TCP Capital Corp.
Form 497
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PROSPECTUS SUPPLEMENT
(To Prospectus dated May 6, 2016)

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 100% of the combined common equity and general partner interests in the Operating Company as of June 30, 2016. 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. Our Advisor is a leading investment manager and specialty lender to middle-market companies that had in excess of $6.1 billion in capital commitments from investors (committed capital) under management as of June 30, 2016, approximately 24.6% of which consists of our committed capital. SVOF/MM, LLC, an affiliate of our 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 August 12, 2016, with Raymond James & Associates, Inc. (the Agent) 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 Agent, as our agent.

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 the Agent 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 the 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 Agent is 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 the 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 the Agent no longer remains subject thereto. We may also sell our common stock to the Agent as principal for its own account at prices agreed upon at the time of sale. We will pay the Agent a commission for its services in acting as sales agent and/or principal in the sale of shares. The 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. See Plan of Distribution on page S-32 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 August 10, 2016 was $16.09 per share. The offering price per share of our common stock sold in this offering less the Agent s 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 August 12, 2016, 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. We maintain a website at http://www.tcpcapital.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-35 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 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-8 of this prospectus supplement and on page 20 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 August 12, 2016

TABLE OF CONTENTS

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 our 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, our Advisor or our portfolio companies;
- the ability of our 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 our Advisor to attract and retain highly talented professionals;
- fluctuations in interest rates or foreign currency exchange rates; and
- 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, continue, remain, maintain, sustain, seek, achieve and similar expressions, or future or conditional verbs such 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 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.

TABLE OF CONTENTS

You should rely only on the information contained in this prospectus supplement, the accompanying prospectus, the Statement of Additional Information, dated August 12, 2016, 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 Agent has 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 Agent is 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.

TABLE OF CONTENTS

TABLE OF CONTENTS

PROSPECTUS SUPPLEMENT

PROSPECTUS

TABLE OF CONTENTS

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 August 12, 2016 (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 our 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, as amended, 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. 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 our 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

TABLE OF CONTENTS

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. 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.

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 our Advisor, a leading investment manager with in excess of $6.1 billion in capital commitments from investors (committed capital) under management, approximately 24.6% of which consists of the Holding Company s committed capital under management as of June 30, 2016, and a primary focus on providing financing to middle-market companies as well as small businesses. 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, or the Code.

On April 22, 2014, TCPC SBIC, a wholly-owned subsidiary of the Operating Company, received a Small Business Investment Company (SBIC) license from the Small Business Administration (SBA). Pursuant to an exemptive order under the 1940 Act, we have been granted exemptive relief from the SEC to permit us to exclude the debt of TCPC SBIC guaranteed by the SBA from our 200% asset coverage test under the 1940 Act. Pursuant to the 200% asset coverage ratio limitation, we are permitted to borrow one dollar for every dollar we have in assets less all liabilities and indebtedness not represented by debt securities issued by us or loans obtained by us. For example, as of June 30, 2016, we had approximately $1,268.0 million in assets less all liabilities and indebtedness not represented by debt securities issued by us or loans obtained by us, which would permit us to borrow up to approximately $1,268.0 million, notwithstanding other limitations on our borrowings pursuant to our Leverage Program.

The exemptive relief provides us with increased flexibility under the 200% asset coverage test by permitting us to borrow up to $150 million more than we would otherwise be able to absent the receipt of this exemptive relief. As a result, we, in effect, will be permitted to have a lower asset coverage ratio than the 200% asset coverage ratio limitation under the 1940 Act and, therefore, we can have more debt outstanding than assets to cover such debt. For example, we will be able to borrow up to $150 million more than the approximately $1,268.0 million permitted under the 200% asset coverage ratio limit as of June 30, 2016. For additional information on SBA regulations that affect our access to SBA-guaranteed debentures, see the accompanying prospectus Risk Factors — Risks Relating to Our Business — TCPC SBIC is subject to SBA regulations, and any failure to comply with SBA regulations could have an adverse effect on our operations.

The SBIC license allows TCPC SBIC to obtain leverage by issuing SBA-guaranteed debentures, subject to the issuance of a capital commitment by the SBA and other customary procedures. SBA-guaranteed debentures are non-recourse, interest only debentures with interest payable semi-annually and have a ten year maturity. The principal amount of SBA-guaranteed debentures is not required to be paid prior to maturity but may be prepaid at any time without penalty. The interest rate of SBA-guaranteed debentures is fixed on a semi-annual basis at a market-driven spread over U.S. Treasury Notes with 10-year maturities. The SBA, as a creditor, will have a superior claim to TCPC SBIC s assets over our stockholders in the event we liquidate TCPC SBIC or the SBA exercises its remedies under the SBA-guaranteed debentures issued by TCPC SBIC upon an event of default.

Investment Portfolio

At June 30, 2016, our investment portfolio of $1,231.5 million (at fair value) consisted of 89 portfolio companies and was invested 95.5% in debt investments, substantially all of which was in senior secured debt. In aggregate, our investment portfolio was invested 79.8% in senior secured loans, 15.7% in senior secured notes, and 4.5% in equity investments. Our average portfolio company investment at fair value was approximately $13.8 million. Our largest portfolio company investment by value was approximately $45.4 million and our five largest portfolio company investments by value comprised approximately 15.3% of our portfolio at June 30, 2016. See the accompanying prospectus under Prospectus Summary—Investment Strategy for more information.

TABLE OF CONTENTS

Recent Developments

From July 1, 2016 through August 5, 2016, the Operating Company has invested approximately $26.9 million primarily in five senior secured loans and notes, as well as equity interests in a portfolio of lease assets with a combined effective yield of approximately 9.7%.

On July 13, 2016, we completed a registered direct public offering of 2,336,552 shares of our common stock at a price of $15.09 per share for total gross proceeds of $35.3 million. We incurred no placement agent, underwriting or other similar fees in connection with the transaction. The Adviser paid certain fees to facilitate the transaction, for which it is not seeking reimbursement from the Company.

On August 3, 2016, our board of directors re-approved the Company Repurchase Plan (as defined below), to be in effect through the earlier of two trading days after our third quarter 2016 earnings release or such time as the approved $50.0 million repurchase amount has been fully utilized, subject to certain conditions.

On August 9, 2016, our board of directors declared a third quarter regular dividend of $0.36 per share payable on September 30, 2016 to stockholders of record as of the close of business on September 16, 2016.

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 Agent s 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. We maintain a website at http://www.tcpcapital.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 our 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.

TABLE OF CONTENTS

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	2.66 %[(5)]
Incentive Compensation Payable Under the Investment Management Agreement (20% of ordinary income and capital gains)	2.42 %[(6)]
Interest Payments on Borrowed Funds	3.06 %[(7)]
Other Expenses (estimated)	0.96 %[(8)]
Total Annual Expenses	9.10 %

(1) Represents the Agent's commissions with respect to the shares to be sold by us pursuant to this prospectus supplement and the accompanying prospectus. The Agent 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 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 $731.6 million for the 12 month period ending June 30, 2016.

(5) Base management fees are paid quarterly in arrears. The base management fee of 1.5% 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 total assets. We make this conversion because all of our interest is 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 prorated. 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 our 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

TABLE OF CONTENTS

incentive compensation previously paid or distributed. For assets held on January 1, 2013, capital gain, loss and depreciation are measured on an asset by asset basis against the value thereof as of December 31, 2012. The capital gains component is paid or distributed in full prior to payment or distribution of the ordinary income component.

(7) Interest Payments on Borrowed Funds represents interest and fees estimated to be accrued on the Term Loan, SVCP Revolver (defined below) and TCPC Funding Facility (defined below) and amortization of debt issuance costs, and assumes the SVCP Revolver and TCPC Funding Facility are fully drawn (subject to asset coverage limitations under the 1940 Act) and that the interest rate on the debt issued (i) under the Term Loan is the rate in effect as of June 30, 2016, which was 2.38%, (ii) under the SVCP Revolver is the rate in effect as of June 30, 2016, which was 2.21% and (iii) under the TCPC Funding Facility is the rate in effect as of June 30, 2016, which was 3.12%. Interest Payments on Borrowed Funds additionally represents interest and fees estimated to be accrued on our $108.0 million in aggregate principal amount of our 5.25% convertible senior unsecured notes due 2019 (the 2019 Notes), which bear interest at an annual rate of 5.25%, payable semi-annually, and are convertible into shares of our common stock under certain circumstances and our $75.0 million of committed leverage from the SBA, which SBA debentures, once drawn, bear an interim interest rate of LIBOR plus 30 basis points, are non-recourse and may be prepaid at any time without penalty, and assumes that the committed leverage from the SBA is fully drawn. 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) Other Expenses includes our estimated overhead expenses, including expenses of our Advisor reimbursable under the investment management agreements and of the Administrator reimbursable under the administration agreement except for certain administration overhead costs which are not currently contemplated to be charged to us. Such expense estimate, other than the Administrator expenses, is based on actual other expenses for the twelve month period ended June 30, 2016.

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. 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 $1,000 investment, assuming a 5% annual return resulting entirely from net investment income[(1)]	$ 88	$ 214	$ 336	$ 623
You would pay the following expenses on a $1,000 investment, assuming a 5% annual return resulting entirely from net realized capital gains[(2)]	$ 88	$ 214	$ 336	$ 623

(1) All incentive compensation (on both net investment income and net realized gains) is subject to a total return hurdle of 8%. Consequently, no incentive compensation would be incurred in this scenario.

(2) All incentive compensation (on both net investment income and net realized gains) is subject to a total return hurdle of 8%. Consequently, no incentive compensation would be incurred in this scenario. Assumes no unrealized capital depreciation.

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 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.

TABLE OF CONTENTS

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 year ended December 31, 2015 has been derived from our consolidated financial statements that were audited by Deloitte & Touche LLP, our independent registered public accounting firm. The selected consolidated financial data below for the years ended December 31, 2014, 2013, 2012 and 2011 has been derived from our consolidated financial statements that were audited by Ernst & Young LLP, our former independent registered public accounting firm. The selected consolidated financial data at and for the three and six months ended June 30, 2016 and 2015 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 six months ended June 30, 2016 are not necessarily indicative of the results that may be expected for the year ending December 31, 2016. This selected financial data should be read in conjunction with our financial statements and related notes thereto, Management s Discussion and Analysis of Financial Condition and Results of Operations and Senior Securities included elsewhere in this prospectus supplement.

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

For the Three Months Ended June 30,		For the Six Months Ended June 30,			For the Year Ended December 31,			
2016	2015	2016	2015	2015	2014	2013	2012	
$ 34,763,099	$ 37,484,872	$ 67,637,622	$ 69,041,124	$ 142,012,553	$ 100,923,265	$ 66,979,064	$ 49,243,332	$
—	—	—	—	—	1,968,748	—	1,811,189	
649,785	331,336	1,425,856	623,042	1,352,797	1,334,330	1,121,614	823,030	
182,287	1,121,612	1,120,975	2,089,007	3,502,875	2,355,105	1,508,368	315,208	
35,595,171	38,937,820	70,184,453	71,753,173	146,868,225	106,581,448	69,609,046	52,192,759	
5,833,727	4,316,021	11,379,008	8,420,639	18,895,977	9,821,751	2,339,447	857,757	
4,656,418	4,618,214	9,160,502	8,977,412	18,593,660	13,646,064	8,820,229	6,908,942	
1,971,302	2,734,250	3,640,839	4,145,306	7,999,070	5,012,257	3,141,484	2,625,722	
12,461,447	11,668,485	24,180,349	21,543,357	45,488,707	28,480,072	14,301,160	10,392,421	

23,133,724	27,269,335	46,004,104	50,209,816	101,379,518	78,101,376	55,307,886	41,800,338	
—	—	—	—	876,706	808,813	977,624	1,479,978	
23,133,724	27,269,335	46,004,104	50,209,816	100,502,812	77,292,563	54,330,262	40,320,360	
2,675,361	(2,214,992)	(4,147,892)	(1,779,437)	(22,405,111)	(27,304,578)	9,071,361	(12,784,251)	
—	1,675,000	—	1,675,000	1,675,000	—	—	—	
—	(403,907)	—	(691,846)	(754,140)	(1,438,172)	(1,494,552)	(1,602,799)	
(4,626,745)	(5,383,887)	(9,200,821)	(9,903,596)	(19,949,734)	(14,002,294)	(12,381,416)	—	
$ 21,182,340	$ 20,941,549	$ 32,655,391	$ 39,509,937	$ 59,068,827	$ 34,547,519	$ 49,525,655	$ 25,933,310	$
$ 0.43	$ 0.43	$ 0.67	$ 0.81	$ 1.21	$ 0.88	$ 1.91	$ 1.21	$
(0.36)	(0.36)	(0.72)	(0.72)	(1.44)	(1.54)	(1.53)	(1.43)	
49,224,367	48,903,081	48,985,444	48,807,788	48,863,188	39,395,671	25,926,493	21,475,847	

* 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.

TABLE OF CONTENTS

,407	$ 1,211,975,049	$ 1,231,501,407	$ 1,211,975,049	$ 1,182,919,725	$ 1,146,535,886	$ 766,262,959	$ 517
0,621	68,904,822	84,110,621	68,904,822	60,398,076	59,330,911	37,066,243	31
2,028	1,280,879,871	1,315,612,028	1,280,879,871	1,243,317,801	1,205,866,797	803,329,202	549
,216	416,900,159	516,661,216	416,900,159	502,410,321	328,696,830	95,000,000	74
9,715	23,653,373	51,759,715	23,653,373	18,930,463	11,543,149	23,045,112	24
0,931	440,553,532	568,420,931	440,553,532	521,340,784	340,239,979	118,045,112	98
—	100,898,541	—	100,898,541	—	134,497,790	134,504,252	134
—	—	—	—	—	—	1,168,583	
,097	$ 739,427,798	$ 747,191,097	$ 739,427,798	$ 721,977,017	$ 731,129,028	$ 549,611,255	$ 315
89	87	89	87	88	84	67	
3,438	$ 195,948,172	$ 233,176,219	$ 302,770,028	$ 500,928,009	$ 669,515,626	$ 471,087,319	$ 359
5,675	$ 189,744,917	$ 186,045,477	$ 240,177,662	$ 456,059,137	$ 266,008,974	$ 235,641,665	$ 211
11.0 %	10.9 %	11.0 %	10.9 %	10.9 %	10.9 %	10.9 %	

S-7

TABLE OF CONTENTS

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 20, 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 June 30, 2016 and our NAV when calculated effective September 30, 2016 may be higher or lower.

Our NAV per share most recently approved by our board of directors is $14.74 as of June 30, 2016. Our NAV per share as of the date of this prospectus supplement may be higher or lower than the NAV per share approved or estimated, as applicable, as of June 30, 2016 and September 30, 2016. Our board of directors has not yet approved the fair value of our portfolio investments at any date subsequent to June 30, 2016. 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 an independent valuation firm, 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 pursuant to the Leverage Program and expects, in the future, to borrow additional amounts under the SVCP Facility and TCPC Funding Facility and may increase the size of the SVCP Facility and TCPC Funding Facility or enter into other borrowing arrangements. The Company s portfolio must experience an annual return of 1.92% in order to cover annual interest and dividend payments under the Leverage Program as of June 30, 2016.

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. 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 June 30, 2016, which represented borrowings equal to 39.5% of our total assets. On such date, we also had $1,315.6 million in total assets; $1,231.5 million in total investments; an average cost of funds of 3.18%; $520.8 million aggregate principal amount of debt outstanding; and $747.2 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 June 30, 2016 to obtain an assumed return to us. From this amount, interest expense multiplied the combined rate of interest of 3.18% by the $520.8 million of debt is subtracted to determine the return available to stockholders. The return available to stockholders is then divided by the total value of our net assets at June 30, 2016 to determine the Corresponding Return to Common Stockholders. Actual interest payments may vary.

Assumed Return on Portfolio (Net of Expenses Other than Interest)	**-10%**	**-5%**	**0%**	**5%**	**10%**
	-19 %	-10 %	-2 %	6 %	14 %

Corresponding Return to Common
Stockholders

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.

The results of the June 2016 referendum on the United Kingdom exiting the European Union, and the United Kingdom s exit from the European Union, could cause an extended period of uncertainty and market volatility in the United States and abroad, which may have material consequences for us.

On June 23, 2016, the United Kingdom voted to leave the European Union. If, as expected, the United Kingdom triggers the withdrawal procedures in Article 50 of the Treaty of Lisbon, there will be a two-year period (or longer) during which the arrangements for exit will be negotiated. This vote and the withdrawal process could cause an extended period of uncertainty and market volatility, in the United States and abroad. It is not possible to ascertain the precise impact these events may have on us from an economic, financial or regulatory perspective but any such impact could have material consequences for us.

TABLE OF CONTENTS

There is a risk that you may not receive distributions or that our distributions may not grow over time and a portion of our distributions may be a return of capital.

We intend to make distributions on a quarterly basis to our stockholders out of assets legally available for distribution. We cannot assure you that we will achieve investment results that will allow us to make a specified level of cash distributions or year-to-year increases in cash distributions. Our ability to pay distributions might be adversely affected by the impact of one or more of the risk factors described in this prospectus. Due to the asset coverage test applicable to us under the 1940 Act as a BDC, we may be limited in our ability to make distributions. Additionally, a portion of such distributions may include a return of stockholder capital. Distributions in excess of our current and accumulated earnings and profits are considered nontaxable distributions and serve to reduce the basis of our shares in the hands of the common stockholders rather than being currently taxable. If the basis is reduced to zero, any additional distributions in excess of our current and accumulated earnings and profits would be a taxable distribution, currently taxable as capital gain. As a result of the reduction of the basis of our shares, common stockholders may incur additional capital gains taxes or may have lower capital losses.

TABLE OF CONTENTS

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 unaudited 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 was formed through the conversion of a pre-existing closed-end 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 (the 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.

Our leverage program is comprised of $116.0 million in available debt under a senior secured revolving credit facility issued by the Operating Company (the SVCP Revolver), a $100.5 million term loan issued by the Operating Company (the Term Loan and together with the SVCP Revolver, the SVCP Facility), $350.0 million in available debt under a senior secured revolving credit facility issued by TCPC Funding (the TCPC Funding Facility), $108.0 million in convertible senior unsecured notes issued by the Holding Company (the Convertible Notes) and $75.0 million in committed leverage from the SBA (the SBA Program and, together with the SVCP Facility, the TCPC Funding Facility and the Convertible Notes the Leverage Program). Prior to the repurchase and retirement of the remaining preferred interests on September 3, 2015, the Leverage Program also included amounts outstanding under a preferred equity facility issued by the Operating Company (the Preferred Interests).

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 $250.0 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 June 30, 2016, 81.8% 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, capital gains on the disposition of investments, and certain lease, fee, and other income. 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, end-of-term or exit 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 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;

TABLE OF CONTENTS

- 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;
- 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. According to the terms of such agreements, no incentive compensation was incurred prior to January 1, 2013. Beginning January 1, 2013, the incentive compensation equals the sum of (1) 20% of all ordinary income since January 1, 2013 and (2) 20% of all net realized 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).

TABLE OF CONTENTS

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 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 approved 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

TABLE OF CONTENTS

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 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 June 30, 2016, none of our investments were categorized as Level 1, 6.6% were categorized as Level 2, 93.2% were Level 3 investments valued based on valuations by independent third party sources, and 0.2% 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. 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, as are end-of-term or exit fees receivable upon repayment of a 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 due upon the early repayment of a loan or debt security are recognized when earned and are included in interest income.

Certain of our debt investments are purchased at a 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. Discounts on the acquisition of corporate bonds are generally amortized using the effective-interest or constant-yield method assuming there are no questions as to collectability. 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.

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 June 30, 2016, we invested approximately $119.1 million, comprised of new investments in five new and four existing portfolio companies, as well as draws made on existing commitments and PIK received on prior investments. Of these investments, 93.8% were in senior secured debt comprised of senior loans ($88.5 million, or 74.3% of total acquisitions) and senior secured notes ($23.2 million, or 19.5% of total acquisitions). The remaining $7.4 million (6.2% of total acquisitions) were comprised of $7.3 million in equity interests in two portfolios of debt and lease assets, as well as $0.1 million in a warrant position received in connection with a debt investment. Additionally, we received approximately $119.9 million in proceeds from sales or repayments of investments during the three months ended June 30, 2016.

During the three months ended June 30, 2015, we invested approximately $196.0 million, comprised of new investments in 7 new and 11 existing portfolio companies, as well as draws made on existing commitments and PIK received on prior investments. Of these investments, 99.6% were in senior secured debt, comprised of senior loans ($165.6 million, or 84.5% of total acquisitions) and senior secured notes ($29.6 million, or 15.1% of total acquisitions). The remaining $0.8 million (0.4% of total acquisitions) were equity investments. Additionally, we received approximately $189.7 million in proceeds from sales or repayments of investments during the three months ended June 30, 2015.

During the six months ended June 30, 2016, we invested approximately $233.2 million, comprised of new investments in nine new and six existing portfolio companies, as well as draws made on existing commitments and PIK received on prior investments. Of these investments, 94.3% were in senior secured debt comprised of senior loans ($180.4 million, or 77.3% of total acquisitions) and senior secured notes ($39.6 million, or 17.0% of total acquisitions). The remaining $13.2 million (5.7% of total acquisitions) were comprised of $12.3 million in equity interests in two portfolios of debt and lease assets, as well as $0.9 million in two warrant positions received in connection with debt investments. Additionally, we received approximately $186.0 million in proceeds from sales or repayments of investments during the six months ended June 30, 2016.

During the six months ended June 30, 2015 we invested approximately $302.8 million, comprised of new investments in 9 new and 18 existing portfolio companies, as well as draws made on existing commitments and PIK received on prior investments. Of these investments, 99.7% were in senior secured debt, comprised of senior loans ($262.6 million, or 86.7% of total acquisitions) and senior secured notes ($39.4 million, or 13.0% of total acquisitions). The remaining $0.8 million (0.3% of total acquisitions) were equity investments. Additionally, we received approximately $240.2 million in proceeds from sales or repayments of investments during the six months ended June 30, 2015.

At June 30, 2016, our investment portfolio of $1,231.5 million (at fair value) consisted of 89 portfolio companies and was invested 95.5% in debt investments, substantially all of which was in senior secured debt. In aggregate, our investment portfolio was invested 79.8% in senior secured loans, 15.7% in senior secured notes and 4.5% in equity investments. Our average portfolio company investment at fair value was approximately $13.8 million. Our largest portfolio company investment by value was approximately $45.4 million and our five largest portfolio company investments by value comprised approximately 15.3% of our portfolio at June 30, 2016.

At December 31, 2015, our investment portfolio of $1,182.9 million (at fair value) consisted of 88 portfolio companies and was invested 95.5% in debt investments, of which 99.9% was in senior secured debt and 0.1% in unsecured and subordinated debt. In aggregate, our investment portfolio was invested 81.5% in senior secured loans, 14.0% in senior secured notes, 0.1% in unsecured and subordinated debt, and 4.4% in equity investments. Our average portfolio company investment at fair value was approximately $13.4 million. Our largest portfolio company investment by value was approximately $43.3 million and our five largest portfolio company investments by value comprised approximately 15.7% of our portfolio at December 31, 2015.

The industry composition of our portfolio at fair value at June 30, 2016 was as follows:

Industry	Percent of Total Investments	
Software Publishing	18.8	%

Nondepository Credit Intermediation	6.2	%
Business Support Services	4.7	%
Other Information Services	4.5	%
Computer Systems Design and Related Services	4.5	%
Air Transportation	4.3	%
Scientific Research and Development Services	3.2	%
Financial Investment Activities	3.1	%
Chemicals	2.9	%

TABLE OF CONTENTS

Industry	**Percent of Total Investments**	
Insurance Related Activities	2.8	%
Wired Telecommunications Carriers	2.7	%
Textile Furnishings Mills	2.5	%
Retail	2.3	%
Advertising and Public Relations Services	2.3	%
Data Processing and Hosting Services	2.3	%
Utility System Construction	2.0	%
Management, Scientific, and Technical Consulting Services	1.9	%
Insurance Carriers	1.9	%
Equipment Leasing	1.9	%
Apparel Manufacturing	1.8	%
Electronic Component Manufacturing	1.8	%
Other Manufacturing	1.7	%
Radio and Television Broadcasting	1.6	%
Hospitals	1.6	%
Lessors of Nonfinancial Licenses	1.5	%
Other Publishing	1.5	%
Communications Equipment Manufacturing	1.4	%
Computer Equipment Manufacturing	1.3	%
Restaurants	1.3	%
Other Telecommunications	1.0	%
Other	8.7	%
Total	**100.0**	**%**

The weighted average effective yield of the debt securities in our portfolio was 11.00% at June 30, 2016 and 10.95% at December 31, 2015. At June 30, 2016, 79.6% of our debt investments bore interest based on floating rates, such as LIBOR, EURIBOR, the Federal Funds Rate or the Prime Rate, and 20.4% bore interest at fixed rates. The percentage of our floating rate debt investments that bore interest based on an interest rate floor was 70.1% at June 30, 2016. At December 31, 2015, 80.4% of our debt investments bore interest based on floating rates, such as LIBOR, EURIBOR, the Federal Funds Rate or the Prime Rate, and 19.6% bore interest at fixed rates. The percentage of our floating rate debt investments that bore interest based on an interest rate floor was 77.9% at December 31, 2015.

Results of operations

Investment income

Investment income totaled $35.6 million and $38.9 million, respectively, for the three months ended June 30, 2016 and 2015, of which $34.8 million and $37.5 million were attributable to interest and fees on our debt investments, $0.6 million and $0.3 million to lease income, and $0.2 million and $1.1 million to other income, respectively. Included in interest and fees on our debt investments were $2.0 million and $4.8 million of non-recurring income related to prepayments for the three months ended June 30, 2016 and 2015, respectively. The decrease in investment income in the three months ended June 30, 2016 compared to the three months ended June 30, 2015 reflects a decrease in interest income due to the lower non-recurring income related to a lower level of prepayments and other income in the three months ended June 30, 2016 compared to the three months ended June 30, 2015, partially offset by an increase in lease income.

Investment income totaled $70.2 million and $71.8 million, respectively, for the six months ended June 30, 2016 and 2015, of which $67.6 million and $69.1 million were attributable to interest and fees on our debt investments, $1.5 million and $0.6 million to lease income and $1.1 million and $2.1 million to other income, respectively. Included in interest and fees on our debt investments were $2.9 million and $5.0 million of non-recurring income related to prepayments for the six months ended June 30, 2016 and 2015, respectively. The decrease in investment income in the six months ended June 30, 2016 compared to the six months ended June 30, 2015 reflects a decrease in interest income due to the lower non-recurring income related to the lower level of prepayments and other income in the six months ended June 30, 2016 compared to the six months ended June 30, 2015, partially offset by an increase in lease income.

Expenses

Total operating expenses for the three months ended June 30, 2016 and 2015 were $12.5 million and $11.7 million respectively, comprised of $5.8 million and $4.3 million in interest expense and related fees, $4.7 million and $4.6 million in base management fees, $0.7 million and $1.3 million in legal and other professional fees, $0.4 million and $0.4 million in administrative expenses, and $0.9 million and $1.1 million in other expenses, respectively. The increase in expenses in the three months ended June 30, 2016 compared to the three months ended June 30, 2015 primarily reflects higher interest expense due to the conversion of the Preferred Interests to term debt, the increase in LIBOR, and other costs related to the increase in available and outstanding debt.

Total operating expenses for the six months ended June 30, 2016 and 2015 were $24.2 million and $21.5 million, respectively, comprised of $9.2 million and $9.0 million in base management fees, $1.2 million and $1.6 million in legal and professional fees, $11.4 million and $8.4 million in interest expense and related fees, $0.8 million and $0.8 million in administrative expenses, and $1.6 million and $1.7 million in other expenses, respectively. The increase in expenses in the six months ended June 30, 2016 compared to the six months ended June 30, 2015 primarily reflects 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 and the increase in LIBOR.

Net investment income

Net investment income was $23.1 million and $27.3 million, respectively, for the three months ended June 30, 2016 and 2015. The decrease in net investment income in the three months ended June 30, 2016 compared to the three months ended June 30, 2015 primarily reflects the increase in expenses and the decrease in investment income in the three months ended June 30, 2016.

Net investment income was $46.0 million and $50.2 million, respectively, for the six months ended June 30, 2016 and 2015. The decrease in net investment income in the six months ended June 30, 2016 compared to the six months ended June 30, 2015 primarily reflects the increase in expenses and the decrease in investment income in the six months ended June 30, 2016.

Net realized and unrealized gain or loss

Net realized losses for the three months ended June 30, 2016 and 2015 were $0.7 million and $9.3 million, respectively. The net realized loss during the three months ended June 30, 2015 was due primarily to the restructure of our loan to Edmentum, in which we received new debt and equity in a delevered company.

For the three months ended June 30, 2016 and 2015, the change in net unrealized appreciation/depreciation was an increase of $3.4 million and an increase of $7.1 million, respectively. The change in net unrealized appreciation/depreciation for the three months ended June 30, 2016 was comprised primarily of mark-to-market adjustments resulting from narrower market yield spreads during the quarter and a $1.6 million gain on our loan to MD America Energy, LLC which we sold back to the company after quarter end, partially offset by certain net markdowns. The change in net unrealized appreciation/depreciation for the three months ended June 30, 2015 was primarily due to the reversal of the previous unrealized loss on our loan to Edmentum as well as various mark-to-market adjustments during the period.

Net realized losses for the six months ended June 30, 2016 and 2015 were $3.3 million and $9.4 million, respectively. The net realized loss during the six months ended June 30, 2016 was due primarily to the taxable reorganization of our investment in Boomerang Tube, LLC. The net realized loss during the six months ended June 30, 2015 was due primarily to the restructure of our loan to Edmentum, in which we received new debt and equity in a delevered company.

For the six months ended June 30, 2016 and 2015, the change in net unrealized appreciation/depreciation was a decrease of $0.8 million and an increase of $7.7 million, respectively. The increase in net unrealized appreciation/depreciation for the six months ended June 30, 2015 were primarily due to reversals of prior period unrealized depreciation.

Income tax expense, including excise tax

The Holding Company has elected to be treated as a RIC under Subchapter M of the Internal Revenue Code (the Code) and operates, and intends to continue to operate, 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 Company has made and intends to continue to make the requisite distributions to its stockholders which will generally relieve the 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 three and six months ended June 30, 2016 and 2015.

Gain on repurchase of Series A preferred interests

Gains on repurchase of Series A preferred interests for the three and six months ended June 30, 2016 and 2015 were $0.0 million and $1.7 million, respectively. The gain on repurchase of Series A preferred interests during the three and six months ended June 30, 2015 was due to the repurchase of 1,675 Preferred Interests on June 30, 2015 at a price of $31.8 million.

Dividends to preferred equity holders

Dividends on the Preferred Interests for the three months ended June 30, 2016 and 2015 were $0.0 million and $0.4 million, respectively. Dividends on the Preferred Interests for the six months ended June 30, 2016 and 2015 were $0.0 million and $0.8 million, respectively. The decrease in dividends on Preferred Interests during the three and six months ended June 30, 2016 compared to the three and six months ended June 30, 2015 was due to the repurchase and retirement of all remaining Preferred Interests during 2015.

Incentive compensation

Incentive compensation distributable to the General Partner for the three months ended June 30, 2016 and 2015 was $4.6 million and $5.4 million, respectively. Incentive compensation distributable to the General Partner for the six months ended June 30, 2016 and 2015 was $9.2 million and $9.9 million, respectively. Incentive compensation for the three and six months ended June 30, 2016 and 2015 was distributable due to our performance exceeding the total return threshold. The change in reserve for incentive compensation to the General Partner for the three and six months ended June 30, 2016 and 2015 was $0.0 million and $0.0 million, respectively. The change in reserve for incentive compensation for the three and six months ended June 30, 2016 and 2015 represents 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 June 30, 2016 and 2015, respectively.

Net increase in net assets applicable to common shareholders resulting from operations

The net increase in net assets applicable to common shareholders resulting from operations was $21.2 million and $20.9 million for the three months ended June 30, 2016 and 2015, respectively. The higher net increase in net assets applicable to common shareholders resulting from operations during the three months ended June 30, 2016 is primarily due to the net realized and unrealized gains during the three months ended June 30, 2016 compared to the net realized and unrealized losses during the three months ended June 30, 2015, partially offset by lower net investment income during the three months ended June 30, 2016 compared to the three months June 30, 2015. The net increase in net assets applicable to common shareholders resulting from operations was $32.7 million and $39.5 million for the six months ended June 30, 2016 and 2015, respectively. The lower net increase in net assets applicable to common shareholders resulting from operations during the six months ended June 30, 2016 is primarily due to the higher net realized and unrealized losses and lower net investment income in the six months ended June 30, 2016 compared to the six months ended June 30, 2015.

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 SVCF (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

TABLE OF CONTENTS

common stock, amounts outstanding 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.

The following table summarizes the total shares issued and proceeds received in offerings 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 six months ended June 30, 2016.

	Shares Issued	Price Per Share		Net Proceeds
Shares issued from dividend reinvestment plan	311	$ 15.08	*	$ 4,691
Shares issued from conversion of convertible debt†	2,011,900	15.02		—

* Weighted-average price per share.

† On April 18, 2016, the Company issued $30.0 million in aggregate principal amount of a 5.25% convertible senior unsecured note due 2021 to CNO Financial Investments Corp. (the CNO Note). On June 7, 2016, the Company issued 2,011,900 shares of its common stock pursuant to the full conversion, at the holder’s option, of the $30.0 million in aggregate principal amount (plus accrued interest) of the CNO Note. The CNO Note was converted at a price of $15.02 per share of common stock. No placement agent or underwriting fees were incurred in connection with the issuance or the conversion of the CNO Note.

The following table summarizes the total shares issued and proceeds received in offerings 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, 2015.

	Shares Issued	Price Per Share		Net Proceeds
At-the-market offerings	248,614	$ 15.87	*	$ 3,946,066
Shares issued from dividend reinvestment plan	555	14.62	*	8,116

* Weighted-average price per share.

On October 3, 2014, we entered into an at-the-market equity offering program (the ATM Program) with Raymond James & Associates Inc. and Cantor Fitzgerald & Co. through which we were able to offer and sell, by means of at-the-market offerings from time to time, shares of our common stock having an aggregate offering price of up to $100,000,000. From October 3, 2014 through May 4, 2015, we sold 648,869 shares of our common stock at an average price of $15.98 per share under the Prior ATM Program, raising $10,366,492 in net proceeds.

On February 24, 2015, the Company s board of directors approved a stock repurchase plan (the Company Repurchase Plan) to acquire up to $50.0 million in the aggregate of the Company s common stock at prices at certain thresholds below the Company s net asset value per share, in accordance with the guidelines specified in Rule 10b-18 and Rule 10b5-1 of the Securities Exchange Act of 1934. The Company Repurchase Plan is designed to allow the Company to repurchase its common stock at times when it otherwise might be prevented from doing so under insider trading laws. The Company Repurchase Plan requires an agent selected by the Company to repurchase shares of common stock on the Company s behalf if and when the market price per share is at certain thresholds below the most recently reported net asset value per share. Under the plan, the agent will increase the volume of purchases made if the price of the Company s common stock declines, subject to volume restrictions. The timing and amount of any stock repurchased depends on the terms and conditions of the Company Repurchase Plan, the market price of the common stock and trading volumes, and no assurance can be given that any particular amount of common stock will be repurchased. The Company Repurchase Plan was re-approved on May 4, 2016, and, unless further extended or terminated by our board of directors, we expect that the Company Repurchase Plan will be in effect through the earlier of two trading days after our second quarter

TABLE OF CONTENTS

2016 earnings release or such time as the approved $50.0 million repurchase amount has been fully utilized, subject to certain conditions. The following table summarizes the total shares repurchased and amounts paid by the Company under the Company Repurchase Plan, including broker fees, for the six months ended June 30, 2016:

	Shares Repurchased	Price Per Share	Total Cost
Company Repurchase Plan	141,896	$ 13.25 *	$ 1,879,548

* Weighted-average price per share

Total leverage outstanding and available under the combined Leverage Program at June 30, 2016 were as follows:

	Maturity	Rate	Carrying Value*	Available	Total Capacity
SVCP Facility					
SVCP Revolver	2018	L+1.75 %†	$ 78,000,000	$ 38,000,000	$ 116,000,000
Term Loan	2018	L+1.75 %†	100,500,000	—	100,500,000
Convertible Notes ($108 million par)	2019	5.25 %	106,326,024	—	106,326,024
TCPC Funding Facility	2020	L+2.50 %†‡	175,000,000	175,000,000	350,000,000
SBA Debentures	2024-2026	2.81 %§	61,000,000	14,000,000	75,000,000 **
Total leverage			520,826,024	$ 227,000,000	$ 747,826,024
Unamortized issuance costs			(4,164,808)		
Debt, net of unamortized issuance costs			$ 516,661,216		

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

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

‡ Or L+2.25% subject to certain funding requirements

§ Weighted-average interest rate on pooled loans of $42.8 million, excluding fees of 0.36%. As of June 30, 2016, the remaining $6.2 million and $12.0 million of the outstanding amount were not yet pooled, and bore interest at a temporary rate of 1.20% and 1.10%, respectively, plus fees of 0.36% through September 23, 2016, the date of the next SBA pooling.

** Anticipated total capacity of $150.0 million, subject to approval by the SBA following complete funding of our initial $75.0 million commitment.

On July 13, 2015, we obtained exemptive relief from the SEC to permit us to exclude the debt of our SBA Debentures from our 200% asset coverage test under the 1940 Act. The exemptive relief provides us with increased flexibility under the 200% asset coverage test by permitting the SBIC to borrow up to $150.0 million more than it would otherwise be able to absent the receipt of this exemptive relief. The SBIC currently has a $75.0 million commitment from the SBA. Once this commitment is fully drawn, the SBIC intends to submit an application to the SBA for an additional $75.0 million commitment.

Net cash used in operating activities during the six months ended June 30, 2016 was $7.4 million. Our primary use of cash in operating activities during this period consisted of the settlement of acquisitions of investments (net of dispositions) of $43.8 million, partially offset by net investment income less incentive allocation (net of non-cash income and expenses) of approximately $36.4 million.

Net cash provided by financing activities was $10.1 million during the six months ended June 30, 2016, consisting primarily of $30.0 million from proceeds from the issuance of the CNO Note (which was subsequently converted to common equity) and $18.2 million of net borrowings reduced by the $35.8 million in regular dividends on common equity, $1.9 million in common shares repurchases, and payment of $0.4 million in debt issuance costs.

At June 30, 2016, we had $38.3 million in cash and cash equivalents.

TABLE OF CONTENTS

The SVCP Facility and the TCPC Funding Facility 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 total 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 SVCP Facility and the TCPC Funding Facility, and may therefore impact our ability to borrow under the SVCP Facility and the TCPC Funding Facility. 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, thereby materially and adversely affecting our liquidity, financial condition and results of operations. At June 30, 2016, 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 liquidity event, such as a sale, recapitalization or initial public offering. The SVCP Facility, the Convertible Notes and the TCPC Funding Facility mature in July 2018, December 2019 and March 2020, respectively. 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 are 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.

TABLE OF CONTENTS

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.

The following tables summarize dividends declared for the six months ended June 30, 2016 and 2015:

Date Declared	Record Date	Payment Date	Type	Amount Per Share	Total Amount
February 24, 2016	March 17, 2016	March 31, 2016	Regular	$ 0.36	$ 17,530,963
May 10, 2016	June 16, 2016	June 30, 2016	Regular	0.36	18,254,229
				$ 0.72	$ 35,785,192

Date Declared	Record Date	Payment Date	Type	Amount Per Share	Total Amount
March 10, 2015	March 19, 2015	March 31, 2015	Regular	$ 0.36	$ 17,535,826
May 7, 2015	June 16, 2015	June 30, 2015	Regular	0.36	17,625,370
				$ 0.72	$ 35,161,196

The following table summarizes the total shares issued in connection with our dividend reinvestment plan for the six months ended June 30, 2016 and 2015:

	2016	2015
Shares Issued	311	253
Average Price Per Share	$ 15.08	$ 15.64
Proceeds	$ 4,691	$ 3,962

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 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, 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

TABLE OF CONTENTS

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.

TABLE OF CONTENTS

Recent Developments

From July 1, 2016 through August 5, 2016, the Operating Company has invested approximately $26.9 million primarily in five senior secured loans and notes, as well as equity interests in a portfolio of lease assets with a combined effective yield of approximately 9.7%.

On July 13, 2016, we completed a registered direct public offering of 2,336,552 shares of our common stock at a price of $15.09 per share for total gross proceeds of $35.3 million. We incurred no placement agent, underwriting or other similar fees in connection with the transaction. The Adviser paid certain fees to facilitate the transaction, for which it is not seeking reimbursement from the Company.

On August 3, 2016, our board of directors re-approved the Company Repurchase Plan, to be in effect through the earlier of two trading days after our third quarter 2016 earnings release or such time as the approved $50.0 million repurchase amount has been fully utilized, subject to certain conditions.

On August 9, 2016, our board of directors declared a third quarter regular dividend of $0.36 per share payable on September 30, 2016 to stockholders of record as of the close of business on September 16, 2016.

TABLE OF CONTENTS

QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

We are subject to financial market risks, including changes in interest rates. At June 30, 2016, 79.6% 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 June 30, 2016, the percentage of our floating rate debt investments that bore interest based on an interest rate floor was 70.1%. 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 June 30, 2016 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	$ 27,138,204	$ (12,435,000)	$ 14,703,204
Up 200 basis points	17,433,951	(8,290,000)	9,143,951
Up 100 basis points	7,767,423	(4,145,000)	3,622,423
Down 100 basis points	(2,400,582)	2,700,882	300,300
Down 200 basis points	(2,400,582)	2,700,882	300,300
Down 300 basis points	(2,400,582)	2,700,882	300,300

S-25

TABLE OF CONTENTS

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 Agent s 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 this prospectus supplement and the accompanying prospectus, we estimate that the net proceeds would be approximately $97.7 million after deducting the estimated Agent s commissions and our estimated offering expenses.

We intend to use the net proceeds from any offering to repay amounts outstanding under the SVCP Facility and TCPC Funding Facility, if any, (which will increase the funds under the SVCP Facility and TCPC Funding Facility 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 this offering will be invested in accordance with our investment objective within six to twelve months following completion of this 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 August 5, 2016, we had $152.5 million outstanding under the SVCP Facility, with advances generally bearing interest at LIBOR plus 2.50% per annum, subject to certain limitations. The SVCP Facility matures July 31, 2018, subject to extension by the lender at our request.

As of August 5, 2016, we had $175.0 million outstanding under the TCPC Funding Facility, with advances generally bearing interest at LIBOR plus either 2.25% or 2.50% per annum, subject to certain limitations. The TCPC Funding Facility matures on March 6, 2020, subject to extension by the lender at our request.

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.

TABLE OF CONTENTS

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 closing sale price as a premium (discount) to net asset value, or NAV, and quarterly distributions per share for the last two completed fiscal years and each quarter since the beginning of the current fiscal year.

		Stock Price		Premium (Discount) of High Sales Price to NAV(3)	Premium (Discount) of Low Sales Price to NAV(3)	Declared Distributions
	NAV(1)	High(2)	Low(2)			
Fiscal year ended December 31, 2014						
First Quarter	$ 15.32	$ 17.97	$ 16.36	17.3 %	6.8 %	$ 0.36
Second Quarter	$ 15.31	$ 18.31	$ 15.80	19.6 %	3.2 %	$ 0.41 (4)
Third Quarter	$ 15.43	$ 18.31	$ 16.07	18.7 %	4.1 %	$ 0.36
Fourth Quarter	$ 15.01	$ 17.47	$ 15.25	16.4 %	1.6 %	$ 0.41 (4)
Fiscal year ended December 31, 2015						
First Quarter	$ 15.03	$ 16.91	$ 15.22	12.5 %	1.3 %	$ 0.36
Second Quarter	$ 15.10	$ 16.49	$ 15.29	9.2 %	1.3 %	$ 0.36
Third Quarter	$ 15.10	$ 15.87	$ 13.50	5.1 %	(10.6)%	$ 0.36
Fourth Quarter	$ 14.78	$ 15.40	$ 13.80	4.2 %	(6.6)%	$ 0.36
Fiscal year ended December 31, 2016						
First Quarter	$ 14.66	$ 14.91	$ 12.36	1.7 %	(15.7)%	$ 0.36
Second Quarter	$ 14.74	$ 15.28	$ 14.21	3.7 %	(3.6)%	$ 0.36
Third Quarter (through August 10, 2016)	$ (5)	$ 16.09	$ 15.35	%(5)	%(5)	$ 0.36

(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) Includes a special dividend of $0.05 per share.

(5) NAV has not yet been determined.

On August 10, 2016, the closing price of our common stock was $16.09 per share. As of August 10, 2016, we had 29 stockholders of record.

The table below sets forth each class of our outstanding securities as of August 10, 2016.

Title of Class	Amount Authorized	Amount Held by Registrant or for its Account	Amount Outstanding

Common Stock	200,000,000	—	53,042,901

TABLE OF CONTENTS

CAPITALIZATION

The following table sets forth (1) our actual capitalization at June 30, 2016, and (2) our capitalization on an as adjusted basis giving effect to the assumed sale of 6,215,040 shares of our common stock at the public offering price of $16.09 per share, the last reported closing price of our common stock on August 10, 2016, after deducting the maximum Agent s 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 June 30, 2016	
	Actual	**As Adjusted**
Assets:		
Cash and cash equivalents	$ 38,313,586	$ 38,313,586
Investments	1,231,501,407	1,231,501,407
Other assets	45,797,035	45,797,035
Total assets	$ 1,315,612,028	$ 1,315,612,028
Liabilities:		
SVCP Facility(1)		
SVCP Revolver	$ 78,000,000	$ —
Term Loan	100,500,000	100,500,000
2019 Notes	106,326,024	106,326,024
TCPC Funding Facility(1)	175,000,000	155,300,000
SBA Debentures	61,000,000	61,000,000
Unamortized debt issuance costs	(4,164,808)	(4,164,808)
Other liabilities	51,759,715	51,759,715
Total liabilities	$ 568,420,931	$ 470,720,931
Stockholders' equity:		
Common stock, par value $0.001 per share; 200,000,000 shares of common stock authorized; 50,705,049 shares of common stock issued and outstanding, actual; 56,920,089 shares of common stock issued and outstanding, as adjusted	50,705	56,920
Paid-in capital in excess of par value	906,725,366	1,004,419,151
Accumulated net investment income	23,279,884	23,279,884
Accumulated net realized losses	(135,815,320)	(135,815,320)
Accumulated net unrealized depreciation	(47,049,538)	(47,049,538)
Non-controlling interest	—	—
Net assets applicable to common shareholders	$ 747,191,097	$ 844,891,097
Total capitalization	$ 1,315,612,028	$ 1,315,612,028

(1) As of August 5, 2016, our debt outstanding under the SVCP Facility and the TCPC Funding Facility was $152.5 million and $175.0 million, respectively.

TABLE OF CONTENTS

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. The senior securities table below has been audited by Deloitte & Touche LLP, our independent registered public accounting firm, for the fiscal year ending December 31, 2015 and by Ernst & Young LLP, our former independent registered public accounting firm, for each prior fiscal year.

Class and Year	Total Amount Outstanding(4)	Asset Coverage Per Unit(5)	Involuntary Liquidating Preference Per Unit(6)	Average Market Value Per Unit(7)
SVCP Facility(1)				
Fiscal Year 2016 (as of June 30, 2016, unaudited)	$ 178,500	$ 3,046	$ —	N/A
Fiscal Year 2015	124,500	3,076	—	N/A
Fiscal Year 2014	70,000	5,356	—	N/A
Fiscal Year 2013	45,000	8,176	—	N/A
Fiscal Year 2012	74,000	7,077	—	N/A
Fiscal Year 2011	29,000	13,803	—	N/A
Fiscal Year 2010	50,000	8,958	—	N/A
Fiscal Year 2009	75,000	5,893	—	N/A
Fiscal Year 2008	34,000	10,525	—	N/A
Fiscal Year 2007	207,000	3,534	—	N/A
Preferred Interests(2)				
Fiscal Year 2016 (as of June 30, 2016, unaudited)	N/A	N/A	N/A	N/A
Fiscal Year 2015	N/A	N/A	N/A	N/A
Fiscal Year 2014	$ 134,000	$ 51,592	$ 20,074	N/A
Fiscal Year 2013	134,000	68,125	20,075	N/A
Fiscal Year 2012	134,000	50,475	20,079	N/A
Fiscal Year 2011	134,000	49,251	20,070	N/A
Fiscal Year 2010	134,000	48,770	20,056	N/A
Fiscal Year 2009	134,000	42,350	20,055	N/A
Fiscal Year 2008	134,000	42,343	20,175	N/A
Fiscal Year 2007	134,000	43,443	20,289	N/A
TCPC Funding Facility(3)				
Fiscal Year 2016 (as of June 30, 2016, unaudited)	$ 175,000	$ 3,046	$ —	N/A
Fiscal Year 2015	229,000	3,076	—	N/A
Fiscal Year 2014	125,000	5,356	—	N/A
Fiscal Year 2013	50,000	8,176	—	N/A
SBA Debentures				

Fiscal Year 2016 (as of June 30, 2016, unaudited)	$	61,000	$	3,046	$	—	N/A
Fiscal Year 2015		42,800		3,076		—	N/A
Fiscal Year 2014		28,000		5,356		—	N/A
2014 Notes							
Fiscal Year 2016 (as of June 30, 2016, unaudited)	$	108,000	$	2,426	$	—	N/A
Fiscal Year 2015		108,000		2,429		—	N/A
Fiscal Year 2014		108,000		3,617		—	N/A

(1) The Operating Company entered into the SVCP Facility, comprised of a fully drawn senior secured term loan and a senior secured revolving credit facility, pursuant to which amounts may currently be drawn up to $116.0 million. The SVCP Facility matures July 31, 2018, subject to extension by the lender at our request.

(2) We repurchased and retired the remaining Preferred Interests on September 3, 2015.

(3) TCPC Funding entered into the TCPC Funding Facility, pursuant to which amounts may currently be drawn up to $350 million. The TCPC Funding Facility matures on March 6, 2020, subject to extension by the lender at our request.

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

TABLE OF CONTENTS

(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 SVCP Facility and TCPC Funding Facility, the asset coverage ratio with respect to indebtedness is multiplied by $1,000 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.

TABLE OF CONTENTS

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 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.

TABLE OF CONTENTS

PLAN OF DISTRIBUTION

We have entered into an equity distribution agreement, dated as of August 12, 2016 (the Equity Distribution Agreement), with the Agent 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 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 Agent as to the amount of shares to be sold by it. We may instruct the 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 Agent s 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. We or the Agent may suspend the at the market offerings of shares upon proper notice and subject to other conditions.

The 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 the Agent a commission for its services in acting as sales agent and/or principal in the sale of shares. The 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 Agent under the terms of the Equity Distribution Agreement, will be approximately $300,000. In connection with the sale of shares on our behalf, the Agent may be deemed to be an underwriter within the meaning of the Securities Act, and the compensation paid to the Agent 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 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 Agent under the Equity Distribution Agreement and the net proceeds to us in connection with the sales of shares.

If we or the Agent 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 Agent will promptly notify the other parties, and sales of shares under the Equity Distribution Agreement will be suspended until that or other exemptive provisions have been satisfied in the judgment of the Agent 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 the Agent no longer remains subject thereto. The Equity Distribution Agreement may be terminated by the Agent as to itself or us at any time upon three days notice, and by the 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.

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

Our common stock is listed on Nasdaq under the symbol TCPC.

Other Relationships

The Agent and its affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment

S-32

TABLE OF CONTENTS

research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Some of the Agent and its 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. The Agent served as an advisor to the Advisor in connection with our registered direct public offering in July 2016 and was paid a customary fee for such services.

In addition, in the ordinary course of their business activities, the Agent and its 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 Agent and its 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.

TABLE OF CONTENTS

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 Agent by Proskauer Rose LLP, Los Angeles, California.

ADDITIONAL INFORMATION

We have filed a registration statement with the SEC on Form N-2, including amendments and related exhibits, relating to the common stock offered by this prospectus supplement. 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 necessarily 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 of 1934. 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-35 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 Agent. 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

TABLE OF CONTENTS OF STATEMENT OF ADDITIONAL INFORMATION

An SAI dated as of August 12, 2016, has been filed with the SEC and is incorporated by reference in this prospectus supplement. An SAI 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:

TABLE OF CONTENTS

INDEX TO FINANCIAL STATEMENTS

TCP Capital Corp.
(successor to Special Value Continuation Fund, LLC)

Financial Statements

Special Value Continuation Partners, LP

Financial Statements

S-F-1

TABLE OF CONTENTS

TCP Capital Corp.

Consolidated Statements of Assets and Liabilities

	June 30, 2016 (unaudited)	December 31, 2015
Assets		
Investments, at fair value:		
Companies less than 5% owned (cost of $1,151,564,537 and $1,123,682,687, respectively)	$ 1,129,946,177	$ 1,099,208,475
Companies 5% to 25% owned (cost of $74,317,200 and $68,862,518, respectively)	72,159,305	69,008,931
Companies more than 25% owned (cost of $54,938,136 and $39,162,221 respectively)	29,395,925	14,702,319
Total investments (cost of $1,280,819,873 and $1,231,707,426, respectively)	1,231,501,407	1,182,919,725
Cash and cash equivalents	38,313,586	35,629,435
Receivable for investments sold	27,666,936	—
Accrued interest income:		
Companies less than 5% owned	7,992,011	8,842,528
Companies 5% to 25% owned	784,121	741,306
Companies more than 25% owned	529,885	29,230
Deferred debt issuance costs	4,603,529	5,390,241
Unrealized appreciation on swaps	2,981,525	3,229,442
Options (cost of $279,327 and $51,750, respectively)	417,504	—
Prepaid expenses and other assets	821,524	2,331,044
Total assets	1,315,612,028	1,239,112,951
Liabilities		
Debt, net of unamortized issuance costs	516,661,216	498,205,471
Payable for investments purchased	40,952,073	6,425,414
Incentive allocation payable	4,626,745	5,207,606
Interest payable	2,996,217	2,911,257
Payable to the Advisor	749,945	508,334
Accrued expenses and other liabilities	2,434,735	3,877,852
Total liabilities	568,420,931	517,135,934
Commitments and contingencies (Note 5)		
Net assets applicable to common shareholders	**$ 747,191,097**	**$ 721,977,017**
Composition of net assets applicable to common shareholders		
Common stock, $0.001 par value; 200,000,000 shares	$ 50,705	$ 48,834

authorized, 50,705,049 and 48,834,734 shares issued and outstanding as of June 30, 2016 and December 31, 2015, respectively						
Paid-in capital in excess of par		906,725,366			878,383,356	
Accumulated net investment income		23,279,884			22,261,793	
Accumulated net realized losses		(135,815,320	)		(132,483,593	)
Accumulated net unrealized depreciation		(47,049,538	)		(46,233,373	)
Net assets applicable to common shareholders	$	747,191,097		$	721,977,017	
Net assets per share	$	14.74		$	14.78	

See accompanying notes to the consolidated financial statements.

TABLE OF CONTENTS

TCP Capital Corp.

Consolidated Schedule of Investments (Unaudited)

June 30, 2016

	Instrument	Ref	Floor	Spread	Total Coupon	Maturity	Principal	Cost	Fair Value	% of Total Cash and Investme
ents (A)										
ing, elations										
ay III (Exterion)	First Lien Facility A1 Term Loan	EURIBOR (Q)	1.25 %	5.75 %	7.00%	3/18/2018	€12,249,157	$ 16,157,454	$ 13,603,914	1.07
Inc. re)	First Lien Delayed Draw Tranche 1 Term Loan (1.25% Exit Fee)	LIBOR (M)	0.33 %	10.17 %	10.86%	9/1/2018	$ 15,000,000	14,663,929	14,727,750	1.16
Inc. re)	First Lien Delayed Draw Tranche 1 Term Loan	LIBOR (M)	0.33 %	10.17 %	N/A	9/1/2018	$ —	—	—	-
Inc. re)	First Lien Delayed Draw Tranche 1 Term Loan	LIBOR (M)	0.33 %	10.17 %	N/A	9/1/2018	$ —	—	—	-
								30,821,383	28,331,664	2.23
rtation										
Airways anada)	Aircraft Acquisition Loan A	LIBOR (M)	—	8.50 %	9.00%	1/31/2023	$ 13,738,102	13,496,379	13,984,014	1.10
Airways anada)	Aircraft Acquisition	LIBOR (M)	—	8.50 %	9.00%	1/31/2023	$ 14,058,316	13,794,314	14,300,119	1.13

	Loan A1										
r Group,	Acquisition Delayed Draw Loan	LIBOR (M)	—	7.25 %	N/A	6/17/2019	$	—	—	271,500	0.02
r Group,	Acquisition Loan	LIBOR (M)	—	7.25 %	7.75%	7/15/2022	$	15,038,207	14,799,825	15,338,971	1.21
									42,090,518	43,894,604	3.46
cturing											
ros., Co.	First Lien Term Loan (First Out)	LIBOR (Q)	1.25 %	5.75 %	7.00%	6/3/2021	$	9,840,000	9,663,099	9,692,400	0.76
ros., Co.	First Lien Term Loan B (Last Out)	LIBOR (Q)	1.25 %	12.25 %	13.50%	6/3/2021	$	9,860,000	9,687,471	9,712,100	0.76
rel , LLC	First Lien FILO Term Loan	LIBOR (M)	1.00 %	9.60 %	10.60%	4/8/2019	$	3,192,279	3,175,386	3,224,202	0.25
									22,525,956	22,628,702	1.77
Services											
Global gies,	Sr Secured Revolving Loan	LIBOR (Q)	0.23 %	8.52 %	8.75%	11/30/2018	$	—	(27,602)	11,600	-
Global gies,	Sr Secured Term Loan (1.0% Exit Fee)	LIBOR (Q)	0.23 %	9.27 %	9.92%	11/30/2019	$	24,250,000	24,018,703	24,320,325	1.92
rway ons, Inc. vantage)	Second Lien Term Loan	LIBOR (Q)	1.00 %	9.25 %	10.25%	6/30/2023	$	31,000,000	30,566,061	31,864,900	2.51
									54,557,162	56,196,825	4.43
ls											
Plant , LLC	Sr Secured Term Loan (8.0% Exit Fee)	LIBOR (Q)	—	10.63 %	11.96%	2/1/2018	$	10,254,168	10,651,471	10,748,931	0.85
er, Inc.	Sr Secured Term Loan (8.0% Exit Fee)	LIBOR (M)	0.23 %	9.27 %	9.96%	12/1/2017	$	7,982,168	8,346,945	8,675,020	0.68
ologics,	Sr Secured Delayed Draw Term Loan (10.0% Exit	Prime Rate	—	7.75 %	11.25%	5/1/2018	$	15,000,000	15,202,033	15,553,500	1.22

	Fee)									
								34,200,449	34,977,451	2.75
nications ent cturing										
mm Inc.	First Lien Term Loan	LIBOR (Q)	1.25 %	7.63 %	10.13%	12/11/2018	$ 14,554,640	14,409,094	14,554,640	1.15
mm Inc.	First Lien Series A Term Loan	LIBOR (Q)	1.25 %	7.63 %	8.88%	12/11/2018	$ —	—	—	-
								14,409,094	14,554,640	1.15
er ent cturing										
Graphics onal	First Lien Term Loan	LIBOR (Q)	1.00 %	9.00 %	10.00%	7/27/2018	$ 15,949,968	15,757,759	16,069,593	1.27

S-F-3

TABLE OF CONTENTS

TCP Capital Corp.

Consolidated Schedule of Investments (Unaudited) (Continued)

June 30, 2016

	Instrument	Ref	Floor	Spread	Total Coupon	Maturity	Principal	Cost	Fair Value	% of Total Cash and Investmen
ments nued)										
uter ns Design elated es										
socket,	Senior Secured 1st Lien Term Loan	LIBOR (M)	1.00 %	10.00 %	11.00%	2/10/2021	$ 17,500,000	$ 16,883,291	$ 17,272,500	1.36 %
Software ration	Second Lien Term Loan	LIBOR (M)	1.00 %	7.50 %	8.50%	5/29/2021	$ 6,993,035	6,945,905	5,944,080	0.47 %
nterprise ons, Ltd. la)	First Lien Term Loan B	LIBOR (Q)	—	8.00 %	8.64%	9/3/2018	$ 2,325,867	2,325,867	2,325,867	0.18 %
nterprise ons, Ltd. la)	First Lien Term Loan	LIBOR (Q)	—	8.00 %	8.64%	9/3/2018	$ 10,373,333	10,306,412	10,373,333	0.82 %
SA, LLC	First Lien Term Loan B	LIBOR (Q)	—	8.00 %	8.64%	9/3/2018	$ 3,761,733	3,761,733	3,761,733	0.30 %
SA, LLC	First Lien Term Loan	LIBOR (Q)	—	8.00 %	8.64%	9/3/2018	$ 3,186,667	3,169,864	3,186,667	0.25 %
nix, LLC	First Lien Revolver	LIBOR (Q)	0.50 %	8.50 %	9.00%	12/4/2018	$ 570,996	567,735	570,996	0.04 %
nix, LLC	First Lien Term Loan	LIBOR (M)	0.50 %	8.50 %	9.00%	12/4/2018	$ 6,123,145	6,082,365	6,061,914	0.48 %
all tional,	First Lien Delayed Draw Term Loan	LIBOR (Q)	—	11.67 %	12.36%	9/1/2018	$ 4,800,000	4,772,537	4,818,960	0.38 %
								54,815,709	54,316,050	4.28 %
sing and										

g es										
tional,	Delayed Draw Term Loan	LIBOR (M)	1.00 %	7.00 %	8.00%	7/31/2020	$ 3,430,383	3,399,154	3,383,558	0.27 %
tional,	Revolver Loan	LIBOR (M)	1.00 %	7.00 %	8.00%	7/31/2020	$ 807,920	801,046	796,892	0.06 %
tional,	First Lien Term Loan	LIBOR (M)	1.00 %	7.00 %	8.00%	7/31/2020	$ 8,088,844	7,971,339	7,978,431	0.63 %
ide Ltd.	Second Lien Term Loan	LIBOR (Q)	0.50 %	8.75 %	9.44%	8/6/2019	$ 4,625,000	3,972,348	4,643,500	0.37 %
TLD), Ltd. side) an)	Second Lien Term Loan	LIBOR (Q)	0.50 %	8.75 %	9.44%	8/6/2019	$ 9,250,000	7,944,697	9,287,000	0.73 %
								24,088,584	26,089,381	2.06 %
ic Power ation, mission oution										
ene able Fund 3, Conergy)	First Lien Term Loan	Fixed	—	9% Cash + 1% PIK	10.00%	9/10/2017	$ 7,499,009	$ 7,452,179	$ 7,424,019	0.58 %
JK io I ver LLC, gy)	Senior Secured 1st Lien Term Loan	LIBOR (Q)	—	9.00 %	9.65%	3/3/2018	$ 3,951,020	3,849,232	3,911,510	0.31 %
								11,301,411	11,335,529	0.89 %
onic onent facturing										
tive, Inc.	First Lien Delayed Draw Term Loan	LIBOR (Q)	—	10.72 %	N/A	7/1/2018	$ —	(96,963)	—	—
Inc.	Tranche A Term Loan (3.0% Exit Fee)	LIBOR (Q)	0.44 %	9.33 %	9.96%	3/1/2018	$ 21,383,721	20,745,834	20,858,751	1.64 %
Inc.	Tranche B Term Loan	LIBOR (Q)	0.44 %	9.33 %	9.96%	9/1/2017	$ 1,603,779	1,523,920	1,580,043	0.12 %
								22,172,791	22,438,794	1.76 %

ment										
g										
treet l Partners gs, LLC	Senior Note	Fixed	—	12.00 %	12.00%	11/1/2020	$ 16,870,302	16,870,302	16,870,302	1.33 %
Ocean, Solexel)	Sr Secured Term Loan	Fixed	—	8.00 %	8.00%	8/15/2018	$ 2,167,243	2,167,243	2,206,254	0.17 %
								19,037,545	19,076,556	1.50 %
ies rt es										
opment	First Lien Term Loan B	LIBOR (M)	1.25 %	6.75 %	8.00%	3/15/2018	$ 1,407,222	1,312,234	1,315,752	0.10 %
cial ment cies										
ent, Inc.	First Lien Term Loan B2	LIBOR (Q)	1.50 %	5.25 %	6.75%	5/8/2017	$ 12,304,553	11,922,380	11,781,610	0.93 %
lia e V plc an)	Asset-Backed Credit Linked Notes	Fixed	—	13.13 %	13.13%	8/2/2021	$ 15,000,000	15,000,000	14,812,500	1.17 %
								26,922,380	26,594,110	2.10 %

S-F-4

TABLE OF CONTENTS

TCP Capital Corp.

Consolidated Schedule of Investments (Unaudited) (Continued)

June 30, 2016

	Instrument	Ref	Floor	Spread	Total Coupon	Maturity	Principal	Cost	Fair Value	% of Total Cash and Investmen
nents ued)										
g										
ning I,	First Lien Revolver	LIBOR (M)	—	8.25 %	N/A	12/20/2018	$ —	(1,759,594)	(1,562,500)	(0.12 %
y Stores										
Inc.	First Lien FILO Term Loan	LIBOR (M)	1.50 %	8.80 %	10.30%	10/8/2019	$ 9,455,037	9,418,865	9,549,587	0.75 %
ls										
Inc.	First Lien Term Loan	LIBOR (Q)	1.00 %	9.00 %	10.00%	7/1/2018	$ 3,611,649	3,593,591	3,665,824	0.29 %
ealthcare,	First Lien Term Loan	Prime Rate	—	8.25 %	11.75%	8/28/2020	$ 15,866,144	15,557,477	15,960,547	1.26 %
								19,151,068	19,626,371	1.55 %
nce s										
dings,	First Lien Term Loan	LIBOR (Q)	1.00 %	6.50 %	7.50%	8/31/2021	$ 3,850,000	3,781,810	3,657,500	0.29 %
le LLC ogy)	First Lien Term Loan	LIBOR (Q)	0.50 %	11.50 %	12.19%	8/29/2019	$ 20,000,000	19,444,049	20,000,000	1.58 %
								23,225,859	23,657,500	1.87 %
nce										
es										
e, LLC	Second Lien Notes	LIBOR (Q)	1.00 %	9.00 %	10.00%	11/19/2022	$ 28,999,999	28,612,141	28,999,999	2.28 %
e, LLC	Second Lien Incremental	LIBOR (Q)	1.00 %	9.00 %	10.00%	11/19/2022	$ 6,000,000	5,942,305	6,000,000	0.47 %

	Notes									
								34,554,446	34,999,999	2.75 %
of ancial s										
diate s 2, LLC	Second Lien Term Loan	LIBOR (Q)	1.00 %	8.50 %	9.50%	5/27/2022	$ 15,768,424	15,640,895	15,255,950	1.20 %
diate s 2, LLC	Second Lien Incremental Term Loan	LIBOR (Q)	1.00 %	8.50 %	9.50%	5/27/2022	$ 3,426,412	3,395,672	3,315,054	0.26 %
								19,036,567	18,571,004	1.46 %
ement, ic, and cal ing s										
Data & es, LLC	First Lien Term Loan	LIBOR (Q)	1.00 %	8.75%	9.75%	10/31/2019	$ 24,344,549	$ 23,884,767	$ 23,735,935	1.87 %
l nent and s acturing										
us, LLC	Second Lien Term Loan	LIBOR (Q)	1.00 %	10.00 %	11.00%	4/10/2020	$ 11,000,000	10,835,990	10,917,500	0.86 %
Picture leo ies										
nment,	First Lien Term Loan	Fixed	—	11.00 %	11.00%	6/21/2017	$ 9,462,231	9,497,311	4,314,304	0.34 %
nment,	Second Lien Term Loan	Fixed	—	15.50 %	15.50%	6/21/2018	$ 7,569,785	7,700,187	298,250	0.02 %
								17,197,498	4,612,554	0.36 %
ository ediation										
an al Group n	Sr Secured Notes	Fixed	—	11.50 %	11.50%	11/15/2019	$ 28,678,000	28,552,175	28,911,009	2.28 %
k l	First Lien Delayed	LIBOR (M)	—	9.50 %	9.96%	1/12/2020	$ 17,500,000	17,267,540	17,017,000	

nce,	Draw Term Loan										
ne Select s, LLC	First Lien Term Loan	LIBOR (Q)	1.00 %	8.00 %	9.00%	3/26/2021	$	16,183,908	16,018,277	15,913,637	1.25 %
inance I, Ltd. n	Secured Class B Notes	Fixed	—	10.75 %	10.75%	11/13/2018	$	15,084,000	15,084,000	14,857,740	1.17 %
									76,921,992	76,699,386	6.04 %
Gas ion											
erica LLC	Second Lien Term Loan	LIBOR (Q)	1.00 %	8.50 %	9.50%	8/4/2019	$	242,857	240,296	228,286	0.02 %

S-F-5

TABLE OF CONTENTS

TCP Capital Corp.

Consolidated Schedule of Investments (Unaudited) (Continued)

June 30, 2016

	Instrument	Ref	Floor	Spread	Total Coupon	Maturity	Principal	Cost	Fair Value	% of Total Cash and Investments
estments d)										
emical and										
uring										
Inc.	Senior Secured 1st Lien Delayed Draw Term Loan (3.0% Exit Fee)	LIBOR (Q)	—	9.81 %	10.50%	4/1/2019	$ 7,000,000	6,371,874	6,654,050	0.52
ormation										
Research,	First Lien Term Loan	LIBOR (Q)	0.50 %	10.50 %	11.19%	12/11/2020	$ 5,000,712	4,908,856	4,938,203	0.39
ud Ltd. ingdom)	Sr Secured Term Loan (2.0% Exit Fees)	LIBOR (M)	0.28 %	10.72 %	11.00%	10/1/2018	$ 31,550,000	31,494,139	31,944,398	2.52
oldings, LLC ck)	Second Lien Term Loan	LIBOR (M)	1.00 %	7.75 %	8.75%	11/6/2021	$ 19,988,392	19,752,366	18,789,089	1.48
								56,155,361	55,671,690	4.39
uring										
ding Corp.	Sr Secured Term Loan	Fixed	—	12.00 %	12.00%	9/15/2016	$ 4,869,577	4,869,577	4,869,577	0.38
ding Corp.	Second Lien Notes	Fixed	—	11.00 %	11.00%	11/15/2016	$ 9,268,000	7,586,317	9,268,000	0.73
g Tube,	Subordinated Notes	LIBOR (M)	—	17.50 %	17.50%	2/1/2021	$ 1,030,741	1,030,741	146,365	0.01
								13,486,635	14,283,942	1.12

nunications										
echnologies,	Second Lien Term Loan	LIBOR (Q)	1.25 %	7.75 %	9.00%	4/30/2021	$ 14,000,000	13,860,000	12,623,310	0.99
blishing										
LC	First Lien Revolver	LIBOR (Q)	—	9.00 %	N/A	4/29/2021	$ —$	(24,000) $	(24,000)	
LC	First Lien Term Loan	LIBOR (Q)	—	9.00 %	9.69%	4/29/2021	$ 8,800,000	8,629,495	8,624,000	0.68
a USA, Inc.	First Lien Revolver	Prime Rate	—	5.75 %	9.25%	5/20/2018	$ 3,952,500	3,501,508	3,952,500	0.31
a USA, Inc.	First Lien Term Loan	LIBOR (Q)	1.25 %	6.75 %	8.00%	11/20/2018	$ 5,681,239	5,598,879	5,681,239	0.45
								17,705,882	18,233,739	1.44
euticals										
Medical nc.	First Lien Term Loan	LIBOR (Q)	1.00 %	6.00 %	7.00%	6/30/2022	$ 10,976,206	10,380,535	9,823,704	0.77
uring										
ernational,	Sr Secured Notes	Fixed	—	9.50 %	9.50%	6/1/2018	$ 13,600,000	13,600,000	7,378,000	0.58
d Television ting										
C	Sr Secured Notes	Fixed	—	10.38 %	10.38%	7/1/2019	$ 7,312,000	7,312,000	5,739,920	0.45
Holdco,	Second Lien Term Loan	LIBOR (M)	1.25 %	8.75 %	10.00%	7/22/2020	$ 15,000,000	14,735,376	14,325,000	1.13
								22,047,376	20,064,920	1.58
nts										
, LLC (Real	Convertible Second Lien Term Loan Tranche B-1	Fixed	—	8.50 %	8.50%	3/30/2018	$ 1,861,478	1,861,478	1,861,478	0.15
, LLC (Real	First Lien Term Loan Tranche A	Fixed	—	7.00 %	7.00%	3/30/2018	$ 4,857,987	4,574,601	4,857,987	0.38
, LLC (Real	Second Lien Term Loan Tranche B	Fixed	—	8.50 %	8.50%	3/30/2018	$ 9,275,105	9,275,105	3,446,629	0.27
, LLC (Real	Second Lien Term Loan	Fixed	—	8.50 %	8.50%	3/30/2018	$ 2,921,047	2,905,624	2,921,047	0.23

	Tranche B-1										
, LLC (Real	Sr Convertible Second Lien Term Loan B	Fixed	—	8.50 %	8.50%	3/30/2018	$	2,729,864	2,729,864	2,729,864	0.21
									21,346,672	15,817,005	1.24

S-F-6

TABLE OF CONTENTS

TCP Capital Corp.

Consolidated Schedule of Investments (Unaudited) (Continued)

June 30, 2016

	Instrument	Ref	Floor	Spread	Total Coupon	Maturity	Principal	Cost	Fair Value	% (Tot Cash Investr
tments 2										
Inc.	First Lien Term Loan	LIBOR (Q)	1.00 %	10.00 %	11.00%	2/13/2020	$ 6,193,688	6,193,688	6,076,317	0.4
ree	First Lien Term Loan	LIBOR (Q)	—	10.25 %	10.92%	9/24/2020	$ 9,827,273	9,634,947	9,630,728	0.7
le , Inc.	First Lien FILO Term Loan	LIBOR (M)	1.00 %	8.50 %	9.50%	9/25/2020	$ 12,738,301	12,619,639	12,865,684	1.0
								28,448,274	28,572,729	2.2
unications										
ations (United	Sr Secured Notes	Fixed	—	10.00 %	10.00%	10/1/2019	$ 9,393,000	9,393,000	7,058,840	0.5
esearch pment										
atories,	Senior Secured Notes	Fixed	—	12.25 %	12.25%	4/1/2017	$ 38,932,000	39,001,750	39,321,320	3.1
ublishing										
ernational tzerland)	First Lien Term Loan	LIBOR (Q)	1.00 %	9.50 %	10.50%	6/9/2017	$ 28,719,439	$ 28,660,063	$ 28,170,897	2.2
USA), LLC	Second Lien Term Loan	LIBOR (Q)	0.50 %	8.50 %	9.13%	1/31/2020	$ 30,028,125	29,605,659	28,016,241	2.2
LLC	First Lien Term Loan	LIBOR (Q)	0.25 %	4.75% Cash + 4% PIK	9.44%	3/31/2019	$ 35,267,436	34,843,159	35,159,870	2.7
Systems,	First Lien Term Loan	LIBOR (Q)	1.50 %	0.4% Cash	9.50%	9/25/2018	$ 15,115,023	14,466,578	15,115,023	1.1

				+ 7.6% PIK						
ystems,	Senior Secured 1st Lien Incremental Term Loan	LIBOR (Q)	1.50 %	0.4% Cash + 7.6% PIK	9.50%	9/25/2018	$ 3,809,896	3,742,949	3,809,896	0.3
ystems,	Senior Secured Revolver	LIBOR (Q)	0.50 %	6.00 %	6.50%	9/25/2018	$ —	—	—	
Networks,	First Lien Term Loan	LIBOR (Q)	—	9.50 %	10.15%	12/3/2020	$ 5,911,694	5,753,056	5,734,343	0.4
Inc.	Jr Revolving Facility	Fixed	—	5.00 %	5.00%	6/9/2020	$ 2,762,241	2,762,241	2,762,241	0.2
Ultimate LC	Sr PIK Notes	Fixed	—	8.50 %	8.50%	6/9/2020	$ 2,725,875	2,725,875	2,725,875	0.2
Ultimate LC	Jr PIK Notes	Fixed	—	10.00 %	10.00%	6/9/2020	$ 12,395,233	11,835,221	11,924,214	0.9
uisitionco,	First Lien Term Loan	LIBOR (Q)	1.00 %	8.00 %	9.00%	11/4/2019	$ 42,349,121	41,693,444	42,200,899	3.3
uisitionco,	Sr Secured Revolver	LIBOR (Q)	1.00 %	8.00 %	9.00%	11/4/2019	$ 3,182,143	3,182,143	3,171,005	0.2
Solutions,	Second Lien Term Loan	LIBOR (Q)	—	13.00 %	13.66%	9/10/2021	$ 11,513,362	11,170,722	11,167,962	0.8
Solutions	Second Lien Term Loan B	LIBOR (Q)	—	13.00 %	13.66%	9/10/2021	$ 11,513,362	11,170,722	11,167,962	0.8
	Senior Secured 1st Lien Term Loan (4.0% Exit Fees)	LIBOR (Q)	—	9.56 %	10.25%	4/1/2019	$ 17,880,435	17,617,584	17,650,671	1.3
c.	First Lien Delayed Draw Term Loan (1.0% Exit Fee)	LIBOR (M)	0.62 %	9.88 %	10.50%	1/1/2019	$ 3,200,000	3,106,557	3,000,000	0.2
e Inc.	First Lien Term Loan	LIBOR (Q)	—	8.00 %	8.65%	5/21/2020	$ 7,500,000	7,411,126	7,500,000	0.5
								229,747,099	229,277,099	18.0
ospitals										
st vestment,	Senior Secured 1st Lien	LIBOR (M)	2.00 %	9.70 %	11.70%	10/23/2019	$ 10,828,233	10,722,349	10,828,233	0.8

	Delayed Draw Term Loan									
oods, l Musical Stores										
untain	Second Lien Term Loan	LIBOR (Q)	—	9.50 %	10.15%	6/15/2018	$ 11,465,152	11,350,599	11,350,501	0.8
nishings										
arpet Mills,	First Lien Term Loan	LIBOR (Q)	1.00 %	10.00 %	11.00%	12/19/2019	$ 23,271,945	23,271,945	22,918,212	1.8
arpet Mills,	First Lien Term Loan B	LIBOR (Q)	1.00 %	10.00 %	11.00%	12/19/2019	$ 7,982,818	7,819,332	7,861,479	0.6
								31,091,277	30,779,691	2.4
em on										
Holdings	Revolving Credit Facility	Fixed	—	8.20 %	8.20%	7/2/2017	$ 25,000,000	25,000,000	25,000,000	1.9

S-F-7

TABLE OF CONTENTS

TCP Capital Corp.

Consolidated Schedule of Investments (Unaudited) (Continued)

June 30, 2016

	Instrument	Ref	Floor	Spread	Total Coupon	Maturity	Principal or Shares	Cost	Fair Value	% To Cash Invest
ments										
nications										
ions,	First Lien Delayed Draw FILO Term Loan	LIBOR (Q)	1.00 %	7.42 %	8.42%	5/31/2018	$ 1,701,070	1,685,793	1,693,885	0.
ions,	First Lien FILO Term Loan	LIBOR (Q)	1.00 %	7.42 %	8.42%	5/31/2018	$ 7,352,464	7,279,371	7,197,695	0.
com c.	Second Lien Term Loan	LIBOR (Q)	1.25 %	8.50 %	9.75%	2/22/2020	$ 13,231,193	13,060,960	12,238,854	0.
ty nd ompany	First Lien Term Loan	LIBOR (Q)	1.00 %	7.13 %	8.13%	8/31/2020	$ 3,970,000	3,918,827	3,944,195	0.
								25,944,951	25,074,629	1.
nications										
	Sr Secured Notes	Fixed	—	12.50 %	12.50%	7/1/2022	$ 10,000,000	10,000,000	9,912,500	0.
								1,202,374,363	1,176,581,175	92.
rities										
and ions										
	Warrants to Purchase Stock						562,496	$ 230,569	$ 232,311	0.

ortation					
ted to nes, Inc.					
UA-767, JA)	Trust Beneficial Interests	683	3,431,877	3,349,523	0.
UA-767, JA)	Trust Beneficial Interests	688	3,568,066	3,385,801	0.
nc. (One	Warrants to Purchase Common Stock	1,843	855,313	2,493,165	0.
			7,855,256	9,228,489	0.
pport					
t, LLC	Membership Units	708,229	230,938	143,062	0.
y LC (First	Class A Units	841,479	325,432	2,061,624	0.
			556,370	2,204,686	0.
gics, Inc.	Warrants to Purchase Stock	615,000	272,594	220,724	0.
tions					
ing					
Cosmos P.)	Limited Partnership Units	5,000,000	5,000,000	3,078,000	0.
ystems Related					
, Inc.	Series B Preferred Stock	1,428,571	1,000,000	1,053,286	0.
, Inc.	Warrants to Purchase Stock	920,000	89,847	129,996	0.
			1,089,847	1,183,282	0.
sing and vices					

c.	Class A Common Stock	1,255,527	26,711,048	1,393,635	0.
oup, Ltd.	Warrants	498,855	2,778,622	757,387	0.
			29,489,670	2,151,022	0.

S-F-8

TABLE OF CONTENTS

TCP Capital Corp.

Consolidated Schedule of Investments (Unaudited) (Continued)

June 30, 2016

Issuer	Instrument	Ref	Floor	Spread	Total Coupon	Maturity	Shares	Cost	Fair Value	% of Total Cash and Investments	Notes
Equity Securities (continued)											
Electrical Equipment Manufacturing											
NEXTracker, Inc.	Series B Preferred Stock						558,884	—	3,185,303	0.25 %	C/E
NEXTracker, Inc.	Series C Preferred Stock						17,640	—	100,539	0.01 %	C/E
								—	3,285,842	0.26 %	
Electronic Component Manufacturing											
Soraa, Inc.	Warrants to Purchase Common Stock						3,071,860	478,899	12,595	—	C/E
Equipment Leasing											
36th Street Capital Partners Holdings, LLC	Membership Units						4,217,576	4,217,576	4,217,576	0.33 %	C/E/F
Essex Ocean II, LLC	Membership Units						199,430	139,267	179,088	0.01 %	C/E/F
								4,356,843	4,396,664	0.34 %	
Financial Investment Activities											
GACP I, LP							10,954,741	11,073,878	11,074,171	0.87 %	C/E/I

	Membership Units					
Marsico Holdings, LLC	Common Interest Units	168,698	172,694	1,687	—	C/E/I
			11,246,572	11,075,858	0.87 %	
Metal and Mineral Mining						
EPMC HoldCo, LLC	Membership Units	1,312,720	—	315,053	0.02 %	B/E
Other Chemical Products and Mineral Manufacturing						
Nanosys, Inc.	Warrants to Purchase Common Stock	800,000	605,266	623,040	0.05 %	C/E
Other Information Services						
SoundCloud, Ltd. (United Kingdom)	Warrants to Purchase Preferred Stock	946,498	79,082	77,802	0.01 %	C/E/H
Other Manufacturing						
Boomerang Tube Holdings, Inc.	Common Stock	24,288	243	243	—	C/E
KAGY Holding Company, Inc.	Series A Preferred Stock	9,778	1,091,200	6,164,482	0.49 %	B/C/E
Precision Holdings, LLC	Class C Membership Interest	33	—	1,656	—	C/E
			1,091,443	6,166,381	0.49 %	
Radio and Television Broadcasting						
Fuse Media, LLC	Warrants to Purchase	233,470	300,322	—	—	C/E

	Common Stock					
Restaurants						
RM Holdco, LLC (Real Mex)	Equity Participation	24	—	—	—	B/C/E
RM Holdco, LLC (Real Mex)	Membership Units	13,161,000	2,010,777	—	—	B/C/E
			2,010,777	—	—	
Retail						
Shop Holding, LLC (Connexity)	Class A Units	507,167	480,049	21,707	—	C/E

S-F-9

TABLE OF CONTENTS

TCP Capital Corp.

Consolidated Schedule of Investments (Unaudited) (Continued)

June 30, 2016

ssuer	Instrument	Ref	Floor	Spread	Total Coupon	Maturity	Shares	Cost	Fair Value	% of Total Cash and Investments	Notes
quity Securities (continued)											
oftware Publishing											
lackline ntermediate, Inc.	Warrants to Purchase Common Stock						1,232,731	$ 522,678	$ 1,957,454	0.15 %	C/E
dmentum Ultimate Ioldings, LLC	Class A Common Units						159,515	680,226	680,218	0.05 %	B/C/E
oasta, Inc.	Warrants to Purchase Series F Preferred Stock						715,217	192,651	29,252	—	C/E
tilidata, Inc.	Warrants to Purchase Stock						719,998	216,336	190,007	0.01 %	C/E
								1,611,891	2,856,931	0.21 %	
Vired elecommunications Carriers											
ntegra Telecom, Inc.	Common Stock						1,274,522	8,433,884	5,269,511	0.42 %	C/E
ntegra Telecom, Inc.	Warrants						346,939	19,920	197,270	0.02 %	C/E
' Telecom Investment .C.A. (Vivacom) Luxembourg)	Common Shares						1,393	3,236,256	2,323,064	0.19 %	C/D/E/I
								11,690,060	7,789,845	0.63 %	
otal Equity ecurities								78,445,510	54,920,232	4.32 %	
otal Investments								$ 1,280,819,873	$ 1,231,501,407		

<u>ash and Cash quivalents</u>			
ash Denominated in oreign Currencies	335,734	0.03 %	
ash Held on Account Various Institutions	37,977,852	2.99 %	
ash and Cash quivalents	38,313,586	3.02 %	
otal Cash and nvestments	$ 1,269,814,993	100.00 %	M

Notes to Consolidated Schedule 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) Investment denominated in foreign currency. Amortized cost and fair value converted from foreign currency to US dollars. Foreign currency denominated investments are generally hedged for currency exposure. At June 30, 2016, such hedging activities included the derivatives listed at the end of the Consolidated Schedule of Investments. (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% of the outstanding voting securities of the issuer 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.

TABLE OF CONTENTS

(H) 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.

(I) Deemed an 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.

(J) 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.

(K) Negative balances relate to an unfunded commitment that was acquired and/or valued at a discount.

(L) In addition to the stated coupon, investment has an exit fee payable upon repayment of the loan in an amount equal to the percentage of the original principal amount shown.

(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), semiannually (S), or annually (A).

Aggregate acquisitions and aggregate dispositions of investments, other than government securities, totaled $233,176,219 and $186,045,477 respectively, for the six months ended June 30, 2016. 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 June 30, 2016 was $1,231,355,042 or 97.0% of total cash and investments of the Company. As of June 30, approximately 18.2% of the total assets of the Company were not qualifying assets under Section 55(a) of the 1940 Act.

Options and swaps at June 30, 2016 were as follows:

Investment		**Notional Amount**		**Fair Value**
Euro/US Dollar Cross-Currency Basis Swap with Wells Fargo Bank, N.A., Pay Euros/Receive USD, Expires 3/31/2017	$	16,401,467	$	2,981,525
GBP, Put Option, $1.47370, expires 3/3/17	£	2,681,021	$	417,504

See accompanying notes to the consolidated financial statements.

TCP Capital Corp.

Consolidated Schedule of Investments

December 31, 2015

Issuer	Instrument	Ref	Floor	Spread	Total Coupon	Maturity	Principal	Cost	Value	% of Total Cash and Investments	Notes
Debt Investments (A)											
Accounting, Tax and Payroll Services											
EGS Holdings, Inc. (Expert Global Solutions)	Holdco PIK Notes	LIBOR (A)	3.00 %	10.00%	13.00%	10/3/2018	$ 64,783	$ 64,783	$ 64,783	0.01 %	
Expert Global Solutions, LLC	Second Lien Term Loan	LIBOR (Q)	1.50 %	11.00%	12.50%	10/3/2018	$ 15,249,675	15,041,186	15,249,675	1.25 %	
								15,105,969	15,314,458	1.26 %	
Advertising, Public Relations Services											
Doubleplay III Limited (Exterion Media) (United Kingdom)	First Lien Facility A1 Term Loan	EURIBOR (Q)	1.25 %	5.75 %	7.00%	3/18/2018	€12,249,157	15,931,220	13,171,984	1.08 %	D/H
InMobi, Inc. (Singapore)	First Lien Delayed Draw Tranche 1 Term Loan (1.25% Exit Fee)	LIBOR (M)	0.33 %	10.17%	10.50%	9/1/2018	$ 13,145,041	12,695,719	12,776,341	1.05 %	H/L

InMobi, Inc. (Singapore)	First Lien Delayed Draw Tranche 1 Term Loan (1.25% Exit Fee)	LIBOR (M)	0.33 %	10.17 %	N/A	9/1/2018	$	—	—	—	—	H/L
InMobi, Inc. (Singapore)	First Lien Delayed Draw Tranche 1 Term Loan (1.25% Exit Fee)	LIBOR (M)	0.33 %	10.17 %	N/A	9/1/2018	$	-	—	—	—	H/L
									28,626,939	25,948,325	2.13 %	
Air Transportation												
Aircraft Leased to Delta Air Lines, Inc.												
N913DL	Aircraft Secured Mortgage	Fixed	—	8.00 %	8.00%	3/15/2017	$	114,196	114,196	115,617	0.01 %	F
N918DL	Aircraft Secured Mortgage	Fixed	—	8.00 %	8.00%	8/15/2018	$	233,219	233,219	237,494	0.02 %	F
N954DL	Aircraft Secured Mortgage	Fixed	—	8.00 %	8.00%	3/20/2019	$	336,554	336,554	342,734	0.03 %	F
N955DL	Aircraft Secured Mortgage	Fixed	—	8.00 %	8.00%	6/20/2019	$	362,232	362,232	369,162	0.03 %	F
N956DL	Aircraft Secured Mortgage	Fixed	—	8.00 %	8.00%	5/20/2019	$	358,380	358,380	365,197	0.03 %	F
N957DL	Aircraft Secured Mortgage	Fixed	—	8.00 %	8.00%	6/20/2019	$	365,401	365,401	372,392	0.03 %	F
N959DL	Aircraft Secured	Fixed	—	8.00 %	8.00%	7/20/2019	$	372,361	372,361	379,522	0.03 %	F

	Mortgage											
N960DL	Aircraft Secured Mortgage	Fixed	—	8.00 %	8.00%	10/20/2019	$	396,169	396,169	403,869	0.03 %	F
N961DL	Aircraft Secured Mortgage	Fixed	—	8.00 %	8.00%	8/20/2019	$	385,667	385,667	393,115	0.03 %	F
N976DL	Aircraft Secured Mortgage	Fixed	—	8.00 %	8.00%	2/15/2018	$	214,686	214,686	218,321	0.02 %	F
Aircraft Leased to United Airlines, Inc.												
N659UA	Aircraft Secured Mortgage	Fixed	—	12.00 %	12.00%	2/28/2016	$	313,315	313,315	318,980	0.03 %	F
N661UA	Aircraft Secured Mortgage	Fixed	—	12.00 %	12.00%	5/4/2016	$	557,684	557,684	570,303	0.05 %	F
Cargojet Airways LTD. (Canada)	Aircraft Acquisition Loan A	LIBOR (M)	—	8.50 %	8.75%	1/31/2023	$	14,250,773	13,982,969	14,252,198	1.17 %	H
Cargojet Airways LTD. (Canada)	Aircraft Acquisition Loan A1	LIBOR (M)	—	8.50 %	N/A	1/31/2023	$	—	—	—	—	H
Mesa Air Group, Inc.	Acquisition Delayed Draw Loan	LIBOR (M)	—	7.25 %	N/A	6/17/2019	$	—	—	278,288	0.02 %	
Mesa Air Group, Inc.	Acquisition Loan	LIBOR (M)	—	7.25 %	7.62%	7/15/2022	$	15,997,019	15,724,234	16,324,958	1.34 %	
									33,717,067	34,942,150	2.87 %	
Apparel Manufacturing												
Broder Bros., Co.	First Lien Term Loan A (First Out)	LIBOR (Q)	1.25 %	5.75 %	7.00%	6/3/2021	$	9,940,000	9,743,116	9,741,200	0.80 %	
Broder Bros., Co.	First Lien Term Loan	LIBOR (Q)	1.25 %	12.25 %	13.50%	6/3/2021	$	9,960,000	9,762,553	9,760,800	0.80 %	

	B (Last Out)									
JH Apparel Holdings, LLC	First Lien FILO Term Loan	LIBOR (M)	1.00 %	9.60%	10.60%	4/8/2019	$ 3,669,926	3,645,226	3,669,926	0.30 %
								23,150,895	23,171,926	1.90 %

S-F-12

TABLE OF CONTENTS

TCP Capital Corp.

Consolidated Schedule of Investments (Continued)

December 31, 2015

Issuer	Instrument	Ref	Floor	Spread	Total Coupon	Maturity	Principal	Cost	Value	% of Total Cash and Investments	Notes
Debt Investments (continued)											
Business Support Services											
Enerwise Global Technologies, Inc.	Sr Secured Revolving Loan	LIBOR (Q)	0.23 %	8.52 %	9.75%	11/30/2017	$ —	$ (69,938)	$ (123,750)	(0.01 %)	K
Enerwise Global Technologies, Inc.	Sr Secured Term Loan (1.0% Exit Fee)	LIBOR (Q)	0.23 %	9.27 %	9.50%	11/30/2019	$ 17,281,250	17,043,402	16,996,109	1.39 %	L
STG-Fairway Acquisitions, Inc. (First Advantage)	Second Lien Term Loan	LIBOR (Q)	1.00 %	9.25 %	10.25%	6/30/2023	$ 31,000,000	30,546,700	31,883,500	2.62 %	
								47,520,164	48,755,859	4.00 %	
Chemicals											
Anuvia Plant Nutrients Holdings, LLC	Sr Secured Term Loan (8.0 % Exit Fee)	LIBOR (M)	0.23 %	10.27 %	10.50%	2/1/2018	$ 7,700,000	7,993,675	8,059,280	0.66 %	L
BioAmber, Inc.	Sr Secured Term Loan (8.25% Exit	LIBOR (M)	0.23 %	9.27 %	9.50%	12/1/2017	$ 10,000,000	10,226,245	10,509,000	0.86 %	L

	Fee)										
Green Biologics, Inc.	Sr Secured Delayed Draw Term Loan (10.0% Exit Fee)	Prime Rate	—	7.75%	11.25%	5/1/2018	$ 15,000,000	14,927,838	15,175,500	1.25 %	L
								33,147,758	33,743,780	2.77 %	
Communications Equipment Manufacturing											
Globecomm Systems, Inc.	First Lien Term Loan	LIBOR (Q)	1.25 %	7.63 %	8.88%	12/11/2018	$ 14,629,280	14,482,987	14,256,233	1.17 %	B
Computer Equipment Manufacturing											
Silicon Graphics International Corp.	First Lien Term Loan	LIBOR (Q)	1.00 %	9.00%	10.00%	7/27/2018	$ 18,432,723	18,157,715	18,570,968	1.52 %	J
Computer Systems Design and Related Services											
Autoalert, LLC	First Lien Term Loan	LIBOR (Q)	0.25 %	4.75% Cash + 4% PIK	9.00%	3/31/2019	$ 34,564,922	34,069,278	34,459,499	2.83 %	
MSC Software Corporation	Second Lien Term Loan	LIBOR (M)	1.00 %	7.50 %	8.50%	5/29/2021	$ 6,993,035	6,938,605	6,153,871	0.51 %	
OnX Enterprise Solutions, Ltd. (Canada)	First Lien Term Loan B	LIBOR (Q)	—	8.00 %	8.32%	9/3/2018	$ 2,337,733	2,337,733	2,355,266	0.19 %	H
OnX Enterprise Solutions, Ltd. (Canada)	First Lien Term	LIBOR (Q)	—	7.00 %	7.32%	9/3/2018	$ 10,426,667	10,343,578	10,322,400	0.85 %	H

	Loan										
OnX USA, LLC	First Lien Term Loan B	LIBOR (Q)	—	8.00 %	8.32%	9/3/2018	$ 4,675,467	4,675,467	4,710,533	0.39 %	
OnX USA, LLC	First Lien Term Loan	LIBOR (Q)	—	7.00 %	7.32%	9/3/2018	$ 5,213,333	5,175,467	5,161,200	0.42 %	
Vistronix, LLC	First Lien Revolver	LIBOR (Q)	0.50 %	8.50 %	9.00%	12/4/2018	$ 365,437	361,329	365,437	0.03 %	
Vistronix, LLC	First Lien Term Loan	LIBOR (M)	0.50 %	8.50 %	9.00%	12/4/2018	$ 6,205,583	6,155,701	6,050,443	0.50 %	
Waterfall International, Inc.	First Lien Delayed Draw Term Loan	LIBOR (Q)	—	11.67 %	12.00%	9/1/2018	$ 4,800,000	4,678,943	4,733,280	0.39 %	
								74,736,101	74,311,929	6.11 %	
Data Processing and Hosting Services											
Asset International, Inc.	Delayed Draw Term Loan	LIBOR (M)	1.00 %	7.00 %	8.00%	7/31/2020	$ 3,430,383	3,396,023	3,404,827	0.28 %	
Asset International, Inc.	Revolver Loan	LIBOR (M)	1.00 %	7.00 %	8.00%	7/31/2020	$ 242,376	234,663	242,376	0.02 %	
Asset International, Inc.	First Lien Term Loan	LIBOR (M)	1.00 %	7.00 %	8.00%	7/31/2020	$ 8,109,426	7,979,611	8,050,389	0.66 %	
Rightside Group, Ltd.	Second Lien Term Loan	LIBOR (Q)	0.50 %	8.75 %	9.38%	8/6/2019	$ 4,750,000	3,991,890	4,828,375	0.40 %	
United TLD Holdco, Ltd. (Rightside) (Cayman Islands)	Second Lien Term Loan	LIBOR (Q)	0.50 %	8.75 %	9.38%	8/6/2019	$ 9,500,000	7,983,779	9,656,750	0.79 %	H
								23,585,966	26,182,717	2.15 %	

S-F-13

TABLE OF CONTENTS

TCP Capital Corp.

Consolidated Schedule of Investments (Continued)

December 31, 2015

Issuer	Instrument	Ref	Floor	Spread	Total Coupon	Maturity	Principal	Cost	Value	% of Total Cash and Investments	Notes
Debt Investments (continued)											
Electric Power Generation, Transmission and Distribution											
Holocene Renewable Energy Fund 3, LLC (Conergy)	First Lien Term Loan	Fixed	—	9% Cash + 1% PIK	10.00%	9/10/2017	$ 7,461,240	$ 7,397,199	$ 7,386,628	0.61 %	
Electrical Equipment Manufacturing											
API Technologies Corp.	First Lien Term Loan	LIBOR (Q)	1.50 %	8.50%	10.00%	2/6/2018	$ 6,165,986	6,130,433	6,058,081	0.50 %	
API Technologies Corp.	First Lien Term Loan	LIBOR (Q)	1.50 %	8.50%	10.00%	2/6/2018	$ 3,991,338	3,921,387	3,921,490	0.32 %	
								10,051,820	9,979,571	0.82 %	
Electronic Component Manufacturing											
Central MN Renewables, LLC (Green Biologics)	Sr Secured Revolver (3.0% Exit	Fixed	—	8.25 %	N/A	1/1/2016	$ —	—	—	—	L

	Fee)										
Redaptive, Inc.	First Lien Delayed Draw Term Loan	LIBOR (Q)	—	10.72 %	N/A	7/1/2018	$ —	(121,106)	—	—	K
Soraa, Inc.	Tranche A Term Loan (3.0% Exit Fee)	LIBOR (M)	0.44 %	9.33 %	9.77%	3/1/2018	$ 22,500,000	21,452,673	21,411,000	1.76 %	L
Soraa, Inc.	Tranche B Term Loan	LIBOR (M)	0.44 %	9.33 %	9.77%	9/1/2017	$ 1,687,500	1,571,025	1,567,434	0.13 %	
								22,902,592	22,978,434	1.89 %	
Equipment Leasing											
36th Street Capital Partners Holdings, LLC	Senior Note	Fixed	—	12.00 %	12.00%	11/1/2020	$ 900,000	900,000	900,000	0.07 %	E/F
Essex Ocean, LLC	Sr Secured Term Loan	Fixed	—	8.00 %	8.00%	3/25/2019	$ —	—	—	—	
Essex Ocean, LLC (Solexel)	Sr Secured Term Loan	Fixed	—	8.00 %	8.00%	8/15/2018	$ 2,631,033	2,631,033	2,641,294	0.22 %	
								3,531,033	3,541,294	0.29 %	
Financial Investment Activities											
Institutional Shareholder Services, Inc.	Second Lien Term Loan	LIBOR (Q)	1.00 %	7.50 %	8.50%	4/30/2022	$ 4,471,492	4,437,802	4,270,275	0.35 %	
iPayment, Inc.	First Lien Term Loan B2	LIBOR (Q)	1.50 %	5.25 %	6.75%	5/8/2017	$ 6,763,751	6,425,563	6,502,839	0.53 %	
Magnolia Finance V plc	Asset-Backed Credit	Fixed	—	13.13 %	13.13%	8/2/2021	$ 15,000,000	15,000,000	14,881,500	1.22 %	E/H

(Cayman Islands)	Linked Notes										
								25,863,365	25,654,614	2.10 %	
Gaming											
AP Gaming I, LLC	First Lien Revolver	LIBOR (M)	—	8.25 %	N/A	12/20/2018	$ —	(1,862,302)	(1,250,000)	(0.10 %)	K
Grocery Stores											
Bashas, Inc.	First Lien FILO Term Loan	LIBOR (M)	1.50 %	7.00 %	8.50%	10/8/2019	$ 10,033,866	9,995,480	10,111,127	0.83 %	
Hospitals											
Evidera, Inc.	First Lien Term Loan	LIBOR (Q)	1.00 %	9.00%	10.00%	7/1/2018	$ 3,907,686	3,888,148	3,912,571	0.32 %	
KPC Healthcare, Inc.	First Lien Term Loan	Prime Rate	—	8.25%	11.75%	8/28/2020	$ 17,157,214	16,790,143	17,043,118	1.40 %	
RegionalCare Hospital Partners, Inc.	Second Lien Term Loan	LIBOR (M)	1.00 %	10.25%	11.25%	10/23/2019	$ 21,017,525	20,777,746	20,807,350	1.71 %	G
								41,456,037	41,763,039	3.43 %	
Insurance Carriers											
Acrisure, LLC	Second Lien Incremental Notes	LIBOR (Q)	1.00 %	9.00%	10.00%	11/19/2022	$ 7,080,555	6,944,926	7,063,562	0.58 %	
Acrisure, LLC	Second Lien Notes	LIBOR (Q)	1.00 %	9.00%	10.00%	11/19/2022	$ 12,720,998	12,542,859	12,690,468	1.04 %	
Acrisure, LLC	Second Lien Incremental Notes	LIBOR (Q)	1.00 %	9.00%	10.00%	11/19/2022	$ 3,846,850	3,795,306	3,837,597	0.31 %	
JSS Holdings, Inc.	First Lien Term Loan	LIBOR (Q)	1.00 %	6.25 %	7.25%	8/31/2021	$ 3,950,000	3,874,773	3,732,750	0.31 %	

US Apple Holdco, LLC (Ventiv Technology)	First Lien Term Loan	LIBOR (Q)	0.50 %	11.50%	12.00%	8/29/2019	$ 20,000,000	19,375,352	19,936,000	1.64 %	
								46,533,216	47,260,377	3.88 %	
Insurance Related Activities											
Confie Seguros Holding II Co.	Second Lien Term Loan	LIBOR (M)	1.25 %	9.00%	10.25%	5/8/2019	$ 11,061,809	10,950,946	10,951,191	0.90 %	G

S-F-14

TABLE OF CONTENTS

TCP Capital Corp.

Consolidated Schedule of Investments (Continued)

December 31, 2015

Issuer	Instrument	Ref	Floor	Spread	Total Coupon	Maturity	Principal	Cost	Value	% of Total Cash and Investments	Notes
Debt Investments (continued)											
Lessors of Nonfinancial Licenses											
ABG Intermediate Holdings 2, LLC	Second Lien Term Loan	LIBOR (Q)	1.00 %	8.50 %	9.50%	5/27/2022	$ 15,990,714	$ 15,853,293	$ 15,690,888	1.29 %	
ABG Intermediate Holdings 2, LLC	Second Lien Incremental Term Loan	LIBOR (Q)	1.00 %	8.50 %	9.50%	5/27/2022	$ 3,474,715	3,440,934	3,409,564	0.28 %	
								19,294,227	19,100,452	1.57 %	
Management, Scientific, and Technical Consulting Services											
Dodge Data & Analytics, LLC	First Lien Term Loan	LIBOR (Q)	1.00 %	8.75 %	9.75%	10/31/2019	$ 24,693,587	24,159,891	24,267,623	1.99 %	
Medical Equipment and Supplies Manufacturing											
Bioventus, LLC	Second Lien Term Loan	LIBOR (Q)	1.00 %	10.00%	11.00%	4/10/2020	$ 11,000,000	10,819,241	10,835,000	0.89 %	
Motion Picture and Video Industries											

CORE Entertainment, Inc.	First Lien Term Loan	Fixed	—	11.00%	11.00%	6/21/2017	$ 9,462,231	9,425,030	4,667,719	0.38 %	
CORE Entertainment, Inc.	Second Lien Term Loan	Fixed	—	15.50%	15.50%	6/21/2018	$ 7,569,785	7,700,187	291,058	0.02 %	C
								17,125,217	4,958,777	0.40 %	
Nondepository Credit Intermediation											
Caribbean Financial Group (Cayman Islands)	Sr Secured Notes	Fixed	—	11.50%	11.50%	11/15/2019	$ 26,975,000	26,829,614	26,705,250	2.19 %	E/G
Daymark Financial Acceptance, LLC	First Lien Delayed Draw Term Loan	LIBOR (Q)	—	9.50 %	9.92%	1/12/2020	$ 5,000,000	4,621,333	4,919,250	0.40 %	
Greystone Select Holdings, LLC	First Lien Term Loan	LIBOR (Q)	1.00 %	8.00 %	9.00%	3/26/2021	$ 16,305,999	16,125,251	16,133,156	1.32 %	
Trade Finance Funding I, Ltd. (Cayman Islands)	Secured Class B Notes	Fixed	—	10.75%	10.75%	11/13/2018	$ 15,084,000	15,084,000	14,857,740	1.22 %	E/H
								62,660,198	62,615,396	5.13 %	
Oil and Gas Extraction											
Jefferson Gulf Coast Energy Partners, LLC	First Lien Term Loan B	Prime Rate	—	7.50%	11.00%	2/27/2018	$ 14,812,500	14,714,767	13,479,375	1.11 %	
MD America Energy, LLC	Second Lien Term Loan	LIBOR (Q)	1.00 %	8.50 %	9.50%	8/4/2019	$ 8,095,238	7,784,717	6,773,043	0.56 %	
								22,499,484	20,252,418	1.67 %	
Other Information Services											
Simmons Research, LLC	First Lien Term	LIBOR (Q)	0.50 %	10.50%	11.13%	12/11/2020	$ 5,128,936	5,026,844	5,026,357	0.41 %	

	Loan										
TCH-2 Holdings, LLC (TravelClick)	Second Lien Term Loan	LIBOR (M)	1.00 %	7.75 %	8.75%	11/6/2021	$ 19,988,392	19,735,864	18,789,089	1.54 %	G
								24,762,708	23,815,446	1.95 %	
Other Manufacturing											
AGY Holding Corp.	Sr Secured Term Loan	Fixed	—	12.00%	12.00%	9/15/2016	$ 4,869,577	4,869,577	4,869,577	0.40 %	B
AGY Holding Corp.	Second Lien Notes	Fixed	—	11.00%	11.00%	11/15/2016	$ 9,268,000	7,586,317	9,268,000	0.76 %	B/E
Boomerang Tube, LLC	Second Lien Term Loan	LIBOR (Q)	1.50 %	9.50%	11.00%	10/11/2017	$ 3,825,453	4,010,758	1,759,709	0.14 %	C
Boomerang Tube, LLC	Super Priority Debtor-in-Possession	Prime Rate	—	10.00%	13.50%	11/30/2015	$ 1,124,444	1,124,444	1,124,444	0.09 %	
								17,591,096	17,021,730	1.39 %	
Other Telecommunications											
Securus Technologies, Inc.	Second Lien Term Loan	LIBOR (Q)	1.25 %	7.75 %	9.00%	4/30/2021	$ 14,000,000	13,860,000	7,924,000	0.65 %	

TABLE OF CONTENTS

TCP Capital Corp.

Consolidated Schedule of Investments (Continued)

December 31, 2015

Issuer	Instrument	Ref	Floor	Spread	Total Coupon	Maturity	Principal	Cost	Value	% of Total Cash and Investments	Notes
Debt Investments (continued)											
Other Publishing											
MediMedia USA, Inc.	First Lien Revolver	LIBOR (M)	—	6.75 %	7.18%	5/20/2018	$ 3,456,500	$ 2,886,378	$ 3,003,668	0.25 %	
MediMedia USA, Inc.	First Lien Term Loan	LIBOR (Q)	1.25 %	6.75 %	8.00%	11/20/2018	$ 5,681,239	5,582,994	5,425,584	0.45 %	G
								8,469,372	8,429,252	0.70 %	
Pharmaceuticals											
Lantheus Medical Imaging, Inc.	First Lien Term Loan	LIBOR (Q)	1.00 %	6.00 %	7.00%	6/30/2022	$ 5,970,000	5,879,117	5,492,400	0.45 %	
Plastics Manufacturing											
Iracore International, Inc.	Sr Secured Notes	Fixed	—	9.50 %	9.50%	6/1/2018	$ 13,600,000	13,600,000	8,918,010	0.73 %	E/G
Radio and Television Broadcasting											
Fuse, LLC	Sr Secured Notes	Fixed	—	10.38 %	10.38%	7/1/2019	$ 7,312,000	7,312,000	5,776,480	0.47 %	E/G
NEP/NCP Holdco, Inc.	Second Lien Term Loan	LIBOR (M)	1.25 %	8.75 %	10.00%	7/22/2020	$ 10,000,000	10,019,257	9,450,000	0.78 %	
The Tennis Channel, Inc.	First Lien	LIBOR (Q)	—	8.50 %	8.88%	5/29/2017	$ 32,520,727	32,351,929	32,675,201	2.68 %	

	Term Loan										
								49,683,186	47,901,681	3.93 %	
Restaurants											
RM OpCo, LLC (Real Mex)	Convertible Second Lien Term Loan Tranche B-1	Fixed	—	8.50 %	8.50%	3/30/2018	$ 1,783,036	1,779,352	1,783,036	0.15 %	B
RM OpCo, LLC (Real Mex)	First Lien Term Loan Tranche A	Fixed	—	7.00 %	7.00%	3/21/2016	$ 3,719,155	3,717,664	3,719,155	0.31 %	B
RM OpCo, LLC (Real Mex)	Second Lien Term Loan Tranche B	Fixed	—	8.50 %	8.50%	3/30/2018	$ 8,884,258	8,884,258	4,490,993	0.37 %	B
RM OpCo, LLC (Real Mex)	Second Lien Term Loan Tranche B-1	Fixed	—	8.50 %	8.50%	3/30/2018	$ 2,797,956	2,782,534	2,797,956	0.23 %	B
RM OpCo, LLC (Real Mex)	Sr Convertible Second Lien Term Loan B	Fixed	—	8.50 %	8.50%	3/30/2018	$ 2,188,233	2,188,233	2,188,233	0.18 %	B
								19,352,041	14,979,373	1.24 %	
Retail											
Kenneth Cole Productions, Inc.	First Lien FILO Term Loan	LIBOR (M)	1.00 %	8.50 %	9.50%	9/25/2020	$ 13,185,494	13,049,991	13,317,349	1.09 %	
Connexity, Inc.	First Lien Term Loan	LIBOR (Q)	1.00 %	10.00 %	11.00%	2/13/2020	$ 6,354,563	6,354,563	6,237,956	0.51 %	

								19,404,554	19,555,305	1.60 %	
Satellite Telecommunications											
Avanti Communications Group, PLC (United Kingdom)	Sr Secured Notes	Fixed	—	10.00%	10.00%	10/1/2019	$ 9,393,000	9,393,000	7,336,027	0.60 %	E/G
Scientific Research and Development Services											
BPA Laboratories, Inc.	Senior Secured Notes	Fixed	—	12.25%	12.25%	4/1/2017	$ 38,932,000	39,001,750	40,489,280	3.32 %	E/G

S-F-16

TABLE OF CONTENTS

TCP Capital Corp.

Consolidated Schedule of Investments (Continued)

December 31, 2015

uer	Instrument	Ref	Floor	Spread	Total Coupon	Maturity	Principal	Cost	Value	% of Total Cash and Investments
ot Investments ntinued)										
tware Publishing										
onis International bH (Switzerland)	First Lien Term Loan	LIBOR (Q)	1.00 %	9.50%	10.50%	2/21/2017	$ 29,485,290	$ 29,375,415	$ 28,170,246	2.31 %
Serve (USA), LLC	Second Lien Term Loan	LIBOR (Q)	0.50 %	8.50 %	9.00%	1/31/2020	$ 30,000,000	29,529,480	28,023,000	2.30 %
ckLine Systems,	First Lien Term Loan	LIBOR (Q)	1.50 %	0.4% Cash + 7.6% PIK	9.50%	9/25/2018	$ 14,619,396	13,946,601	14,765,590	1.21 %
ehornet Networks,	First Lien Term Loan	LIBOR (Q)	—	9.50%	10.11%	12/3/2020	$ 6,062,304	5,881,725	5,880,435	0.48 %
nentum, Inc.	Jr Revolving Facility	Fixed	—	5.00 %	5.00%	6/9/2020	$ —	—	—	—
nentum Ultimate dings, LLC	Sr PIK Notes	Fixed	—	8.50 %	8.50%	6/9/2020	$ 2,612,408	2,612,408	2,612,408	0.21 %
nentum Ultimate dings, LLC	Jr PIK Notes	Fixed	—	10.00%	10.00%	6/9/2020	$ 11,791,569	11,176,985	11,343,490	0.93 %
elis Acquisitionco, C	First Lien Term Loan	LIBOR (Q)	1.00 %	8.00 %	9.00%	11/4/2019	$ 41,924,150	41,178,969	42,029,025	3.45 %
elis Acquisitionco, C	Sr Secured Revolver	LIBOR (Q)	1.00 %	8.00 %	9.00%	11/4/2019	$ 1,272,857	1,272,857	1,276,039	0.10 %
			0.28 %	10.72%	11.00%	10/1/2018	$ 31,550,000	31,341,229	31,395,405	2.58 %

ndCloud Ltd. ited Kingdom)	Sr Secured Term Loan (2.0% Exit Fees)	LIBOR (Q)								
idata, Inc.	First Lien Delayed Draw Term Loan (1.0% Exit Fee)	LIBOR (Q)	0.62 %	9.88 %	10.50%	1/1/2019	$ 3,200,000	2,906,672	2,903,680	0.24 %
gin Pulse Inc.	First Lien Term Loan	LIBOR (Q)	—	8.00 %	8.63%	5/21/2020	$ 7,500,000	7,398,976	7,471,875	0.61 %
								176,621,317	175,871,193	14.42 %
tile Furnishings ls										
mark Carpet Mills,	First Lien Term Loan	LIBOR (Q)	1.00 %	10.00 %	11.00%	12/19/2019	$ 25,000,000	25,000,000	24,785,000	2.03 %
mark Carpet Mills,	First Lien Term Loan B	LIBOR (Q)	1.00 %	10.00 %	11.00%	12/19/2019	$ 8,575,581	8,378,569	8,501,831	0.70 %
								33,378,569	33,286,831	2.73 %
ity System nstruction										
va Solar Holdings nited	Revolving Credit Facility	Fixed	—	8.20 %	8.20%	7/2/2017	$ 25,000,000	25,000,000	25,000,000	2.05 %
red ecommunications rriers										
heus nmunications, C	First Lien Delayed Draw FILO Term	LIBOR (Q)	1.00 %	6.92 %	7.92%	5/31/2018	$ 1,064,676	1,046,166	1,058,812	0.09 %

	Loan									
heus mmunications, C	First Lien FILO Term Loan	LIBOR (Q)	1.00 %	6.92 %	7.92%	5/31/2018	$ 7,938,819	7,859,897	7,895,156	0.65 %
gra Telecom dings, Inc.	Second Lien Term Loan	LIBOR (Q)	1.25 %	8.50 %	9.75%	2/22/2020	$ 13,231,193	13,039,047	12,883,874	1.06 %
ford County ephone and egraph Company	First Lien Term Loan	LIBOR (Q)	1.00 %	7.13 %	8.13%	8/31/2020	$ 4,000,000	3,943,631	3,922,000	0.32 %
								25,888,741	25,759,842	2.12 %
reless ecommunications rriers										
go, LLC	First Lien Term Loan	LIBOR (Q)	1.50 %	9.75%	11.25%	3/21/2018	$ 32,822,506	32,877,865	33,150,731	2.72 %
al Debt estments								1,160,372,521	1,130,535,387	92.78 %

S-F-17

TABLE OF CONTENTS

TCP Capital Corp.

Consolidated Schedule of Investments (Continued)

December 31, 2015

Issuer	Instrument	Ref	Floor	Spread	Total Coupon	Maturity	Shares	Cost	Fair Value	% of Total Cash and Investments	Notes
Equity Securities											
Advertising and Public Relations Services											
InMobi, Inc. (Singapore)	Warrants to Purchase Stock						17,578	$ 230,569	$ 233,543	0.02 %	C/E/H
Air Transportation											
Aircraft Leased to Delta Air Lines, Inc.											
N913DL	Trust Beneficial Interests						1,316	84,164	107,501	0.01 %	E/F
N918DL	Trust Beneficial Interests						1,053	86,044	127,662	0.01 %	E/F
N954DL	Trust Beneficial Interests						975	95,345	77,850	0.01 %	E/F
N955DL	Trust Beneficial Interests						937	92,045	108,100	0.01 %	E/F
N956DL	Trust Beneficial Interests						946	91,995	104,478	0.01 %	E/F
N957DL	Trust Beneficial Interests						937	92,417	105,329	0.01 %	E/F
N959DL	Trust Beneficial						928	92,840	106,203	0.01 %	E/F

	Interests					
N960DL	Trust Beneficial Interests	902	94,503	105,937	0.01 %	E/F
N961DL	Trust Beneficial Interests	919	94,018	101,487	0.01 %	E/F
N976DL	Trust Beneficial Interests	1,130	87,968	100,793	0.01 %	E/F
Aircraft Leased to United Airlines, Inc.						
United N659UA-767, LLC (N659UA)	Trust Beneficial Interests	652	3,143,045	3,368,599	0.28 %	E/F
United N661UA-767, LLC (N661UA)	Trust Beneficial Interests	632	3,062,496	3,294,024	0.27 %	E/F
Epic Aero, Inc. (One Sky)	Warrants to Purchase Common Stock	1,843	855,313	3,173,450	0.26 %	C/E
			7,972,193	10,881,413	0.91 %	
Business Support Services						
Findly Talent, LLC	Membership Units	708,229	230,938	162,184	0.01 %	C/E
STG-Fairway Holdings, LLC (First Advantage)	Class A Units	841,479	325,432	2,616,916	0.21 %	C/E
			556,370	2,779,100	0.22 %	
Chemicals						
Green Biologics, Inc.	Warrants to Purchase Stock	376,147	272,594	236,634	0.02 %	C/E
Communications Equipment Manufacturing						
Wasserstein Cosmos Co-Invest, L.P. (Globecomm)	Limited Partnership Units	5,000,000	5,000,000	4,198,500	0.34 %	B/C/E

Computer Systems Design and Related Services						
Waterfall International, Inc.	Series B Preferred Stock	1,428,571	1,000,000	999,714	0.08 %	C/E
Waterfall International, Inc.	Warrants to Purchase Stock	857,143	57,026	57,686	—	C/E
			1,057,026	1,057,400	0.08 %	
Data Processing and Hosting Services						
Anacomp, Inc.	Class A Common Stock	1,255,527	26,711,048	1,581,964	0.13 %	C/E/F
Rightside Group, Ltd.	Warrants	498,855	2,778,622	919,030	0.07 %	C/E
			29,489,670	2,500,994	0.20 %	
Electrical Equipment Manufacturing						
NEXTracker, Inc.	Series B Preferred Stock	558,884	—	2,929,279	0.24 %	C/E
NEXTracker, Inc.	Series C Preferred Stock	17,640	—	92,460	0.01 %	C/E
			—	3,021,739	0.25 %	

TABLE OF CONTENTS

TCP Capital Corp.

Consolidated Schedule of Investments (Continued)

December 31, 2015

Issuer	Instrument	Ref	Floor	Spread	Total Coupon	Maturity	Shares	Cost	Fair Value	% of Total Cash and Investments	Notes
Equity Securities (continued)											
Electronic Component Manufacturing											
Soraa, Inc.	Warrants to Purchase Common Stock						630,000	499,189	180,432	0.01 %	C/E
Equipment Leasing											
36th Street Capital Partners Holdings, LLC	Membership Units						225,000	225,000	225,000	0.02 %	C/E/F
Essex Ocean II, LLC	Membership Units						199,430	199,429	200,686	0.02 %	C/F
								424,429	425,686	0.04 %	
Financial Investment Activities											
GACP I, LP	Membership Units						8,470,305	8,589,442	8,589,760	0.70 %	C/E/I
Marsico Holdings, LLC	Common Interest Units						168,698	172,694	5,061	—	C/E/I
								8,762,136	8,594,821	0.70 %	
Metal and Mineral Mining											
							1,312,720	—	682,614	0.06 %	B/E

EPMC HoldCo, LLC	Membership Units					
Other Manufacturing						
KAGY Holding Company, Inc.	Series A Preferred Stock	9,778	1,091,200	6,118,515	0.50 %	B/C/E
Precision Holdings, LLC	Class C Membership Interest	33	—	1,431	—	C/E
			1,091,200	6,119,946	0.50 %	
Radio and Television Broadcasting						
Fuse Media, LLC	Warrants to Purchase Common Stock	233,470	300,322	—	—	C/E
Restaurants						
RM Holdco, LLC (Real Mex)	Equity Participation	24	—	—	—	B/C/E
RM Holdco, LLC (Real Mex)	Membership Units	13,161,000	2,010,777	—	—	B/C/E
			2,010,777	—	—	
Retail						
Shop Holding, LLC (Connexity)	Class A Units	507,167	480,049	320,682	0.03 %	C/E
Shop Holding, LLC (Connexity)	Warrants to Purchase Class A Units	326,691	—	8,079	—	C/E
			480,049	328,761	0.03 %	

TABLE OF CONTENTS

TCP Capital Corp.

Consolidated Schedule of Investments (Continued)

December 31, 2015

Issuer	Instrument	Ref	Floor	Spread	Total Coupon	Maturity	Shares	Cost	Fair Value	% of Total Cash and Investments	Notes
Equity Securities (continued)											
Software Publishing											
Blackline Intermediate, Inc.	Warrants to Purchase Common Stock						1,232,731	$ 522,678	$ 1,290,175	0.11 %	C/E
Edmentum Ultimate Holdings, LLC	Class A Common Units						159,515	680,226	680,218	0.05 %	B/C/E
SoundCloud, Ltd. (United Kingdom)	Warrants to Purchase Preferred Stock						946,498	79,082	75,247	0.01 %	C/E/H
Utilidata, Inc.	Warrants to Purchase Stock						29,593	216,336	216,337	0.02 %	C/E
								1,498,322	2,261,977	0.19 %	
Wired Telecommunications Carriers											
Integra Telecom, Inc.	Common Stock						1,274,522	8,433,884	5,269,511	0.43 %	C/E
Integra Telecom, Inc.	Warrants						346,939	19,919	221,174	0.02 %	C/E
V Telecom Investment S.C.A. (Vivacom) (Luxembourg)	Common Shares						1,393	3,236,256	3,390,093	0.28 %	C/D/E/H
								11,690,059	8,880,778	0.73 %	
Total Equity Securities								71,334,905	52,384,338	4.30 %	

Total Investments		$ 1,231,707,426	$ 1,182,919,725	
<u>Cash and Cash Equivalents</u>				
Cash Denominated in Foreign Currencies	€ 119,758	733,778	130,081	0.01 %
Cash Held on Account at Various Institutions	$ 35,499,353	35,499,353	35,499,354	2.91 %
Cash and Cash Equivalents		36,233,131	35,629,435	2.92 %
Total Cash and Investments			$ 1,218,549,160	100.00 % M

Notes to Consolidated Schedule 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) Investment denominated in foreign currency. Amortized cost and fair value converted from foreign currency to US dollars. Foreign currency denominated investments are generally hedged for currency exposure. At December 31, 2015, such hedging activities included the derivatives listed at the end of the Consolidated Schedule of Investments. (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% of the outstanding voting securities of the issuer 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.

TABLE OF CONTENTS

(H) 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.

(I) Deemed an 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.

(J) 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.

(K) Negative balances relate to an unfunded commitment that was acquired and/or valued at a discount.

(L) In addition to the stated coupon, investment has an exit fee payable upon repayment of the loan in an amount equal to the percentage of the original principal amount shown.

(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), semiannually (S), or annually (A).

Aggregate acquisitions and aggregate dispositions of investments, other than government securities, totaled $500,928,009 and $456,059,137 respectively, for the twelve months ended December 31, 2015. 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, 2015 was $1,182,719,039, or 97.1% of total cash and investments of the Company. As of December 31, 2015, approximately 18.0% of the total assets of the Company were not qualifying assets under Section 55(a) of the 1940 Act.

Options and swaps at December 31, 2015 were as follows:

Investment	**Notional Amount**	**Fair Value**
Interest Rate Cap with Deutsche Bank AG, 4%, expires 5/15/2016	$ 25,000,000	$ —
Euro/US Dollar Cross-Currency Basis Swap with Wells Fargo Bank, N.A., Pay Euros/Receive USD, Expires 3/31/2017	$ 16,401,467	$ 3,229,442

See accompanying notes to the consolidated financial statements.

S-F-21

TABLE OF CONTENTS

TCP Capital Corp.

Consolidated Statements of Operations (Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	**2015**	**2016**	**2015**
Investment income				
Interest income:				
Companies less than 5% owned	$ 32,315,238	$ 36,133,215	$ 63,126,020	$ 66,410,364
Companies 5% to 25% owned	1,601,175	1,203,388	3,133,903	2,311,666
Companies more than 25% owned	846,686	148,269	1,377,699	319,094
Lease income:				
Companies more than 25% owned	649,785	331,336	1,425,856	623,042
Other income:				
Companies less than 5% owned	182,287	1,121,612	1,120,975	2,089,007
Total investment income	35,595,171	38,937,820	70,184,453	71,753,173
Operating expenses				
Interest and other debt expenses	5,833,727	4,316,021	11,379,008	8,420,639
Management and advisory fees	4,656,418	4,618,214	9,160,502	8,977,412
Legal fees, professional fees and due diligence expenses	730,916	1,262,653	1,233,611	1,568,775
Administrative expenses	416,212	389,643	837,948	782,437
Insurance expense	100,846	89,324	201,780	172,801
Director fees	89,685	80,750	197,609	165,840
Custody fees	75,326	69,062	155,851	139,250
Other operating expenses	558,317	842,818	1,014,040	1,316,203
Total operating expenses	12,461,447	11,668,485	24,180,349	21,543,357
Net investment income	23,133,724	27,269,335	46,004,104	50,209,816
Net realized and unrealized gain (loss) on investments and foreign currency				
Net realized gain (loss):				
Investments in companies less than 5% owned	(782,817)	(9,343,606)	(3,726,522)	(9,449,473)
Investments in companies 5% to 25% owned	—	395	315,053	790
Investments in companies more than 25% owned	79,742	—	79,742	19,167
Net realized loss	(703,075)	(9,343,211)	(3,331,727)	(9,429,516)
Change in net unrealized appreciation/depreciation	3,378,436	7,128,219	(816,165)	7,650,079
Net realized and unrealized gain (loss)	2,675,361	(2,214,992)	(4,147,892)	(1,779,437)

Net increase in net assets from operations	25,809,085	25,054,343	41,856,212	48,430,379
Gain on repurchase of Series A preferred interests	—	1,675,000	—	1,675,000
Dividends on Series A preferred equity facility	—	(482,422)	—	(791,095)
Net change in accumulated dividends on Series A preferred equity facility	—	78,515	—	99,249
Distributions of incentive allocation to the General Partner from:				
Net investment income	(4,626,745)	(5,383,887)	(9,200,821)	(9,903,596)
Net increase in net assets applicable to common shareholders resulting from operations	$ 21,182,340	$ 20,941,549	$ 32,655,391	$ 39,509,937
Basic and diluted earnings per common share	$ 0.43	$ 0.43	$ 0.67	$ 0.81
Basic and diluted weighted average common shares outstanding	49,224,367	48,903,081	48,985,444	48,807,788

See accompanying notes to the consolidated financial statements.

TABLE OF CONTENTS

TCP Capital Corp.

Consolidated Statements of Changes in Net Assets (Unaudited)

	Common Stock		Paid in Capital in Excess of Par	Accumulated Net Investment Income	Accumulated Net Realized Losses	Accumulated Net Unrealized Depreciation	Total Net Assets
	Shares	Par Amount					
Balance at December 31, 2014	48,710,627	$ 48,710	$ 877,103,880	$ 21,884,381	$ (126,408,033)	$ (41,499,910)	$ 731,129,028
Issuance of common stock from at the market offerings, net	248,614	249	3,945,817	—	—	—	3,946,066
Issuance of common stock from dividend reinvestment plan	555	—	8,116	—	—	—	8,116
Repurchase of common stock	(125,062)	(125)	(1,797,751)	—	—	—	(1,797,876)
Gain on repurchase of Series A preferred interests	—	—	—	—	1,675,000	—	1,675,000
Net investment income	—	—	—	100,502,812	—	—	100,502,812
Net realized and unrealized loss	—	—	—	—	(17,671,648)	(4,733,463)	(22,405,111)
Dividends on Series A preferred equity facility	—	—	—	(754,140)	—	—	(754,140)
General Partner incentive allocation	—	—	—	(19,949,734)	—	—	(19,949,734)
Regular dividends paid to common shareholders	—	—	—	(70,377,144)	—	—	(70,377,144)
Tax reclassification of stockholders'	—	—	(876,706)	(9,044,382)	9,921,088	—	—

equity in accordance with generally accepted accounting principles							
Balance at December 31, 2015	48,834,734	$ 48,834	$ 878,383,356	$ 22,261,793	$ (132,483,593)	$ (46,233,373)	$ 721,977,017
Issuance of common stock from conversion of convertible debt	2,011,900	2,012	30,216,726	—	—	—	30,218,738
Issuance of common stock from dividend reinvestment plan	311	—	4,691	—	—	—	4,691
Repurchase of common stock	(141,896)	(141)	(1,879,407)	—	—	—	(1,879,548)
Net investment income	—	—	—	46,004,104	—	—	46,004,104
Net realized and unrealized loss	—	—	—	—	(3,331,727)	(816,165)	(4,147,892)
General Partner incentive allocation	—	—	—	(9,200,821)	—	—	(9,200,821)
Regular dividends paid to common shareholders	—	—	—	(35,785,192)	—	—	(35,785,192)
Balance at June 30, 2016	50,705,049	$ 50,705	$ 906,725,366	$ 23,279,884	$ (135,815,320)	$ (47,049,538)	$ 747,191,097

See accompanying notes to the consolidated financial statements.

TABLE OF CONTENTS

TCP Capital Corp.

Consolidated Statements of Cash Flows (Unaudited)

	Six Months Ended June 30, 2016	2015
Operating activities		
Net increase in net assets applicable to common shareholders resulting from operations	$ 32,655,391	$ 39,509,937
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	3,331,727	9,429,516
Change in net unrealized appreciation/depreciation of investments	309,431	(7,949,579)
Gain on repurchase of Series A preferred interests	—	(1,675,000)
Dividends paid on Series A preferred equity facility	—	791,095
Net change in accumulated dividends on Series A preferred equity facility	—	(99,249)
Accretion of original issue discount on investments	(5,134,847)	(5,416,417)
Net accretion of market discount/premium	(126,835)	(59,710)
Accretion of original issue discount on convertible debt	215,703	203,815
Interest and dividend income paid in kind	(3,345,527)	(2,625,770)
Amortization of deferred debt issuance costs	1,268,104	1,074,535
Accrued interest on convertible debt at conversion	218,738	—
Changes in assets and liabilities:		
Purchases of investment securities	(229,830,692)	(300,144,258)
Proceeds from sales, maturities and pay downs of investments	186,045,477	240,177,662
Decrease in accrued interest income - companies less than 5% owned	850,517	304,371
Increase in accrued interest income - companies 5% to 25% owned	(42,815)	(290,111)
Increase in accrued interest income - companies more than 25% owned	(500,655)	(308,808)
Decrease (increase) in receivable for investments sold	(27,666,936)	1,330,016
Decrease (increase) in prepaid expenses and other assets	1,509,520	(452,084)
Increase in payable for investments purchased	34,526,659	10,464,041
Increase (decrease) in incentive allocation payable	(580,861)	1,080,845
Increase in interest payable	84,960	563,877
Increase in payable to the Advisor	241,611	448,520
Decrease in accrued expenses and other liabilities	(1,443,120)	(447,059)
Net cash used in operating activities	(7,414,450)	(14,089,815)

Financing activities

Borrowings	211,700,000	191,000,000
Repayments of debt	(193,500,000)	(103,000,000)
Payments of debt issuance costs	(441,350)	(645,500)
Repurchase of Series A preferred interests	—	(31,825,000)
Dividends paid on Series A preferred equity facility	—	(791,095)
Regular dividends paid to common shareholders	(35,785,192)	(35,161,196)
Repurchase of common shares	(1,879,548)	—
Proceeds from issuance of convertible debt	30,000,000	—
Proceeds from shares issued in connection with dividend reinvestment plan	4,691	3,962
Proceeds from common shares sold, net of underwriting and offering costs	—	3,946,066
Net cash provided by financing activities	10,098,601	23,527,237
Net increase in cash and cash equivalents	2,684,151	9,437,422
Cash and cash equivalents at beginning of period	35,629,435	27,268,792
Cash and cash equivalents at end of period	$ 38,313,586	$ 36,706,214
Supplemental cash flow information		
Interest payments	$ 9,296,792	$ 5,973,969
Excise tax payments	$ 877,879	$ 877,879
Non-Cash Transactions		
Conversion of convertible debt	$ 30,218,738	$ —

See accompanying notes to the consolidated financial statements.

TABLE OF CONTENTS

TCP Capital Corp.

Notes to Consolidated Financial Statements (Unaudited)

June 30, 2016

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. The Company was formed through the conversion on April 2, 2012 of the Company s predecessor, Special Value Continuation Fund, LLC, from a limited liability company to a corporation in a non-taxable transaction, leaving the Company as the surviving entity. On April 3, 2012, the Company completed its initial public offering.

Investment operations are conducted in Special Value Continuation Partners, LP, a Delaware limited partnership (the Operating Company), of which the Company owns 100% of the common limited partner interests, or in one of the Operating Company 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 Operating Company 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 Operating Company, 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 Operating Company, TCPC Funding, and the SBIC have elected to be treated as partnerships for U.S. federal income tax purposes.

The general partner of the Operating Company is SVOF/MM, LLC, which also serves as the administrator of the Company and the Operating Company (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 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.

Company management consists of the Advisor and the Company s board of directors. Operating Company management consists of the General Partner and the Operating Company s board of directors. The Advisor and the General Partner direct and execute the day-to-day operations of the Company and the Operating Company, 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 Operating Company. The board of directors of the Operating Company has delegated investment management of the Operating Company s assets to the Advisor. Each board of directors consists of six persons, four of whom are independent.

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 Company is an investment company following accounting and reporting guidance in Accounting Standards Codification (ASC) Topic 946, *Financial Services – Investment Companies*. The Company has consolidated the results of its wholly owned subsidiaries in its consolidated financial statements in accordance with ASC Topic 946. The following is a summary of the significant accounting policies of the Company and the Operating Company.

TABLE OF CONTENTS

TCP Capital Corp.

Notes to Consolidated Financial Statements (Unaudited) (Continued)

June 30, 2016

2. Summary of Significant Accounting Policies (continued)

Reclassifications

Certain prior period amounts in the Consolidated Statements of Assets and Liabilities relating to deferred debt issuance costs were reclassified to debt to conform to the current period presentation resulting from the adoption of two Accounting Standards Updates (see Recent Accounting Pronouncements). Certain prior period amounts in the Consolidated Statements of Operations relating to interest expense, amortization of deferred debt issuance costs and commitment fees have been reclassified into interest and other debt expenses to conform to the current period presentation.

Use of Estimates

The preparation of the consolidated financial statements in conformity with GAAP 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 consolidated financial statements, as well the reported amounts of revenues and expenses during the reporting periods presented. Although management believes these estimates and assumptions to be reasonable, actual results could differ from those estimates and such differences could be material.

Investment Valuation

The Company s investments are generally held by the Operating Company, either directly or through TCPC Funding, or the SBIC. Management values investments at fair value in accordance with GAAP, based upon the principles and methods of valuation set forth in policies adopted by the board of directors. 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 Advisor which together comprise, in total, less than 5% of the capitalization of the Operating Company. Investments listed on a recognized exchange or market quotation system, whether U.S. or foreign, are valued using the closing price on the date of valuation. Investments not listed on a recognized exchange or market quotation system, but for which reliable market quotations are readily available are valued using prices provided by a nationally recognized pricing service or by using quotations from broker-dealers.

Investments for which market quotations are either not readily available or are determined to be unreliable are priced at fair value using affirmative valuations performed by independent valuation services approved by the board of directors or, for investments aggregating less than 5% of the total capitalization of the Operating Company, using valuations determined directly by the Advisor. Such valuations are determined under a documented valuation policy that has been reviewed and approved by the boards of directors.

Pursuant to this policy, investment professionals of the Advisor provide recent portfolio company financial statements and other reporting materials to independent valuation firms as applicable, which firms evaluate such materials 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 audit committee of the board of directors discusses the valuations, and the board of directors approves the fair value of the investments in good faith based on the input of the Advisor, the respective independent valuation firms as applicable, and the audit committee of the board of directors.

Generally, to increase objectivity in valuing the investments, the Advisor will utilize external measures of value, such as public markets or third-party transactions, whenever possible. The Advisor 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 are based on available information and do not necessarily represent amounts that might ultimately be realized, as these amounts depend on future circumstances

TABLE OF CONTENTS

TCP Capital Corp.

Notes to Consolidated Financial Statements (Unaudited) (Continued)

June 30, 2016

2. Summary of Significant Accounting Policies (continued)

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. Such information may include observed multiples of earnings and/or revenues at which transactions in securities of comparable companies occur, with appropriate adjustments for differences in company size, operations or other factors affecting comparability.

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. The discount rates used for such analyses reflect market yields for comparable investments, considering such factors as relative credit quality, capital structure, and other factors.

In following these approaches, the types of factors that may be taken into account also include, as relevant: available current market data, including relevant and applicable market trading and transaction comparables, 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 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, comparable costs of capital, the principal market in which the investment trades and enterprise values, among other factors.

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 June 30, 2016, 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	$ —	$ —	$ —
2	Other direct and indirect observable market inputs*	35,930,314	45,882,348	—
3	Independent third-party valuation sources that employ significant unobservable inputs	986,374,365	108,247,783	53,064,896
3	Advisor valuations with significant unobservable inputs	146,365	—	1,855,336

Total	$ 1,022,451,044	$ 154,130,131	$ 54,920,232

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

S-F-27

TABLE OF CONTENTS

TCP Capital Corp.

Notes to Consolidated Financial Statements (Unaudited) (Continued)

June 30, 2016

2. Summary of Significant Accounting Policies (continued)

Unobservable inputs used in the fair value measurement of Level 3 investments as of June 30, 2016 included the following:

Asset Type	Fair Value	Valuation Technique	Unobservable Input	Range (Weighted Avg.)
Bank Debt	$ 779,108,354	Income approach	Discount rate	7.8% – 18.5% (11.8%)
	134,109,581	Market quotations	Indicative bid/ask quotes	1 – 3 (1)
	55,114,499	Market comparable companies	Revenue multiples	0.3x – 7.5x (3.6x)
	18,188,296	Market comparable companies	EBITDA multiples	4.8x – 11.5x (8.8x)
Other Corporate Debt	98,979,783	Market quotations	Indicative bid/ask quotes	1 – 7 (1)
	9,268,000	Market comparable companies	EBITDA multiples	7.8x (7.8x)
Equity	6,936,121	Income approach	Discount rate	5.5% – 26.2% (6.0%)
	22,561,302	Market quotations	Indicative bid/ask quotes	1 (1)
	3,691,198	Market comparable companies	Revenue multiples	0.3x – 6.5x (3.7x)
	21,731,611	Market comparable companies	EBITDA multiples	4.4x – 11.5x (7.1x)
	$ 1,149,688,745			

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
Discount rate	Decrease	Increase
Revenue multiples	Increase	Decrease
EBITDA multiples	Increase	Decrease

Changes in investments categorized as Level 3 during the three months ended June 30, 2016 were as follows:

Independent Third-Party Valuation

Bank Debt

		Other Corporate Debt	Equity Securities
Beginning balance	$ 974,241,847	$ 96,551,748	$ 51,794,409
Net realized and unrealized gains (losses)	4,991,751	(999,400)	(2,055,130)
Acquisitions*	85,456,122	6,918,955	7,650,882
Dispositions	(85,706,829)	—	(4,320,204)
Transfers out of Level 3†	(5,492,400)	—	—
Transfers into Level 3‡	12,883,874	5,776,480	—
Reclassifications within Level 3§	—	—	(5,061)
Ending balance	$ 986,374,365	$ 108,247,783	$ 53,064,896
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)	$ 5,680,176	$ (999,400)	$ (1,948,859)

* Includes payments received in kind and accretion of original issue and market discounts

† Comprised of one investment 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 one investment that reclassified to Advisor Valuation

TCP Capital Corp.

Notes to Consolidated Financial Statements (Unaudited) (Continued)

June 30, 2016

2. Summary of Significant Accounting Policies (continued)

	Advisor Valuation		
	Bank Debt	Other Corporate Debt	Equity Securities
Beginning balance	$ 316,437	$ —	$ 2,041,779
Net realized and unrealized losses	(170,072)	—	(191,504)
Reclassifications within Level 3*	—	—	5,061
Ending balance	$ 146,365	$ —	$ 1,855,336
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)	$ (170,072)	$ —	$ (191,703)

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

There were no transfers between Level 1 and 2 during the three months ended June 30, 2016.

Changes in investments categorized as Level 3 during the six months ended June 30, 2016 were as follows:

	Independent Third-Party Valuation		
	Bank Debt	Other Corporate Debt	Equity Securities
Beginning balance	$ 907,967,337	$ 89,314,530	$ 49,956,123
Net realized and unrealized gains (losses)	4,491,020	(2,813,530)	(3,879,799)
Acquisitions*	181,713,809	15,970,303	14,224,626
Dispositions	(146,905,278)	—	(7,230,993)
Transfers out of Level 3†	(5,492,400)	—	—
Transfers into Level 3‡	44,599,877	5,776,480	—
Reclassifications within Level 3§	—	—	(5,061)
Ending balance	$ 986,374,365	$ 108,247,783	$ 53,064,896
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)	$ 5,356,789	$ (2,813,530)	$ (3,854,472)

* Includes payments received in kind and accretion of original issue and market discounts

† Comprised of one investment that transferred to Level 2 due to increased observable market activity

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

§ Comprised of one investment that reclassified to Advisor Valuation

	Advisor Valuation
	Bank Debt

		Other Corporate Debt	Equity Securities
Beginning balance	$ 1,124,504	$ —	$ 2,428,217
Net realized and unrealized losses	(926,442)	—	(263,132)
Acquisitions*	1,050,297	—	243
Dispositions	(1,101,994)	—	(315,053)
Reclassifications within Level 3†	—	—	5,061
Ending balance	$ 146,365	$ —	$ 1,855,336
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)	$ (884,375)	$ —	$ (578,407)

* Includes payments received in kind and accretion of original issue and market discounts

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

There were no transfers between Level 1 and 2 during the six months ended June 30, 2016.

TCP Capital Corp.

Notes to Consolidated Financial Statements (Unaudited) (Continued)

June 30, 2016

2. Summary of Significant Accounting Policies (continued)

At December 31, 2015, 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	$ —	$ —	$ —
2	Other direct and indirect observable market inputs*	92,311,257	39,817,757	—
3	Independent third-party valuation sources that employ significant unobservable inputs	907,967,337	89,314,530	49,956,123
3	Advisor valuations with significant unobservable inputs	1,124,504	—	2,428,217
Total		$ 1,001,403,098	$ 129,132,287	$ 52,384,340

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

Unobservable inputs used in the fair value measurement of Level 3 investments as of December 31, 2015 included the following:

Asset Type	Fair Value	Valuation Technique	Unobservable Input	Range (Weighted Avg.)
Bank Debt	$ 715,701,737	Income approach	Discount rate	4.2% – 18.9% (11.8%)
	140,033,088	Market quotations	Indicative bid/ask quotes	1 – 5 (1)
	36,550,712	Market comparable companies	Revenue multiples	0.3x – 4.5x (2.2x)
	16,806,304	Market comparable companies	EBITDA multiples	3.3x – 11.5x (7.8x)
Other Corporate Debt	80,046,530	Market quotations	Indicative bid/ask quotes	1 (1)
	9,268,000	Market comparable companies	EBITDA multiples	7.3x (7.3x)
Equity	7,908,649	Income approach	Discount rate	5.9% – 26.2% (8.0%)
	15,827,563	Market quotations	Indicative bid/ask quotes	1 – 2 (1)
	3,212,249	Market comparable companies	Revenue multiples	0.3x – 6.0x (3.2x)

	25,435,879	Market comparable companies	EBITDA multiples	4.4x – 11.5x (6.8x)
	$ 1,050,790,711			

Changes in investments categorized as Level 3 during the three months ended June 30, 2015 were as follows:

	Independent Third-Party Valuation		
	Bank Debt	**Other Corporate Debt**	**Equity Securities**
Beginning balance	$ 896,258,108	$ 102,793,711	$ 32,000,389
Net realized and unrealized gains (losses)	(7,825,996)	2,534,989	6,188,546
Acquisitions*	186,936,587	300,149	1,690,329
Dispositions	(151,573,790)	—	(1,245,019)
Transfers out of Level 3†	(14,850,000)	(9,492,655)	—
Reclassifications within Level 3‡	(60,000)	—	—
Ending balance	$ 908,884,909	$ 96,136,194	$ 38,634,245
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)	$ (7,323,581)	$ (1,718,919)	$ 6,188,546

* Includes payments received in kind and accretion of original issue and market discounts

† Comprised of two investments that transferred to Level 2 due to increased observable market activity

‡ Comprised of one investment that reclassified from Advisor Valuation

TABLE OF CONTENTS

TCP Capital Corp.

Notes to Consolidated Financial Statements (Unaudited) (Continued)

June 30, 2016

2. Summary of Significant Accounting Policies (continued)

	Advisor Valuation		
	Bank Debt	Other Corporate Debt	Equity Securities
Beginning balance	$ (112,500)	$ —	$ 2,674,813
Net realized and unrealized losses	42,632	—	(219,396)
Acquisitions*	643,388	—	—
Dispositions	(1,017,438)	—	—
Reclassifications within Level 3†	60,000	—	—
Ending balance	$ (383,918)‡	$ —	$ 2,455,417
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)	$ 42,632	$ —	$ (219,395)

* Includes payments received in kind and accretion of original issue and market discounts

† Comprised of one investment that reclassified to Independent Third-Party Valuation

‡ Negative balance relates to an unfunded commitment that was acquired and valued at a discount

There were no transfers between Level 1 and 2 during the three months ended June 30, 2015.

Changes in investments categorized as Level 3 during the six months ended June 30, 2015 were as follows:

	Independent Third-Party Valuation		
	Bank Debt	Other Corporate Debt	Equity Securities
Beginning balance	$ 840,538,179	$ 56,621,975	$ 30,618,142
Net realized and unrealized gains (losses)	(11,447,928)	2,183,152	7,339,334
Acquisitions*	294,222,415	300,149	2,515,654
Dispositions	(192,014,582)	(2,516,390)	(1,838,885)
Transfers out of Level 3†	(36,143,175)	(16,311,095)	—
Transfers into Level 3‡	13,730,000	51,247,225	—
Reclassifications within Level 3§	—	4,611,178	—
Ending balance	$ 908,884,909	$ 96,136,194	$ 38,634,245
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)	$ (11,177,480)	$ (2,126,954)	$ 7,339,334

* Includes payments received in kind and accretion of original issue and market discounts

† Comprised of five investments that transferred to Level 2 due to increased observable market activity

‡ Comprised of three investments that transferred from Level 2 due to reduced trading volumes

§ Comprised of one investment that reclassified from Advisor Valuation

TABLE OF CONTENTS

TCP Capital Corp.

Notes to Consolidated Financial Statements (Unaudited) (Continued)

June 30, 2016

2. Summary of Significant Accounting Policies (continued)

	Advisor Valuation		
	Bank Debt	Other Corporate Debt	Equity Securities
Beginning balance	$ —	$ 4,611,178	$ 2,324,629
Net realized and unrealized losses	(18,860)	—	130,788
Acquisitions*	652,380	—	—
Dispositions	(1,017,438)	—	—
Reclassifications within Level 3†	—	(4,611,178)	—
Ending balance	$ (383,918)‡	$ —	$ 2,455,417
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)	$ (18,860)	$ —	$ 130,788

* Includes payments received in kind and accretion of original issue and market discounts

† Comprised of one investment that reclassified to Independent Third-Party Valuation

‡ Negative balance relates to an unfunded commitment that was acquired and valued at a discount

There were no transfers between Level 1 and 2 during the six months ended June 30, 2015.

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 specific 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 generally three months or less. Cash equivalents are carried at amortized cost which approximates fair value. Cash equivalents are classified as Level 1 in the GAAP valuation hierarchy.

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 Schedule 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 1.3% and 1.4% of total investments at June 30, 2016 and December 31, 2015, respectively. Such positions were converted at the respective closing foreign exchange rates in effect at June 30, 2016 and December 31, 2015 and reported in U.S. dollars. Purchases and sales of investments and income and expense items denominated in foreign currencies, when they occur, are

TABLE OF CONTENTS

TCP Capital Corp.

Notes to Consolidated Financial Statements (Unaudited) (Continued)

June 30, 2016

2. Summary of Significant Accounting Policies (continued)

translated into U.S. dollars based on the foreign exchange rates in effect 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 Operating Company has entered into certain swap and option transactions. All derivatives are reported at their gross amounts as either assets or liabilities in the Consolidated Statements 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 Company is required under the terms of its derivative agreement to pledge assets as collateral to secure its obligation under the derivatives. As of June 30, 2016, $0.5 million of cash was pledged as collateral under the Company s derivative instruments, and was included in cash and cash equivalents in the Consolidated Statements of Assets and Liabilities.

During the six months ended June 30, 2016, the Company entered into a GBP put option with a notional amount of £2.7 million. During the six months ended June 30, 2016, the Company s interest rate cap with a notional amount of $25.0 million expired. The Company still holds a cross currency basis swap with a notional amount of $16.4 million. The put option is reported in the Consolidated Statements of Assets and Liabilities as options. The cross currency basis swap is reported in the Consolidated Statements of Assets and Liabilities as unrealized appreciation on swaps. Gains and losses from derivatives during the six months ended June 30, 2016 were included in net realized and unrealized gain (loss) on investments in the Consolidated Statements of Operations as follows:

Instrument	Realized Gains (Losses)	Unrealized Gains (Losses)
Put option	$ —	$ 417,504
Cross currency basis swap	—	(247,917)
Interest rate cap	(51,750)	51,750

The Company did not enter into any new derivative transactions during the six months ended June 30, 2015. At June 30, 2015, the Company held an interest rate cap with a notional amount of $25.0 million and a cross currency basis swap with a notional amount of $4.3 million. The interest rate cap and the cross currency basis swap are reported in the Consolidated Statements of Assets and Liabilities as options and unrealized appreciation on swaps, respectively. Gains and losses from derivatives during the six months ended June 30, 2015 were included in net realized and unrealized gain (loss) on investments in the Consolidated Statements of Operations as follows:

Instrument	Realized Gains (Losses)	Unrealized Gains (Losses)
Cross currency basis swap	$ —	$ 1,149,375
Interest rate cap	—	(467)

S-F-33

TABLE OF CONTENTS

TCP Capital Corp.

Notes to Consolidated Financial Statements (Unaudited) (Continued)

June 30, 2016

2. Summary of Significant Accounting Policies (continued)

Valuations of derivatives held at June 30, 2016 and 2015 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.

Deferred Debt Issuance Costs

Costs of approximately $1.8 million were incurred during 2015 in connection with the extension of the Operating Company s credit facility (see Note 4). Costs of approximately $1.9 million were incurred during 2015, in connection with placing and extending TCPC Funding s revolving credit facility (see Note 4). Costs of approximately $0.5 million and $0.4 million were incurred during the six months ended June 30, 2016 and year ended December 31, 2015, respectively, in connection with placing the SBIC s SBA debentures (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.

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, as are end-of-term or exit fees receivable upon repayment of a 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 due upon the early repayment of a loan or debt security are recognized when earned and are included in interest income.

Certain debt investments are purchased at a 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. Discounts on the acquisition of corporate bonds are generally amortized using the effective-interest or constant-yield method assuming there are no questions as to collectability. 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 Operating Company, 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 June 30, 2016, all tax years of the Company, the Operating Company, TCPC Funding and the SBIC since January 1, 2012 remain subject to examination by federal tax authorities. No such examinations are currently pending.

TABLE OF CONTENTS

TCP Capital Corp.

Notes to Consolidated Financial Statements (Unaudited) (Continued)

June 30, 2016

2. Summary of Significant Accounting Policies (continued)

Cost and unrealized appreciation and depreciation of the Operating Company s investments (including derivatives) for U.S. federal income tax purposes at June 30, 2016 and December 31, 2015 were as follows:

	June 30, 2016	December 31, 2015
Unrealized appreciation	$ 32,994,796	$ 30,920,149
Unrealized depreciation	(79,331,737)	(79,759,600)
Net unrealized depreciation	$ (46,336,941)	$ (48,839,451)
Cost	$ 1,280,819,873	$ 1,231,759,176

Recent Accounting Pronouncements

During the first quarter of 2016, the Company adopted Financial Accounting Standards Board (the FASB) Accounting Standards Update (ASU) 2015-02, *Amendments to the Consolidation Analysis*, which amends or supersedes the scope and consolidation pronouncement under existing GAAP. In particular, the new pronouncement changed the manner in which a reporting entity evaluates whether 1) an entity is a variable interest entity (VIE), 2) fees paid to decision makers or service providers are variable interests in a VIE, and 3) variable interests in a VIE held by related parties require the reporting entity to consolidate the VIE. The pronouncement also introduced a separate consolidation analysis specific to limited partnerships and similar entities. ASU 2015-02 also eliminated the VIE consolidation model based on majority exposure to variability that applied to certain investment companies and similar entities. The adoption of this pronouncement did not have a material impact on the Company s consolidated financial statements.

The Company also adopted ASU 2015-03, *Interest – Imputation of Interest (Subtopic 835-30) - Simplifying the Presentation of Debt Issuance Costs* as well as ASU 2015-15, *Presentation and Subsequent Measurement of Debt Issuance Costs Associated with Line-of-Credit Arrangements – Amendments to SEC Paragraphs Pursuant to Staff Announcement at June 18, 2015*. Together, these ASUs required, in most cases, that debt issuance costs be presented in the balance sheet as a direct deduction from the carrying value of the associated debt liability, consistent with the presentation of a debt discount. Debt issuance costs incurred in connection with line-of-credit arrangements, however, may continue to be presented as an asset in the balance sheet. The adoption of these ASUs resulted in the reclassification of $4.2 million and $4.2 million of debt issuance costs related to the Term Loan, Convertible Notes and SBA Debentures (as defined in Note 4) from deferred debt issuance costs to debt as of June 30, 2016 and December 31, 2015, respectively, on the Consolidated Statements of Assets and Liabilities.

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which supersedes the revenue recognition requirements in Topic 605, *Revenue Recognition*. Under this new pronouncement, an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. ASU 2014-09 applies to all entities and, for public entities, is effective for annual periods beginning after December 15, 2017, and interim periods within those fiscal years. Early application is permitted, but no earlier than annual periods beginning after December 15, 2016 and interim periods within that reporting period. The Company does not expect adoption of this pronouncement to have a material impact on its consolidated financial statements.

On January 5, 2016, the FASB issued ASU 2016-01, *Financial Instruments – Overall: Recognition and Measurement of Financial Assets and Financial Liabilities.* The more significant changes to the current GAAP model resulting from ASU 2016-01 that may impact the Company include 1) eliminate the requirement to disclose the method(s) and significant assumptions used to estimate the fair value of financial instruments measured at amortized cost, 2) require public entities to use the exit price notion when measuring the fair value of financial instruments for disclosure purposes and 3) require separate presentation of financial assets and financial liabilities by measurement category and form of financial asset on the balance sheet or in the accompanying notes to the financial statements. ASU 2016-01 is effective for annual periods beginning after

TABLE OF CONTENTS

TCP Capital Corp.

Notes to Consolidated Financial Statements (Unaudited) (Continued)

June 30, 2016

2. Summary of Significant Accounting Policies (continued)

December 15, 2017, including interim periods within those fiscal years. Early application is permitted. The Company does not expect adoption of this pronouncement to have a material impact on its consolidated financial statements.

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 Advisor 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 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. The General Partner s equity interest in the Operating Company is comprised entirely of such reserve amount, if any, and is reported as a non-controlling interest in the consolidated financial statements of the Company. As of June 30, 2016 and December 31, 2015, no such reserve was accrued.

The Company bears all expenses incurred in connection with its business, 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 due December 2019 issued by the Company (the Convertible Notes), amounts outstanding under a term loan issued by the Operating Company (the Term Loan), amounts outstanding under a senior secured revolving credit facility issued by the Operating Company (the SVCP Revolver and together with the Term Loan, the SVCP Facility), amounts outstanding under a senior secured revolving credit facility issued by TCPC Funding (the TCPC Funding Facility), debentures guaranteed by the SBA (the SBA Debentures), and, prior to the repurchase and retirement of remaining interests on September 3, 2015, amounts outstanding under a preferred equity facility issued by the Operating Company (the Preferred Interests). From April 18, 2016 through its conversion on June 7, 2016, leverage also included a privately placed convertible senior unsecured note due April 2021 issued by the Company (the CNO Note).

TABLE OF CONTENTS

TCP Capital Corp.

Notes to Consolidated Financial Statements (Unaudited) (Continued)

June 30, 2016

4. Leverage (continued)

Total leverage outstanding and available at June 30, 2016 was as follows:

	Maturity	Rate		Carrying Value*	Available	Total Capacity	
SVCP Facility							
SVCP Revolver	2018	L+1.75	%†	$ 78,000,000	$ 38,000,000	$ 116,000,000	
Term Loan	2018	L+1.75	%†	100,500,000	—	100,500,000	
Convertible Notes ($108 million par)	2019	5.25	%	106,326,024	—	106,326,024	
TCPC Funding Facility	2020	L+2.50	%†‡	175,000,000	175,000,000	350,000,000	
SBA Debentures	2024-2026	2.81	%§	61,000,000	14,000,000	75,000,000	**
Total leverage				520,826,024	$ 227,000,000	$ 747,826,024	
Unamortized issuance costs				(4,164,808)			
Debt, net of unamortized issuance costs				$ 516,661,216			

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

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

‡ Or L+2.25% subject to certain funding requirements

§ Weighted-average interest rate on pooled loans of $42.8 million, excluding fees of 0.36%. As of June 30, 2016, the remaining $6.2 million and $12.0 million of the outstanding amount were not yet pooled, and bore interest at a temporary rate of 1.20% and 1.10%, respectively, plus fees of 0.36% through September 23, 2016, the date of the next SBA pooling.

** Anticipated total capacity of $150.0 million, subject to approval by the SBA following complete funding of the Operating Company's initial $75.0 million commitment.

Total leverage outstanding and available at December 31, 2015 was as follows:

	Maturity	Rate		Carrying Value*	Available	Total Capacity
SVCP Facility						
SVCP Revolver	2018	L+1.75	%†	$ 24,000,000	$ 92,000,000	$ 116,000,000
Term Loan	2018	L+1.75	%†	100,500,000	—	100,500,000
Convertible Notes ($108 million par)	2019	5.25	%	106,110,321	—	106,110,321
TCPC Funding Facility	2020	L+2.50	%†‡	229,000,000	121,000,000	350,000,000

SBA Debentures	2024-2025	2.81 %§	42,800,000	32,200,000	75,000,000	**
Total leverage			502,410,321	$ 245,200,000	$ 747,610,321	
Unamortized issuance costs			(4,204,850)			
Debt, net of unamortized issuance costs			$ 498,205,471			

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

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

‡ Or L+2.25% subject to certain funding requirements

§ Weighted-average interest rate on pooled loans of $38.8 million, excluding fees of 0.36%. As of December 31, 2015, the remaining $4.0 million of the outstanding amount was not yet pooled, and bore interest at a temporary rate of 0.90% plus fees of 0.36% through March 22, 2016, the date of the next SBA pooling.

** Anticipated total capacity of $150.0 million, subject to approval by the SBA following complete funding of the Operating Company's initial $75.0 million commitment.

S-F-37

TABLE OF CONTENTS

TCP Capital Corp.

Notes to Consolidated Financial Statements (Unaudited) (Continued)

June 30, 2016

4. Leverage (continued)

The combined weighted-average interest and dividend rates on total leverage outstanding at June 30, 2016 and December 31, 2015 were 3.18% and 3.20%, respectively.

Total expenses related to debt include:

	Six Months Ended June 30,	
	2016	2015
Interest expense	$ 9,597,455	$ 6,741,661
Amortization of deferred debt issuance costs	1,268,104	1,074,535
Commitment fees	513,449	604,443
Total	$ 11,379,008	$ 8,420,639

Amounts outstanding under the SVCP Facility, the TCPC Funding Facility, the Convertible Notes and the SBA Debentures are carried at amortized cost in the Consolidated Statements of Assets and Liabilities. As of June 30, 2016, the estimated fair values of the TCPC Funding Facility and the SBA Debentures approximated their carrying values, and the SVCP Facility and the Convertible Notes had estimated fair values of $179.3 million and $111.5 million, respectively. The estimated fair values of the SVCP Facility, the TCPC Funding Facility, the Convertible Notes and the SBA Debentures are determined by discounting projected remaining payments using market interest rates for borrowings of the Company and entities with similar credit risks at the measurement date. At June 30, 2016, the fair values of the SVCP Facility, the TCPC Funding Facility, the Convertible Notes and the SBA Debentures as prepared for disclosure purposes were deemed to be Level 3 in the GAAP valuation hierarchy.

Convertible Notes

On June 11, 2014, the Company issued $108.0 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 SVCP Facility and the TCPC Funding Facility. 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-dilutional 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 June 30, 2016, 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

TABLE OF CONTENTS

TCP Capital Corp.

Notes to Consolidated Financial Statements (Unaudited) (Continued)

June 30, 2016

4. Leverage (continued)

the excess amount in cash or shares of the Company s common stock (or a combination of cash and shares), 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 Statements of Assets and Liabilities. As a result, the Company will record interest expense comprised of both stated interest and accretion of the original issue discount. At the time of issuance, the equity component was $2.5 million. As of June 30, 2016 and December 31, 2015, the components of the carrying value of the Convertible Notes were as follows:

	June 30, 2016	December 31, 2015
Principal amount of debt	$ 108,000,000	$ 108,000,000
Original issue discount, net of accretion	(1,673,976)	(1,889,679)
Carrying value of debt	$ 106,326,024	$ 106,110,321

For the six months ended June 30, 2016 and 2015, the components of interest expense for the Convertible Notes were as follows:

	Six Months Ended June 30,	
	2016	2015
Stated interest expense	$ 2,835,000	$ 2,835,000
Accretion of original issue discount	215,703	203,328
Total interest expense	$ 3,050,703	$ 3,038,328

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 six months ended June 30, 2016.

SVCP Facility

The SVCP Facility consists of a $100.5 million fully-drawn senior secured term loan and a senior secured revolving credit facility which provides for amounts to be drawn up to $116.0 million, subject to certain collateral and other restrictions. The SVCP Facility matures on July 31, 2018. Most of the cash and investments held directly by the Operating Company, as well as the net assets of TCPC Funding and the SBIC, are included in the collateral for the facility.

Advances under the SVCP 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 SVCP Facility for periods from July 31, 2014 through September 3, 2015 bore interest at an annual rate equal to 2.50% plus either LIBOR or the lender s cost of funds (subject to a cap of LIBOR plus 20 basis points). Advances under the SVCP Facility from September 3, 2015 through July 31, 2016 bear interest at an annual rate equal to 1.75% plus either LIBOR or the lender s cost of funds (subject to a cap of LIBOR plus 20 basis points). Advances under the SVCP Facility from July 31, 2016 through the maturity date of the facility will bear interest at an annual rate of 2.50% 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 SVCP Revolver 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 Operating Company fail to satisfy certain financial or other covenants. As of June 30, 2016, the Operating Company was in full compliance with such covenants.

TABLE OF CONTENTS

TCP Capital Corp.

Notes to Consolidated Financial Statements (Unaudited) (Continued)

June 30, 2016

4. Leverage (continued)

SBA Debentures

As of June 30, 2016 the SBIC is able to issue up to $75.0 million in SBA Debentures, subject to funded regulatory capital and other customary regulatory requirements. As of June 30, 2016, the Operating Company had committed $75.0 million of regulatory capital to the SBIC, $61.0 million of which had been funded. SBA Debentures are non-recourse and may be prepaid at any time without penalty. Once drawn, the SBIC debentures bear an interim interest rate of LIBOR plus 30 basis points. The rate then becomes fixed at the time of SBA pooling, which occurs twice each year, and is set to the then-current 10-year treasury rate plus a spread and an annual SBA charge.

SBA Debentures outstanding as of June 30, 2016 were as follows:

Issuance Date	Maturity	Debenture Amount	Fixed Interest Rate	SBA Annual Charge
Pooled loans:				
September 24, 2014	September 1, 2024	$ 18,500,000	3.02 %	0.36 %
March 25, 2015	March 1, 2025	9,500,000	2.52 %	0.36 %
September 23, 2015	September 1, 2025	10,800,000	2.83 %	0.36 %
December 18, 2015	March 1, 2026	4,000,000	2.51 %	0.36 %
		42,800,000	2.81 %*	
Non-pooled loans:				
March 25, 2016	September 21, 2016	6,200,000	1.20 %	0.36 %
April 28, 2016	September 21, 2016	12,000,000	1.10 %	0.36 %
		$ 61,000,000		

* Weighted-average interest rate on pooled loans

TCPC Funding Facility

The TCPC Funding Facility is a senior secured revolving credit facility which provides for amounts to be drawn up to $350.0 million, subject to certain collateral and other restrictions. The facility matures on March 6, 2020, 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 to up to $400.0 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.

Borrowings under the TCPC Funding Facility bear interest at a rate of LIBOR plus either 2.25% or 2.50% per annum, subject to certain funding requirements, plus an administrative fee of 0.25% per annum. In addition to amounts due on outstanding debt, the facility accrues commitment fees of 0.50% per annum on the unused portion of the facility, or 0.75% per annum when the unused portion is greater than 33% of the total facility, plus an administrative fee of 0.25% per annum. 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 June 30, 2016, TCPC

Funding was in full compliance with such covenants.

Preferred Interests

During 2015, the Operating Company fully repurchased and retired all outstanding Preferred Interests. On June 30, 2015, the Operating Company repurchased and retired 1,675 of the previously outstanding 6,700 Preferred Interests at a price of $31.8 million. On September 3, 2015, the Operating Company repurchased and retired the remaining 5,025 Preferred Interests outstanding at a price of $100.5 million.

TCP Capital Corp.

Notes to Consolidated Financial Statements (Unaudited) (Continued)

June 30, 2016

4. Leverage (continued)

When issued, the Preferred Interests were comprised of 6,700 Series A preferred limited partner interests with a liquidation preference of $20,000 per interest. The Preferred Interests accrued dividends at an annual rate equal to 0.85% plus either LIBOR or the interest holder s cost of funds (subject to a cap of LIBOR plus 20 basis points).

CNO Note

On April 18, 2016, the Company issued $30.0 million in aggregate principal amount of a 5.25% convertible senior unsecured note due 2021 pursuant to a purchase agreement, dated as of April 18, 2016, between the Company and CNO Financial Investments Corp., a minority interest owner of the Advisor. The CNO Note had a maturity of April 30, 2021 unless previously converted. The CNO Note was convertible at the option of the holder at any time prior to the close of business on the business day immediately preceding April 30, 2021, in integral multiples of $1,000,000 principal amount. However, the CNO Note was automatically convertible in its entirety, without any further action by the holder, on the date on which the closing price of the common stock of the Company was at or above the Company s most recent publicly reported net asset value per share of common stock for at least ten trading days (whether or not consecutive) in a 20 consecutive trading day period. The conversion price was the greater of (a) the closing price of the Company s common shares on the conversion date and (b) the then-current net asset value of the Company. On June 7, 2016, the Company issued 2,011,900 shares of its common stock pursuant to the full conversion, at the holder s option, of the $30.0 million in aggregate principal amount (plus accrued interest) of the CNO Note. The CNO Note was converted at a price of $15.02 per share of Common Stock. There was no gain or loss associated with the conversion of the CNO Note. No placement agent or underwriting fees were incurred in connection with the issuance or the conversion of the CNO Note.

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

The Operating Company, 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.

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 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 Operating Company, 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.

TABLE OF CONTENTS

TCP Capital Corp.

Notes to Consolidated Financial Statements (Unaudited) (Continued)

June 30, 2016

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

The Consolidated Schedules of Investments include certain revolving loan facilities and other commitments with unfunded balances at June 30, 2016 and December 31, 2015 as follows:

		Unfunded Balances	
Issuer	**Maturity**	**June 30, 2016**	**December 31, 2015**
AP Gaming I, LLC	12/20/2018	$ 12,500,000	$ 12,500,000
Acrisure, LLC	11/19/2022	N/A	1,351,596
Alpheus Communications, LLC	5/31/2018	357,419	1,072,256
Anuvia Plant Nutrients Holdings, LLC (VitAG)	2/1/2018	N/A	4,300,000
Asset International, Inc.	7/31/2020	N/A	565,544
Bisnow, LLC	4/29/2021	1,200,000	N/A
BlackLine Systems, Inc.	9/25/2018	3,740,693	N/A
Cargojet Airways, LTD.	1/31/2023	N/A	14,457,306
Central MN Renewables, LLC	1/16/2016	N/A	2,100,000
Daymark Financial Acceptance, LLC	1/12/2020	N/A	20,000,000
Edmentum, Inc.	6/9/2020	606,345	3,368,586
Enerwise Global Technologies, Inc.	11/30/2017	4,000,000	7,500,000
Essex Ocean, LLC	3/25/2019	N/A	22,008,557
Fidelis Acquisitionco, LLC	11/4/2019	N/A	1,909,286
Globecomm Systems, Inc.	12/11/2018	800,000	N/A
InMobi, Inc.	9/1/2018	7,500,000	9,354,959
MediMedia USA, Inc.	5/20/2018	3,797,500	4,293,500
Mesa Air Group, Inc.	7/15/2022	13,575,000	13,575,000
Nanosys, Inc.	4/1/19	3,000,000	N/A
Redaptive, Inc.	7/1/2018	15,000,000	15,000,000
RM OpCo, LLC (Real Mex)	3/30/2018	N/A	440,774
Utilidata, Inc.	1/1/2019	N/A	4,800,000
Vistronix, LLC	12/4/2018	N/A	205,558
Waterfall International, Inc.	9/1/2018	N/A	3,200,000
Total Unfunded Balances		$ 66,076,957	$ 142,002,922

6. Related Party Transactions

The Company, the Operating Company, TCPC Funding, the SBIC, the Advisor, the General Partner and their members and affiliates may be considered related parties. From time to time, the Operating Company advances payments to third parties on behalf of the Company which are reimbursable through deductions from distributions to the Company. At June 30, 2016 and December 31, 2015, no such amounts were outstanding. From time to time, the Advisor advances payments to third parties on behalf of the Company and the Operating Company and receives reimbursement from the Company and the Operating Company. At June 30, 2016 and December 31, 2015, amounts reimbursable to the Advisor totaled \$0.7 million and \$0.5 million, respectively, as reflected in the Consolidated Statements of Assets and Liabilities.

Pursuant to administration agreements between the Administrator and each of the Company and the Operating Company (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 Operating Company, as well as costs and expenses incurred by the Administrator or its affiliates

TCP Capital Corp.

Notes to Consolidated Financial Statements (Unaudited) (Continued)

June 30, 2016

6. Related Party Transactions (continued)

relating to any administrative, operating, or other non-investment advisory services provided by the Administrator or its affiliates to the Company or the Operating Company. For the six months ended June 30, 2016 and 2015, expenses allocated pursuant to the Administration Agreements totaled $0.8 million and $0.7 million, respectively.

On November 25, 2014, the Company and the Operating Company obtained an exemptive order (the Exemptive Order) from the Securities and Exchange Commission permitting the Company and Operating Company to purchase certain investments from affiliated investment companies at fair value. The Exemptive Order exempts the Company and the Operating Company from provisions of Sections 17(a) and 57(a) of the 1940 Act which would otherwise restrict such transfers. All such purchases are subject to the conditions set forth in the Exemptive Order, which among others include certain procedures to verify that each purchase is done at the current fair value of the respective investment. During the six months ended June 30, 2016 and 2015, the Company purchased approximately $0.0 million and $94.5 million, respectively, of investments from affiliates (as defined in the 1940 Act), which were classified as Level 2 in the GAAP valuation hierarchy at the time of the transfer. The selling party has no continuing involvement in the transferred assets. All of the transfers were consummated in accordance with the provisions of the Exemptive Order and were accounted for as a purchase in accordance with ASC 860, *Transfers and Servicing*.

7. Stockholders Equity and Dividends

The following table summarizes the total shares issued and proceeds received in public offerings 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 six months ended June 30, 2016.

	Shares Issued	Price Per Share		Net Proceeds
Shares issued from dividend reinvestment plan	311	$ 15.08	*	$ 4,691
Shares issued from conversion of convertible debt†	2,011,900	15.02		—

* Weighted-average price per share

† Shares issued in connection with full conversion of CNO Note

The following table summarizes the total shares issued and proceeds received in public offerings 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, 2015:

	Shares Issued	Price Per Share		Net Proceeds
At-the-market offerings	248,614	$ 15.87	*	$ 3,946,066
Shares issued from dividend reinvestment plan	555	14.62	*	8,116

* Weighted-average price per share

The Company s dividends are recorded on the ex-dividend date. The following table summarizes the Company s dividends declared and paid for the six months ended June 30, 2016:

Date Declared	Record Date	Payment Date	Type	Amount Per Share	Total Amount

February 24, 2016	March 17, 2016	March 31, 2016	Regular	$	0.36	$	17,530,963
May 10, 2016	June 16, 2016	June 30, 2016	Regular		0.36		18,254,229
				$	0.72	$	35,785,192

TABLE OF CONTENTS

TCP Capital Corp.

Notes to Consolidated Financial Statements (Unaudited) (Continued)

June 30, 2016

7. Stockholders' Equity and Dividends (continued)

The following table summarizes the Company s dividends declared and paid for the six months ended June 30, 2015:

Date Declared	Record Date	Payment Date	Type	Amount Per Share	Total Amount
March 10, 2015	March 19, 2015	March 31, 2015	Regular	$ 0.36	$ 17,535,826
May 7, 2015	June 16, 2015	June 30, 2015	Regular	0.36	17,625,370
				$ 0.72	$ 35,161,196

On February 24, 2015, the Company s board of directors approved a stock repurchase plan (the Company Repurchase Plan) to acquire up to $50.0 million in the aggregate of the Company s common stock at prices at certain thresholds below the Company s net asset value per share, in accordance with the guidelines specified in Rule 10b-18 and Rule 10b5-1 of the Securities Exchange Act of 1934. The Company Repurchase Plan is designed to allow the Company to repurchase its common stock at times when it otherwise might be prevented from doing so under insider trading laws. The Company Repurchase Plan requires an agent selected by the Company to repurchase shares of common stock on the Company s behalf if and when the market price per share is at certain thresholds below the most recently reported net asset value per share. Under the plan, the agent will increase the volume of purchases made if the price of the Company s common stock declines, subject to volume restrictions. The timing and amount of any stock repurchased depends on the terms and conditions of the Company Repurchase Plan, the market price of the common stock and trading volumes, and no assurance can be given that any particular amount of common stock will be repurchased. The Company Repurchase Plan was re-approved on May 4, 2016, and, unless further extended or terminated by the Company s board of directors, the Company expects that the Company Repurchase Plan will be in effect through the earlier of two trading days after the Company s second quarter 2016 earnings release or such time as the approved $50.0 million repurchase amount has been fully utilized, subject to certain conditions.

The following table summarizes the total shares repurchased and amounts paid by the Company under the Company Repurchase Plan, including broker fees, for the six months ended June 30, 2016.

	Shares Repurchased	Price Per Share	Total Cost
Company Repurchase Plan	141,896	$ 13.25 *	$ 1,879,548

* Weighted-average price per share

8. Earnings Per Share

In accordance with ASC 260, *Earnings per Share*, basic earnings per share is computed by dividing earnings available to common shareholders by the weighted average number of shares outstanding during the period. Other potentially dilutive common shares, if any, and the related impact to earnings, are considered when calculating earnings per share on a diluted basis. The following information sets forth the computation of the net increase in net assets per share resulting from operations for the six months ended June 30, 2016 and 2015:

	Six Months Ended June 30,	
	2016	2015

Net increase in net assets applicable to common shareholders resulting from operations	$ 32,655,391	$ 39,509,937
Weighted average shares outstanding	48,985,444	48,807,788
Earnings per share	$ 0.67	$ 0.81

TABLE OF CONTENTS

TCP Capital Corp.

Notes to Consolidated Financial Statements (Unaudited) (Continued)

June 30, 2016

9. Subsequent Events

On July 13, 2016, the Company completed a registered direct public offering of 2,336,552 shares of our common stock at a price of $15.09 per share for total gross and net proceeds of approximately $35.3 million. The Company incurred no placement agent, underwriting or other fees in connection with the transaction. The Adviser paid certain fees to facilitate the transaction, for which it is not seeking reimbursement from the Company.

On August 3, 2016, the Company s board of directors re-approved the Company Repurchase Plan, to be in effect through the earlier of two trading days after the Company s third quarter 2016 earnings release or such time as the approved $50.0 million repurchase amount has been fully utilized, subject to certain conditions.

On August 9, 2016, the Company s board of directors declared a third quarter regular dividend of $0.36 per share payable on September 30, 2016 to stockholders of record as of the close of business on September 16, 2016.

10. Financial Highlights

	Six Months Ended June 30,					
	2016			2015		
Per Common Share						
Per share NAV at beginning of period	$	14.78		$	15.01	
Investment operations:						
Net investment income		0.94			1.03	
Net realized and unrealized losses		(0.08	)		(0.03	)
Dividends on Series A preferred equity facility		—			(0.02	)
Incentive allocation reserve and distributions		(0.19	)		(0.20	)
Total from investment operations		0.67			0.78	
Issuance of common stock		0.01			—	
Repurchase of Series A preferred interests		—			0.03	
Distributions to common shareholders from:						
Net investment income		(0.72	)		(0.72	)
Per share NAV at end of period	$	14.74		$	15.10	
Per share market price at end of period	$	15.28		$	15.29	
Total return based on market value[(1), (2)]		14.9	%		(4.6	%)
Total return based on net asset value[(1), (3)]		4.6	%		5.4	%

Shares outstanding at end of period	50,705,049	48,959,494

TCP Capital Corp.

Notes to Consolidated Financial Statements (Unaudited) (Continued)

June 30, 2016

10. Financial Highlights (continued)

	Six Months Ended June 30,					
	2016			2015		
Ratios to average common equity:(4), (5)						
Net investment income(6)		10.3	%		12.4	%
Expenses		6.7	%		5.9	%
Expenses and incentive allocation(7)		8.0	%		7.2	%
Ending common shareholder equity	$	747,191,097		$	739,427,798	
Portfolio turnover rate		15.3	%		20.1	%
Weighted-average leverage outstanding(8)	$	529,701,898		$	503,388,675	
Weighted-average interest rate on leverage(9)		3.6	%		3.0	%
Weighted-average number of common shares		48,985,444			48,807,788	
Average leverage per share(8)	$	10.81		$	10.31	

(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 net asset value per share at the beginning of the period.

(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.

(8) Includes both debt and preferred leverage.

(9) Includes dividends on the preferred leverage facility.

TABLE OF CONTENTS

TCP Capital Corp.

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

Six Months Ended June 30, 2016

Security	Dividends or Interest(2)	Fair Value at December 31, 2015	Acquisitions(3)	Dispositions(4)	Fair Value at June 30, 2016
36th Street Capital Partners Holdings, LLC, Membership Units	$ —	$ 225,000	$ 4,055,021	$ (62,445)	$ 4,217,576
36th Street Capital Partners Holdings, LLC, Subordinated Promissory Note, 12%, due 11/1/20	1,289,036	900,000	15,970,302	—	16,870,302
AGY Holding Corp., Senior Secured 2nd Lien Notes, 11%, due 11/15/16	509,740	9,268,000	—	—	9,268,000
AGY Holding Corp., Senior Secured Term Loan, 12%, due 9/15/16	295,422	4,869,577	—	—	4,869,577
Anacomp, Inc., Class A Common Stock	—	1,581,964	—	(188,329)	1,393,635
Edmentum Ultimate Holdings, LLC, Junior PIK Notes, 10%, due 6/9/20	668,800	11,343,490	658,236	(77,512)	11,924,214
Edmentum Ultimate Holdings, LLC, Senior PIK Notes, 8.5%, due 6/9/20	115,154	2,612,408	113,467	—	2,725,875
Edmentum, Inc., Junior Revolving Facility, 5%, due 6/9/20	32,297	—	2,762,241	—	2,762,241
Edmentum Ultimate Holdings, LLC, Class A Common Units	—	680,218	—	—	680,218
EPMC HoldCo, LLC, Membership Units	—	682,614	—	(367,561)	315,053
Essex Ocean II, LLC, Membership Units	—	200,686	49,612	(71,210)	179,088
Globecomm Systems Inc., Senior Secured 1st Lien Term Loan, LIBOR + 7.625%, 1.25% LIBOR Floor, due 12/11/18	656,417	14,256,233	561,434	(263,027)	14,554,640

KAGY Holding Company, Inc., Series A Preferred Stock	—	6,118,515	45,967	—	6,164,482
N659UA Aircraft Secured Mortgage, 12%, due 2/28/16	4,554	318,980	—	(318,980)	—
N661UA Aircraft Secured Mortgage, 12%, due 5/4/16	11,822	570,303	—	(570,303)	—
N913DL Aircraft Secured Mortgage, 8%, due 3/15/17	2,322	115,617	—	(115,617)	—
N918DL Aircraft Secured Mortgage, 8%, due 8/15/18	5,109	237,494	—	(237,494)	—
N954DL Aircraft Secured Mortgage, 8%, due 3/20/19	7,829	342,734	—	(342,734)	—
N955DL Aircraft Secured Mortgage, 8%, due 6/20/19	8,463	369,162	—	(369,162)	—
N956DL Aircraft Secured Mortgage, 8%, due 5/20/19	8,365	365,197	—	(365,197)	—
N957DL Aircraft Secured Mortgage, 8%, due 6/20/19	8,537	372,392	—	(372,392)	—
N959DL Aircraft Secured Mortgage, 8%, due 7/20/19	8,708	379,522	—	(379,522)	—
N960DL Aircraft Secured Mortgage, 8%, due 10/20/19	9,289	403,869	—	(403,869)	—
N961DL Aircraft Secured Mortgage, 8%, due 8/20/19	9,028	393,115	—	(393,115)	—
N976DL Aircraft Secured Mortgage, 8%, due 2/15/18	4,636	218,321	—	(218,321)	—
N913DL Equipment Trust Beneficial Interests	494,813	107,501	375	(107,876)	—
N918DL Equipment Trust Beneficial Interests	8,483	127,662	89,515	(217,177)	—
N954DL Equipment Trust Beneficial Interests	8,743	77,850	17,496	(95,346)	—
N955DL Equipment Trust Beneficial Interests	8,278	108,100	2,433	(110,533)	—
N956DL Equipment Trust Beneficial Interests	8,362	104,478	2,571	(107,049)	—
N957DL Equipment Trust Beneficial Interests	8,249	105,329	2,637	(107,966)	—
N959DL Equipment Trust Beneficial Interests	8,139	106,203	2,702	(108,905)	—
N960DL Equipment Trust Beneficial Interests	7,785	105,937	3,088	(109,025)	—
N961DL Equipment Trust Beneficial Interests	7,976	101,487	3,159	(104,646)	—
N976DL Equipment Trust	8,635	100,793	755	(101,548)	—

Beneficial Interests					
RM Holdco, LLC, Equity Participation	—	—	—	—	—
RM Holdco, LLC, Membership Units	—	—	—	—	—
RM OpCo, LLC, Senior Secured 1st Lien Term Loan Tranche A, 7%, due 3/21/16	154,819	3,719,155	1,138,832	—	4,857,987

TABLE OF CONTENTS

Security	Dividends or Interest[2]	Fair Value at December 31, 2015	Acquisitions[3]	Dispositions[4]	Fair Value at June 30, 2016
RM OpCo, LLC, Senior Secured 2nd Lien Term Loan Tranche B, 8.5%, due 3/30/18	391,518	4,490,993	390,846	(1,435,210)	3,446,629
RM OpCo, LLC, Senior Secured 2nd Lien Term Loan Tranche B-1, 8.5%, due 3/30/18	123,302	2,797,956	123,091	—	2,921,047
RM OpCo, LLC, Convertible 2nd Lien Term Loan Tranche B-1, 8.5%, due 3/30/18	82,261	1,783,036	82,126	(3,684)	1,861,478
RM OpCo, LLC, Senior Convertible 2nd Lien Term Loan B, 8.5%, due 3/30/18	104,175	2,188,233	541,631	—	2,729,864
United N659UA-767, LLC (N659UA)	376,264	3,368,599	419,139	(438,215)	3,349,523
United N661UA-767, LLC (N661UA)	480,128	3,294,024	601,478	(509,701)	3,385,801
Wasserstein Cosmos Co-Invest, L.P., Limited Partnership Units	—	4,198,500	—	(1,120,500)	3,078,000

Notes to Consolidated 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) Also includes fee and lease income as applicable.

(3) Acquisitions include new purchases, PIK income, accretion of original issue and market discounts and net unrealized appreciation.

(4) Dispositions include decreases in the cost basis from sales, paydowns, mortgage amortizations, aircraft depreciation and net unrealized depreciation.

TABLE OF CONTENTS

TCP Capital Corp.

Consolidated Schedule of Changes in Investments in Affiliates(1)

Year Ended December 31, 2015

Security	Dividends or Interest(2)	Fair Value at December 31, 2014	Acquisitions(3)	Dispositions(4)	Fair Value at December 31, 2015
36th Street Capital Partners Holdings, LLC, Membership Units	$ 15,600	$ —	$ 225,000	$ —	$ 225,000
36th Street Capital Partners Holdings, LLC, Subordinated Promissory Note, 12%, due 11/1/20	—	—	900,000	—	900,000
AGY Holding Corp., Senior Secured 2nd Lien Notes, 11%, due 11/15/16	1,019,480	9,017,764	250,236	—	9,268,000
AGY Holding Corp., Senior Secured Term Loan, 12%, due 9/15/16	592,466	4,869,577	—	—	4,869,577
Anacomp, Inc., Class A Common Stock	—	916,535	665,429	—	1,581,964
Edmentum Ultimate Holdings, LLC, Junior PIK Notes, 10%, due 6/9/20	715,131	—	12,054,264	(710,774)	11,343,490
Edmentum Ultimate Holdings, LLC, Senior PIK Notes, 8.5%, due 6/9/20	124,828	—	2,612,408	—	2,612,408
Edmentum, Inc., Junior Revolving Facility, 5%, due 6/9/20	22,329	—	2,105,366	(2,105,366)	—
Edmentum Ultimate Holdings, LLC, Class A Common Units	—	—	680,218	—	680,218
EPMC HoldCo, LLC, Membership Units	—	682,614	—	—	682,614
Essex Ocean II, LLC, Membership Units	—	—	200,686	—	200,686
Globecomm Systems Inc., Senior Secured 1st Lien Term Loan, LIBOR + 7.625%, 1.25% LIBOR Floor, due 12/11/18	1,330,125	14,656,950	121,560	(522,277)	14,256,233

KAGY Holding Company, Inc., Series A Preferred Stock	—	121,975	5,996,540	—	6,118,515
N659UA Aircraft Secured Mortgage, 12%, due 2/28/16	120,307	1,659,003	—	(1,340,023)	318,980
N661UA Aircraft Secured Mortgage, 12%, due 5/4/16	137,289	1,899,950	—	(1,329,647)	570,303
N913DL Aircraft Secured Mortgage, 8%, due 3/15/17	12,800	209,168	—	(93,551)	115,617
N918DL Aircraft Secured Mortgage, 8%, due 8/15/18	21,901	320,440	—	(82,946)	237,494
N954DL Aircraft Secured Mortgage, 8%, due 3/20/19	30,753	437,679	315	(95,260)	342,734
N955DL Aircraft Secured Mortgage, 8%, due 6/20/19	32,662	460,258	539	(91,635)	369,162
N956DL Aircraft Secured Mortgage, 8%, due 5/20/19	32,415	457,902	479	(93,184)	365,197
N957DL Aircraft Secured Mortgage, 8%, due 6/20/19	32,947	464,283	544	(92,435)	372,392
N959DL Aircraft Secured Mortgage, 8%, due 7/20/19	33,476	470,601	612	(91,691)	379,522
N960DL Aircraft Secured Mortgage, 8%, due 10/20/19	35,326	493,258	831	(90,220)	403,869
N961DL Aircraft Secured Mortgage, 8%, due 8/20/19	34,574	484,908	694	(92,487)	393,115
N976DL Aircraft Secured Mortgage, 8%, due 2/15/18	20,940	314,588	—	(96,267)	218,321
N913DL Equipment Trust Beneficial Interests	25,444	117,497	90,909	(100,905)	107,501
N918DL Equipment Trust Beneficial Interests	21,074	135,890	81,670	(89,898)	127,662
N954DL Equipment Trust Beneficial Interests	21,205	72,604	112,997	(107,751)	77,850
N955DL Equipment Trust Beneficial Interests	20,000	111,010	103,527	(106,437)	108,100
N956DL Equipment Trust Beneficial Interests	20,172	106,800	105,581	(107,903)	104,478
N957DL Equipment Trust Beneficial Interests	19,872	107,682	105,105	(107,458)	105,329
N959DL Equipment Trust Beneficial Interests	19,577	108,579	104,638	(107,014)	106,203
N960DL Equipment Trust Beneficial Interests	18,590	107,865	104,750	(106,678)	105,937
N961DL Equipment Trust Beneficial Interests	19,044	102,826	107,207	(108,546)	101,487

N976DL Equipment Trust Beneficial Interests	20,825	102,006	101,347	(102,560)	100,793
RM Holdco, LLC, Equity Participation	—	792	—	(792)	—
RM Holdco, LLC, Membership Units	—	—	—	—	—
RM OpCo, LLC, Senior Secured 1st Lien Term Loan Tranche A, 7%, due 3/21/16	272,075	3,900,025	18,674	(199,544)	3,719,155

S-F-49

TABLE OF CONTENTS

Security	Dividends or Interest[(2)]	Fair Value at December 31, 2014	Acquisitions[(3)]	Dispositions[(4)]	Fair Value at December 31, 2015
RM OpCo, LLC, Senior Secured 2nd Lien Term Loan Tranche B, 8.5%, due 3/30/18	736,422	6,457,325	731,070	(2,697,402)	4,490,993
RM OpCo, LLC, Senior Secured 2nd Lien Term Loan Tranche B-1, 8.5%, due 3/30/18	238,052	2,567,717	239,889	(9,650)	2,797,956
RM OpCo, LLC, Convertible 2nd Lien Term Loan Tranche B-1, 8.5%, due 3/30/18	165,715	1,636,314	164,641	(17,919)	1,783,036
RM OpCo, LLC, Senior Convertible 2nd Lien Term Loan B, 8.5%, due 3/30/18	120,207	631,164	1,557,069	—	2,188,233
United N659UA-767, LLC (N659UA)	581,125	3,177,822	1,268,821	(1,078,044)	3,368,599
United N661UA-767, LLC (N661UA)	569,770	3,078,923	1,230,498	(1,015,397)	3,294,024
Wasserstein Cosmos Co-Invest, L.P., Limited Partnership Units	—	4,175,000	1,050,000	(1,026,500)	4,198,500

Notes to Consolidated 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) Also includes fee and lease income as applicable.

(3) Acquisitions include new purchases, PIK income, accretion of original issue and market discounts and net unrealized appreciation.

(4) Dispositions include decreases in the cost basis from sales, paydowns, mortgage amortizations, aircraft depreciation and net unrealized depreciation.

TABLE OF CONTENTS

TCP Capital Corp.

Consolidated Schedule of Restricted Securities of Unaffiliated Issuers (Unaudited)

June 30, 2016

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
Boomerang Tube Holdings, Inc., Common Stock	2/2/16
BPA Laboratories, Inc., Senior Secured Notes, 12.25%, due 4/1/17 (144A)	3/5/12
Caribbean Financial Group, Senior Secured Notes, 11.5%, due 11/15/19	10/19/12
Epic Aero, Inc. (One Sky), Warrants to Purchase Common Stock	12/4/13
Findly Talent, LLC, Membership Units	1/1/14
Fuse Media, LLC, Warrants to Purchase Common Stock	8/3/12
Fuse, LLC, Senior Secured Notes, 10.375%, due 7/1/19	6/18/14
GACP I, LP, Membership Units	10/1/15
Gogo Intermediate Holdings, LLC, Senior Secured Notes, 12.5%, due 7/1/22	6/9/16
Green Biologics, Inc., Warrants to Purchase Stock	12/22/14
InMobi, Inc., Warrants to Purchase Stock	9/18/15
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
Nanosys, Inc., Warrants to Purchase Common Stock	3/29/16
NEXTracker, Inc., Series B Preferred Stock	12/17/14
NEXTracker, Inc., Series C Preferred Stock	6/12/15
Precision Holdings, LLC, Class C Membership Interests	Var. 2010 & 2011
Rightside Group, Ltd., Warrants	8/6/14
Shop Holding, LLC (Connexity), Class A Units	6/2/11
Soasta, Inc., Warrants to Purchase Series F Preferred Stock	3/4/16
Soraa, Inc., Warrants to Purchase Common Stock	8/29/14
SoundCloud, Ltd., Warrants to Purchase Preferred Stock	4/30/15
STG-Fairway Holdings, LLC (First Advantage), Class A Units	12/30/10
Trade Finance Funding I, Ltd., Secured Class B Notes, 10.75%, due 11/13/18	11/13/13
Utilidata, Inc., Warrants to Purchase Stock	12/22/15
V Telecom Investment S.C.A. (Vivacom), Common Shares	11/9/12
Waterfall International, Inc., Series B Preferred Stock	9/16/2015
Waterfall International, Inc., Warrants to Purchase Stock	9/16/2015

TABLE OF CONTENTS

TCP Capital Corp.

Consolidated Schedule of Restricted Securities of Unaffiliated Issuers

December 31, 2015

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 (144A)	3/5/12
Caribbean Financial Group, Senior Secured Notes, 11.5%, due 11/15/19	10/19/12
Findly Talent, LLC, Membership Units	1/1/14
Flight Options Holdings I, Inc. (One Sky), Warrants to Purchase Common Stock	12/4/13
Fuse Media, LLC, Warrants to Purchase Common Stock	8/3/12
Fuse, LLC, Senior Secured Notes, 10.375%, due 7/1/19	6/18/14
GACP I, LP, Membership Units	10/1/15
Green Biologics, Inc., Warrants to Purchase Stock	12/22/14
InMobi, Inc., Warrants to Purchase Stock	9/18/15
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
NEXTracker, Inc., Series B Preferred Stock	12/17/14
NEXTracker, Inc., Series C Preferred Stock	6/12/15
Precision Holdings, LLC, Class C Membership Interests	Var. 2010 & 2011
Rightside Group, Ltd., Warrants	8/6/14
Shop Holding, LLC (Connexity), Class A Units	6/2/11
Shop Holding, LLC (Connexity), Warrants to Purchase Class A Units	6/2/11
Soraa, Inc., Warrants to Purchase Common Stock	8/29/14
SoundCloud, Ltd., Warrants to Purchase Preferred Stock	4/30/15
STG-Fairway Holdings, LLC (First Advantage), Class A Units	12/30/10
Trade Finance Funding I, Ltd., Secured Class B Notes, 10.75%, due 11/13/18	11/13/13
Utilidata, Inc., Warrants to Purchase Stock	12/22/15
V Telecom Investment S.C.A. (Vivacom), Common Shares	11/9/12
Waterfall International, Inc., Series B Preferred Stock	9/16/2015
Waterfall International, Inc., Warrants to Purchase Stock	9/16/2015

TABLE OF CONTENTS

TCP Capital Corp.

Consolidating Statement of Assets and Liabilities (Unaudited)

June 30, 2016

	TCP Capital Corp. Standalone	Special Value Continuation Partners, LP Consolidated	Eliminations	TCP Capital Corp. Consolidated
Assets				
Investments, at fair value:				
Companies less than 5% owned	$ —	$ 1,129,946,177	$ —	$ 1,129,946,177
Companies 5% to 25% owned	—	72,159,305	—	72,159,305
Companies more than 25% owned	—	29,395,925	—	29,395,925
Investment in subsidiary	852,096,887	—	(852,096,887)	—
Total investments	852,096,887	1,231,501,407	(852,096,887)	1,231,501,407
Cash and cash equivalents	—	38,313,586	—	38,313,586
Receivable for investments sold	—	27,666,936	—	27,666,936
Accrued interest income	—	9,306,017	—	9,306,017
Deferred debt issuance costs	—	4,603,529	—	4,603,529
Unrealized appreciation on swaps	—	2,981,525	—	2,981,525
Options	—	417,504	—	417,504
Prepaid expenses and other assets	273,192	548,332	—	821,524
Total assets	852,370,079	1,315,338,836	(852,096,887)	1,315,612,028
Liabilities				
Debt, net of unamortized issuance costs	104,296,156	412,365,060	—	516,661,216
Payable for investment securities purchased	—	40,952,073	—	40,952,073
Incentive allocation payable	—	4,626,745	—	4,626,745
Interest payable	247,917	2,748,300	—	2,996,217
Payable to the Advisor	321,298	428,647	—	749,945
Accrued expenses and other liabilities	313,611	2,121,124	—	2,434,735
Total liabilities	105,178,982	463,241,949	—	568,420,931

Net assets	**$ 747,191,097**	**$ 852,096,887**	**$ (852,096,887)**	**$ 747,191,097**
Composition of net assets				
Common stock	$ 50,705	$ —	$ —	$ 50,705
Additional paid-in capital	906,725,366	979,153,747	(979,153,747)	906,725,366
Accumulated deficit	(159,584,974)	(127,056,860)	127,056,860	(159,584,974)
Net assets	$ 747,191,097	$ 852,096,887	$ (852,096,887)	$ 747,191,097

TABLE OF CONTENTS

TCP Capital Corp.

Consolidating Statement of Assets and Liabilities

December 31, 2015

	TCP Capital Corp. Standalone	Special Value Continuation Partners, LP Consolidated	Eliminations	TCP Capital Corp. Consolidated
Assets				
Investments, at fair value:				
Companies less than 5% owned	$ —	$ 1,099,208,475	$ —	$ 1,099,208,475
Companies 5% to 25% owned	—	69,008,931	—	69,008,931
Companies more than 25% owned	—	14,702,319	—	14,702,319
Investment in subsidiary	827,455,601	—	(827,455,601)	—
Total investments	827,455,601	1,182,919,725	(827,455,601)	1,182,919,725
Cash and cash equivalents	—	35,629,435	—	35,629,435
Deferred debt issuance costs	—	5,390,241	—	5,390,241
Accrued interest income	—	9,613,064	—	9,613,064
Unrealized appreciation on swaps	—	3,229,442	—	3,229,442
Prepaid expenses and other assets	283,913	2,047,131	—	2,331,044
Total assets	827,739,514	1,238,829,038	(827,455,601)	1,239,112,951
Liabilities				
Debt	103,738,064	394,467,407	—	498,205,471
Payable for investment securities purchased	—	6,425,414	—	6,425,414
Incentive allocation payable	—	5,207,606	—	5,207,606
Interest payable	247,916	2,663,341	—	2,911,257
Payable to the Advisor	247,574	260,760	—	508,334
Accrued expenses and other liabilities	1,528,943	2,348,909	—	3,877,852
Total liabilities	105,762,497	411,373,437	—	517,135,934
Net assets	**$ 721,977,017**	**$ 827,455,601**	**$ (827,455,601)**	**$ 721,977,017**
Composition of net assets				
Common stock	$ 48,834	$ —	$ —	$ 48,834
Additional paid-in capital	878,383,356	981,033,295	(981,033,295)	878,383,356

Accumulated deficit	(156,455,173)	(153,577,694)	153,577,694	(156,455,173)
Net assets	$ 721,977,017	$ 827,455,601	$ (827,455,601)	$ 721,977,017

TABLE OF CONTENTS

TCP Capital Corp.

Consolidating Statement of Operations (Unaudited)

Six Months Ended June 30, 2016

	TCP Capital Corp. Standalone	Special Value Continuation Partners, LP Consolidated	Eliminations	TCP Capital Corp. Consolidated
Investment income				
Interest income:				
Companies less than 5% owned	$ —	$ 63,126,020	$ —	$ 63,126,020
Companies 5% to 25% owned	—	3,133,903	—	3,133,903
Companies more than 25% owned	—	1,377,699	—	1,377,699
Lease income:				
Companies more than 25% owned	—	1,425,856	—	1,425,856
Other income:				
Companies less than 5% owned	—	1,120,975	—	1,120,975
Total investment income	—	70,184,453	—	70,184,453
Operating expenses				
Interest and other debt expenses	3,611,841	7,767,167	—	11,379,008
Management and advisory fees	—	9,160,502	—	9,160,502
Legal fees, professional fees and due diligence expenses	689,903	543,708	—	1,233,611
Administration expenses	—	837,948	—	837,948
Insurance expense	64,878	136,902	—	201,780
Director fees	64,670	132,939	—	197,609
Custody fees	1,750	154,101	—	155,851
Other operating expenses	418,106	595,934	—	1,014,040
Total expenses	4,851,148	19,329,201	—	24,180,349
Net investment income (loss)	(4,851,148)	50,855,252	—	46,004,104
Net realized and unrealized gain (loss) on investments and foreign currency				
Net realized gain (loss):				
Investments in companies less than 5% owned	—	(3,726,522)	—	(3,726,522)
Investments in companies 5% to 25% owned	—	315,053	—	315,053
Investments in companies more than 5% owned	—	79,742	—	79,742

Net realized loss	—	(3,331,727)	—	(3,331,727)
Change in net unrealized appreciation/depreciation	—	(816,165)	—	(816,165)
Net realized and unrealized loss	—	(4,147,892)	—	(4,147,892)
Net increase (decrease) in net assets from operations	(4,851,148)	46,707,360	—	41,856,212
Interest in earnings of subsidiary	37,506,539	—	(37,506,539)	—
Distributions of incentive allocation to the General Partner from net investment income	—	—	(9,200,821)	(9,200,821)
Net increase in net assets applicable to common equityholders resulting from operations	$ 32,655,391	$ 46,707,360	$ (46,707,360)	$ 32,655,391

TABLE OF CONTENTS

TCP Capital Corp.

Consolidating Statement of Operations (Unaudited)

Six Months Ended June 30, 2015

	TCP Capital Corp. Standalone	Special Value Continuation Partners, LP Consolidated	Eliminations	TCP Capital Corp. Consolidated
Investment income				
Interest income:				
Companies less than 5% owned	$ —	$ 66,410,364	$ —	$ 66,410,364
Companies 5% to 25% owned	—	2,311,666	—	2,311,666
Companies more than 25% owned	—	319,094	—	319,094
Lease income:				
Companies more than 25% owned	—	623,042	—	623,042
Other income:				
Companies less than 5% owned	—	2,089,007	—	2,089,007
Total interest and related investment income	—	71,753,173	—	71,753,173
Operating expenses				
Management and advisory fees	—	8,977,412	—	8,977,412
Interest and other debt expenses	3,378,835	5,041,804	—	8,420,639
Legal fees, professional fees and due diligence expenses	1,039,823	528,952	—	1,568,775
Administration expenses	—	782,437	—	782,437
Insurance expense	57,606	115,195	—	172,801
Director fees	54,080	111,760	—	165,840
Custody fees	1,750	137,500	—	139,250
Other operating expenses	490,449	825,754	—	1,316,203
Total expenses	5,022,543	16,520,814	—	21,543,357
Net investment income (loss)	(5,022,543)	55,232,359	—	50,209,816
Net realized and unrealized gain (loss) on investments and foreign currency				
Net realized gain (loss):				
Investments in companies less than 5% owned	—	(9,449,473)	—	(9,449,473)
Investments in companies 5% to 25% owned	—	790	—	790
Investments in companies more than	—	19,167	—	19,167

5% owned				
Net realized loss	—	(9,429,516)	—	(9,429,516)
Change in net unrealized appreciation/depreciation	—	7,650,079	—	7,650,079
Net realized and unrealized loss	—	(1,779,437)	—	(1,779,437)
Net increase (decrease) in net assets from operations	(5,022,543)	53,452,922	—	48,430,379
Interest in earnings of subsidiary	44,532,480	—	(44,532,480)	—
Gain on repurchase of Series A preferred interests	—	1,675,000	—	1,675,000
Dividends paid on Series A preferred equity facility	—	(791,095)	—	(791,095)
Net change in accumulated dividends on Series A preferred equity facility	—	99,249	—	99,249
Distributions of incentive allocation to the General Partner from net investment income	—	—	(9,903,596)	(9,903,596)
Net increase in net assets resulting from operations	$ 39,509,937	$ 54,436,076	$ (54,436,076)	$ 39,509,937

TABLE OF CONTENTS

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

Consolidated Statements of Assets and Liabilities

	June 30, 2016 (unaudited)	December 31, 2015
Assets		
Investments, at fair value:		
Companies less than 5% owned (cost of $1,151,564,537 and $1,123,682,687, respectively)	$ 1,129,946,177	$ 1,099,208,475
Companies 5% to 25% owned (cost of $74,317,200 and $68,862,518, respectively)	72,159,305	69,008,931
Companies more than 25% owned (cost of $54,938,136 and $39,162,221 respectively)	29,395,925	14,702,319
Total investments (cost of $1,280,819,873 and $1,231,707,426, respectively)	1,231,501,407	1,182,919,725
Cash and cash equivalents	38,313,586	35,629,435
Receivable for investments sold	27,666,936	—
Accrued interest income:		
Companies less than 5% owned	7,992,011	8,842,528
Companies 5% to 25% owned	784,121	741,306
Companies more than 25% owned	529,885	29,230
Deferred debt issuance costs	4,603,529	5,390,241
Unrealized appreciation on swaps	2,981,525	3,229,442
Options (cost of $279,327 and $51,750, respectively)	417,504	—
Prepaid expenses and other assets	548,332	2,047,131
Total assets	1,315,338,836	1,238,829,038
Liabilities		
Debt, net of unamortized issuance costs	412,365,060	394,467,407
Payable for investments purchased	40,952,073	6,425,414
Incentive allocation payable	4,626,745	5,207,606
Interest payable	2,748,300	2,663,341
Payable to the Advisor	428,647	260,760
Accrued expenses and other liabilities	2,121,124	2,348,909
Total liabilities	463,241,949	411,373,437
Commitments and contingencies (Note 5)		
Net assets applicable to common limited and general partners	**$ 852,096,887**	**$ 827,455,601**
Composition of net assets applicable to common limited and general partners		

Paid-in capital in excess of par	1,011,033,295	981,033,295
Accumulated net investment income	23,930,814	25,141,636
Accumulated net realized losses	(135,817,685)	(132,485,958)
Accumulated net unrealized depreciation	(47,049,537)	(46,233,372)
Net assets applicable to common limited and general partners	$ 852,096,887	$ 827,455,601

See accompanying notes to the consolidated financial statements.

TABLE OF CONTENTS

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

Consolidated Schedule of Investments (Unaudited)

June 30, 2016

Issuer	Instrument	Ref	Floor	Spread	Total Coupon	Maturity	Principal	Cost	Fair Value	% of Total Cash and Investments	Notes
Debt Investments(A)											
Advertising, Public Relations Services											
Doubleplay III Limited (Exterion Media) (United Kingdom)	First Lien Facility A1 Term Loan	EURIBOR (Q)	1.25 %	5.75 %	7.00%	3/18/2018	€12,249,157	$ 16,157,454	$ 13,603,914	1.07 %	D/H
InMobi, Inc. (Singapore)	First Lien Delayed Draw Tranche 1 Term Loan (1.25% Exit Fee)	LIBOR (M)	0.33 %	10.17 %	10.86%	9/1/2018	$ 15,000,000	14,663,929	14,727,750	1.16 %	H/L
InMobi, Inc. (Singapore)	First Lien Delayed Draw Tranche 1 Term Loan	LIBOR (M)	0.33 %	10.17 %	N/A	9/1/2018	$ —	—	—	—	H
InMobi, Inc. (Singapore)	First Lien Delayed Draw Tranche	LIBOR (M)	0.33 %	10.17 %	N/A	9/1/2018	$ —	—	—	—	H

	1 Term Loan										
								30,821,383	28,331,664	2.23 %	
Air Transportation											
Cargojet Airways LTD. (Canada)	Aircraft Acquisition Loan A	LIBOR (M)	—	8.50 %	9.00%	1/31/2023	$ 13,738,102	13,496,379	13,984,014	1.10 %	H
Cargojet Airways LTD. (Canada)	Aircraft Acquisition Loan A1	LIBOR (M)	—	8.50 %	9.00%	1/31/2023	$ 14,058,316	13,794,314	14,300,119	1.13 %	H
Mesa Air Group, Inc.	Acquisition Delayed Draw Loan	LIBOR (M)	—	7.25 %	N/A	6/17/2019	$ —	—	271,500	0.02 %	
Mesa Air Group, Inc.	Acquisition Loan	LIBOR (M)	—	7.25 %	7.75%	7/15/2022	$ 15,038,207	14,799,825	15,338,971	1.21 %	
								42,090,518	43,894,604	3.46 %	
Apparel Manufacturing											
Broder Bros., Co.	First Lien Term Loan (First Out)	LIBOR (Q)	1.25 %	5.75 %	7.00%	6/3/2021	$ 9,840,000	9,663,099	9,692,400	0.76 %	
Broder Bros., Co.	First Lien Term Loan B (Last Out)	LIBOR (Q)	1.25 %	12.25 %	13.50%	6/3/2021	$ 9,860,000	9,687,471	9,712,100	0.76 %	
JH Apparel Holdings, LLC	First Lien FILO Term Loan	LIBOR (M)	1.00 %	9.60 %	10.60%	4/8/2019	$ 3,192,279	3,175,386	3,224,202	0.25 %	
								22,525,956	22,628,702	1.77 %	
Business Support Services											
Enerwise Global Technologies, Inc.	Sr Secured Revolving	LIBOR (Q)	0.23 %	8.52 %	8.75%	11/30/2018	$ —	(27,602)	11,600	—	K

	Loan										
Enerwise Global Technologies, Inc.	Sr Secured Term Loan (1.0% Exit Fee)	LIBOR (Q)	0.23 %	9.27 %	9.92%	11/30/2019	$ 24,250,000	24,018,703	24,320,325	1.92 %	L
STG-Fairway Acquisitions, Inc. (First Advantage)	Second Lien Term Loan	LIBOR (Q)	1.00 %	9.25%	10.25%	6/30/2023	$ 31,000,000	30,566,061	31,864,900	2.51 %	
								54,557,162	56,196,825	4.43 %	
Chemicals											
Anuvia Plant Nutrients Holdings, LLC	Sr Secured Term Loan (8.0% Exit Fee)	LIBOR (Q)	—	10.63%	11.96%	2/1/2018	$ 10,254,168	10,651,471	10,748,931	0.85 %	L
BioAmber, Inc.	Sr Secured Term Loan (8.0% Exit Fee)	LIBOR (M)	0.23 %	9.27 %	9.96%	12/1/2017	$ 7,982,168	8,346,945	8,675,020	0.68 %	L
Green Biologics, Inc.	Sr Secured Delayed Draw Term Loan (10.0% Exit Fee)	Prime Rate	—	7.75%	11.25%	5/1/2018	$ 15,000,000	15,202,033	15,553,500	1.22 %	L
								34,200,449	34,977,451	2.75 %	
Communications Equipment Manufacturing											
Globecomm Systems, Inc.	First Lien Term Loan	LIBOR (Q)	1.25 %	7.63%	10.13%	12/11/2018	$ 14,554,640	14,409,094	14,554,640	1.15 %	B
Globecomm Systems, Inc.	First Lien Series	LIBOR (Q)	1.25 %	7.63 %	8.88%	12/11/2018	$ —	—	—	—	

	A Term Loan							14,409,094	14,554,640	1.15 %	
Computer Equipment Manufacturing											
Silicon Graphics International Corp.	First Lien Term Loan	LIBOR (Q)	1.00 %	9.00 %	10.00 %	7/27/2018	$ 15,949,968	15,757,759	16,069,593	1.27 %	J

S-F-58

TABLE OF CONTENTS

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

Consolidated Schedule of Investments (Unaudited) (Continued)

June 30, 2016

Issuer	Instrument	Ref	Floor	Spread	Total Coupon	Maturity	Principal	Cost	Fair Value	% of Total Cash and Investments	Notes
Debt Investments (continued)											
Computer Systems Design and Related Services											
Dealersocket, Inc.	Senior Secured 1st Lien Term Loan	LIBOR (M)	1.00 %	10.00%	11.00%	2/10/2021	$ 17,500,000	$ 16,883,291	$ 17,272,500	1.36 %	
MSC Software Corporation	Second Lien Term Loan	LIBOR (M)	1.00 %	7.50 %	8.50%	5/29/2021	$ 6,993,035	6,945,905	5,944,080	0.47 %	
OnX Enterprise Solutions, Ltd. (Canada)	First Lien Term Loan B	LIBOR (Q)	—	8.00 %	8.64%	9/3/2018	$ 2,325,867	2,325,867	2,325,867	0.18 %	H
OnX Enterprise Solutions, Ltd. (Canada)	First Lien Term Loan	LIBOR (Q)	—	8.00 %	8.64%	9/3/2018	$ 10,373,333	10,306,412	10,373,333	0.82 %	H
OnX USA, LLC	First Lien Term Loan B	LIBOR (Q)	—	8.00 %	8.64%	9/3/2018	$ 3,761,733	3,761,733	3,761,733	0.30 %	
OnX USA, LLC	First Lien Term Loan	LIBOR (Q)	—	8.00 %	8.64%	9/3/2018	$ 3,186,667	3,169,864	3,186,667	0.25 %	

Vistronix, LLC	First Lien Revolver	LIBOR (Q)	0.50 %	8.50 %	9.00%	12/4/2018	$ 570,996	567,735	570,996	0.04 %	
Vistronix, LLC	First Lien Term Loan	LIBOR (M)	0.50 %	8.50 %	9.00%	12/4/2018	$ 6,123,145	6,082,365	6,061,914	0.48 %	
Waterfall International, Inc.	First Lien Delayed Draw Term Loan	LIBOR (Q)	—	11.67 %	12.36%	9/1/2018	$ 4,800,000	4,772,537	4,818,960	0.38 %	
								54,815,709	54,316,050	4.28 %	
Data Processing and Hosting Services											
Asset International, Inc.	Delayed Draw Term Loan	LIBOR (M)	1.00 %	7.00 %	8.00%	7/31/2020	$ 3,430,383	3,399,154	3,383,558	0.27 %	
Asset International, Inc.	Revolver Loan	LIBOR (M)	1.00 %	7.00 %	8.00%	7/31/2020	$ 807,920	801,046	796,892	0.06 %	
Asset International, Inc.	First Lien Term Loan	LIBOR (M)	1.00 %	7.00 %	8.00%	7/31/2020	$ 8,088,844	7,971,339	7,978,431	0.63 %	
Rightside Group, Ltd.	Second Lien Term Loan	LIBOR (Q)	0.50 %	8.75 %	9.44%	8/6/2019	$ 4,625,000	3,972,348	4,643,500	0.37 %	
United TLD Holdco, Ltd. (Rightside) (Cayman Islands)	Second Lien Term Loan	LIBOR (Q)	0.50 %	8.75 %	9.44%	8/6/2019	$ 9,250,000	7,944,697	9,287,000	0.73 %	H
								24,088,584	26,089,381	2.06 %	
Electric Power Generation, Transmission and Distribution											
Holocene Renewable Energy Fund 3, LLC (Conergy)	First Lien Term Loan	Fixed	—	9% Cash + 1% PIK	10.00%	9/10/2017	$ 7,499,009	7,452,179	7,424,019	0.58 %	

CGY UK Portfolio I Borrower LLC, (Conergy)	Senior Secured 1st Lien Term Loan	LIBOR (Q)	—	9.00 %	9.65%	3/3/2018	$ 3,951,020	3,849,232	3,911,510	0.31 %	
								11,301,411	11,335,529	0.89 %	
Electronic Component Manufacturing											
Redaptive, Inc.	First Lien Delayed Draw Term Loan	LIBOR (Q)	—	10.72 %	N/A	7/1/2018	$ —	(96,963)	—	—	K
Soraa, Inc.	Tranche A Term Loan (3.0% Exit Fee)	LIBOR (Q)	0.44 %	9.33 %	9.96%	3/1/2018	$ 21,383,721	20,745,834	20,858,751	1.64 %	L
Soraa, Inc.	Tranche B Term Loan	LIBOR (Q)	0.44 %	9.33 %	9.96%	9/1/2017	$ 1,603,779	1,523,920	1,580,043	0.12 %	
								22,172,791	22,438,794	1.76 %	
Equipment Leasing											
36th Street Capital Partners Holdings, LLC	Senior Note	Fixed	—	12.00%	12.00%	11/1/2020	$ 16,870,302	16,870,302	16,870,302	1.33 %	E/F
Essex Ocean, LLC (Solexel)	Sr Secured Term Loan	Fixed	—	8.00 %	8.00%	8/15/2018	$ 2,167,243	2,167,243	2,206,254	0.17 %	
								19,037,545	19,076,556	1.50 %	
Facilities Support Services											
NANA Development Corp.	First Lien Term Loan B	LIBOR (M)	1.25 %	6.75 %	8.00%	3/15/2018	$ 1,407,222	1,312,234	1,315,752	0.10 %	
Financial											

Investment Activities											
iPayment, Inc.	First Lien Term Loan B2	LIBOR (Q)	1.50 %	5.25 %	6.75%	5/8/2017	$ 12,304,553	$ 11,922,380	$ 11,781,610	0.93 %	
Magnolia Finance V plc (Cayman Islands)	Asset-Backed Credit Linked Notes	Fixed	—	13.131%	13.13%	8/2/2021	$ 15,000,000	15,000,000	14,812,500	1.17 %	E/H
								26,922,380	26,594,110	2.10 %	

S-F-59

TABLE OF CONTENTS

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

Consolidated Schedule of Investments (Unaudited) (Continued)

June 30, 2016

Issuer	Instrument	Ref	Floor	Spread	Total Coupon	Maturity	Principal	Cost	Fair Value	% of Total Cash and Investments	Notes
Debt Investments (continued)											
Gaming											
AP Gaming I, LLC	First Lien Revolver	LIBOR (M)	—	8.25 %	N/A	12/20/2018	$ —	$ (1,759,594)	$ (1,562,500)	(0.12 %)	K
Grocery Stores											
Bashas, Inc.	First Lien FILO Term Loan	LIBOR (M)	1.50 %	8.80 %	10.30%	10/8/2019	$ 9,455,037	9,418,865	9,549,587	0.75 %	
Hospitals											
Evidera, Inc.	First Lien Term Loan	LIBOR (Q)	1.00 %	9.00 %	10.00%	7/1/2018	$ 3,611,649	3,593,591	3,665,824	0.29 %	
KPC Healthcare, Inc.	First Lien Term Loan	Prime Rate	—	8.25 %	11.75%	8/28/2020	$ 15,866,144	15,557,477	15,960,547	1.26 %	
								19,151,068	19,626,371	1.55 %	
Insurance Carriers											
JSS Holdings, Inc.	First Lien Term Loan	LIBOR (Q)	1.00 %	6.50 %	7.50%	8/31/2021	$ 3,850,000	3,781,810	3,657,500	0.29 %	
US Apple Holdco, LLC (Ventiv Technology)	First Lien Term Loan	LIBOR (Q)	0.50 %	11.50 %	12.19%	8/29/2019	$ 20,000,000	19,444,049	20,000,000	1.58 %	
								23,225,859	23,657,500	1.87 %	

Insurance Related Activities											
Acrisure, LLC	Second Lien Notes	LIBOR (Q)	1.00 %	9.00%	10.00%	11/19/2022	$ 28,999,999	28,612,141	28,999,999	2.28 %	
Acrisure, LLC	Second Lien Incremental Notes	LIBOR (Q)	1.00 %	9.00%	10.00%	11/19/2022	$ 6,000,000	5,942,305	6,000,000	0.47 %	
								34,554,446	34,999,999	2.75 %	
Lessors of Nonfinancial Licenses											
ABG Intermediate Holdings 2, LLC	Second Lien Term Loan	LIBOR (Q)	1.00 %	8.50 %	9.50%	5/27/2022	$ 15,768,424	15,640,895	15,255,950	1.20 %	
ABG Intermediate Holdings 2, LLC	Second Lien Incremental Term Loan	LIBOR (Q)	1.00 %	8.50 %	9.50%	5/27/2022	$ 3,426,412	3,395,672	3,315,054	0.26 %	
								19,036,567	18,571,004	1.46 %	
Management, Scientific, and Technical Consulting Services											
Dodge Data & Analytics, LLC	First Lien Term Loan	LIBOR (Q)	1.00 %	8.75 %	9.75%	10/31/2019	$ 24,344,549	23,884,767	23,735,935	1.87 %	
Medical Equipment and Supplies Manufacturing											
Bioventus, LLC	Second Lien Term Loan	LIBOR (Q)	1.00 %	10.00%	11.00%	4/10/2020	$ 11,000,000	10,835,990	10,917,500	0.86 %	
Motion Picture and Video Industries											
CORE Entertainment, Inc.	First Lien Term	Fixed	—	11.00%	11.00%	6/21/2017	$ 9,462,231	9,497,311	4,314,304	0.34 %	C

	Loan											
CORE Entertainment, Inc.	Second Lien Term Loan	Fixed	—	15.50%	15.50%	6/21/2018	$	7,569,785	7,700,187	298,250	0.02 %	C
									17,197,498	4,612,554	0.36 %	
Nondepository Credit Intermediation												
Caribbean Financial Group (Cayman Islands)	Sr Secured Notes	Fixed	—	11.50%	11.50%	11/15/2019	$	28,678,000	28,552,175	28,911,009	2.28 %	E/G/H
Daymark Financial Acceptance, LLC	First Lien Delayed Draw Term Loan	LIBOR (M)	—	9.50 %	9.96%	1/12/2020	$	17,500,000	17,267,540	17,017,000	1.34 %	
Greystone Select Holdings, LLC	First Lien Term Loan	LIBOR (Q)	1.00 %	8.00 %	9.00%	3/26/2021	$	16,183,908	16,018,277	15,913,637	1.25 %	
Trade Finance Funding I, Ltd. (Cayman Islands)	Secured Class B Notes	Fixed	—	10.75%	10.75%	11/13/2018	$	15,084,000	15,084,000	14,857,740	1.17 %	E/H
									76,921,992	76,699,386	6.04 %	
Oil and Gas Extraction												
MD America Energy, LLC	Second Lien Term Loan	LIBOR (Q)	1.00 %	8.50 %	9.50%	8/4/2019	$	242,857	240,296	228,286	0.02 %	
Other Chemical Products and Mineral Manufacturing												
Nanosys, Inc.	Senior Secured 1st Lien Delayed Draw Term Loan (3.0%	LIBOR (Q)	—	9.81%	10.50%	4/1/2019	$	7,000,000	6,371,874	6,654,050	0.52 %	L

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Fee)

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

Consolidated Schedule of Investments (Unaudited) (Continued)

June 30, 2016

ssuer	Instrument	Ref	Floor	Spread	Total Coupon	Maturity	Principal	Cost	Fair Value	% of Total Cash and Investments	Note
ebt Investments continued)											
ther Information ervices											
immons Research, LC	First Lien Term Loan	LIBOR (Q)	0.50 %	10.50 %	11.19%	12/11/2020	$ 5,000,712	$ 4,908,856	$ 4,938,203	0.39 %	
oundCloud Ltd. United Kingdom)	Sr Secured Term Loan (2.0% Exit Fees)	LIBOR (M)	0.28 %	10.72 %	11.00%	10/1/2018	$ 31,550,000	31,494,139	31,944,398	2.52 %	H/L
CH-2 Holdings, LLC TravelClick)	Second Lien Term Loan	LIBOR (M)	1.00 %	7.75 %	8.75%	11/6/2021	$ 19,988,392	19,752,366	18,789,089	1.48 %	G
								56,155,361	55,671,690	4.39 %	
ther Manufacturing											
GY Holding Corp.	Sr Secured Term Loan	Fixed	—	12.00 %	12.00%	9/15/2016	$ 4,869,577	4,869,577	4,869,577	0.38 %	B
GY Holding Corp.	Second Lien Notes	Fixed	—	11.00 %	11.00%	11/15/2016	$ 9,268,000	7,586,317	9,268,000	0.73 %	B/E
oomerang Tube, LC	Subordinated Notes	LIBOR (M)	—	17.50 %	17.50%	2/1/2021	$ 1,030,741	1,030,741	146,365	0.01 %	C
								13,486,635	14,283,942	1.12 %	
ther elecommunications											

ecurus Technologies, nc.	Second Lien Term Loan	LIBOR (Q)	1.25 %	7.75 %	9.00%	4/30/2021	$ 14,000,000	13,860,000	12,623,310	0.99 %	
ther Publishing											
isnow, LLC	First Lien Revolver	LIBOR (Q)	—	9.00 %	N/A	4/29/2021	$ —	(24,000)	(24,000)	—	K
isnow, LLC	First Lien Term Loan	LIBOR (Q)	—	9.00 %	9.69%	4/29/2021	$ 8,800,000	8,629,495	8,624,000	0.68 %	
lediMedia USA, Inc.	First Lien Revolver	Prime Rate	—	5.75 %	9.25%	5/20/2018	$ 3,952,500	3,501,508	3,952,500	0.31 %	
lediMedia USA, Inc.	First Lien Term Loan	LIBOR (Q)	1.25 %	6.75 %	8.00%	11/20/2018	$ 5,681,239	5,598,879	5,681,239	0.45 %	G
								17,705,882	18,233,739	1.44 %	
harmaceuticals											
antheus Medical naging, Inc.	First Lien Term Loan	LIBOR (Q)	1.00 %	6.00 %	7.00%	6/30/2022	$ 10,976,206	10,380,535	9,823,704	0.77 %	
lastics lanufacturing											
acore International, nc.	Sr Secured Notes	Fixed	—	9.50 %	9.50%	6/1/2018	$ 13,600,000	13,600,000	7,378,000	0.58 %	E/G
adio and Television roadcasting											
use, LLC	Sr Secured Notes	Fixed	—	10.38 %	10.38%	7/1/2019	$ 7,312,000	7,312,000	5,739,920	0.45 %	E/G
EP/NCP Holdco, nc.	Second Lien Term Loan	LIBOR (M)	1.25 %	8.75 %	10.00%	7/22/2020	$ 15,000,000	14,735,376	14,325,000	1.13 %	
								22,047,376	20,064,920	1.58 %	
estaurants											
M OpCo, LLC (Real lex)	Convertible Second Lien	Fixed	—	8.50 %	8.50%	3/30/2018	$ 1,861,478	1,861,478	1,861,478	0.15 %	B

	Term Loan Tranche B-1										
M OpCo, LLC (Real lex)	First Lien Term Loan Tranche A	Fixed	—	7.00 %	7.00%	3/30/2018	$ 4,857,987	4,574,601	4,857,987	0.38 %	B
M OpCo, LLC (Real lex)	Second Lien Term Loan Tranche B	Fixed	—	8.50 %	8.50%	3/30/2018	$ 9,275,105	9,275,105	3,446,629	0.27 %	B
M OpCo, LLC (Real lex)	Second Lien Term Loan Tranche B-1	Fixed	—	8.50 %	8.50%	3/30/2018	$ 2,921,047	2,905,624	2,921,047	0.23 %	B
M OpCo, LLC (Real lex)	Sr Convertible Second Lien Term Loan B	Fixed	—	8.50 %	8.50%	3/30/2018	$ 2,729,864	2,729,864	2,729,864	0.21 %	B
								21,346,672	15,817,005	1.24 %	
etail											
onnexity, Inc.	First Lien Term Loan	LIBOR (Q)	1.00 %	10.00 %	11.00%	2/13/2020	$ 6,193,688	6,193,688	6,076,317	0.48 %	
he Gymboree orporation	First Lien Term Loan	LIBOR (Q)	—	10.25 %	10.92%	9/24/2020	$ 9,827,273	9,634,947	9,630,728	0.76 %	
enneth Cole roductions, Inc.	First Lien FILO Term Loan	LIBOR (M)	1.00 %	8.50 %	9.50%	9/25/2020	$ 12,738,301	12,619,639	12,865,684	1.01 %	
								28,448,274	28,572,729	2.25 %	
atellite elecommunications											
		Fixed	—	10.00 %	10.00%	10/1/2019	$ 9,393,000	9,393,000	7,058,840	0.56 %	E/G/

vanti ommunications roup, PLC (United ingdom)	Sr Secured Notes

S-F-61

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

Consolidated Schedule of Investments (Unaudited) (Continued)

June 30, 2016

er	Instrument	Ref	Floor	Spread	Total Coupon	Maturity	Principal	Cost	Fair Value	% of Total Cash and Investments	N
Investments tinued)											
ntific Research Development ices											
Laboratories,	Senior Secured Note	Fixed	—	12.25%	12.25%	4/1/2017	$ 38,932,000	$ 39,001,750	$ 39,321,320	3.10 %	E
ware Publishing											
nis International H (Switzerland)	First Lien Term Loan	LIBOR (Q)	1.00 %	9.50%	10.50%	6/9/2017	$ 28,719,439	28,660,063	28,170,897	2.22 %	H
erve (USA), LLC	Second Lien Term Loan	LIBOR (Q)	0.50 %	8.50 %	9.13%	1/31/2020	$ 30,028,125	29,605,659	28,016,241	2.21 %	
alert, LLC	First Lien Term Loan	LIBOR (Q)	0.25 %	4.75% Cash + 4% PIK	9.44%	3/31/2019	$ 35,267,436	34,843,159	35,159,870	2.77 %	
kLine Systems,	First Lien Term Loan	LIBOR (Q)	1.50 %	0.4% Cash + 7.6% PIK	9.50%	9/25/2018	$ 15,115,023	14,466,578	15,115,023	1.19 %	
kLine Systems,	Senior Secured 1st Lien Incremental Term Loan	LIBOR (Q)	1.50 %	0.4% Cash + 7.6% PIK	9.50%	9/25/2018	$ 3,809,896	3,742,949	3,809,896	0.30 %	
kLine Systems,	Senior Secured Revolver	LIBOR (Q)	0.50 %	6.00 %	6.50%	9/25/2018	$ —	—	—	—	

hornet Networks,	First Lien Term Loan	LIBOR (Q)	—	9.50%	10.15%	12/3/2020	$ 5,911,694	5,753,056	5,734,343	0.45 %	
entum, Inc.	Jr Revolving Facility	Fixed	—	5.00 %	5.00%	6/9/2020	$ 2,762,241	2,762,241	2,762,241	0.22 %	B
entum Ultimate ings, LLC	Sr PIK Notes	Fixed	—	8.50 %	8.50%	6/9/2020	$ 2,725,875	2,725,875	2,725,875	0.21 %	B
entum Ultimate ings, LLC	Jr PIK Notes	Fixed	—	10.00%	10.00%	6/9/2020	$ 12,395,233	11,835,221	11,924,214	0.94 %	B
is Acquisitionco,	First Lien Term Loan	LIBOR (Q)	1.00 %	8.00 %	9.00%	11/4/2019	$ 42,349,121	41,693,444	42,200,899	3.32 %	
is Acquisitionco,	Sr Secured Revolver	LIBOR (Q)	1.00 %	8.00 %	9.00%	11/4/2019	$ 3,182,143	3,182,143	3,171,005	0.25 %	
scycle Solutions,	Second Lien Term Loan	LIBOR (Q)	—	13.00%	13.66%	9/10/2021	$ 11,513,362	11,170,722	11,167,962	0.88 %	
scycle Solutions	Second Lien Term Loan B	LIBOR (Q)	—	13.00%	13.66%	9/10/2021	$ 11,513,362	11,170,722	11,167,962	0.88 %	
ta, Inc.	Senior Secured 1st Lien Term Loan (4.0% Exit Fees)	LIBOR (Q)	—	9.56%	10.25%	4/1/2019	$ 17,880,435	17,617,584	17,650,671	1.39 %	L
data, Inc.	First Lien Delayed Draw Term Loan (1.0% Exit Fee)	LIBOR (M)	0.62 %	9.88%	10.50%	1/1/2019	$ 3,200,000	3,106,557	3,000,000	0.24 %	L
n Pulse Inc.			—	8.00 %	8.65%	5/21/2020	$ 7,500,000	7,411,126	7,500,000	0.59 %	

	First Lien Term Loan	LIBOR (Q)								
								229,747,099	229,277,099	18.06 %
ialty Hospitals										
fic Coast ings Investment,	Senior Secured 1st Lien Delayed Draw Term Loan	LIBOR (M)	2.00 %	9.70%	11.70%	10/23/2019	$ 10,828,233	10,722,349	10,828,233	0.85 %
rting Goods, by, and Musical rument Stores										
ler Mountain pany	Second Lien Term Loan	LIBOR (Q)	—	9.50%	10.15%	6/15/2018	$ 11,465,152	11,350,599	11,350,501	0.89 %
ile Furnishings s										
nark Carpet Mills,	First Lien Term Loan	LIBOR (Q)	1.00 %	10.00%	11.00%	12/19/2019	$ 23,271,945	23,271,945	22,918,212	1.81 %
nark Carpet Mills,	First Lien Term Loan B	LIBOR (Q)	1.00 %	10.00%	11.00%	12/19/2019	$ 7,982,818	7,819,332	7,861,479	0.62 %
								31,091,277	30,779,691	2.43 %
ty System struction										
a Solar Holdings ted	Revolving Credit Facility	Fixed	—	8.20 %	8.20%	7/2/2017	$ 25,000,000	25,000,000	25,000,000	1.97 %
ed communications riers										
eus munications,	First Lien Delayed Draw FILO Term	LIBOR (Q)	1.00 %	7.42 %	8.42%	5/31/2018	$ 1,701,070	1,685,793	1,693,885	0.13 %

	Loan										
eus munications,	First Lien FILO Term Loan	LIBOR (Q)	1.00 %	7.42 %	8.42%	5/31/2018	$ 7,352,464	7,279,371	7,197,695	0.57 %	
ra Telecom ings, Inc.	Second Lien Term Loan	LIBOR (Q)	1.25 %	8.50 %	9.75%	2/22/2020	$ 13,231,193	13,060,960	12,238,854	0.97 %	
rd County phone and graph Company	First Lien Term Loan	LIBOR (Q)	1.00 %	7.13 %	8.13%	8/31/2020	$ 3,970,000	3,918,827	3,944,195	0.31 %	
								25,944,951	25,074,629	1.98 %	
eless communications riers											
o, LLC	Sr Secured Notes	Fixed	—	12.50%	12.50%	7/1/2022	$ 10,000,000	10,000,000	9,912,500	0.78 %	E
l Debt stments								1,202,374,363	1,176,581,175	92.66 %	

S-F-62

TABLE OF CONTENTS

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

Consolidated Schedule of Investments (Unaudited) (Continued)

June 30, 2016

Issuer	Instrument	Ref	Floor	Spread	Total Coupon	Maturity	Shares	Cost	Fair Value	% of Total Cash and Investments	Notes
Equity Securities											
Advertising and Public Relations Services											
InMobi, Inc. (Singapore)	Warrants to Purchase Stock						562,496	$ 230,569	$ 232,311	0.02 %	C/E/H
Air Transportation											
Aircraft Leased to United Airlines, Inc.											
United N659UA-767, LLC (N659UA)	Trust Beneficial Interests						683	3,431,877	3,349,523	0.26 %	E/F
United N661UA-767, LLC (N661UA)	Trust Beneficial Interests						688	3,568,066	3,385,801	0.27 %	E/F
Epic Aero, Inc. (One Sky)	Warrants to Purchase Common Stock						1,843	855,313	2,493,165	0.20 %	C/E
								7,855,256	9,228,489	0.73 %	
Business Support Services											
Findly Talent, LLC	Membership Units						708,229	230,938	143,062	0.01 %	C/E
STG-Fairway Holdings, LLC (First Advantage)	Class A Units						841,479	325,432	2,061,624	0.16 %	C/E
								556,370	2,204,686	0.17 %	
Chemicals											

Green Biologics, Inc.	Warrants to Purchase Stock	615,000	272,594	220,724	0.02	%	C/E
Communications Equipment Manufacturing							
Wasserstein Cosmos Co-Invest, L.P. (Globecomm)	Limited Partnership Units	5,000,000	5,000,000	3,078,000	0.24	%	B/C/E
Computer Systems Design and Related Services							
Waterfall International, Inc.	Series B Preferred Stock	1,428,571	1,000,000	1,053,286	0.08	%	C/E
Waterfall International, Inc.	Warrants to Purchase Stock	920,000	89,847	129,996	0.01	%	C/E
			1,089,847	1,183,282	0.09	%	
Data Processing and Hosting Services							
Anacomp, Inc.	Class A Common Stock	1,255,527	26,711,048	1,393,635	0.11	%	C/E/F
Rightside Group, Ltd.	Warrants	498,855	2,778,622	757,387	0.06	%	C/E
			29,489,670	2,151,022	0.17	%	
Electrical Equipment Manufacturing							
NEXTracker, Inc.	Series B Preferred Stock	558,884	—	3,185,303	0.25	%	C/E
NEXTracker, Inc.	Series C Preferred Stock	17,640	—	100,539	0.01	%	C/E
			—	3,285,842	0.26	%	
Electronic Component Manufacturing							
Soraa, Inc.	Warrants to Purchase Common Stock	3,071,860	478,899	12,595	—		C/E

Equipment Leasing						
36th Street Capital Partners Holdings, LLC	Membership Units	4,217,576	4,217,576	4,217,576	0.33 %	C/E/F
Essex Ocean II, LLC	Membership Units	199,430	139,267	179,088	0.01 %	C/E/F
			4,356,843	4,396,664	0.34 %	

S-F-63

TABLE OF CONTENTS

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

Consolidated Schedule of Investments (Unaudited) (Continued)

June 30, 2016

suer	Instrument	Ref	Floor	Spread	Total Coupon	Maturity	Shares		Cost		Fair Value	% of Total Cash and Investments	Notes
quity Securities ontinued)													
inancial Investment ctivities													
ACP I, LP	Membership Units						10,954,741	$	11,073,878	$	11,074,171	0.87 %	C/E/I
arsico Holdings, LC	Common Interest Units						168,698		172,694		1,687	—	C/E/I
									11,246,572		11,075,858	0.87 %	
etal and Mineral ining													
PMC HoldCo, LLC	Membership Units						1,312,720		—		315,053	0.02 %	B/E
ther Chemical roducts and ineral anufacturing													
anosys, Inc.	Warrants to Purchase Common Stock						800,000		605,266		623,040	0.05 %	C/E
ther Information ervices													
oundCloud, Ltd. (United Kingdom)	Warrants to Purchase Preferred Stock						946,498		79,082		77,802	0.01 %	C/E/H
ther anufacturing													
oomerang Tube oldings, Inc.	Common Stock						24,288		243		243	—	C/E
AGY Holding ompany, Inc.	Series A Preferred						9,778		1,091,200		6,164,482	0.49 %	B/C/E

	Stock					
recision Holdings, LC	Class C Membership Interest	33	—	1,656	—	C/E
			1,091,443	6,166,381	0.49 %	
adio and Television roadcasting						
use Media, LLC	Warrants to Purchase Common Stock	233,470	300,322	—	—	C/E
estaurants						
M Holdco, LLC Real Mex)	Equity Participation	24	—	—	—	B/C/E
M Holdco, LLC Real Mex)	Membership Units	13,161,000	2,010,777	—	—	B/C/E
			2,010,777	—	—	
etail						
hop Holding, LLC Connexity)	Class A Units	507,167	480,049	21,707	—	C/E
oftware Publishing						
lackline ntermediate, Inc.	Warrants to Purchase Common Stock	1,232,731	522,678	1,957,454	0.15 %	C/E
dmentum Ultimate oldings, LLC	Class A Common Units	159,515	680,226	680,218	0.05 %	B/C/E
pasta, Inc.	Warrants to Purchase Series F Preferred Stock	715,217	192,651	29,252	—	C/E
tilidata, Inc.	Warrants to Purchase Stock	719,998	216,336	190,007	0.01 %	C/E
			1,611,891	2,856,931	0.21 %	
Vired elecommunications arriers						
ntegra Telecom, Inc.	Common Stock	1,274,522	8,433,884	5,269,511	0.42 %	C/E
ntegra Telecom, Inc.	Warrants	346,939	19,920	197,270	0.02 %	C/E
Telecom Investment C.A. (Vivacom)	Common Shares	1,393	3,236,256	2,323,064	0.19 %	C/D/E/

uxembourg)			
	11,690,060	7,789,845	0.63 %
otal Equity ecurities	78,445,510	54,920,232	4.32 %
otal Investments	$ 1,280,819,873	$ 1,231,501,407	

S-F-64

TABLE OF CONTENTS

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

Consolidated Schedule of Investments (Unaudited) (Continued)

June 30, 2016

Issuer	Instrument	Ref	Floor	Spread	Total Coupon	Maturity	Shares	Cost	Fair Value	% of Total Cash and Investments	Notes
Cash and Cash Equivalents											
Cash Denominated in Foreign Currencies									$ 335,734	0.03 %	
Cash Held on Account at Various Institutions									37,977,852	2.99 %	
Cash and Cash Equivalents									38,313,586	3.02 %	
Total Cash and Investments									$ 1,269,814,993	100.00 %	M

Notes to Consolidated Schedule 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) Investment denominated in foreign currency. Amortized cost and fair value converted from foreign currency to US dollars. Foreign currency denominated investments are generally hedged for currency exposure. At June 30, 2016, such hedging activities included the derivatives listed at the end of the Consolidated Schedule of Investments. (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% of the outstanding voting securities of the issuer See Consolidated Schedule of Changes in Investments in Affiliates.

(G) Investment has been segregated to collateralize certain unfunded commitments.

(H) 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 Partnership may not acquire any non-qualifying asset unless, at the time such acquisition is made, qualifying assets represent at least 70% of the Partnership's total assets.

(I) Deemed an 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 Partnership may not acquire any non-qualifying asset unless, at the time such acquisition is made, qualifying assets represent at least 70% of the Partnership's total assets.

(J) 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 Partnership may not acquire any non-qualifying asset unless, at the time such acquisition is made, qualifying assets represent at least 70% of the Partnership's total assets.

(K) Negative balances relate to an unfunded commitment that was acquired and/or valued at a discount.

TABLE OF CONTENTS

(L) In addition to the stated coupon, investment has an exit fee payable upon repayment of the loan in an amount equal to the percentage of the original principal amount shown.

(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), semiannually (S), or annually (A).

Aggregate acquisitions and aggregate dispositions of investments, other than government securities, totaled $233,176,219 and $186,045,477 respectively, for the six months ended June 30, 2016. 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 June 30, 2016 was $1,231,355,042 or 97.0% of total cash and investments of the Company. As of June 30, approximately 18.2% of the total assets of the Partnership were not qualifying assets under Section 55(a) of the 1940 Act.

Options and swaps at June 30, 2016 were as follows:

Investment		**Notional Amount**		**Fair Value**
Euro/US Dollar Cross-Currency Basis Swap with Wells Fargo Bank, N.A., Pay Euros/Receive USD, Expires 3/31/2017	$	16,401,467	$	2,981,525
GBP, Put Option, $1.47370, expires 3/3/17	£	2,681,021	$	417,504

See accompanying notes to the consolidated financial statements.

S-F-66

TABLE OF CONTENTS

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

Consolidated Schedule of Investments

December 31, 2015

	Instrument	Ref	Floor	Spread	Total Coupon	Maturity	Principal	Cost	Fair Value	% of Total Cash and Investme
ents(A)										
ing, Payroll										
dings, bert s)	Holdco PIK Notes	LIBOR (A)	3.00 %	10.00 %	13.00%	10/3/2018	$ 64,783	$ 64,783	$ 64,783	0.01
lobal s, LLC	Second Lien Term Loan	LIBOR (Q)	1.50 %	11.00 %	12.50%	10/3/2018	$ 15,249,675	15,041,186	15,249,675	1.25
								15,105,969	15,314,458	1.26
sing,										
s										
lay III										
n United n)	First Lien Facility A1 Term Loan	EURIBOR (Q)	1.25 %	5.75 %	7.00%	3/18/2018	€12,249,157	15,931,220	13,171,984	1.08
Inc. re)	First Lien Delayed Draw Tranche 1 Term Loan (1.25% Exit Fee)	LIBOR (M)	0.33 %	10.17 %	10.50%	9/1/2018	$ 13,145,041	12,695,719	12,776,341	1.05
Inc. re)	First Lien Delayed Draw Tranche 1 Term Loan	LIBOR (M)	0.33 %	10.17 %	N/A	9/1/2018	$ —	—	—	—

	(1.25% Exit Fee)										
Inc. re)	First Lien Delayed Draw Tranche 1 Term Loan (1.25% Exit Fee)	LIBOR (M)	0.33 %	10.17 %	N/A	9/1/2018	$	—	—	—	–
									28,626,939	25,948,325	2.13
rtation											
Leased Air c.											
	Aircraft Secured Mortgage	Fixed	—	8.00 %	8.00%	3/15/2017	$	114,196	114,196	115,617	0.01
	Aircraft Secured Mortgage	Fixed	—	8.00 %	8.00%	8/15/2018	$	233,219	233,219	237,494	0.02
	Aircraft Secured Mortgage	Fixed	—	8.00 %	8.00%	3/20/2019	$	336,554	336,554	342,734	0.03
	Aircraft Secured Mortgage	Fixed	—	8.00 %	8.00%	6/20/2019	$	362,232	362,232	369,162	0.03
	Aircraft Secured Mortgage	Fixed	—	8.00 %	8.00%	5/20/2019	$	358,380	358,380	365,197	0.03
	Aircraft Secured Mortgage	Fixed	—	8.00 %	8.00%	6/20/2019	$	365,401	365,401	372,392	0.03
	Aircraft Secured Mortgage	Fixed	—	8.00 %	8.00%	7/20/2019	$	372,361	372,361	379,522	0.03
	Aircraft Secured Mortgage	Fixed	—	8.00 %	8.00%	10/20/2019	$	396,169	396,169	403,869	0.03
	Aircraft Secured Mortgage	Fixed	—	8.00 %	8.00%	8/20/2019	$	385,667	385,667	393,115	0.03
	Aircraft Secured Mortgage	Fixed	—	8.00 %	8.00%	2/15/2018	$	214,686	214,686	218,321	0.02
Leased d											

Inc.											
	Aircraft Secured Mortgage	Fixed	—	12.00 %	12.00%	2/28/2016	$	313,315	313,315	318,980	0.03
	Aircraft Secured Mortgage	Fixed	—	12.00 %	12.00%	5/4/2016	$	557,684	557,684	570,303	0.05
LTD.	Aircraft Acquisition Loan A	LIBOR (M)	—	8.50 %	8.75%	1/31/2023	$	14,250,773	13,982,969	14,252,198	1.17
LTD.	Aircraft Acquisition Loan A1	LIBOR (M)	—	8.50 %	N/A	1/31/2023	$	—	—	—	–
r Group,	Acquisition Delayed Draw Loan	LIBOR (M)	—	7.25 %	N/A	6/17/2019	$	—	—	278,288	0.02
r Group,	Acquisition Loan	LIBOR (M)	—	7.25 %	7.62%	7/15/2022	$	15,997,019	15,724,234	16,324,958	1.34
									33,717,067	34,942,150	2.87
cturing											
3ros.,	First Lien Term Loan A (First Out)	LIBOR (Q)	1.25 %	5.75 %	7.00%	6/3/2021	$	9,940,000	9,743,116	9,741,200	0.80
3ros.,	First Lien Term Loan B (Last Out)	LIBOR (Q)	1.25 %	12.25 %	13.50%	6/3/2021	$	9,960,000	9,762,553	9,760,800	0.80
rel , LLC	First Lien FILO Term Loan	LIBOR (M)	1.00 %	9.60 %	10.60%	4/8/2019	$	3,669,926	3,645,226	3,669,926	0.30
									23,150,895	23,171,926	1.90

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

Consolidated Schedule of Investments (Continued)

December 31, 2015

	Instrument	Ref	Floor	Spread	Total Coupon	Maturity	Principal	Cost	Fair Value	% of Total Cash and Investments
ts l)										
ervices										
Global ies,	Sr Secured Revolving Loan	LIBOR (Q)	0.23 %	8.52 %	8.75%	11/30/2017	$ —	$ (69,938)	$ (123,750)	(0.01 %)
Global ies,	Sr Secured Term Loan (1.0% Exit Fee)	LIBOR (Q)	0.23 %	9.27 %	9.50%	11/30/2019	$ 17,281,250	17,043,402	16,996,109	1.39 %
vay ns, Inc. antage)	Second Lien Term Loan	LIBOR (Q)	1.00 %	9.25 %	10.25%	6/30/2023	$ 31,000,000	30,546,700	31,883,500	2.62 %
								47,520,164	48,755,859	4.00 %
s										
nt LLC	Sr Secured Term Loan (8.0% Exit Fee)	LIBOR (M)	0.23 %	10.27 %	10.50%	2/1/2018	$ 7,700,000	7,993,675	8,059,280	0.66 %
, Inc.	Sr Secured Term Loan (8.25% Exit Fee)	LIBOR (M)	0.23 %	9.27 %	9.50%	12/1/2017	$ 10,000,000	10,226,245	10,509,000	0.86 %
ogics,	Sr Secured Delayed Draw Term Loan (10.0% Exit Fee)	Prime Rate	—	7.75 %	11.25%	5/1/2018	$ 15,000,000	14,927,838	15,175,500	1.25 %
								33,147,758	33,743,780	2.77 %
cations t uring										

m nc.	First Lien Term Loan	LIBOR (Q)	1.25 %	7.63 %	8.88%	12/11/2018	$ 14,629,280	14,482,987	14,256,233	1.17 %
t uring										
aphics al	First Lien Term Loan	LIBOR (Q)	1.00 %	9.00 %	10.00%	7/27/2018	$ 18,432,723	18,157,715	18,570,968	1.52 %
esign ed										
LLC	First Lien Term Loan	LIBOR (Q)	0.25 %	4.75% Cash + 4% PIK	9.00%	3/31/2019	$ 34,564,922	34,069,278	34,459,499	2.83 %
vare n	Second Lien Term Loan	LIBOR (M)	1.00 %	7.50 %	8.50%	5/29/2021	$ 6,993,035	6,938,605	6,153,871	0.51 %
prise Ltd.	First Lien Term Loan B	LIBOR (Q)	—	8.00 %	8.32%	9/3/2018	$ 2,337,733	2,337,733	2,355,266	0.19 %
prise Ltd.	First Lien Term Loan	LIBOR (Q)	—	7.00 %	7.32%	9/3/2018	$ 10,426,667	10,343,578	10,322,400	0.85 %
, LLC	First Lien Term Loan B	LIBOR (Q)	—	8.00 %	8.32%	9/3/2018	$ 4,675,467	4,675,467	4,710,533	0.39 %
, LLC	First Lien Term Loan	LIBOR (Q)	—	7.00 %	7.32%	9/3/2018	$ 5,213,333	5,175,467	5,161,200	0.42 %
LLC	First Lien Revolver	LIBOR (Q)	0.50 %	8.50 %	9.00%	12/4/2018	$ 365,437	361,329	365,437	0.03 %
LLC	First Lien Term Loan	LIBOR (M)	0.50 %	8.50 %	9.00%	12/4/2018	$ 6,205,583	6,155,701	6,050,443	0.50 %
al, Inc.	First Lien Delayed Draw Term Loan	LIBOR (Q)	—	11.67 %	12.00%	9/1/2018	$ 4,800,000	4,678,943	4,733,280	0.39 %
								74,736,101	74,311,929	6.11 %
essing ng										
al, Inc.	Delayed Draw Term	LIBOR (M)	1.00 %	7.00 %	8.00%	7/31/2020	$ 3,430,383	3,396,023	3,404,827	0.28 %

	Loan										
al, Inc.	Revolver Loan	LIBOR (M)	1.00 %	7.00 %	8.00%	7/31/2020	$	242,376	234,663	242,376	0.02 %
al, Inc.	First Lien Term Loan	LIBOR (M)	1.00 %	7.00 %	8.00%	7/31/2020	$	8,109,426	7,979,611	8,050,389	0.66 %
Group,	Second Lien Term Loan	LIBOR (Q)	0.50 %	8.75 %	9.38%	8/6/2019	$	4,750,000	3,991,890	4,828,375	0.40 %
D d.) slands)	Second Lien Term Loan	LIBOR (Q)	0.50 %	8.75 %	9.38%	8/6/2019	$	9,500,000	7,983,779	9,656,750	0.79 %
									23,585,966	26,182,717	2.15 %

S-F-68

TABLE OF CONTENTS

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

Consolidated Schedule of Investments (Continued)

December 31, 2015

	Instrument	Ref	Floor	Spread	Total Coupon	Maturity	Principal	Cost	Fair Value	% of Total Cash and Investment[s]
ts **l)**										
ower n, ion										
on										
	First Lien Term Loan	Fixed	—	9% Cash + 1% PIK	10.00%	9/10/2017	$ 7,461,240	$ 7,397,199	$ 7,386,628	0.61 %
nd 3, ergy)										
t uring										
es	First Lien Term Loan	LIBOR (Q)	1.50 %	8.50 %	10.00%	2/6/2018	$ 6,165,986	6,130,433	6,058,081	0.50 %
es	First Lien Term Loan	LIBOR (Q)	1.50 %	8.50 %	10.00%	2/6/2018	$ 3,991,338	3,921,387	3,921,490	0.32 %
								10,051,820	9,979,571	0.82 %
nt uring										
N s, n	Sr Secured Revolver (3.0% Exit Fee)	Fixed	—	8.25 %	N/A	1/1/2016	$ —	—	—	—
Inc.	First Lien Delayed Draw Term Loan	LIBOR (Q)	—	10.72 %	N/A	7/1/2018	$ —	(121,106)	—	—
			0.44 %	9.33 %	9.77%	3/1/2018	$ 22,500,000	21,452,673	21,411,000	1.76 %

	Tranche A Term Loan (3.0% Exit Fee)	LIBOR (M)								
	Tranche B Term Loan	LIBOR (M)	0.44 %	9.33 %	9.77%	9/1/2017	$ 1,687,500	1,571,025	1,567,434	0.13 %
								22,902,592	22,978,434	1.89 %
t										
tners LLC	Senior Note	Fixed	—	12.00 %	12.00%	11/1/2020	$ 900,000	900,000	900,000	0.07 %
an,	Sr Secured Term Loan	Fixed	—	8.00 %	8.00%	3/25/2019	$ —	—	—	—
an, xel)	Sr Secured Term Loan	Fixed	—	8.00 %	8.00%	8/15/2018	$ 2,631,033	2,631,033	2,641,294	0.22 %
								3,531,033	3,541,294	0.29 %
t										
al r nc.	Second Lien Term Loan	LIBOR (Q)	1.00 %	7.50 %	8.50%	4/30/2022	$ 4,471,492	4,437,802	4,270,275	0.35 %
Inc.	First Lien Term Loan B2	LIBOR (Q)	1.50 %	5.25 %	6.75%	5/8/2017	$ 6,763,751	6,425,563	6,502,839	0.53 %
plc	Asset-Backed Credit Linked Notes	Fixed	—	13.13 %	13.13%	8/2/2021	$ 15,000,000	15,000,000	14,881,500	1.22 %
								25,863,365	25,654,614	2.10 %
g I,	First Lien Revolver	LIBOR (M)	—	8.25 %	N/A	12/20/2018	$ —	(1,862,302)	(1,250,000)	(0.10 %)
tores										
c.	First Lien FILO Term Loan	LIBOR (M)	1.50 %	7.00 %	8.50%	10/8/2019	$ 10,033,866	9,995,480	10,111,127	0.83 %
c.	First Lien Term Loan	LIBOR (Q)	1.00 %	9.00 %	10.00%	7/1/2018	$ 3,907,686	3,888,148	3,912,571	0.32 %
hcare,	First Lien Term Loan	Prime Rate	—	8.25 %	11.75%	8/28/2020	$ 17,157,214	16,790,143	17,043,118	1.40 %
are nc.	Second Lien Term Loan	LIBOR (M)	1.00 %	10.25 %	11.25%	10/23/2019	$ 21,017,525	20,777,746	20,807,350	1.71 %

								41,456,037	41,763,039	3.43 %
LC	Second Lien Incremental Notes	LIBOR (Q)	1.00 %	9.00 %	10.00%	11/19/2022	$ 7,080,555	6,944,926	7,063,562	0.58 %
LC	Second Lien Notes	LIBOR (Q)	1.00 %	9.00 %	10.00%	11/19/2022	$ 12,720,998	12,542,859	12,690,468	1.04 %
LC	Second Lien Incremental Notes	LIBOR (Q)	1.00 %	9.00 %	10.00%	11/19/2022	$ 3,846,850	3,795,306	3,837,597	0.31 %
gs,	First Lien Term Loan	LIBOR (Q)	1.00 %	6.25 %	7.25%	8/31/2021	$ 3,950,000	3,874,773	3,732,750	0.31 %
C y)	First Lien Term Loan	LIBOR (Q)	0.50 %	11.50 %	12.00%	8/29/2019	$ 20,000,000	19,375,352	19,936,000	1.64 %
								46,533,216	47,260,377	3.88 %

S-F-69

TABLE OF CONTENTS

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

Consolidated Schedule of Investments (Continued)

December 31, 2015

	Instrument	Ref	Floor	Spread	Total Coupon	Maturity	Principal	Cost	Fair Value	Inv
ents										
ated										
s	Second Lien Term Loan	LIBOR (M)	1.25 %	9.00 %	10.25%	5/8/2019	$ 11,061,809	$ 10,950,946	$ 10,951,191	
iate .C	Second Lien Term Loan	LIBOR (Q)	1.00 %	8.50 %	9.50%	5/27/2022	$ 15,990,714	15,853,293	15,690,888	
iate .C	Second Lien Incremental Term Loan	LIBOR (Q)	1.00 %	8.50 %	9.50%	5/27/2022	$ 3,474,715	3,440,934	3,409,564	
								19,294,227	19,100,452	
nsulting										
C	First Lien Term Loan	LIBOR (Q)	1.00 %	8.75 %	9.75%	10/31/2019	$ 24,693,587	24,159,891	24,267,623	
oment										
g										
C	Second Lien Term Loan	LIBOR (Q)	1.00 %	10.00 %	11.00%	4/10/2020	$ 11,000,000	10,819,241	10,835,000	
e and ies										
nment,	First Lien Term Loan	Fixed	—	11.00 %	11.00%	6/21/2017	$ 9,462,231	9,425,030	4,667,719	
		Fixed	—	15.50 %	15.50%	6/21/2018	$ 7,569,785	7,700,187	291,058	

nment,	Second Lien Term Loan								
								17,125,217	4,958,777
y									
n									
ncial n	Sr Secured Notes	Fixed	—	11.50 %	11.50%	11/15/2019	$ 26,975,000	26,829,614	26,705,250
ncial LC	First Lien Delayed Draw Term Loan	LIBOR (Q)	—	9.50 %	9.92%	1/12/2020	$ 5,000,000	4,621,333	4,919,250
ct	First Lien Term Loan	LIBOR (Q)	1.00 %	8.00 %	9.00%	3/26/2021	$ 16,305,999	16,125,251	16,133,156
ds)	Secured Class B Notes	Fixed	—	10.75 %	10.75%	11/13/2018	$ 15,084,000	15,084,000	14,857,740
								62,660,198	62,615,396
Coast s, LLC	First Lien Term Loan B	Prime Rate	—	7.50 %	11.00%	2/27/2018	$ 14,812,500	14,714,767	13,479,375
Energy,	Second Lien Term Loan	LIBOR (Q)	1.00 %	8.50 %	9.50%	8/4/2019	$ 8,095,238	7,784,717	6,773,043
								22,499,484	20,252,418
ation									
arch,	First Lien Term Loan	LIBOR (Q)	0.50 %	10.50 %	11.13%	12/11/2020	$ 5,128,936	5,026,844	5,026,357
gs, LLC	Second Lien Term Loan	LIBOR (M)	1.00 %	7.75 %	8.75%	11/6/2021	$ 19,988,392	19,735,864	18,789,089
								24,762,708	23,815,446
g									
Corp.	Sr Secured Term Loan	Fixed	—	12.00 %	12.00%	9/15/2016	$ 4,869,577	4,869,577	4,869,577
Corp.	Second Lien Notes	Fixed	—	11.00 %	11.00%	11/15/2016	$ 9,268,000	7,586,317	9,268,000
be,	Second Lien Term Loan	LIBOR (Q)	1.50 %	9.50 %	11.00%	10/11/2017	$ 3,825,453	4,010,758	1,759,709
be,	Super Priority Debtor-in-Possession	Prime Rate	—	10.00 %	13.50%	11/30/2015	$ 1,124,444	1,124,444	1,124,444
								17,591,096	17,021,730
cations									
ologies,	Second Lien Term Loan	LIBOR (Q)	1.25 %	7.75 %	9.00%	4/30/2021	$ 14,000,000	13,860,000	7,924,000

ing

A, Inc.	First Lien Revolver	LIBOR (M)	—	6.75 %	7.18%	5/20/2018	$	3,456,500	2,886,378	3,003,668
A, Inc.	First Lien Term Loan	LIBOR (Q)	1.25 %	6.75 %	8.00%	11/20/2018	$	5,681,239	5,582,994	5,425,584
									8,469,372	8,429,252

S-F-70

TABLE OF CONTENTS

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

Consolidated Schedule of Investments (Continued)

December 31, 2015

	Instrument	Ref	Floor	Spread	Total Coupon	Maturity	Principal	Cost	Fair Value	% of Total Cash Investn
tments **)**										
uticals										
Medical c.	First Lien Term Loan	LIBOR (Q)	1.00 %	6.00 %	7.00%	6/30/2022	$ 5,970,000	$ 5,879,117	$ 5,492,400	0.4
ring										
rnational,	Sr Secured Notes	Fixed	—	9.50 %	9.50%	6/1/2018	$ 13,600,000	13,600,000	8,918,010	0.7
Television ng										
	Sr Secured Notes	Fixed	—	10.38 %	10.38%	7/1/2019	$ 7,312,000	7,312,000	5,776,480	0.4
Holdco,	Second Lien Term Loan	LIBOR (M)	1.25 %	8.75 %	10.00%	7/22/2020	$ 10,000,000	10,019,257	9,450,000	0.7
Channel,	First Lien Term Loan	LIBOR (Q)	—	8.50 %	8.88%	5/29/2017	$ 32,520,727	32,351,929	32,675,201	2.6
								49,683,186	47,901,681	3.9
ts										
LLC (Real	Convertible Second Lien Term Loan Tranche B-1	Fixed	—	8.50 %	8.50%	3/30/2018	$ 1,783,036	1,779,352	1,783,036	0.1
LLC (Real	First Lien Term Loan Tranche A	Fixed	—	7.00 %	7.00%	3/21/2016	$ 3,719,155	3,717,664	3,719,155	0.3
LLC (Real	Second Lien Term Loan Tranche B	Fixed	—	8.50 %	8.50%	3/30/2018	$ 8,884,258	8,884,258	4,490,993	0.3
LLC (Real	Second Lien Term Loan Tranche B-1	Fixed	—	8.50 %	8.50%	3/30/2018	$ 2,797,956	2,782,534	2,797,956	0.2
LLC (Real	Sr Convertible	Fixed	—	8.50 %	8.50%	3/30/2018	$ 2,188,233	2,188,233	2,188,233	0.1

	Second Lien Term Loan B									
								19,352,041	14,979,373	1.2
ble , Inc.	First Lien FILO Term Loan	LIBOR (M)	1.00 %	8.50 %	9.50%	9/25/2020	$ 13,185,494	13,049,991	13,317,349	1.0
Inc.	First Lien Term Loan	LIBOR (Q)	1.00 %	10.00 %	11.00%	2/13/2020	$ 6,354,563	6,354,563	6,237,956	0.5
								19,404,554	19,555,305	1.6
unications										
ations C (United	Sr Secured Notes	Fixed	—	10.00 %	10.00%	10/1/2019	$ 9,393,000	9,393,000	7,336,027	0.6
Research opment										
atories,	Senior Secured Notes	Fixed	—	12.25 %	12.25%	4/1/2017	$ 38,932,000	39,001,750	40,489,280	3.3
ublishing										
ernational itzerland)	First Lien Term Loan	LIBOR (Q)	1.00 %	9.50 %	10.50%	2/21/2017	$ 29,485,290	29,375,415	28,170,246	2.3
USA), LLC	Second Lien Term Loan	LIBOR (Q)	0.50 %	8.50 %	9.00%	1/31/2020	$ 30,000,000	29,529,480	28,023,000	2.3
Systems,	First Lien Term Loan	LIBOR (Q)	1.50 %	0.4% Cash + 7.6% PIK	9.50%	9/25/2018	$ 14,619,396	13,946,601	14,765,590	1.2
Networks,	First Lien Term Loan	LIBOR (Q)	—	9.50 %	10.11%	12/3/2020	$ 6,062,304	5,881,725	5,880,435	0.4
Inc.	Jr Revolving Facility	Fixed	—	5.00 %	5.00%	6/9/2020	$ —	—	—	
Ultimate LC	Sr PIK Notes	Fixed	—	8.50 %	8.50%	6/9/2020	$ 2,612,408	2,612,408	2,612,408	0.2
Ultimate LC	Jr PIK Notes	Fixed	—	10.00 %	10.00%	6/9/2020	$ 11,791,569	11,176,985	11,343,490	0.9
uisitionco,	First Lien Term Loan	LIBOR (Q)	1.00 %	8.00 %	9.00%	11/4/2019	$ 41,924,150	41,178,969	42,029,025	3.4
uisitionco,	Sr Secured Revolver	LIBOR (Q)	1.00 %	8.00 %	9.00%	11/4/2019	$ 1,272,857	1,272,857	1,276,039	0.1
			0.28 %	10.72 %	11.00%	10/1/2018	$ 31,550,000	31,341,229	31,395,405	2.5

d Ltd. gdom)	Sr Secured Term Loan (2.0% Exit Fees)	LIBOR (Q)									
nc.	First Lien Delayed Draw Term Loan (1.0% Exit Fee)	LIBOR (Q)	0.62 %	9.88 %	10.50%	1/1/2019	$	3,200,000	2,906,672	2,903,680	0.2
e Inc.	First Lien Term Loan	LIBOR (Q)	—	8.00 %	8.63%	5/21/2020	$	7,500,000	7,398,976	7,471,875	0.6
									176,621,317	175,871,193	14.4

S-F-71

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

Consolidated Schedule of Investments (Continued)

December 31, 2015

	Instrument	Ref	Floor	Spread	Total Coupon	Maturity	Principal or Shares	Cost	Fair Value	% T Cas Inves
nents										
shings										
pet Mills,	First Lien Term Loan	LIBOR (Q)	1.00 %	10.00 %	11.00%	12/19/2019	$ 25,000,000	$ 25,000,000	$ 24,785,000	2
pet Mills,	First Lien Term Loan B	LIBOR (Q)	1.00 %	10.00 %	11.00%	12/19/2019	$ 8,575,581	8,378,569	8,501,831	0
								33,378,569	33,286,831	2
n										
oldings	Revolving Credit Facility	Fixed	—	8.20 %	8.20%	7/2/2017	$ 25,000,000	25,000,000	25,000,000	2
ications										
ons,	First Lien Delayed Draw FILO Term Loan	LIBOR (Q)	1.00 %	6.92 %	7.92%	5/31/2018	$ 1,064,676	1,046,166	1,058,812	0
ons,	First Lien FILO Term Loan	LIBOR (Q)	1.00 %	6.92 %	7.92%	5/31/2018	$ 7,938,819	7,859,897	7,895,156	0
om	Second Lien Term Loan	LIBOR (Q)	1.25 %	8.50 %	9.75%	2/22/2020	$ 13,231,193	13,039,047	12,883,874	1
y d mpany	First Lien Term Loan	LIBOR (Q)	1.00 %	7.13 %	8.13%	8/31/2020	$ 4,000,000	3,943,631	3,922,000	0
								25,888,741	25,759,842	2
ications										

	First Lien Term Loan	LIBOR (Q)	1.50 %	9.75 %	11.25%	3/21/2018	$ 32,822,506	32,877,865	33,150,731	2
								1,160,372,521	1,130,535,387	92
<u>ities</u>										
nd ons										
	Warrants to Purchase Stock						17,578	230,569	233,543	0
rtation										
ed to es, Inc.										
	Trust Beneficial Interests						1,316	84,164	107,501	0
	Trust Beneficial Interests						1,053	86,044	127,662	0
	Trust Beneficial Interests						975	95,345	77,850	0
	Trust Beneficial Interests						937	92,045	108,100	0
	Trust Beneficial Interests						946	91,995	104,478	0
	Trust Beneficial Interests						937	92,417	105,329	0
	Trust Beneficial Interests						928	92,840	106,203	0
	Trust Beneficial Interests						902	94,503	105,937	0
	Trust Beneficial Interests						919	94,018	101,487	0
	Trust Beneficial Interests						1,130	87,968	100,793	0

ed to es, Inc.					
JA-767, A)	Trust Beneficial Interests	652	3,143,045	3,368,599	(
JA-767, A)	Trust Beneficial Interests	632	3,062,496	3,294,024	(
c. (One	Warrants to Purchase Common Stock	1,843	855,313	3,173,450	(
			7,972,193	10,881,413	(
port					
LLC	Membership Units	708,229	230,938	162,184	(
C (First	Class A Units	841,479	325,432	2,616,916	(
			556,370	2,779,100	(

S-F-72

TABLE OF CONTENTS

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

Consolidated Schedule of Investments (Continued)

December 31, 2015

Issuer	Instrument	Ref	Floor	Spread	Total Coupon	Maturity	Shares	Cost	Fair Value	% of Total Cash and Investments	Notes
Equity Securities (continued)											
Chemicals											
Green Biologics, Inc.	Warrants to Purchase Stock						376,147	$ 272,594	$ 236,634	0.02 %	C/E
Communications Equipment Manufacturing											
Wasserstein Cosmos Co-Invest, L.P. (Globecomm)	Limited Partnership Units						5,000,000	5,000,000	4,198,500	0.34 %	B/C/E
Computer Systems Design and Related Services											
Waterfall International, Inc.	Series B Preferred Stock						1,428,571	1,000,000	999,714	0.08 %	C/E
Waterfall International, Inc.	Warrants to Purchase Stock						857,143	57,026	57,686	—	C/E
								1,057,026	1,057,400	0.08 %	
Data Processing and Hosting Services											