

TCP Capital Corp.  
Form 10-Q  
August 08, 2013

**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**WASHINGTON, DC 20549**

**FORM 10-Q**

**Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

**For the Quarter Ended June 30, 2013**

**Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

**Commission File Number: 814-00899**

**TCP CAPITAL CORP.**

(Exact Name of Registrant as Specified in Charter)

**Delaware**                      **56-2594706**  
(State or Other Jurisdiction      (IRS Employer

of Incorporation)              Identification No.)

**2951 28<sup>th</sup> Street, Suite 1000**

**90405**

**Santa Monica, California**

(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code **(310) 566-1000**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months and (2) has been subject to such filing requirements for the past 90 days: Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer  Accelerated filer

Non-accelerated filer  Smaller Reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes  No

The number of shares of the Registrant's common stock, \$0.001 par value, outstanding as of August 8, 2013 was 26,654,701.

**Table of Contents**

**TCP CAPITAL CORP.**

**FORM 10-Q FOR THE QUARTER ENDED JUNE 30, 2013**

TABLE OF CONTENTS

	Page
<b>Part I. Financial Information</b>	
Item 1. Financial Statements	
Consolidated Statements of Assets and Liabilities as of June 30, 2013 (unaudited) and December 31, 2012	2
Consolidated Statements of Investments as of June 30, 2013 (unaudited) and December 31, 2012	3
Consolidated Statements of Operations for the three and six months ended June 30, 2013 (unaudited) and June 30, 2012 (unaudited)	15
Consolidated Statements of Changes in Net Assets for the six months ended June 30, 2013 (unaudited) and year ended December 31, 2012	16
Consolidated Statements of Cash Flows for the six months ended June 30, 2013 (unaudited) and June 30, 2012 (unaudited)	17
Notes to Consolidated Financial Statements (unaudited)	18
Consolidated Schedule of Changes in Investments in Affiliates for the six months ended June 30, 2013 (unaudited) and year ended December 31, 2012	35
Consolidated Schedule of Restricted Securities of Unaffiliated Issuers as of June 30, 2013 (unaudited) and December 31, 2012	37
Consolidating Statement of Assets and Liabilities as of June 30, 2013 (unaudited) and December 31, 2012	38
Consolidating Statement of Operations for the six months ended June 30, 2013 (unaudited) and June 30, 2012 (unaudited)	40
Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations	42
Item 3. Quantitative and Qualitative Disclosures About Market Risk	54
Item 4. Controls and Procedures	55
<b>Part II. Other Information</b>	
Item 1. Legal Proceedings	56

Item 1A.	Risk Factors	56
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds	56
Item 3.	Defaults upon Senior Securities	56
Item 4.	Mine Safety Disclosures	56
Item 5.	Other Information	56
Item 6.	Exhibits	56

TCP Capital Corp.

## Consolidated Statements of Assets and Liabilities

	June 30, 2013 (unaudited)	December 31, 2012
<b>Assets</b>		
Investments, at fair value:		
Unaffiliated issuers (cost of \$561,129,297 and \$508,302,758, respectively)	\$ 501,648,852	\$ 440,772,190
Controlled companies (cost of \$43,776,456 and \$44,964,189 respectively)	20,863,780	22,489,208
Other affiliates (cost of \$51,724,840 and \$55,803,421, respectively)	49,249,412	54,421,689
Total investments (cost of \$656,630,593 and \$609,070,368, respectively)	571,762,044	517,683,087
Cash and cash equivalents	40,065,668	18,035,189
Accrued interest income:		
Unaffiliated issuers	5,483,176	4,039,149
Controlled companies	47,773	53,524
Other affiliates	807,362	482,634
Receivable for investments sold	2,695,000	7,727,415
Deferred debt issuance costs	1,234,215	696,018
Unrealized appreciation on swaps	271,816	179,364
Prepaid expenses and other assets	1,041,845	345,722
Total assets	623,408,899	549,242,102
<b>Liabilities</b>		
Debt		
Incentive allocation payable	33,000,000	74,000,000
Payable for investments purchased	2,476,035	-
Interest payable	50,179,344	21,814,819
Payable to the Investment Manager	225,981	119,233
Management and advisory fees payable	625,006	109,200
Accrued expenses and other liabilities	1,940,295	-
Total liabilities	1,938,607	2,685,015
Preferred equity facility		
Series A preferred limited partner interests in Special Value Continuation Partners, LP; \$20,000/interest liquidation preference; 6,700 interests authorized, issued and outstanding	134,000,000	134,000,000
Accumulated dividends on Series A preferred equity facility	491,163	526,285
Total preferred limited partner interests	134,491,163	134,526,285
Non-controlling interest		
General Partner interest in Special Value Continuation Partners, LP	344,310	-

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Net assets applicable to common shareholders	\$ 398,188,158	<b>\$ 315,987,550</b>
Composition of net assets applicable to common shareholders		
Common stock, \$0.001 par value; 200,000,000 shares authorized, 26,654,701 and 21,477,628 shares issued and outstanding as of June 30, 2013 and December 31, 2012, respectively	26,655	21,478
Paid-in capital in excess of par	522,439,540	444,234,060
Accumulated net investment income	23,502,379	22,526,179
Accumulated net realized losses	(62,601,363 )	(59,023,861 )
Accumulated net unrealized depreciation	(85,179,053 )	(91,770,306 )
Net assets applicable to common shareholders	\$ 398,188,158	\$ 315,987,550
Net assets per share	\$14.94	\$ 14.71

*See accompanying notes.*

TCP Capital Corp.

Consolidated Statement of Investments (Unaudited)

June 30, 2013

Showing Percentage of Total Cash and Investments of the Company

Investment	Principal Amount	Cost	Fair Value	Percent of Cash and Investments	
Debt Investments (87.32%)					
<b>Bank Debt (73.66%) (1)</b>					
Accounting, Tax Preparation, Bookkeeping, and Payroll Services (1.34%)					
Expert Global Solutions, LLC, Senior Secured 1st Lien Term Loan B, LIBOR + 7.25%, 1.25% LIBOR Floor, due 4/3/18	\$ 709,433	\$ 703,672	\$ 722,025	0.12	%
Expert Global Solutions, LLC, Senior Secured 2nd Lien Term Loan, LIBOR + 11%, 1.5% LIBOR Floor, due 10/3/18	\$ 7,434,877	7,212,837	7,479,487	1.22	%
Total Accounting, Tax Preparation, Bookkeeping, and Payroll Services		7,916,509	8,201,512		
Artificial Synthetic Fibers and Filaments Manufacturing (0.34%)					
AGY Holding Corp., Senior Secured Term Loan, 12%, due 9/15/16 (2)	\$ 2,056,927	2,056,927	2,056,927	0.34	%
Business Support Services (2.42%)					
STG-Fairway Acquisitions, Inc., Senior Secured 2nd Lien Term Loan, LIBOR + 9.25%, 1.25% LIBOR Floor, due 8/28/19	\$ 14,643,455	13,901,546	14,804,534	2.42	%
Computer Equipment Manufacturing (1.23%)					
ELO Touch Solutions, Inc., Senior Secured 2nd Lien Term Loan, LIBOR + 10.5%, 1.5% LIBOR Floor, due 12/1/18	\$ 10,000,000	9,643,220	7,500,000	1.23	%
Converted Paper Products Manufacturing (0.57%)					

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Ranpak Corp., Senior Secured 2nd Lien Term Loan, LIBOR + 7.25%, 1.25% LIBOR Floor, due 4/23/20	\$3,469,573	3,434,877	3,504,269	0.57	%
Electric Power Generation, Transmission and Distribution (2.83%)					
Panda Sherman Power, LLC, Senior Secured 1st Lien Term Loan, LIBOR + 7.5%, 1.5% LIBOR Floor, due 9/14/18	\$11,070,172	10,921,028	11,319,251	1.86	%
Panda Temple Power II, LLC, Senior Secured 1st Lien Term Loan, LIBOR + 6%, 1.25% LIBOR Floor, due 4/3/19	\$5,892,970	5,834,041	5,951,900	0.97	%
Total Electric Power Generation, Transmission and Distribution		16,755,069	17,271,151		
Electronic Shopping (1.32%)					
Shopzilla, Inc., Senior Secured 2nd Lien Term Loan, LIBOR + 9.5%, due 3/31/16	\$8,055,057	7,758,926	8,063,112	1.32	%
Financial Investment Activities (0.38%)					
Marsico Capital Management, Senior Secured 1st Lien Term Loan, LIBOR + 5%, due 12/31/22	\$10,805,431	13,605,476	2,296,154	0.38	%
Freight Transportation Arrangement (0.62%)					
Livingston International, Inc., 2nd Lien Term Loan, LIBOR + 7.75%, 1.25% LIBOR Floor, due 4/18/20	\$3,750,000	3,676,841	3,801,563	0.62	%
Full-Service Restaurants (2.83%)					
RM Holdco, LLC, Subordinated Convertible Term Loan, 1.12% PIK, due 3/21/18 <sup>(2)</sup>	\$5,106,805	5,106,805	3,648,813	0.60	%
RM OpCo, LLC, Convertible 1st Lien Term Loan Tranche B-1, 12% Cash + 7% PIK, due 3/21/16 <sup>(2)</sup>	\$1,307,280	1,271,799	1,307,280	0.21	%
RM OpCo, LLC, Senior Secured 1st Lien Term Loan Tranche A, 11%, due 3/21/16 <sup>(2)</sup>	\$3,723,322	3,723,322	3,723,322	0.62	%
RM OpCo, LLC, Senior Secured 1st Lien Term Loan Tranche B, 12% Cash + 7% PIK, due 3/21/16 <sup>(2)</sup>	\$6,503,573	6,503,573	6,503,573	1.06	%
RM OpCo, LLC, Senior Secured 1st Lien Term Loan Tranche B-1, 12% Cash + 7% PIK, due 3/21/16 <sup>(2)</sup>	\$2,051,179	2,003,078	2,051,179	0.34	%
Total Full-Service Restaurants		18,608,577	17,234,167		
Gaming Industries (5.09%)					
Golden Gaming, Inc., Senior Secured 1st Lien Term Loan, LIBOR + 7% Cash + 1% PIK, 2% LIBOR Floor, due 3/1/16	\$15,977,036	15,604,224	15,737,380	2.58	%
AGS LLC, 1st Lien Term Loan, LIBOR + 10%, 1.5% LIBOR Floor, due 8/15/16	\$13,269,231	12,835,230	13,581,058	2.22	%
AGS LLC, DDTL 1st Lien Term Loan, LIBOR + 10%, 1.5% LIBOR Floor, due 8/15/16	\$1,730,769	1,668,147	1,771,442	0.29	%
Total Gaming Industries		30,107,601	31,089,880		



TCP Capital Corp.

## Consolidated Statement of Investments (Unaudited) (Continued)

June 30, 2013

## Showing Percentage of Total Cash and Investments of the Company

Investment	Principal Amount	Cost	Fair Value	Percent of Cash and Investments	
Debt Investments (continued)					
Grocery Stores (2.07%)					
Bashas, Inc., Senior Secured 1st Lien FILO Term Loan, LIBOR + 9.35%, 1.5% LIBOR Floor, due 12/28/15	\$12,386,974	\$12,386,974	\$12,678,067	2.07	%
Inland Water Transportation (2.08%)					
US Shipping Corp, Senior Secured 1st Lien Term Loan B, LIBOR + 7.75%, 1.25% LIBOR Floor, due 4/30/18	\$12,666,667	12,540,000	12,708,847	2.08	%
Insurance Related Activities (0.92%)					
Confie Seguros Holding II Co., 2nd Lien Term Loan, LIBOR + 9%, 1.25% LIBOR Floor, due 5/8/19	\$5,541,809	5,439,149	5,624,936	0.92	%
Iron and Steel Mills and Ferroalloy Manufacturing (1.09%)					
Essar Steel Algoma, Inc., Senior Secured Term Loan, LIBOR + 7.5%, 1.25% LIBOR Floor, due 9/20/14	\$6,548,242	6,464,067	6,691,518	1.09	%
Motion Picture and Video Industries (2.54%)					
CORE Entertainment, Inc., Senior Secured 1st Lien Term Loan, 9%, due 6/21/17	\$9,462,231	9,371,287	8,563,319	1.40	%
CORE Entertainment, Inc., Senior Secured 2nd Lien Term Loan, 13.5%, due 6/21/18	\$7,569,785	7,494,745	6,964,202	1.14	%
Total Motion Picture and Video Industries		16,866,032	15,527,521		
Motor Vehicle Parts Manufacturing (2.14%)					
DMI SMW Holding Corporation, 1st Lien Senior Secured Term Loan, LIBOR + 7.75%, 1.5% LIBOR Floor, due 12/21/17	\$12,864,180	12,725,052	13,121,463	2.14	%

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Newspaper, Periodical, Book, and Directory Publishers  
(2.17%)

MediMedia USA, Inc., 1st Lien Revolver, LIBOR + 6.75%, due 5/20/18	\$2,170,000	2,557,500	3,593,520	0.59	%
MediMedia USA, Inc., 1st Lien Term Loan, LIBOR + 6.75%, 1.25% LIBOR Floor, due 11/20/18	\$9,750,000	9,457,500	9,689,063	1.58	%
Total Newspaper, Periodical, Book, and Directory Publishers		12,015,000	13,282,583		

Other Amusement and Recreation Industries (1.92%)

Intrawest Cayman L.P., 1st Lien Term Loan, LIBOR + 5.75%, 1.25% LIBOR Floor, due 12/4/17 - (Cayman Islands)	\$1,243,750	1,226,886	1,261,890	0.21	%
Intrawest Cayman L.P., 2nd Lien Term Loan, LIBOR + 9.5%, 1.25% LIBOR Floor, due 12/4/18 - (Cayman Islands)	\$10,250,000	10,012,402	10,480,625	1.71	%
Total Other Amusement and Recreation Industries		11,239,288	11,742,515		

Other Electrical Equipment and Component Manufacturing  
(2.76%)

Palladium Energy, Inc., 1st Lien Senior Secured Term Loan, LIBOR + 9%, 1% LIBOR Floor, due 12/26/17	\$16,500,317	16,199,303	16,888,074	2.76	%
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Other Professional, Scientific, and Technical Services  
(4.15%)

Connolly, LLC, Senior Secured 2nd Lien Term Loan, LIBOR + 9.25%, 1.25% LIBOR Floor, due 7/15/19	\$12,000,000	11,818,600	12,120,000	1.98	%
ConvergeOne Holdings, 1st Lien Term Loan, LIBOR + 8%, 1.25% LIBOR Floor, due 5/8/19	\$13,500,000	13,297,500	13,297,500	2.17	%
Total Other Professional, Scientific, and Technical Services		25,116,100	25,417,500		

Other Telecommunications (2.30%)

Securus Technologies, Inc., 2nd Lien Term Loan, LIBOR + 7.75%, 1.25% LIBOR Floor, due 4/30/21	\$14,000,000	13,860,000	14,065,660	2.30	%
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Petroleum and Coal Products Manufacturing (1.34%)

Boomerang Tube, LLC, 2nd Lien Term Loan, LIBOR + 9.5%, 1.5% LIBOR Floor, due 10/11/17	\$8,306,975	8,087,150	8,223,905	1.34	%
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Pharmaceutical and Medicine Manufacturing (1.33%)

Pharmaceutical Research Associates, Inc., 2nd Lien Term Loan, LIBOR + 9.25%, 1.25% LIBOR Floor, due 6/10/19	\$7,996,875	7,836,938	8,121,826	1.33	%
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Promoters of Performing Arts, Sports, and Similar Events  
(1.82%)

Stadium Management Group, Senior Secured 2nd Lien Term Loan, LIBOR + 9.50%, 1.25% LIBOR Floor, due 12/7/18	\$11,000,000	10,804,248	11,165,000	1.82	%
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TCP Capital Corp.

## Consolidated Statement of Investments (Unaudited) (Continued)

June 30, 2013

## Showing Percentage of Total Cash and Investments of the Company

Investment	Principal Amount	Cost	Fair Value	Percent of Cash and Investments	
Debt Investments (continued)					
Radio and Television Broadcasting (3.92%)					
SiTV, Inc., Senior Secured 1st Lien Term Loan, LIBOR + 6% Cash + 4% PIK, 2% LIBOR Floor, due 8/3/16	\$6,910,700	\$6,539,175	\$6,689,558	1.09	%
The Tennis Channel, Inc., Senior Secured 1st Lien Term Loan, LIBOR + 8.5%, due 5/29/17	\$17,347,866	16,842,708	17,295,822	2.83	%
Total Radio and Television Broadcasting		23,381,883	23,985,380		
Retail (1.59%)					
Kenneth Cole Productions, Inc., Senior Secured 1st Lien FILO Term Loan, LIBOR + 10.60%, 1% LIBOR Floor, due 9/25/17	\$9,590,909	9,342,431	9,734,773	1.59	%
Scheduled Air Transportation (2.38%)					
Aircraft Secured Mortgages - Aircraft Leased to Delta Air Lines, Inc.					
N913DL, 8%, due 3/15/17 <sup>(6)</sup>	\$328,575	328,575	334,560	0.05	%
N918DL, 8%, due 8/15/18 <sup>(6)</sup>	\$422,991	422,991	428,230	0.07	%
N954DL, 8%, due 3/20/19 <sup>(6)</sup>	\$554,573	554,573	559,130	0.09	%
N955DL, 8%, due 6/20/19 <sup>(6)</sup>	\$571,950	571,950	575,790	0.09	%
N956DL, 8%, due 5/20/19 <sup>(6)</sup>	\$571,586	571,586	575,790	0.09	%
N957DL, 8%, due 6/20/19 <sup>(6)</sup>	\$576,953	576,953	580,890	0.09	%
N959DL, 8%, due 7/20/19 <sup>(6)</sup>	\$582,277	582,277	585,990	0.10	%
N960DL, 8%, due 10/20/19 <sup>(6)</sup>	\$602,988	602,988	605,710	0.10	%
N961DL, 8%, due 8/20/19 <sup>(6)</sup>	\$597,481	597,481	600,950	0.10	%
N976DL, 8%, due 2/15/18 <sup>(6)</sup>	\$434,977	434,977	441,490	0.07	%
Aircraft Secured Mortgages - Aircraft Leased to United Airlines, Inc.					

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N510UA, 20%, due 10/26/16 <sup>(2)</sup>	\$371,650	371,650	473,195	0.08	%
N512UA, 20%, due 10/26/16 <sup>(2)</sup>	\$376,416	376,416	481,935	0.08	%
N536UA, 16%, due 9/29/14 <sup>(2)</sup>	\$183,234	183,234	197,695	0.03	%
N545UA, 16%, due 8/29/15 <sup>(2)</sup>	\$316,357	316,357	359,005	0.06	%
N585UA, 20%, due 10/25/16 <sup>(2)</sup>	\$441,969	441,969	565,915	0.09	%
N659UA, 12%, due 2/28/16 <sup>(6)</sup>	\$3,222,700	3,222,700	3,485,737	0.57	%
N661UA, 12%, due 5/4/16 <sup>(6)</sup>	\$3,379,195	3,379,195	3,788,310	0.62	%
Total Scheduled Air Transportation		13,535,872	14,640,322		
Semiconductor and Other Electronic Component Manufacturing (2.29%)					
Isola USA Corporation, 1st Lien Term Loan, LIBOR + 8%, 2% LIBOR Floor, due 9/30/15	\$14,000,000	13,975,000	14,000,000	2.29	%
Software Publishers (8.57%)					
Blue Coat Systems, Inc., Senior Secured 2nd Lien Term Loan, LIBOR + 8.5%, 1% LIBOR Floor, due 6/28/20	\$15,000,000	14,878,125	15,000,000	2.45	%
Deltek, Inc., Senior Secured 2nd Lien Term Loan, LIBOR + 8.75%, 1.25% LIBOR Floor, due 10/10/19	\$15,000,000	14,793,064	15,187,500	2.48	%
Edmentum, Inc., Senior Secured 2nd Lien Term Loan, LIBOR + 9.75%, 1.5% LIBOR Floor, due 5/17/19	\$15,000,000	14,732,239	15,075,000	2.46	%
Websense, Inc., Senior Secured 2nd Lien Term Loan, LIBOR + 7.25%, 1% LIBOR Floor, due 12/27/20	\$7,200,000	7,164,000	7,209,000	1.18	%
Total Software Publishers		51,567,428	52,471,500		
Wired Telecommunications Carriers (3.36%)					
Bulgaria Telecom Company AD, 1st Lien Facility 1A Term Loan, EURIBOR + 5.5%, due 11/9/17 - (Bulgaria) <sup>(4)</sup>	€3,261,237	3,523,974	3,967,083	0.65	%
Integra Telecom Holdings, Inc., 2nd Lien Term Loan, LIBOR + 8.5%, 1.25% LIBOR Floor, due 2/22/20	\$15,000,000	14,683,897	15,420,525	2.52	%
Viva Telecom Bulgaria EAD, 1st Lien Facility 1B Term Loan, EURIBOR + 5.5%, due 11/9/17 - (Luxembourg) <sup>(4)</sup>	€980,713	1,059,723	1,192,973	0.19	%
Total Wired Telecommunications Carriers		19,267,594	20,580,581		

TCP Capital Corp.

## Consolidated Statement of Investments (Unaudited) (Continued)

June 30, 2013

## Showing Percentage of Total Cash and Investments of the Company

Investment	Principal Amount or Shares	Cost	Fair Value	Percent of Cash and Investments	
Debt Investments (continued)					
Wireless Telecommunications Carriers (3.95%)					
Globalive Wireless Management Corp., Senior Secured 1st Lien Term Loan, LIBOR + 10.9%, due 4/30/14 - (Canada)	\$3,037,292	\$2,933,872	\$3,028,180	0.49	%
Gogo, LLC, Senior Secured 1st Lien Term Loan, LIBOR + 9.75%, 1.5% LIBOR Floor, due 6/21/17	\$19,839,573	18,948,000	21,148,984	3.46	%
Total Wireless Telecommunications Carriers		21,881,872	24,177,164		
Total Bank Debt		451,996,950	450,672,404		
Other Corporate Debt Securities (13.66%)					
Architectural, Engineering, and Related Services (1.18%)					
ESP Holdings, Inc., Junior Unsecured Subordinated Promissory Notes, 6% Cash + 10% PIK, due 12/31/19 (2), (5)	\$7,209,840	7,209,840	7,209,840	1.18	%
Artificial Synthetic Fibers and Filaments Manufacturing (1.49%)					
AGY Holding Corporation, Senior Secured 2nd Lien Notes, 11%, due 11/15/16 (2)	\$9,268,000	7,586,317	9,128,980	1.49	%
Data Processing, Hosting, and Related Services (1.24%)					
The Telx Group, Inc., Senior Unsecured Notes, 10% Cash + 2% PIK, due 9/26/19 (5)	\$7,028,456	6,889,974	7,590,732	1.24	%
Metal and Mineral (except Petroleum) Merchant Wholesalers (2.02%)					

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Constellation Enterprises, LLC, Senior Secured 1st Lien Notes, 10.625%, due 2/1/16 <sup>(5)</sup>	\$ 12,500,000	12,322,875	12,326,174	2.02	%
Metal Ore Mining (1.11%)					
St Barbara Ltd., 1st Priority Senior Secured Notes, 8.875%, due 4/15/18 <sup>(5)</sup>	\$ 7,359,000	7,323,241	6,770,280	1.11	%
Nondepository Credit Intermediation (1.68%)					
Caribbean Financial Group, Senior Secured Notes, 11.5%, due 11/15/19 <sup>(5)</sup>	\$ 10,000,000	9,813,857	10,300,000	1.68	%
Plastics Products Manufacturing (2.26%)					
Iracore International, Inc., Senior Secured Notes, 9.5%, due 6/1/18 <sup>(5)</sup>	\$ 13,600,000	13,600,000	13,804,000	2.26	%
Scientific Research and Development Services (2.68%)					
BPA Laboratories, Inc., Senior Secured Notes, 12.25%, due 4/1/17 <sup>(5)</sup>	\$ 17,110,000	16,446,295	16,425,600	2.68	%
Total Other Corporate Debt Securities		81,192,399	83,555,606		
Total Debt Investments		533,189,349	534,228,010		
Equity Securities (6.13%)					
Architectural, Engineering, and Related Services (1.10%)					
ESP Holdings, Inc., Cumulative Preferred 15% <sup>(2), (3), (5)</sup>	20,297	2,249,930	3,947,863	0.65	%
ESP Holdings, Inc., Common Stock <sup>(2), (3), (5)</sup>	88,670	9,311,782	2,782,460	0.45	%
Total Architectural, Engineering, and Related Services		11,561,712	6,730,323		
Business Support Services (0.21%)					
STG-Fairway Holdings, LLC, Class A Units <sup>(3), (5)</sup>	80,396	1,100,348	1,279,342	0.21	%
Data Processing, Hosting, and Related Services (0.17%)					
Anacomp, Inc., Class A Common Stock <sup>(3), (5), (6)</sup>	1,255,527	26,711,048	1,016,977	0.17	%
Depository Credit Intermediation (0.15%)					
Doral Financial Corporation, Common Stock <sup>(3)</sup>	1,077,795	11,699,417	894,570	0.15	%
Electric Power Generation, Transmission and Distribution (0.01%)					
La Paloma Residual Bank Debt Claim <sup>(3), (5)</sup>	1,830,453	1,574,284	51,253	0.01	%
Electronic Shopping (0.21%)					
Shop Holding, LLC, Class A Units <sup>(3), (5)</sup>	490,037	462,576	992,709	0.16	%
Shop Holding, LLC, Warrants to Purchase Class A Units <sup>(3), (5)</sup>	326,691	-	335,154	0.05	%
Total Electronic Shopping		462,576	1,327,863		

TCP Capital Corp.

## Consolidated Statement of Investments (Unaudited) (Continued)

June 30, 2013

## Showing Percentage of Total Cash and Investments of the Company

Investment	Shares	Cost	Fair Value	Percent of Cash and Investments	
Equity Securities (continued)					
Financial Investment Activities (0.00%)					
Marsico Holdings, LLC, Common Interest Units <sup>(3), (5)</sup>	168,698	\$ 172,694	\$ 843	-	
Full-Service Restaurants (0.00%)					
RM Holdco, LLC, Membership Units <sup>(2), (3), (5)</sup>	13,161,000	2,010,777	-	-	
Machine Shops; Turned Product; and Screw, Nut, and Bolt Manufacturing (0.00%)					
Precision Holdings, LLC, Class C Membership Interests <sup>(3), (5)</sup>	33	1,396	17,240	-	
Nonmetallic Mineral Mining and Quarrying (0.35%)					
EPMC HoldCo, LLC, Membership Units <sup>(2), (5)</sup>	1,312,720	-	2,152,862	0.35	%
Other Amusement and Recreation Industries (0.00%)					
Bally Total Fitness Holding Corporation, Common Stock <sup>(3), (5)</sup>	6,058	45,186,963	18,174	-	
Bally Total Fitness Holding Corporation, Warrants <sup>(3), (5)</sup>	10,924	-	1	-	
Total Other Amusement and Recreation Industries		45,186,963	18,175		
Radio and Television Broadcasting (0.06%)					
SiTV, Inc., Warrants to Purchase Common Stock <sup>(3), (5)</sup>	233,470	300,322	352,540	0.06	%
Scheduled Air Transportation (1.66%)					
Equipment Trusts - Aircraft Leased to Delta Air Lines, Inc.					
N913DL Trust Beneficial Interests <sup>(5), (6)</sup>	594	104,865	129,540	0.02	%
N918DL Trust Beneficial Interests <sup>(5), (6)</sup>	526	119,617	145,860	0.02	%

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N954DL Trust Beneficial Interests <sup>(5), (6)</sup>	505	146,704	81,430	0.01	%
N955DL Trust Beneficial Interests <sup>(5), (6)</sup>	495	148,419	130,560	0.02	%
N956DL Trust Beneficial Interests <sup>(5), (6)</sup>	497	148,548	133,450	0.02	%
N957DL Trust Beneficial Interests <sup>(5), (6)</sup>	495	149,508	134,300	0.02	%
N959DL Trust Beneficial Interests <sup>(5), (6)</sup>	493	150,462	135,320	0.02	%
N960DL Trust Beneficial Interests <sup>(5), (6)</sup>	486	154,379	141,780	0.02	%
N961DL Trust Beneficial Interests <sup>(5), (6)</sup>	490	153,569	143,820	0.02	%
N976DL Trust Beneficial Interests <sup>(5), (6)</sup>	546	124,076	103,530	0.02	%
Equipment Trusts - Aircraft Leased to United Airlines, Inc.					
N510UA Trust Beneficial Interests <sup>(2), (5)</sup>	48	172,564	487,575	0.08	%
N512UA Trust Beneficial Interests <sup>(2), (5)</sup>	48	168,826	480,801	0.08	%
N536UA Trust Beneficial Interests <sup>(2), (5)</sup>	71	344,500	653,724	0.11	%
N545UA Trust Beneficial Interests <sup>(2), (5)</sup>	59	305,178	656,847	0.11	%
N585UA Trust Beneficial Interests <sup>(2), (5)</sup>	48	188,950	594,043	0.10	%
United N659UA-767, LLC (N659UA) <sup>(5), (6)</sup>	361	1,920,445	3,029,575	0.50	%
United N661UA-767, LLC (N661UA) <sup>(5), (6)</sup>	350	1,898,569	2,975,061	0.49	%
Total Scheduled Air Transportation		6,399,179	10,157,216		
Resin, Synthetic Rubber, and Artificial Synthetic Fibers and Filaments Manufacturing (0.18%)					
KAGY Holding Company, Inc., Series A Preferred Stock <sup>(2), (3), (5)</sup>	9,777,740	1,092,844	1,092,858	0.18	%
Semiconductor and Other Electronic Component Manufacturing (0.04%)					
AIP/IS Holdings, LLC, Membership Units <sup>(3), (5)</sup>	352	-	229,504	0.04	%
Support Activities for Mining (0.58%)					
DeepOcean Group Holding BV, Common Stock - (Norway) <sup>(3), (5)</sup>	145,824	3,477,624	3,572,909	0.58	%



TCP Capital Corp.

## Consolidated Statement of Investments (Unaudited) (Continued)

June 30, 2013

## Showing Percentage of Total Cash and Investments of the Company

Investment	Shares	Cost	Fair Value	Percent of Cash and Investments	
Equity Securities (continued)					
Wired Telecommunications Carriers (1.41%)					
Integra Telecom, Inc., Common Stock <sup>(3), (5)</sup>	1,274,522	\$8,433,884	\$5,265,976	0.86	%
Integra Telecom, Inc., Warrants <sup>(3), (5)</sup>	346,939	19,920	-	-	
V Telecom Investment S.C.A, Common Shares - (Luxembourg) <sup>(3), (4), (5)</sup>	1,393	3,236,256	3,373,583	0.55	%
Total Wired Telecommunications Carriers		11,690,060	8,639,559		
Total Equity Securities		123,441,244	37,534,034		
<b>Total Investments <sup>(7)</sup></b>		656,630,593	571,762,044		
Cash and Cash Equivalents			40,065,668	6.55	%
Total Cash and Investments			\$611,827,712	100.00	%

*Notes to Statement of Investments:*

Investments in bank debt generally are bought and sold among institutional investors in transactions not subject to <sup>(1)</sup>registration under the Securities Act of 1933. Such transactions are generally subject to contractual restrictions, such as approval of the agent or borrower.

<sup>(2)</sup> 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).

<sup>(3)</sup>

Non-income producing security.

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- (4) Principal amount denominated in foreign currency. Amortized cost and fair value converted from foreign currency to US dollars. (See Note 2)
- (5) Restricted security. (See Note 2)
- (6) Controlled issuer – as defined under the Investment Company Act of 1940 (ownership of 25% or more of the outstanding voting securities of this issuer).
- (7) Includes investments with an aggregate market value of \$5,916,563 that have been segregated to collateralize certain unfunded commitments.

Aggregate acquisitions and aggregate dispositions of investments, other than government securities, totaled \$170,863,503 and \$121,049,823, respectively for the six months ended June 30, 2013. Aggregate acquisitions includes investment assets received as payment in kind. Aggregate dispositions includes principal paydowns on and maturities of debt investments. The total value of restricted securities and bank debt as of June 30, 2013 was \$561,738,494, or 91.8% of total cash and investments of the Company.

Swaps at June 30, 2013 were as follows:

Investment	Notional Amount	Fair Value
Euro/US Dollar Cross-Currency Basis Swap, Pay Euros/Receive USD, Expires 5/16/14	\$ 6,040,944	\$ 271,816

*See accompanying notes.*

TCP Capital Corp.

## Consolidated Statement of Investments

December 31, 2012

## Showing Percentage of Total Cash and Investments of the Company

Investment	Principal Amount	Cost	Fair Value	Percent of Cash and Investments	
Debt Investments (90.12%)					
<b>Bank Debt (75.60%) (1)</b>					
Accounting, Tax Preparation, Bookkeeping, and Payroll Services (3.16%)					
Expert Global Solutions, LLC, Senior Secured 1st Lien Term Loan B, LIBOR + 6.75%, 1.25% LIBOR Floor, due 4/2/18	\$1,916,252	\$1,882,302	\$1,925,239	0.36	%
Expert Global Solutions, LLC, Senior Secured 2nd Lien Term Loan, LIBOR + 9.5%, 1.5% LIBOR Floor, due 10/2/18	\$14,976,011	14,493,414	14,953,547	2.80	%
Total Accounting, Tax Preparation, Bookkeeping, and Payroll Services		16,375,716	16,878,786		
Business Support Services (3.58%)					
STG-Fairway Acquisitions, Inc., Senior Secured 2nd Lien Term Loan, 12.5%, due 12/29/15	\$19,878,935	18,821,586	19,193,112	3.58	%
Computer Equipment Manufacturing (1.78%)					
ELO Touch Solutions, Inc., Senior Secured 2nd Lien Term Loan, LIBOR + 10.5%, 1.5% LIBOR Floor, due 12/4/18	\$10,000,000	9,621,530	9,550,000	1.78	%
Electric Power Generation, Transmission and Distribution (3.41%)					
Panda Sherman Power, LLC, Senior Secured 1st Lien Term Loan, LIBOR + 7.5%, 1.5% LIBOR Floor, due 9/14/18	\$11,070,172	10,910,286	11,263,900	2.10	%
Astoria Generating Company Acquisitions, LLC, Senior Secured 1st Lien Term Loan, LIBOR + 9.35%, 1.5% LIBOR Floor, due 12/28/15	\$7,000,000	6,727,929	7,040,845	1.31	%

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Total Electric Power Generation, Transmission and Distribution		17,638,215	18,304,745		
Electronic Shopping (2.13%)					
Shopzilla, Inc., Senior Secured 2nd Lien Term Loan, 13%, due 6/1/14	\$ 11,382,687	10,869,637	11,422,526	2.13	%
Equipment Rental and Leasing (3.28%)					
Sky Funding AMR Lease Portfolio, Senior Subordinated 1st Lien Term Loan, 10%, due 9/6/16 - (Ireland)	\$ 17,000,000	16,412,490	17,595,000	3.28	%
Financial Investment Activities (0.02%)					
Marsico Capital Management, Senior Secured 1st Lien Term Loan, LIBOR + 5%, due 12/31/22	\$ 11,281,905	14,205,420	5,753,772	1.07	%
Full-Service Restaurants (3.20%)					
RM OpCo, LLC, Senior Secured 1st Lien Term Loan Tranche A, 11%, due 3/19/16 <sup>(2)</sup>	\$ 3,759,156	3,759,156	3,759,156	0.70	%
RM OpCo, LLC, Senior Secured 1st Lien Term Loan Tranche B, 12% Cash + 7% PIK, due 3/19/16 <sup>(2)</sup>	\$ 6,258,122	6,258,122	6,258,122	1.17	%
RM Holdco, LLC, Subordinated Convertible Term Loan, 1.12% PIK, due 3/21/18 <sup>(2)</sup>	\$ 5,106,805	5,106,805	5,106,805	0.96	%
RM OpCo, LLC, Senior Secured 1st Lien Term Loan Tranche B-1, 12% Cash + 7% PIK, due 3/19/16 <sup>(2)</sup>	\$ 1,976,470	1,922,118	1,976,470	0.37	%
Total Full-Service Restaurants		17,046,201	17,100,553		
Gaming Industries (5.61%)					
Golden Gaming, Inc., Senior Secured 1st Lien Term Loan, LIBOR + 7% Cash + 1% PIK, 2% LIBOR Floor, due 4/15/16	\$ 15,975,628	15,600,947	15,735,993	2.94	%
AGS LLC, 1st Lien Term Loan, LIBOR + 10%, 1.5% LIBOR Floor, due 8/15/16	\$ 13,269,231	12,781,083	13,395,288	2.50	%
AGS LLC, DDTL 1st Lien Term Loan, LIBOR + 10%, 1.5% LIBOR Floor, due 8/15/16	\$ 865,385	796,154	881,827	0.17	%
Total Gaming Industries		29,178,184	30,013,108		
Grocery Stores (2.58%)					
Bashas, Inc., Senior Secured 1st Lien FILO Term Loan, LIBOR + 9.35%, 1.5% LIBOR Floor, due 12/28/15	\$ 13,461,182	13,461,182	13,797,711	2.58	%

TCP Capital Corp.

## Consolidated Statement of Investments (Continued)

December 31, 2012

## Showing Percentage of Total Cash and Investments of the Company

Investment	Principal Amount	Cost	Fair Value	Percent of Cash and Investments	
Debt Investments (continued)					
Insurance Related Activities (1.04%)					
Confie Seguros Holding II Co., 2nd Lien Term Loan, LIBOR + 9%, 1.25% LIBOR Floor, due 7/26/19	\$5,600,000	\$5,490,103	\$5,590,676	1.04	%
Iron and Steel Mills and Ferroalloy Manufacturing (1.22%)					
Essar Steel Algoma, Inc., Senior Secured Term Loan, LIBOR + 7.5%, 1.25% LIBOR Floor, due 9/20/14	\$6,581,231	6,464,979	6,537,367	1.22	%
Motion Picture and Video Industries (2.83%)					
CORE Entertainment, Inc., Senior Secured 1st Lien Term Loan, 9%, due 6/21/17	\$9,462,231	9,362,125	8,220,313	1.53	%
CORE Entertainment, Inc., Senior Secured 2nd Lien Term Loan, 13.5%, due 6/21/18	\$7,569,785	7,488,038	6,964,202	1.30	%
Total Motion Picture and Video Industries		16,850,163	15,184,515		
Motor Vehicle Parts Manufacturing (2.41%)					
DMI SMW Holding Corporation, Term Loan, LIBOR + 7.75%, 1.5% LIBOR Floor, due 12/21/17	\$12,935,000	12,938,292	12,902,663	2.41	%
Other Amusement and Recreation Industries (2.14%)					
Intrawest Cayman L.P., 1st Lien Term Loan, LIBOR + 5.75%, 1.25% LIBOR Floor, due 12/4/17 - (Cayman Islands)	\$1,250,000	1,231,250	1,257,813	0.23	%
Intrawest Cayman L.P., 2nd Lien Term Loan, LIBOR + 9.5%, 1.25% LIBOR Floor, due 12/4/18 - (Cayman Islands)	\$10,250,000	9,993,750	10,250,000	1.91	%
Total Other Amusement and Recreation Industries		11,225,000	11,507,813		

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Other Electrical Equipment and Component Manufacturing (3.03%)					
Palladium Energy, Inc., Term Loan, LIBOR + 9%, 1% LIBOR Floor, due 12/21/17	\$16,500,317	16,170,991	16,219,812	3.03	%
Other Professional, Scientific, and Technical Services (2.27%)					
Connolly, LLC, Senior Secured 2nd Lien Term Loan, LIBOR + 9.25%, 1.25% LIBOR Floor, due 7/26/19	\$12,000,000	11,808,454	12,157,500	2.27	%
Petroleum and Coal Products Manufacturing (1.57%)					
Boomerang Tube, LLC, 2nd Lien Term Loan, LIBOR + 9.5%, 1.5% LIBOR Floor, due 10/2/17	\$8,522,741	8,277,159	8,416,206	1.57	%
Pharmaceutical and Medicine Manufacturing (1.51%)					
Pharmaceutical Research Associates, Inc., 2nd Lien Term Loan, LIBOR + 9.25%, 1.25% LIBOR Floor, due 6/10/19	\$8,000,000	7,840,000	8,085,000	1.51	%
Promoters of Performing Arts, Sports, and Similar Events (2.06%)					
Stadium Management Group, Senior Secured 2nd Lien Term Loan, LIBOR + 9.50%, 1.25% LIBOR Floor, due 12/7/18	\$11,000,000	10,792,091	11,055,000	2.06	%
Radio and Television Broadcasting (4.58%)					
Encompass Digital Media, Inc., 1st Lien Term Loan, LIBOR + 6.5%, 1.5% LIBOR Floor, due 8/10/17	\$7,940,000	7,802,595	8,039,250	1.50	%
Granite Broadcasting Corporation, Senior Secured 1st Lien Term Loan B, LIBOR + 7.25%, 1.25% LIBOR Floor, due 5/23/18	\$9,950,000	9,719,719	9,974,875	1.86	%
SiTV, Inc., Senior Secured 1st Lien Term Loan, LIBOR + 6% Cash + 4% PIK, 2% LIBOR Floor, due 8/3/16	\$6,806,343	6,421,282	6,523,880	1.22	%
Total Radio and Television Broadcasting		23,943,596	24,538,005		
Retail (1.90%)					
Kenneth Cole Productions, Inc., Senior Secured 1st Lien FILO Term Loan, LIBOR + 10.60%, 1% LIBOR Floor, due 9/25/17	\$10,000,000	9,717,763	10,200,000	1.90	%

TCP Capital Corp.

## Consolidated Statement of Investments (Continued)

December 31, 2012

## Showing Percentage of Total Cash and Investments of the Company

Investment	Principal Amount	Cost	Fair Value	Percent of Cash and Investments	
Debt Investments (continued)					
Scheduled Air Transportation (3.11%)					
Delta Air Lines, Inc., Aircraft Secured Mortgage (N913DL), 8%, due 7/15/18 <sup>(6)</sup>	\$366,557	\$366,557	\$367,370	0.07	%
Delta Air Lines, Inc., Aircraft Secured Mortgage (N918DL), 8%, due 7/15/18 <sup>(6)</sup>	\$456,613	456,613	454,580	0.08	%
Delta Air Lines, Inc., Aircraft Secured Mortgage (N954DL), 8%, due 9/20/19 <sup>(6)</sup>	\$593,200	593,200	597,720	0.11	%
Delta Air Lines, Inc., Aircraft Secured Mortgage (N955DL), 8%, due 9/20/19 <sup>(6)</sup>	\$609,107	609,107	612,000	0.11	%
Delta Air Lines, Inc., Aircraft Secured Mortgage (N956DL), 8%, due 9/20/19 <sup>(6)</sup>	\$609,360	609,360	612,850	0.11	%
Delta Air Lines, Inc., Aircraft Secured Mortgage (N957DL), 8%, due 9/20/19 <sup>(6)</sup>	\$614,434	614,434	617,440	0.12	%
Delta Air Lines, Inc., Aircraft Secured Mortgage (N959DL), 8%, due 9/20/19 <sup>(6)</sup>	\$619,468	619,468	622,030	0.12	%
Delta Air Lines, Inc., Aircraft Secured Mortgage (N960DL), 8%, due 9/20/19 <sup>(6)</sup>	\$639,631	639,631	640,730	0.12	%
Delta Air Lines, Inc., Aircraft Secured Mortgage (N961DL), 8%, due 9/20/19 <sup>(6)</sup>	\$635,009	635,009	636,990	0.12	%
Delta Air Lines, Inc., Aircraft Secured Mortgage (N976DL), 8%, due 7/15/18 <sup>(6)</sup>	\$474,007	474,007	473,280	0.09	%
United Airlines, Inc., Aircraft Secured Mortgage (N510UA), 20%, due 9/26/16 <sup>(2)</sup>	\$410,410	410,410	548,340	0.10	%
United Airlines, Inc., Aircraft Secured Mortgage (N512UA), 20%, due 10/26/16 <sup>(2)</sup>	\$414,343	414,343	556,225	0.10	%
United Airlines, Inc., Aircraft Secured Mortgage (N536UA), 16%, due 8/21/14 <sup>(2)</sup>	\$251,941	251,941	277,780	0.05	%

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United Airlines, Inc., Aircraft Secured Mortgage (N545UA), 16%, due 7/17/15 <sup>(2)</sup>	\$377,925	377,925	436,810	0.08	%
United Airlines, Inc., Aircraft Secured Mortgage (N585UA), 20%, due 10/25/16 <sup>(2)</sup>	\$486,501	486,501	653,220	0.12	%
United Airlines, Inc., Aircraft Secured Mortgage (N659UA), 12%, due 3/28/16 <sup>(6)</sup>	\$3,707,430	3,707,430	4,264,148	0.80	%
United Airlines, Inc., Aircraft Secured Mortgage (N661UA), 12%, due 5/4/16 <sup>(6)</sup>	\$3,849,284	3,849,284	4,351,424	0.81	%
		15,115,220	16,722,937		
Semiconductor and Other Electronic Component Manufacturing (2.61%)					
Isola USA Corporation, 1st Lien Term Loan, LIBOR + 8%, 2% LIBOR Floor, due 9/29/15	\$14,000,000	13,975,000	14,000,000	2.61	%
Software Publishers (8.47%)					
Blackboard, Inc., Senior Secured 1st Lien Term Loan, LIBOR + 6%, 1.5% LIBOR Floor, due 10/4/18	\$2,671,613	2,457,884	2,705,008	0.51	%
Deltek, Inc., Senior Secured 2nd Lien Term Loan, LIBOR + 8.75%, 1.25% LIBOR Floor, due 10/10/19	\$15,000,000	14,781,719	15,275,025	2.85	%
Edmentum, Inc., Senior Secured 2nd Lien Term Loan, LIBOR + 9.75%, 1.5% LIBOR Floor due 5/8/19	\$15,000,000	14,717,168	14,831,250	2.77	%
SumTotal Systems, LLC, Senior Secured 2nd Lien Term Loan, LIBOR + 9%, 1.25% LIBOR Floor, due 5/13/19	\$7,600,000	7,449,234	7,524,000	1.41	%
The TriZetto Group, Inc., Senior Secured 2nd Lien Term Loan, LIBOR + 7.25%, 1.25% LIBOR Floor, due 3/28/19	\$5,000,000	4,927,523	4,979,175	0.93	%
Total Software Publishers		44,333,528	45,314,458		
Support Activities for Mining (0.06%)					
Trico Shipping AS, 1st Lien Term Loan A, LIBOR + 8.5%, 1.5% LIBOR Floor, due 5/13/14 - (Norway)	\$228,803	228,803	228,803	0.04	%
Trico Shipping AS, 1st Lien Term Loan B, LIBOR + 8.5%, 1.5% LIBOR Floor, due 5/13/14 - (Norway)	\$80,543	80,543	80,543	0.02	%
Total Support Activities for Mining		309,346	309,346		
Wired Telecommunications Carriers (2.52%)					
Bulgaria Telecom Company AD, 1st Lien Facility 1A Term Loan, EURIBOR + 5.5%, due 11/9/17 - (Bulgaria) <sup>(4)</sup>	€3,262,515	3,525,355	3,744,685	0.70	%
Integra Telecom Holdings, Inc., 1st Lien Term Loan, LIBOR + 7.25%, 2% LIBOR Floor, due 4/15/15	\$8,477,489	8,070,172	8,518,096	1.60	%
Viva Telecom Bulgaria EAD, 1st Lien Facility 1B Term Loan, EURIBOR + 5.5%, due 11/9/17 - (Luxembourg) <sup>(4)</sup>	€980,713	1,059,723	1,125,653	0.22	%
Total Wired Telecommunications Carriers		12,655,250	13,388,434		



TCP Capital Corp.

## Consolidated Statement of Investments (Continued)

December 31, 2012

## Showing Percentage of Total Cash and Investments of the Company

Investment	Principal Amount	Cost	Fair Value	Percent of Cash and Investments	
Debt Investments (continued)					
Wireless Telecommunications Carriers (0.56%)					
Globalive Wireless Management Corp., Senior Secured 1st Lien Term Loan, LIBOR + 8.9%, due 10/9/12 - (Canada)	\$3,037,292	\$2,933,872	\$3,000,845	0.56	%
Gogo, LLC, Senior Secured 1st Lien Term Loan, LIBOR + 9.75%, 1.5% LIBOR Floor, due 6/21/17	\$10,168,765	9,762,014	10,270,452	1.92	%
Total Wireless Telecommunications		12,695,886	13,271,297		
Total Bank Debt		404,232,982	405,010,342		
Other Corporate Debt Securities (14.51%)					
Architectural, Engineering, and Related Services (1.33%)					
ESP Holdings, Inc., Junior Unsecured Subordinated Promissory Notes, 6% Cash + 10% PIK, due 12/31/19 <sup>(2)</sup> , <sup>(5)</sup>	\$7,209,840	7,209,840	7,134,137	1.33	%
Artificial Synthetic Fibers and Filaments Manufacturing (1.72%)					
AGY Holding Corporation, Senior Secured 2nd Lien Notes, 11%, due 11/15/14	\$18,536,000	15,172,634	9,221,660	1.72	%
Data Processing, Hosting, and Related Services (1.34%)					
The Telx Group, Inc., Senior Unsecured Notes, 10% Cash + 2% PIK, due 9/26/19 <sup>(5)</sup>	\$6,958,697	6,820,215	7,167,458	1.34	%
Metal and Mineral (except Petroleum) Merchant Wholesalers (2.48%)					

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Constellation Enterprises, LLC, Senior Secured 1st Lien Notes, 10.625%, due 2/1/16 <sup>(5)</sup>	\$ 12,500,000	12,322,875	13,296,875	2.48	%
Nondepository Credit Intermediation (1.87%)					
Caribbean Financial Group, Senior Secured Notes, 11.5%, due 11/15/19 <sup>(5)</sup>	\$ 10,000,000	9,803,494	10,037,500	1.87	%
Nonferrous Metal Production and Processing (2.88%)					
International Wire Group Holdings, Inc., Senior Secured Notes, 8.5%, due 10/15/17 <sup>(2), (5)</sup>	\$ 15,000,000	15,000,000	15,450,000	2.88	%
Scientific Research and Development Services (2.89%)					
BPA Laboratories, Inc., Senior Secured Notes, 12.25%, due 4/1/17 <sup>(5)</sup>	\$ 17,110,000	16,446,295	15,484,550	2.89	%
Total Other Corporate Debt Securities		82,775,353	77,792,180		
Total Debt Investments		487,008,335	482,802,522		
Equity Securities (6.51%)					
Other Amusement and Recreation Industries (0.01%)					
Bally Total Fitness Holding Corporation, Common Stock <sup>(3), (5)</sup>	6,058	45,186,963	27,746	0.01	%
Bally Total Fitness Holding Corporation, Warrants <sup>(3), (5)</sup>	10,924	-	1	-	
Total Other Amusement and Recreation Industries		45,186,963	27,747		
Architectural, Engineering, and Related Services (1.10%)					
ESP Holdings, Inc., Cumulative Preferred 15% <sup>(2), (3), (5)</sup>	20,297	2,249,930	3,643,088	0.68	%
ESP Holdings, Inc., Common Stock <sup>(2), (3), (5)</sup>	88,670	9,311,782	2,263,124	0.42	%
Total Architectural, Engineering, and Related Services		11,561,712	5,906,212		
Business Support Services (0.05%)					
STG-Fairway Holdings, LLC, Class A Units <sup>(3), (5)</sup>	80,396	1,100,348	241,188	0.05	%
Data Processing, Hosting, and Related Services (0.23%)					
Anacomp, Inc., Class A Common Stock <sup>(3), (5), (6)</sup>	1,255,527	26,711,048	1,255,527	0.23	%

TCP Capital Corp.

## Consolidated Statement of Investments (Continued)

December 31, 2012

## Showing Percentage of Total Cash and Investments of the Company

Investment	Shares	Cost	Fair Value	Percent of Cash and Investments	
Equity Securities (continued)					
Depository Credit Intermediation (0.15%)					
Doral Financial Corporation, Common Stock <sup>(3)</sup>	1,077,795	\$ 11,699,417	\$ 780,431	0.15	%
Electric Power Generation, Transmission and Distribution (0.01%)					
La Paloma Residual Bank Debt Claim <sup>(3), (5)</sup>	1,830,453	1,574,284	51,253	0.01	%
Electronic Shopping (0.21%)					
Shop Holding, LLC, Class A Units <sup>(3), (5)</sup>	490,037	462,576	915,198	0.16	%
Shop Holding, LLC, Warrants to Purchase Class A Units <sup>(3), (5)</sup>	326,691	-	283,346	0.05	%
Total Electronic Shopping		462,576	1,198,544		
Financial Investment Activities (0.02%)					
Marsico Holdings, LLC, Common Interest Units <sup>(3), (5)</sup>	168,698	172,694	84,349	0.02	%
Full-Service Restaurants (0.16%)					
RM Holdco, LLC, Membership Units <sup>(2), (3), (5)</sup>	13,161,000	2,010,777	849,478	0.16	%
Machine Shops; Turned Product; and Screw, Nut, and Bolt Manufacturing (0.00%)					
Precision Holdings, LLC, Class C Membership Interests <sup>(3), (5)</sup>	33	1,396	21,317	-	
Nonmetallic Mineral Mining and Quarrying (0.51%)					
EPMC HoldCo, LLC, Membership Units <sup>(2), (5)</sup>	1,312,720	-	2,730,458	0.51	%

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Radio and Television Broadcasting (0.06%)					
SiTV, Inc., Warrants to Purchase Common Stock <sup>(3), (5)</sup>	233,470	300,322	336,197	0.06	%
Scheduled Air Transportation (1.83%)					
Delta Air Lines, Inc., Equipment Trust Beneficial Interests (N913DL) <sup>(5), (6)</sup>	466	113,899	111,520	0.02	%
Delta Air Lines, Inc., Equipment Trust Beneficial Interests (N918DL) <sup>(5), (6)</sup>	433	130,664	120,530	0.02	%
Delta Air Lines, Inc., Equipment Trust Beneficial Interests (N954DL) <sup>(5), (6)</sup>	421	161,952	113,390	0.02	%
Delta Air Lines, Inc., Equipment Trust Beneficial Interests (N955DL) <sup>(5), (6)</sup>	417	164,481	160,650	0.03	%
Delta Air Lines, Inc., Equipment Trust Beneficial Interests (N956DL) <sup>(5), (6)</sup>	418	164,726	163,200	0.03	%
Delta Air Lines, Inc., Equipment Trust Beneficial Interests (N957DL) <sup>(5), (6)</sup>	417	165,755	163,880	0.03	%
Delta Air Lines, Inc., Equipment Trust Beneficial Interests (N959DL) <sup>(5), (6)</sup>	416	166,778	164,390	0.03	%
Delta Air Lines, Inc., Equipment Trust Beneficial Interests (N960DL) <sup>(5), (6)</sup>	412	171,075	169,660	0.03	%
Delta Air Lines, Inc., Equipment Trust Beneficial Interests (N961DL) <sup>(5), (6)</sup>	415	170,315	171,360	0.03	%
Delta Air Lines, Inc., Equipment Trust Beneficial Interests (N976DL) <sup>(5), (6)</sup>	442	136,326	83,300	0.02	%
United Airlines, Inc., Equipment Trust Beneficial Interests (N510UA) <sup>(2), (5)</sup>	43	151,759	479,682	0.09	%
United Airlines, Inc., Equipment Trust Beneficial Interests (N512UA) <sup>(2), (5)</sup>	43	148,561	473,761	0.09	%
United Airlines, Inc., Equipment Trust Beneficial Interests (N536UA) <sup>(2), (5)</sup>	62	298,394	624,746	0.12	%
United Airlines, Inc., Equipment Trust Beneficial Interests (N545UA) <sup>(2), (5)</sup>	52	267,249	616,897	0.12	%
United Airlines, Inc., Equipment Trust Beneficial Interests (N585UA) <sup>(2), (5)</sup>	43	167,806	583,391	0.11	%
United N659UA-767, LLC (N659UA) <sup>(5), (6)</sup>	312	1,773,072	2,771,428	0.52	%
United N661UA-767, LLC (N661UA) <sup>(5), (6)</sup>	303	1,759,997	2,789,809	0.52	%
Total Scheduled Air Transportation		6,112,809	9,761,594		
Semiconductor and Other Electronic Component Manufacturing (0.01%)					
AIP/IS Holdings, LLC, Membership Units <sup>(3), (5)</sup>	352	-	68,922	0.01	%
Support Activities for Mining (0.61%)					
DeepOcean Group Holding AS, Common Stock - (Norway) <sup>(3), (5)</sup>	145,824	3,477,627	3,255,535	0.61	%

TCP Capital Corp.

Consolidated Statement of Investments (Continued)

December 31, 2012

Showing Percentage of Total Cash and Investments of the Company

Investment	Shares	Cost	Fair Value	Percent of Cash and Investments	
Equity Securities (continued)					
Wired Telecommunications Carriers (1.55%)					
Integra Telecom, Inc., Common Stock <sup>(3), (5)</sup>	1,274,522	\$8,433,884	\$5,038,718	0.94	%
Integra Telecom, Inc., Warrants <sup>(3), (5)</sup>	346,939	19,920	-	-	
V Telecom Investment S.C.A, Common Shares - (Luxembourg) <sup>(3), (4), (5)</sup>	1,393	3,236,256	3,273,095	0.61	%
Total Wired Telecommunications Carriers		11,690,060	8,311,813		
Total Equity Securities		122,062,033	34,880,565		
<b>Total Investments <sup>(7)</sup></b>		609,070,368	517,683,087		
Cash and Cash Equivalents			18,035,189	3.37	%
Total Cash and Investments			\$535,718,276	100.00	%

*Notes to Statement of Investments:*

Investments in bank debt generally are bought and sold among institutional investors in transactions not subject to (1) registration under the Securities Act of 1933. Such transactions are generally subject to contractual restrictions, such as approval of the agent or borrower.

(2) 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).

(3)

Non-income producing security.

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- (4) Principal amount denominated in foreign currency. Amortized cost and fair value converted from foreign currency to US dollars. (See Note 2)
- (5) Restricted security. (See Note 2)
- (6) Controlled issuer – as defined under the Investment Company Act of 1940 (ownership of 25% or more of the outstanding voting securities of this issuer).
- (7) Includes investments with an aggregate market value of \$1,382,875 that have been segregated to collateralize certain unfunded commitments.

Aggregate acquisitions and aggregate dispositions of investments, other than government securities, totaled \$359,020,926 and \$211,216,033, respectively for the year ended December 31, 2012. 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, 2012 was \$507,680,996, or 94.8% of total cash and investments of the Company.

Swaps at December 31, 2012 were as follows:

Investment	Notional Amount	Fair Value
Euro/US Dollar Cross-Currency Basis Swap, Pay Euros/Receive USD, Expires 5/16/14	\$6,040,944	\$ 179,364

*See accompanying notes.*

TCP Capital Corp.

## Consolidated Statements of Operations (Unaudited)

	Three Months Ended June 30, 2013	2012 <sup>(1)</sup>	Six Months Ended June 30, 2013	2012 <sup>(1)</sup>
Investment income				
Interest income:				
Unaffiliated issuers	\$ 12,247,602	\$ 8,824,978	\$ 27,487,968	\$ 16,977,526
Controlled companies	312,268	-	642,585	-
Other affiliates	1,202,653	1,562,916	2,096,165	3,245,630
Dividend income:				
Other affiliates	-	-	-	1,811,189
Other income:				
Unaffiliated issuers	419,415	520,580	576,948	520,580
Controlled companies	168,604	-	311,515	-
Other affiliates	118,653	177,984	219,756	345,858
Total investment income	14,469,195	11,086,458	31,334,937	22,900,783
Operating expenses				
Management and advisory fees	1,940,295	1,552,867	3,905,033	3,249,664
Professional fees relating to the Conversion	-	-	-	411,523
Administrative expenses	167,808	-	335,616	-
Amortization of deferred debt issuance costs	142,914	109,771	251,478	219,542
Legal fees, professional fees and due diligence expenses	162,152	270,991	301,204	361,776
Interest expense	186,702	9,929	323,109	56,448
Commitment fees	38,506	70,153	61,094	132,361
Director fees	72,000	46,500	143,809	100,000
Insurance expense	42,522	27,072	78,795	55,963
Custody fees	30,232	23,469	59,651	46,503
Other operating expenses	224,535	54,668	417,506	107,863
Total operating expenses	3,007,666	2,165,420	5,877,295	4,741,643
Net investment income before taxes	11,461,529	8,921,038	25,457,642	18,159,140
Excise tax expense	-	-	-	502,978
Net investment income	11,461,529	8,921,038	25,457,642	17,656,162
Net realized and unrealized gain (loss) on investments and foreign currency				
Net realized gain (loss):				
Investments in unaffiliated issuers	(4,095,160 )	2,928,909	(3,577,502 )	(3,104,104 )
Investments in non-controlled affiliates	-	-	-	718,845

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Net realized gain (loss)	(4,095,160 )	2,928,909	(3,577,502 )	(2,385,259 )
Net change in net unrealized appreciation/depreciation	4,753,522	(5,426,269 )	6,591,253	(4,999,802 )
Net realized and unrealized gain (loss)	658,362	(2,497,360 )	3,013,751	(7,385,061 )
Dividends paid on Series A preferred equity facility	(392,669 )	(373,691 )	(786,082 )	(745,183 )
Net change in accumulated dividends on Series A preferred equity facility	19,111	(23,786 )	35,122	(67,093 )
Distributions of incentive allocation to the General Partner from net investment income	(2,217,594 )	-	(4,941,336 )	-
Distributions of incentive allocation to the General Partner from net realized gains	(258,441 )	-	(258,441 )	-
Net change in reserve for incentive allocation	126,768	-	(344,310 )	-
Net increase in net assets applicable to common shareholders resulting from operations	\$ 9,397,066	\$ 6,026,201	\$ 22,176,346	\$ 9,458,825
Basic and diluted earnings per common share	\$ 0.40	\$ 0.28	\$ 0.98	N/A
Basic and diluted weighted average common shares outstanding	23,639,742	21,475,635	22,564,670	N/A

*See accompanying notes.*

<sup>(1)</sup> Prior to the Conversion on April 2, 2012, the Company's portfolio had different objectives.



TCP Capital Corp.

## Consolidated Statements of Changes in Net Assets (Unaudited)

	Common Stock		Paid in Capital		Accumulated Net Investment Income	Accumulated Net Realized Losses	Accumulated Net Unrealized Depreciation	Total Net Assets
	Shares	Par Amount	in Excess of Par	Amount				
Balance at December 31, 2011	418,956	\$419	\$364,742,957		\$13,515,239	\$(45,411,498)	\$(94,976,243)	\$237,870,874
Retirement of old common stock in the Conversion	(418,956 )	(419 )	419		-	-	-	-
Issuance of common stock in the Conversion	15,725,635	15,726	(15,726 )		-	-	-	-
Issuance of common stock in public offering	5,750,000	5,750	80,956,005		-	-	-	80,961,755
Issuance of common stock from dividend reinvestment plan	1,993	2	30,383		-	-	-	30,385
Net increase in net assets applicable to common shareholders resulting from operations	-	-	-		38,717,561	(15,990,188)	3,205,937	25,933,310
Dividends paid to common shareholders	-	-	-		(28,808,774)	-	-	(28,808,774 )
Tax reclassification of stockholders' equity in	-	-	(1,479,978 )		(897,847 )	2,377,825	-	-

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accordance with generally accepted accounting principles Balance at December 31, 2012	21,477,628	\$21,478	\$444,234,060	\$22,526,179	\$(59,023,861)	\$(91,770,306)	\$315,987,550
Issuance of common stock in public offering	5,175,000	5,175	78,171,615	-	-	-	78,176,790
Issuance of common stock from dividend reinvestment plan	2,073	2	33,865	-	-	-	33,867
Net increase in net assets applicable to common shareholders resulting from operations	-	-	-	19,162,595	(3,577,502 )	6,591,253	22,176,346
Dividends paid to common shareholders	-	-	-	(18,186,395)	-	-	(18,186,395 )
Balance at June 30, 2013	26,654,701	\$26,655	\$522,439,540	\$23,502,379	\$(62,601,363)	\$(85,179,053)	\$398,188,158

*See accompanying notes.*

TCP Capital Corp.

Consolidated Statements of Cash Flows (Unaudited)

	Six Months Ended June 30,	
	2013	2012
Operating activities		
Net increase in net assets applicable to common shareholders resulting from operations	\$22,176,346	\$9,458,825
Adjustments to reconcile net increase in net assets applicable to common shareholders resulting from operations to net cash provided by (used in) operating activities:		
Net realized loss	3,577,502	2,385,259
Net change in unrealized appreciation/depreciation of investments	(6,611,142 )	5,193,932
Dividends paid on Series A preferred equity facility	786,082	