



Earnings Presentation

Second Quarter ended June 30, 2014

Disclaimer

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Our Current View of the Market

Current Market Trends in the Overall Loan Market and Middle-Market

- Leveraged loan activity eased compared to the first quarter and the same period in the prior year
- Volume was primarily driven by M&A and recapitalization activity as repricings during the second quarter slowed to a two year low
- Retail demand slowed but was somewhat offset by demand from the CLO market which pushed clearing yields higher
- Second-lien loan activity increased from the prior quarter driving year-to-date volume to be the largest on record since 2007
- Covenant-lite loans continue to dominate the new issue space
- Banks continue to be restricted by regulatory factors
- Middle-market volume was primarily driven by M&A activity

Current Market Trends in the Lower Middle-Market

- Capital remains scarce in the lower middle market as traditional lenders in the space have exited due to regulatory restrictions
- Slow GDP growth has driven a softness for loan demand by private company borrowers
- As fund sizes increase, many competitors have moved up-market to focus their attention on larger borrowers
- Banks, funds and other finance companies have again started to participate in select one-off financings as their available capital increases
- Lower middle-market opportunities continue to command better pricing and structures than in the broadly syndicated market and upper middle-market

Our Core Portfolio

Macro Trends in Our Core Portfolio

- Core volume in the quarter continued to be strong, with \$104.1⁽¹⁾ million of core additions; average of approximately \$80 million per quarter since our IPO
- Core investments as a % of our overall portfolio increased to 83.7% as of Q2 2014 from 36.7% at our IPO
- Weighted average yield of core deals closed during the quarter was 12.8% (weighted average yield of 11.7% of core deals closed since our IPO)⁽¹⁾
- Portfolio credit quality and leverage multiples overall remained stable and in line with prior quarters
- Second quarter origination activity was robust with most deals actually closing in the third quarter (refer to slide 10 for activity subsequent to June 30, 2014)
- Opportunistically acquired \$46.1 million of loans from another middle market lender seeking to trim their balance sheet
- Significantly increased our investment in the GLC Trust 2013-2 Consumer Loan Portfolio (loans originated by Prosper) in anticipation of a securitization which closed in July
- Prosper Marketplace raised additional equity valuing the company at \$650.0 million (post money), which thereby increased our preferred equity investment to nearly \$5.0 million, or approximately 5.0x our cost basis

Transactions of Note

- New originations and club deals during the 2nd quarter totaled \$16.6 million of par value:
 - CF Entertainment: Provided financing to support expanded production and refinancing of the company's existing debt, sourced through broker relationship
 - Confluence Outdoor: Provided acquisition financing, sourced through a sponsor relationship
- Added \$25.2 million of additional par to our Prosper loan portfolio

Select Q2 2014 Core Loan Portfolio Additions



Business Overview	TV content production company	Manufacturer and supplier of kayaks, canoes and water sport accessories	Occupational career training school	East coast regional chain, selling Italian ice products	Occupational career training school	Full-service Mexican/Tex-Mex casual dining restaurant chain
Date Closed/ Tenor	6/26/2014 5 Year Deal	4/18/2014 5 Year Deal	6/11/2014 4 Year Deal	6/11/2014 2 Year Deal	6/11/2014 2 Year Deal	6/11/2014 4 Year Deal
Interest Rate	L+750 with a 1.00% Floor and 1.00% upfront fee	L+700 with a 1.00% Floor and 1.75% upfront fee	L+800 with a 1.50% Floor	L+1250 with a 1.50% Floor	14.0% Fixed Rate	L+800 with a 1.50% Floor
Asset Type	Term Loan – First Lien	Term Loan – First Lien/Delayed Draw Term Loan	Term Loan – First Lien/Revolver	Term Loan – First Lien	Term Loan – Subordinated	Term Loan – First Lien/Delayed Draw Term Loan/Revolver
Invested / Global facility size	TL: \$9.9mm / \$30.0mm*	TL: \$6.7mm / \$10.0mm* DDTL:\$3.3mm / \$5.0mm*	TL: \$4.9mm / \$9.8 mm* RC: \$1.0mm / \$2.0mm*	TL: \$4.7mm / \$9.4 mm*	TL: \$7.8mm / \$15.5 mm*	TL: \$7.0mm/\$14.0mm* DDTL: 1.0mm/\$2.0mm* Revolver: 0.5mm/\$1.0mm*
Origination Source	Club	Originated	Purchased - Price: 100.0	Purchased - Price: 100.0	Purchased - Price: 72.0	Purchased - Price: 100.0
Call protection	103/102/101	103/102/101	NA	NA	NA	NA
Leverage (Debt/EBITDA)**	3.2x	3.4x	2.5x	3.2x	4.2x	3.7x

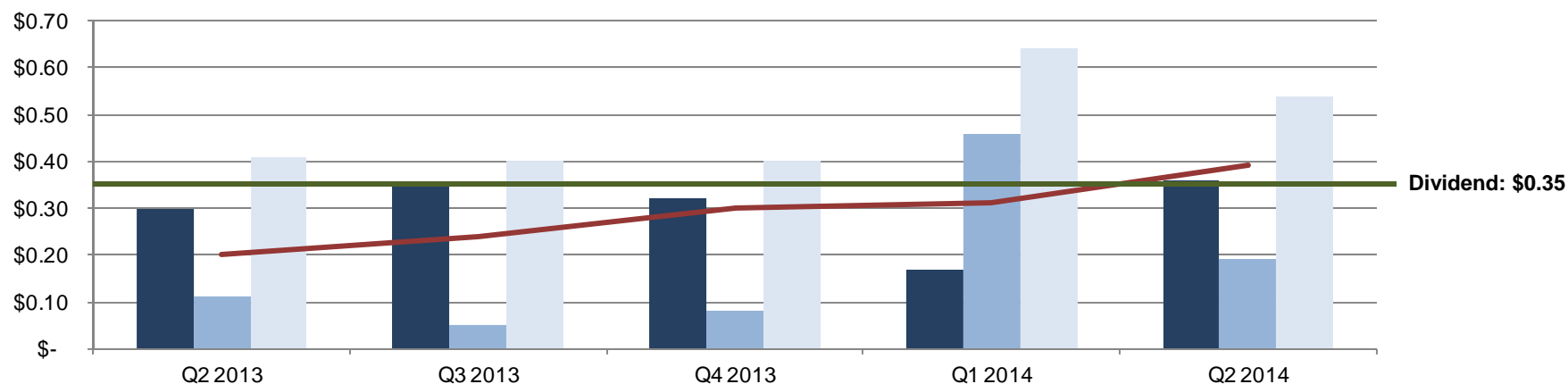
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* Portion of the facility held by an affiliate of the Company and other lenders.

** Represents leverage through tranche as of June 30, 2014 with the exception of Confluence which reflects term loan leverage as of June 30, 2014 and average projected revolver utilization.

Q2 2014 Earnings Highlights

(per share)	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014
Net investment income ●	\$ 0.30	\$ 0.35	\$ 0.32	\$ 0.17	\$ 0.36
Net realized/unrealized gain (loss) on investments ●	0.11	0.05	0.08	0.47	0.18
Net increase in net assets from operations ●	\$ 0.41	\$ 0.40	\$ 0.40	\$ 0.64	\$ 0.54
Adjusted net investment income ⁽¹⁾ —	\$ 0.20	\$ 0.24	\$ 0.30	\$ 0.31	\$ 0.39



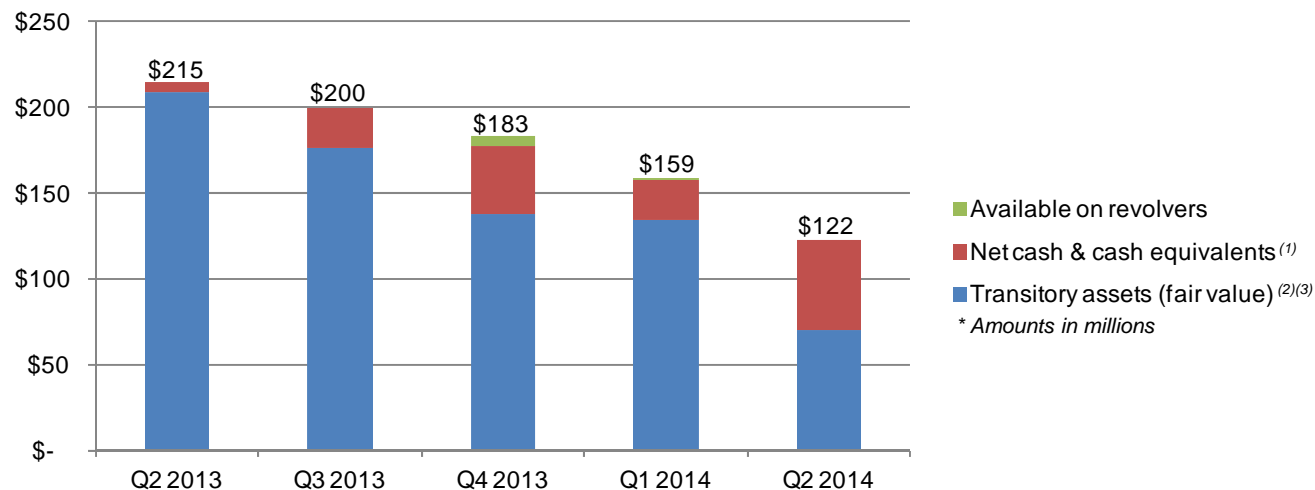
- Paid a Q2 2014 dividend of \$0.35 per share and declared a Q3 2014 dividend of \$0.35 per share payable on September 26, 2014
- Estimated \$2.7 million or \$0.16 per share of undistributed net income as of June 30, 2014 (after applying a \$5.8 million capital loss carry forward from 2013)
- 4.3% growth in book value since our IPO

Q2 2014 Funding & Liquidity

Funding

- On July 18, 2014, we completed a \$39.2 million term debt securitization collateralized by the GLC Trust 2013-2 Consumer Loan Portfolio. The proceeds from the securitization were used to refinance the Capital One Revolving Facility (the Company will retain \$2.3 million of Class B Notes)
- The GLC Trust 2013-2 Securitization consisted of \$36.9 million Class A Notes and \$2.3 million of Class B Notes (the Company currently retains the \$2.3 million of Class B Notes)
- Class A Notes were issued at a 1.4% discount with a fixed rate coupon of 3.0%
- SBIC – Subsequent to receiving our Green Light letter in May, we submitted our License Application during the third quarter, which was accepted by the SBA. We continue to work with the SBA toward licensure.

Liquidity



Leverage Ratio	0.69x	0.74x	0.87x	0.87x	0.86x
WA Cost of Funds	4.8%	3.0%	3.0%	3.0%	2.9%

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(1) Cash & cash equivalents net of due to / due from counterparties

(2) Transitory portfolio consists of investments below the low end of our yield target. We intend to migrate out of these assets into ones meeting our Core portfolio yield. Excludes same day purchases/sales

(3) Includes the transfer of three portfolio companies, total par of \$13.2 million, from Transitory to Core, based on the current yield

Q2 2014 Portfolio Highlights

Portfolio Activity – Core ⁽¹⁾

Par (in millions)	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Average	QTD Q3 2014
Originated	\$ 22.0	\$ 30.2	\$ 24.1	\$ 31.0	\$ 6.7	\$ 22.8	\$ 28.5
Club	26.2	-	26.1	9.0	9.9	14.2	10.5
Purchased	52.2	-	9.2	-	46.1	21.5	10.0
Consumer loans	5.0	4.7	8.9	9.2	25.2	10.6	-
Equity	4.9	1.0	0.7	-	-	1.3	-
Total add-on investments	-	2.9	13.4	15.3	16.2	9.6	1.8
Total Additions	110.3	38.8	82.4	64.5	104.1	80.0	50.8
Less: Total Repayments/Sales	(4.8)	(11.5)	(25.6)	(34.6)	(61.5)	(27.6)	(23.3)
Net Additions	\$ 105.5	\$ 27.3	\$ 56.8	\$ 29.9	\$ 42.6	\$ 52.4	\$ 27.5

Summary	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Average	QTD Q3 2014
Number of new investments	11	6	8	4	9	8	5
Average WA yield of additions	10.9%	12.6%	11.1%	11.3%	12.8% ⁽³⁾	11.7%	10.5%
Number of repayments/sales	1	1	2	3	6	3	3
Average WA yield of repayments/sales	13.8%	9.5%	11.5%	11.5%	12.3%	11.9%	10.5%

Portfolio Activity – Transitory ⁽²⁾

- Purchased one new investment in our transitory portfolio totaling \$5.0 million of par (cost of \$5.0 million); added to previously existing loans or draws on previously unfunded revolvers totaling \$7.5 million of par (cost of \$7.5 million)
- Sold eight loans totaling par of \$32.7 million, the early full repayment of five loans totaling par of \$28.2 million, three loans transferred from Transitory to Core totaling par of \$13.2 million and other partial repayments totaling par of \$4.2 million

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(1) Core portfolio consists of investments that generally yield greater than 9.0%

(2) Transitory portfolio consists of investments below the low end of our yield target. We intend to migrate out of these assets into ones meeting our Core portfolio yield. Excludes same day purchases/sales

(3) Includes the transfer of three portfolio companies with a par value of \$13.2 million and a weighted average yield of 19.3%, from Transitory to Core. Excluding these from the Q2 2014 core the average yield of core deals closed during the quarter was 11.8%.

Current and Historical Investment Portfolio Composition

Portfolio characteristics (\$ in millions)	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014
Total Market Value	\$278.9	\$418.1	\$411.5	\$429.1	\$455.2	\$433.6
Number of portfolio companies	63	83	71	70	71	62
Average investment size ⁽¹⁾	\$4.4	\$4.7	\$5.1	\$5.0	\$5.3	\$5.8
Weighted average yield ⁽²⁾	8.9%	8.8%	9.5%	9.8%	10.0%	10.4%
Weighted average price ⁽¹⁾	96.4	97.1	98.6	99.2	99.1	98.3
First lien	95.2%	93.8%	90.9%	88.1%	85.3%	77.1%
Second lien	4.7%	3.3%	3.3%	4.3%	5.2%	4.1%
Mezzanine/Subordinated	0.0%	0.0%	1.7%	1.7%	1.6%	3.0%
Unsecured	0.0%	0.0%	0.0%	0.0%	0.0%	1.5%
Consumer loans	0.0%	1.2%	2.2%	3.9%	5.3%	10.5%
Real estate loans	0.0%	0.0%	0.0%	0.0%	2.2%	2.3%
Equity	0.1%	1.7%	1.9%	2.0%	0.4%	1.5%
Core ⁽⁶⁾	36.7%	48.3%	57.2%	68.0%	70.6%	83.7%
Transitory ⁽⁶⁾	63.3%	51.7%	42.8%	32.0%	29.4%	16.3%
Originated ⁽⁴⁾	17.1%	16.0%	26.3%	32.3%	36.1%	39.6%
Club ⁽⁵⁾	6.2%	12.8%	15.0%	15.8%	19.9%	24.7%
Purchased	76.7%	71.2%	58.7%	51.9%	44.0%	35.7%
Fixed ⁽¹⁾	2.6%	1.7%	4.1%	5.0%	8.1%	12.3%
Floating ⁽¹⁾	97.4%	98.3%	95.9%	95.0%	91.9%	87.7%
Performing ⁽¹⁾	99.7%	98.8%	98.9%	100.0%	100.0%	98.8%
Non-performing ⁽¹⁾	0.3%	1.2%	1.1%	0.0%	0.0%	1.2%
Weighted average debt / EBITDA ⁽¹⁾⁽²⁾	3.6x	3.8x	3.7x	3.6x	3.5x	3.5x
Weighted average risk rating ⁽¹⁾	2.18	2.17	2.19	2.17	2.24	2.33

⁽¹⁾ Excludes consumer loans and equity investments

⁽²⁾ Excludes investments with a risk rating of 4, unfunded revolvers and equity investments

⁽³⁾ Excludes the impact of HC Cable Opco, LLC at June 30, 2013

⁽⁴⁾ Originated positions include investments where we have sourced and led the execution of the deal

⁽⁵⁾ Club positions include investments where we provide direct lending to a borrower with one or two other lenders but did not lead the deal

⁽⁶⁾ Q2 2014 includes the transfer of three portfolio companies, total par of \$13.2 million, from Transitory to Core, based on the current yield

Portfolio Activity for the Quarter Ended June 30, 2014

Core Portfolio	As of March 31, 2014	Originated / Purchased in Q2 2014	Repayments / Sales in Q2 2014 ⁽¹⁾	As of June 30, 2014
Total Par value ⁽²⁾	\$322.3	\$104.1	(\$61.5)	\$364.9
Number of Portfolio Companies ⁽³⁾⁽⁶⁾⁽⁸⁾⁽⁹⁾	38	12	(6)	44
Average Investment Size ⁽⁷⁾	\$8.5	\$7.0	(\$7.1)	\$8.3
Weighted Average Yield ⁽⁴⁾⁽⁵⁾⁽⁶⁾⁽⁹⁾	11.0%	12.8%	12.3%	11.0%
Transitory Portfolio	As of March 31, 2014	Purchased in Q2 2014	Repayments / Sales in Q2 2014 ⁽¹⁾	As of June 30, 2014
Total Par value ⁽²⁾	\$136.9	\$12.5	(\$78.3)	\$71.1
Number of Portfolio Companies ⁽³⁾⁽⁶⁾⁽⁹⁾	33	1	(16)	18
Average Investment Size ⁽⁷⁾	\$4.1	\$5.0	(\$4.7)	\$3.9
Weighted Average Yield ⁽⁴⁾⁽⁵⁾⁽⁶⁾⁽⁹⁾	7.7%	7.2%	8.4%	7.5%
Total Portfolio	As of March 31, 2014	Originated / Purchased in Q2 2014	Repayments / Sales in Q2 2014 ⁽¹⁾	As of June 30, 2014
Total Par value ⁽²⁾	\$459.2	\$116.6	(\$139.8)	\$436.0
Number of Portfolio Companies ⁽³⁾⁽⁶⁾⁽⁸⁾⁽⁹⁾	71	13	(22)	62
Average Investment Size ⁽⁷⁾	\$6.5	\$4.7	(\$5.6)	\$7.0
Weighted Average Yield ⁽⁴⁾⁽⁵⁾⁽⁶⁾⁽⁹⁾	10.0%	12.2%	10.1%	10.4%

⁽¹⁾ Change in total par value includes partial principal repayments

⁽²⁾ Includes only funded portion of par for unfunded revolvers

⁽³⁾ Excludes add-on investments with existing portfolio companies

⁽⁴⁾ Excludes investments with a risk rating of 4, unfunded revolvers and equity investments

⁽⁵⁾ Activity during the quarter does not reflect changes in market yields on existing positions or partial principal repayments

⁽⁶⁾ Excludes same day purchases/sales

⁽⁷⁾ Average investment size on activity for new portfolio companies and full repayments or sales

⁽⁸⁾ The GLC Trust 2013-2 Consumer Loan Portfolio, which holds a portfolio of small balance consumer loans, is counted as one portfolio company

⁽⁹⁾ Includes the transfer of three portfolio companies with a par value of \$13.2 million and a weighted average yield of 19.3%, from Transitory to Core. Excluding these investments from the current quarter core the average yield of core deals closed during the quarter was 11.8%.

Portfolio Activity Since Quarter End

Core Portfolio	As of June 30, 2014	Originated / Purchased since Q2 2014	Repayments / Sales since Q2 2014 ⁽¹⁾	Pro Forma September 30, 2014
Total Par value ⁽²⁾	\$364.9	\$50.8	(\$23.3)	\$392.4
Number of Portfolio Companies ⁽³⁾⁽⁶⁾⁽⁸⁾	44	5	(3)	46
Average Investment Size ⁽⁷⁾	\$8.3	\$9.8	(\$6.7)	\$8.5
Weighted Average Yield ⁽⁴⁾⁽⁵⁾⁽⁶⁾	11.0%	10.5%	10.5%	11.0%
Transitory Portfolio	As of June 30, 2014	Positions Added since Q2 2014	Repayments / Sales since Q2 2014 ⁽¹⁾	Pro Forma September 30, 2014
Total Par value ⁽²⁾	\$71.1	\$4.1	(\$18.6)	\$56.6
Number of Portfolio Companies ⁽³⁾⁽⁶⁾	18	0	(5)	13
Average Investment Size ⁽⁷⁾	\$3.9	NA	(\$5.2)	\$4.4
Weighted Average Yield ⁽⁴⁾⁽⁵⁾⁽⁶⁾	7.5%	4.5%	8.3%	7.0%
Total Portfolio	As of June 30, 2014	Originated / Purchased since Q2 2014	Repayments / Sales since Q2 2014 ⁽¹⁾	Pro Forma September 30, 2014
Total Par value ⁽²⁾	\$436.0	\$54.9	(\$41.9)	\$449.0
Number of Portfolio Companies ⁽³⁾⁽⁶⁾⁽⁸⁾	62	5	(8)	59
Average Investment Size ⁽⁷⁾	\$7.0	\$9.8	(\$4.4)	\$7.6
Weighted Average Yield ⁽⁴⁾⁽⁵⁾⁽⁶⁾	10.4%	10.1%	9.5%	10.5%

⁽¹⁾ Change in total par value includes partial principal repayments

⁽²⁾ Includes only funded portion of par for unfunded revolvers

⁽³⁾ Excludes add-on investments with existing portfolio companies

⁽⁴⁾ Excludes investments with a risk rating of 4, unfunded revolvers and equity investments

⁽⁵⁾ Activity between July 1, 2014 and July 31, 2014 does not reflect changes in market yields on existing positions or partial principal repayments

⁽⁶⁾ Excludes same day purchases/sales

⁽⁷⁾ Average investment size on activity for new portfolio companies and full repayments or sales

⁽⁸⁾ The GLC Trust 2013-2 Consumer Loan Portfolio, which holds a portfolio of small balance consumer loans, is counted as one portfolio company

Top 10 Loan Portfolio Investments as of June 30, 2014

Issuer (\$ in millions)	Fair Value	% of Loan Portfolio	Yield	Portfolio
GLC Trust 2013-2 Consumer Loan Portfolio ⁽¹⁾⁽²⁾	\$45.3	10.4%	9.0%	Core
MXD Group, Inc. (fka Exel Direct Inc.)	\$13.6	3.1%	12.0%	Core
Nursery Supplies, Inc.	\$11.2	2.6%	9.8%	Core
HC Cable OpCo, LLC	\$11.1	2.6%	9.0%	Core
PD Products, LLC	\$11.0	2.5%	12.0%	Core
EZE Trucking, LLC	\$10.5	2.4%	12.0%	Core
Attachmate Corporation	\$10.5	2.4%	10.7%	Core
Vistrionix, LLC	\$10.4	2.4%	8.7%	Core
Kranos Acquisition Corp.	\$10.4	2.4%	10.4%	Core
Apple & Eve, LLC	\$10.4	2.4%	9.5%	Core
Total	\$144.4	33.2%	10.0%	

⁽¹⁾ The GLC Trust 2013-2 Consumer Loan Portfolio holds a portfolio of small balance consumer loans. As of June 30, 2014 the portfolio included 4,103 loans with an average par balance of \$11,163, a weighted average interest rate of 15.6% and a weighted average maturity of 1/15/2018.

⁽²⁾ Yield on consumer loan portfolio is net of expected credit losses.

Comparative Statement of Financial Condition

<i>(In thousands, except per share data)</i>	June 30, 2014 (unaudited)	December 31, 2013
Assets		
Investments, fair value	\$ 433,588	\$ 429,081
Cash and cash equivalents	16,100	13,665
Cash and cash equivalents, restricted	27,709	27,965
Due from counterparties	15,835	6,660
Accrued interest receivable	2,927	2,664
Deferred debt issuance costs	4,543	4,884
Deferred offering costs	259	-
Other assets	565	161
Total Assets	\$ 501,526	\$ 485,080
Liabilities		
Debt	\$ 224,712	\$ 219,419
Due to counterparties	7,803	7,840
Payables to affiliates	5,567	1,317
Interest payable	672	1,488
Accrued expenses and other payables	687	936
Total Liabilities	239,441	231,000
Total Net Assets	262,085	254,080
Total Liabilities and Net Assets	\$ 501,526	\$ 485,080
Net Asset Value per Share	\$ 15.64	\$ 15.16

Comparative Statement of Quarterly Operating Results

<i>(In thousands, except per share data)</i>	For the three months ended		Variance	
	June 30, 2014 (unaudited)	June 30, 2013 (unaudited)		
Investment income				
Interest income	\$ 12,848	\$ 7,611	\$ 5,237	68.8%
Dividend income	\$ -	\$ -	\$ -	NA
Total Investment income	12,848	7,611	5,237	68.8%
Expenses				
Interest	1,608	1,619	(11)	-0.7%
Management fees	2,016	1,514	502	33.2%
Incentive fees	2,190	117	2,073	1771.8%
Professional fees	261	351	(90)	-25.6%
Directors fees	94	96	(2)	-2.1%
Administrator expenses	198	220	(22)	-10.0%
Other expenses	502	278	224	80.6%
Total expenses	6,869	4,195	2,674	63.7%
Base management fees/incentive fees waived	-	(1,631)	1,631	-100.0%
Net expenses	\$ 6,869	\$ 2,564	\$ 4,305	167.9%
Net investment income	\$ 5,979	\$ 5,047	\$ 932	18.5%
Realized and unrealized gain/(loss) on investments				
Net realized gain/(loss) from investments	800	585	215	36.8%
Net change in unrealized appreciation on investments	2,280	1,165	1,115	95.7%
Net realized and unrealized gain/(loss) on investments	\$ 3,080	\$ 1,750	\$ 1,330	76.0%
Net increase in net assets resulting from operations	\$ 9,059	\$ 6,797	\$ 2,262	33.3%
Net investment income per common share	\$0.36	\$0.30	\$0.06	18.9%
Basic earnings per common share	\$0.54	\$0.41	\$0.13	31.8%
Basic weighted average common shares outstanding	16,759	16,690	68.8	0.4%
Dividends and distributions declared per common share	\$ 0.35	\$ 0.35	\$ -	0.0%

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