBOR (Q) | 8.25% | 1.00% | 12/20/2020 | \$ 14,887,500 | 14,474,462 | 15,036,375 | 1.37% |
| | | | | | | | 17,354,259 | 18,036,375 | 1.64% |

General Medical and Surgical Hospitals

| | | | | | | | | | |
|--------------------------------------|-----------------------|-----------|-------|-------|------------|---------------|------------|------------|-------|
| RegionalCare Hospital Partners, Inc. | Second Lien Term Loan | LIBOR (M) | 9.50% | 1.00% | 10/23/2019 | \$ 21,017,525 | 20,718,500 | 21,227,700 | 1.93% |
|--------------------------------------|-----------------------|-----------|-------|-------|------------|---------------|------------|------------|-------|

Grocery Stores

| | | | | | | | | | |
|--------------|---------------------------|-----------|-------|-------|------------|---------------|------------|------------|-------|
| Bashas, Inc. | First Lien FILO Term Loan | LIBOR (M) | 9.35% | 1.50% | 12/28/2015 | \$ 12,537,855 | 12,502,700 | 12,531,586 | 1.14% |
|--------------|---------------------------|-----------|-------|-------|------------|---------------|------------|------------|-------|

| | | | | | | | | | |
|--|---------------------|-----------|-------|-------|-----------|---------------|------------|------------|-------|
| The Great Atlantic & Pacific Tea Company, Inc. | Term Loan Tranche B | LIBOR (M) | 8.85% | 1.00% | 9/17/2019 | \$ 21,162,842 | 20,794,482 | 21,236,912 | 1.93% |
|--|---------------------|-----------|-------|-------|-----------|---------------|------------|------------|-------|

33,297,182 33,768,498 3.07%

Insurance Carriers

| | | | | | | | | | |
|----------------------|----------------------|-----------|--------|-------|-----------|---------------|------------|------------|---------|
| Acrisure, LLC | Second Lien Notes | LIBOR (Q) | 10.50% | 1.00% | 3/7/2020 | \$ 1,265,299 | 1,169,087 | 1,311,491 | 0.12% E |
| Acrisure, LLC | Second Lien Notes | LIBOR (Q) | 10.50% | 1.00% | 3/7/2020 | \$ 20,627,638 | 20,219,076 | 20,823,601 | 1.90% E |
| US Apple Holdco, LLC | First Lien Term Loan | LIBOR (Q) | 11.50% | 0.50% | 8/29/2019 | \$ 20,000,000 | 19,209,747 | 19,800,000 | 1.80% |

40,597,910 41,935,092 3.82%

S-F-52

Special Value Continuation Partners, LP
(A Delaware Limited Partnership)

Consolidated Statement of Investments (Unaudited) (Continued)

September 30, 2014

Showing Percentage of Total Cash and Investments of the Partnership

| Issuer | Instrument | Ref | Spread | Floor | Maturity | Principal | Cost | Value | % of Portfolio | Notes |
|--|---------------------------|-----------|--------|-------|-----------|---------------|--------------|--------------|----------------|-------|
| Debt Investments (continued) | | | | | | | | | | |
| Insurance Related Activities | | | | | | | | | | |
| Confie Seguros Holding II Co. | Second Lien Term Loan | LIBOR (M) | 9.00% | 1.25% | 5/8/2019 | \$ 7,861,809 | \$ 7,772,384 | \$ 7,940,466 | 0.72% | |
| Lessors of Nonfinancial Intangible Assets | | | | | | | | | | |
| ABG Intermediate Holdings 2, LLC | Second Lien Term Loan | LIBOR (S) | 8.00% | 1.00% | 5/27/2022 | \$ 15,990,714 | 15,830,807 | 15,970,726 | 1.45% | |
| Lessors of Real Estate | | | | | | | | | | |
| Hunt Companies, Inc. | Senior Secured Notes | Fixed | 9.625% | | 3/1/2021 | \$ 13,084,000 | 12,931,013 | 13,672,780 | 1.24% | E/G |
| Merchant Wholesalers | | | | | | | | | | |
| Envision Acquisition Company, LLC | Second Lien Term Loan | LIBOR (Q) | 8.75% | 1.00% | 11/4/2021 | \$ 9,079,011 | 8,897,430 | 9,124,406 | 0.83% | |
| Motion Picture and Video Industries | | | | | | | | | | |
| CORE Entertainment, Inc. | First Lien Term Loan | Fixed | 9.00% | | 6/21/2017 | \$ 9,462,231 | 9,396,582 | 8,279,452 | 0.75% | |
| CORE Entertainment, Inc. | Second Lien Term Loan | Fixed | 13.50% | | 6/21/2018 | \$ 7,569,785 | 7,513,892 | 6,812,807 | 0.62% | |
| | | | | | | | 16,910,474 | 15,092,259 | 1.37% | |
| Newspaper, Periodical, Book, and Directory Publishers | | | | | | | | | | |
| Hanley-Wood, LLC | First Lien FILO Term Loan | LIBOR (Q) | 6.75% | 1.25% | 7/15/2018 | \$ 16,301,800 | 16,301,800 | 16,407,762 | 1.49% | |
| MediMedia USA, Inc. | First Lien Revolver | LIBOR (Q) | 6.75% | | 5/20/2018 | \$ 3,875,000 | 3,005,743 | 3,458,283 | 0.31% | |

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| | | | | | | | | | |
|---------------------|----------------------|-----------|-------|-------|------------|--------------|------------|------------|-------|
| MediMedia USA, Inc. | First Lien Term Loan | LIBOR (Q) | 6.75% | 1.25% | 11/20/2018 | \$ 9,591,911 | 9,360,784 | 9,376,093 | 0.85% |
| | | | | | | | 28,668,327 | 29,242,138 | 2.65% |

Nondepository Credit Intermediation

| | | | | | | | | | |
|--|-----------------------|-------|--------|--|------------|---------------|------------|------------|-------------|
| Caribbean Financial Group (Cayman Islands) | | | | | | | | | |
| | Sr Secured Notes | Fixed | 11.50% | | 11/15/2019 | \$ 10,000,000 | 9,840,428 | 10,875,000 | 0.99% E/G/I |
| Trade Finance Funding I, Ltd. (Cayman Islands) | | | | | | | | | |
| | Secured Class B Notes | Fixed | 10.75% | | 11/13/2018 | \$ 15,084,000 | 15,084,000 | 15,084,000 | 1.37% E/I |
| | | | | | | | 24,924,428 | 25,959,000 | 2.36% |

Nonscheduled Air Transportation

| | | | | | | | | | |
|---------------------|-----------------------|-------|-------------------|--|----------|---------------|------------|------------|-------|
| One Sky Flight, LLC | Second Lien Term Loan | Fixed | 12% Cash + 3% PIK | | 6/3/2019 | \$ 18,518,669 | 17,275,660 | 19,074,229 | 1.74% |
|---------------------|-----------------------|-------|-------------------|--|----------|---------------|------------|------------|-------|

Oil and Gas Extraction

| | | | | | | | | | |
|--|------------------------|-----------|-------|-------|-----------|---------------|------------|------------|-------|
| Jefferson Gulf Coast Energy Partner, LLC | | | | | | | | | |
| | First Lien Term Loan B | LIBOR (M) | 8.00% | 1.00% | 2/27/2018 | \$ 15,000,000 | 14,850,000 | 14,943,750 | 1.36% |
| MD America Energy, LLC | | | | | | | | | |
| | Second Lien Term Loan | LIBOR (Q) | 8.50% | 1.00% | 8/4/2019 | \$ 10,000,000 | 9,514,338 | 9,779,150 | 0.89% |
| Willbros Group, Inc. | | | | | | | | | |
| | First Lien Term Loan | LIBOR (Q) | 9.75% | 1.25% | 8/7/2019 | \$ 13,622,801 | 13,292,164 | 13,781,711 | 1.25% |
| | | | | | | | 37,656,502 | 38,504,611 | 3.50% |

Other Information Services

| | | | | | | | | | |
|---------------------|-----------------------|-----------|-------|-------|-----------|---------------|------------|------------|-------|
| TCH-2 Holdings, LLC | Second Lien Term Loan | LIBOR (M) | 7.75% | 1.00% | 11/6/2021 | \$ 19,988,392 | 19,688,567 | 19,488,683 | 1.77% |
|---------------------|-----------------------|-----------|-------|-------|-----------|---------------|------------|------------|-------|

Other Telecommunications

| | | | | | | | | | |
|----------------------------|-----------------------|-----------|-------|-------|-----------|---------------|------------|------------|-------|
| Securus Technologies, Inc. | Second Lien Term Loan | LIBOR (Q) | 7.75% | 1.25% | 4/30/2021 | \$ 14,000,000 | 13,860,000 | 13,947,500 | 1.27% |
|----------------------------|-----------------------|-----------|-------|-------|-----------|---------------|------------|------------|-------|

Petroleum and Coal Products Manufacturing

| | | | | | | | | | |
|---------------------|-----------------------|-----------|-------|-------|------------|--------------|-----------|-----------|-------|
| Boomerang Tube, LLC | Second Lien Term Loan | LIBOR (Q) | 9.50% | 1.50% | 10/11/2017 | \$ 3,879,333 | 3,819,695 | 3,481,701 | 0.32% |
|---------------------|-----------------------|-----------|-------|-------|------------|--------------|-----------|-----------|-------|

Pesticide, Fertilizer, and Other Agricultural

Chemical Manufacturing

| | | | | | | | | |
|---------------------|-------------------------|--------------|--------|----------|--------------|-----------|-----------|-------|
| VitAG Holdings, LLC | Sr Secured Term Loan | LIBOR (M) | 10.27% | 2/1/2018 | \$ 7,700,000 | 7,545,323 | 7,766,000 | 0.71% |
|---------------------|-------------------------|--------------|--------|----------|--------------|-----------|-----------|-------|

Plastics Products Manufacturing

| | | | | | | | | |
|-----------------------------|---------------------|-------|-------|----------|---------------|------------|------------|-----------|
| Iracore International, Inc. | Sr Secured Notes | Fixed | 9.50% | 6/1/2018 | \$ 13,600,000 | 13,600,000 | 12,444,000 | 1.13% E/H |
|-----------------------------|---------------------|-------|-------|----------|---------------|------------|------------|-----------|

Radio and Television Broadcasting

| | | | | | | | | |
|------------|---------------------|-------|---------|----------|--------------|-----------|-----------|-----------|
| SiTV, Inc. | Sr Secured Notes | Fixed | 10.375% | 7/1/2019 | \$ 7,312,000 | 7,312,000 | 7,248,020 | 0.66% E/G |
|------------|---------------------|-------|---------|----------|--------------|-----------|-----------|-----------|

| | | | | | | | | |
|--------------------------|-------------------------|--------------|-------|-----------|---------------|------------|------------|-------|
| The Tennis Channel, Inc. | First Lien Term Loan | LIBOR (Q) | 8.50% | 5/29/2017 | \$ 18,111,966 | 17,744,530 | 18,274,974 | 1.66% |
|--------------------------|-------------------------|--------------|-------|-----------|---------------|------------|------------|-------|

| | | | | | | | | |
|--|--|--|--|--|--|------------|------------|-------|
| | | | | | | 25,056,530 | 25,522,994 | 2.32% |
|--|--|--|--|--|--|------------|------------|-------|

S-F-53

Special Value Continuation Partners, LP
(A Delaware Limited Partnership)

Consolidated Statement of Investments (Unaudited) (Continued)

September 30, 2014

Showing Percentage of Total Cash and Investments of the Partnership

| Issuer | Instrument | Ref | Spread | Floor | Maturity | Principal | Cost | Value | % of Portfolio | Notes |
|---|-----------------------------|-----------|--------|-------|-----------|---------------|---------------|---------------|----------------|-------|
| Debt Investments (continued) | | | | | | | | | | |
| Retail | | | | | | | | | | |
| Kenneth Cole Productions, Inc. | First Lien FILO Term Loan | LIBOR (M) | 10.40% | 1.00% | 9/25/2017 | \$ 10,863,636 | \$ 10,689,030 | \$ 10,917,954 | 0.99% | |
| Shopzilla, Inc. | Second Lien Term Loan | LIBOR (Q) | 12.50% | | 3/31/2016 | \$ 6,630,353 | 6,536,895 | 6,567,364 | 0.60% | |
| Shop Holding, LLC | Convertible Promissory Note | Fixed | 5.00% | | 8/5/2015 | \$ 73,140 | 73,140 | 65,899 | 0.01% | E |
| | | | | | | | 17,299,065 | 17,551,217 | 1.60% | |
| Satellite Telecommunications | | | | | | | | | | |
| Avanti Communications Group, PLC (United Kingdom) | Sr Secured Notes | Fixed | 10.00% | | 10/1/2019 | \$ 9,914,000 | 9,914,000 | 9,914,000 | 0.90% | E/G/I |
| Scheduled Air Transportation | | | | | | | | | | |
| Aircraft Leased to Delta Air Lines, Inc. | | | | | | | | | | |
| N913DL | Aircraft Secured Mortgage | Fixed | 8.00% | | 3/15/2017 | \$ 226,723 | 226,723 | 232,220 | 0.02% | F |
| N918DL | Aircraft Secured Mortgage | Fixed | 8.00% | | 8/15/2018 | \$ 332,830 | 332,830 | 341,360 | 0.03% | F |
| N954DL | Aircraft Secured Mortgage | Fixed | 8.00% | | 3/20/2019 | \$ 450,991 | 450,991 | 461,380 | 0.04% | F |
| N955DL | Aircraft Secured Mortgage | Fixed | 8.00% | | 6/20/2019 | \$ 472,313 | 472,313 | 483,140 | 0.05% | F |
| N956DL | Aircraft Secured Mortgage | Fixed | 8.00% | | 5/20/2019 | \$ 470,291 | 470,291 | 481,440 | 0.04% | F |

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| | | | | | | | | | |
|---|-------------------------------|-----------|--------|------------|---------------|------------|------------|-------|-----|
| | Aircraft Secured Mortgage | | | | | | | | |
| N957DL | Aircraft Secured Mortgage | Fixed | 8.00% | 6/20/2019 | \$ 476,444 | 476,444 | 487,560 | 0.04% | F |
| N959DL | Aircraft Secured Mortgage | Fixed | 8.00% | 7/20/2019 | \$ 482,545 | 482,545 | 493,680 | 0.04% | F |
| N960DL | Aircraft Secured Mortgage | Fixed | 8.00% | 10/20/2019 | \$ 504,728 | 504,728 | 516,120 | 0.05% | F |
| N961DL | Aircraft Secured Mortgage | Fixed | 8.00% | 8/20/2019 | \$ 496,848 | 496,848 | 508,300 | 0.05% | F |
| N976DL | Aircraft Secured Mortgage | Fixed | 8.00% | 2/15/2018 | \$ 330,316 | 330,316 | 338,640 | 0.03% | F |
| Aircraft Leased to United Airlines, Inc. | | | | | | | | | |
| N510UA | Aircraft Secured Mortgage | Fixed | 20.00% | 10/26/2016 | \$ 256,135 | 256,135 | 299,915 | 0.03% | B |
| N512UA | Aircraft Secured Mortgage | Fixed | 20.00% | 10/26/2016 | \$ 263,385 | 263,385 | 310,270 | 0.03% | B |
| N545UA | Aircraft Secured Mortgage | Fixed | 16.00% | 8/29/2015 | \$ 139,224 | 139,224 | 147,345 | 0.01% | B |
| N659UA | Aircraft Secured Mortgage | Fixed | 12.00% | 2/28/2016 | \$ 1,876,367 | 1,876,367 | 1,990,292 | 0.18% | F |
| N661UA | Aircraft Secured Mortgage | Fixed | 12.00% | 5/4/2016 | \$ 2,073,525 | 2,073,525 | 2,227,375 | 0.20% | F |
| Mesa Air Group, Inc. | Acquisition Delayed Draw Loan | LIBOR (M) | 7.25% | 7/15/2022 | \$ | (271,500) | 6,788 | | L |
| Mesa Air Group, Inc. | Acquisition Loan | LIBOR (M) | 7.25% | 7/15/2022 | \$ 18,100,000 | 17,738,000 | 18,109,050 | 1.65% | |
| | | | | | | 26,319,165 | 27,434,875 | 2.49% | |
| Scientific Research and Development Services | | | | | | | | | |
| BPA Laboratories, Inc. | Senior Secured Notes | Fixed | 12.25% | 4/1/2017 | \$ 17,200,000 | 16,536,295 | 18,640,500 | 1.70% | E/G |

Semiconductor and Other Electronic

Component Manufacturing

| | | | | | | | | |
|-----------------|---|--------------|--------|-----------|---------------|-------------|------------|-------------|
| Soraa, Inc. | Sr Secured Term Loan | LIBOR (M) | 10.27% | 9/1/2017 | \$ 22,500,000 | 21,771,128 | 21,892,500 | 1.99% |
| SunEdison, Inc. | Senior Secured Letters of Credit | LIBOR (Q) | 3.75% | 2/28/2017 | \$ 9,379,246 | (1,031,717) | (937,925) | (0.09)% K/L |
| | | | | | | 20,739,411 | 20,954,575 | 1.90% |

S-F-54

Special Value Continuation Partners, LP
(A Delaware Limited Partnership)

Consolidated Statement of Investments (Unaudited) (Continued)

September 30, 2014

Showing Percentage of Total Cash and Investments of the Partnership

| Issuer | Instrument | Ref | Spread | Floor | Maturity | Principal | Cost | Value | % of Portfolio | Note |
|--|----------------------------------|-----------|-------------------------------|-------|------------|---------------|--------------|--------------|----------------|------|
| Debt Investments (continued) | | | | | | | | | | |
| Software Publishers | | | | | | | | | | |
| Acronis International GmbH (Switzerland) | First Lien Revolver | LIBOR (Q) | 9.50% | 1.00% | 2/21/2017 | \$ 5,634,068 | \$ 5,634,068 | \$ 5,634,068 | 0.51% | I |
| Acronis International GmbH (Switzerland) | First Lien Term Loan | LIBOR (Q) | 9.50% | 1.00% | 2/21/2017 | \$ 25,000,000 | 24,774,635 | 24,612,500 | 2.25% | I |
| ArcServe (USA), LLC | Second Lien Term Loan | LIBOR (Q) | 8.50% | 0.50% | 1/31/2020 | \$ 30,000,000 | 29,418,442 | 29,760,000 | 2.72% | I |
| BlackLine Systems, Inc. | First Lien Term Loan | LIBOR (Q) | 0.4% Cash + 7.6% PIK | 1.50% | 9/25/2018 | \$ 13,318,777 | 12,589,982 | 13,438,646 | 1.22% | |
| Coreone Technologies, LLC | First Lien Term Loan | LIBOR (Q) | 3.75% Cash + 5% PIK | 1.00% | 9/4/2018 | \$ 14,077,353 | 13,829,562 | 13,929,541 | 1.27% | |
| Deltek, Inc. | Second Lien Term Loan | LIBOR (Q) | 8.75% | 1.25% | 10/10/2019 | \$ 15,000,000 | 14,824,557 | 15,237,450 | 1.39% | |
| Edmentum, Inc. | Second Lien Term Loan | LIBOR (Q) | 9.75% | 1.50% | 5/17/2019 | \$ 21,500,000 | 21,351,941 | 21,876,250 | 1.99% | |
| | | | | | | | 122,423,187 | 124,488,455 | 11.35% | |
| Specialty Hospitals | | | | | | | | | | |
| ABC Healthcare Analytics, Inc. | First Lien Term Loan | LIBOR (Q) | 9.00% | 1.00% | 7/1/2018 | \$ 4,795,797 | 4,771,818 | 4,707,075 | 0.43% | |
| Structured Note Funds | | | | | | | | | | |
| Magnolia Finance 7 plc (Cayman Islands) | Asset-Backed Credit Linked Notes | Fixed | 13.125% | | 8/2/2021 | \$ 15,000,000 | 15,000,000 | 15,211,500 | 1.38% | E/I |

S-F-55

Special Value Continuation Partners, LP
(A Delaware Limited Partnership)

Consolidated Statement of Investments (Unaudited) (Continued)

September 30, 2014

Showing Percentage of Total Cash and Investments of the Partnership

| Investor | Instrument | Ref | Spread | Floor | Maturity | Principal Amount or Shares | Cost | Value | % Portfolio | Notes |
|---|---------------------------|-----------|--------|-------|-----------|----------------------------|---------------|---------------|-------------|-------|
| Investments (continued) | | | | | | | | | | |
| Textile Furnishings Mills | | | | | | | | | | |
| Mark Carpet Mills, Inc. | First Lien Term Loan | LIBOR (Q) | 10.00% | 1.00% | 9/30/2018 | \$ 15,758,531 | \$ 15,431,697 | \$ 15,994,909 | 1.46% | |
| Utility System Construction | | | | | | | | | | |
| Wa Solar Holdings Limited | Revolving Credit Facility | Fixed | 8.00% | | 7/2/2017 | \$ 25,000,000 | 25,000,000 | 25,012,500 | 2.28% | |
| Fixed Telecommunications Carriers | | | | | | | | | | |
| heus Communications, LLC | First Lien FILO Term Loan | LIBOR (Q) | 6.92% | 1.00% | 5/31/2018 | \$ 374,960 | 363,777 | 371,585 | 0.03% | |
| heus Communications, LLC | First Lien FILO Term Loan | LIBOR (Q) | 6.92% | 1.00% | 5/31/2018 | \$ 8,196,573 | 8,115,088 | 8,171,983 | 0.74% | |
| egra Telecom Holdings, Inc. | Second Lien Term Loan | LIBOR (Q) | 8.50% | 1.25% | 2/22/2020 | \$ 15,000,000 | 14,728,136 | 15,225,000 | 1.39% | |
| | | | | | | | 23,207,001 | 23,768,568 | 2.16% | |
| Wireless Telecommunications Carriers | | | | | | | | | | |
| go, LLC | First Lien Term Loan | LIBOR (Q) | 9.75% | 1.50% | 6/21/2017 | \$ 19,209,212 | 18,646,792 | 20,457,811 | 1.86% | |
| go, LLC | First Lien Term Loan B-2 | LIBOR (Q) | 6.50% | 1.00% | 3/21/2018 | \$ 5,524,797 | 5,418,641 | 5,607,669 | 0.51% | |
| | | | | | | | 24,065,433 | 26,065,480 | 2.37% | |
| Total Debt Investments | | | | | | | 1,036,294,182 | 1,041,145,246 | 94.73% | |
| Equity Securities | | | | | | | | | | |
| Business Support Services | | | | | | | | | | |

| | | | | | |
|---|---------------------------------|-----------|-----------|-----------|-----------|
| edly Talent, LLC | Membership Units | 708,229 | 230,938 | 162,184 | 0.02% C/E |
| G-Fairway ldings, LLC | Class A Units | 841,479 | 943,287 | 2,435,661 | 0.22% C/E |
| | | | 1,174,225 | 2,597,845 | 0.24% |
| Communications Equipment Manufacturing | | | | | |
| sserstein Cosmos Invest, L.P. | Limited Partnership Units | 5,000,000 | 5,000,000 | 4,375,000 | 0.40% B/C |
| Data Processing, Hosting, and Related Services | | | | | |