



TPG Specialty Lending

JMP Securities Financial Services &
Real Estate Conference

September 2014

Updated as of November 2014

Disclaimer and Forward-Looking Statement

General Disclaimer

The information contained in this presentation (the "Presentation") is preliminary, may not be complete and may be changed. By acceptance hereof, you agree that the information contained herein may not be used, reproduced or distributed to others, in whole or in part, for any other purpose without the prior written consent of TPG Specialty Lending, Inc. ("TSL"). References in this Presentation to "TSL," "we," "us," "our," and "the Company" refer to TPG Specialty Lending, Inc.

The contents hereof should not be construed as investment, legal, tax or other advice and you should consult your own advisers as to legal, business, tax and other related matters concerning an investment in TSL. TSL is not acting for you and does not regard you as a customer or a client. It will not be responsible to you for providing protections afforded to clients or be advising you on the relevant transaction. Unless otherwise noted, the information contained herein has been compiled as of June 30, 2014. There is no obligation to update the information.

This Presentation does not constitute a prospectus and should under no circumstances be understood as an offer to sell or the solicitation of an offer to buy common stock nor will there be any sale of common stock in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such state or jurisdiction. Such an offer or solicitation can only be made by way of an offering memorandum in accordance with the securities laws.

No representation or warranty is given in respect of the information contained herein, and neither the delivery of this document nor any investment in TSL securities will under any circumstances create any implication that such Company has updated the information contained herein. Information throughout the Presentation provided by sources other than TSL has not been independently verified. Differences between past performance and actual results may be material and adverse.

Future investments may be under materially different economic conditions, including interest rates, market trends and general business conditions, in different portfolio companies and using different investment strategies. Each of these material market or economic conditions may or may not be repeated. It should not be assumed that strategies employed by TSL in the future will be profitable or will equal the performance described in this Presentation.

Forward Looking Statements

This Presentation includes forward-looking statements about TSL that involve substantial risks and uncertainties. These forward-looking statements are not historical facts, but rather are based on current expectations, estimates and projections about us, our current and prospective portfolio investments, our industry, our beliefs, and our assumptions. Words such as "anticipates," "expects," "intends," "plans," "believes," "seeks," "estimates," "would," "should," "targets," "projects," and variations of these words and similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and are subject to risks, uncertainties, and other factors, some of which are beyond our control and difficult to predict, that could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. Such statements are also subject to a number of uncertainties and factors outside TSL's control. Such factors include, but are not limited to the risks, uncertainties and other factors we identify in the section entitled "Risk Factors" in our offering memorandum and filings we make with the Securities and Exchange Commission. Opinions expressed are current opinions as of the date of this Presentation. Should TSL's estimates, projections and assumptions or these other uncertainties and factors materialize in ways that TSL did not expect, actual results could differ materially from the forward-looking statements in this Presentation, including the possibility that investors may lose a material portion of the amounts invested. No representation or warranty, express or implied, is made as to the accuracy or completeness of the information contained in this Presentation, and nothing shall be relied upon as a promise or representation as to the performance of any investment. Investors are cautioned not to place undue reliance on such forward-looking statements and should rely on their own assessment of an investment.

TPG Specialty Lending, Inc. (“TSL”) Overview



Ticker	TSLX
Exchange	NYSE
Market Capitalization	\$907 million
Most Recent Quarterly Dividend	\$0.38 per share
Dividend Yield at NAV Per Share	9.7%
Net Asset Value Per Share as of 6/30/14	\$15.70

Note: Market capitalization as of 9/26/14; financial data as of 6/30/14

Agenda

I. Market Observations

II. TSL Company Overview and Market Opportunity

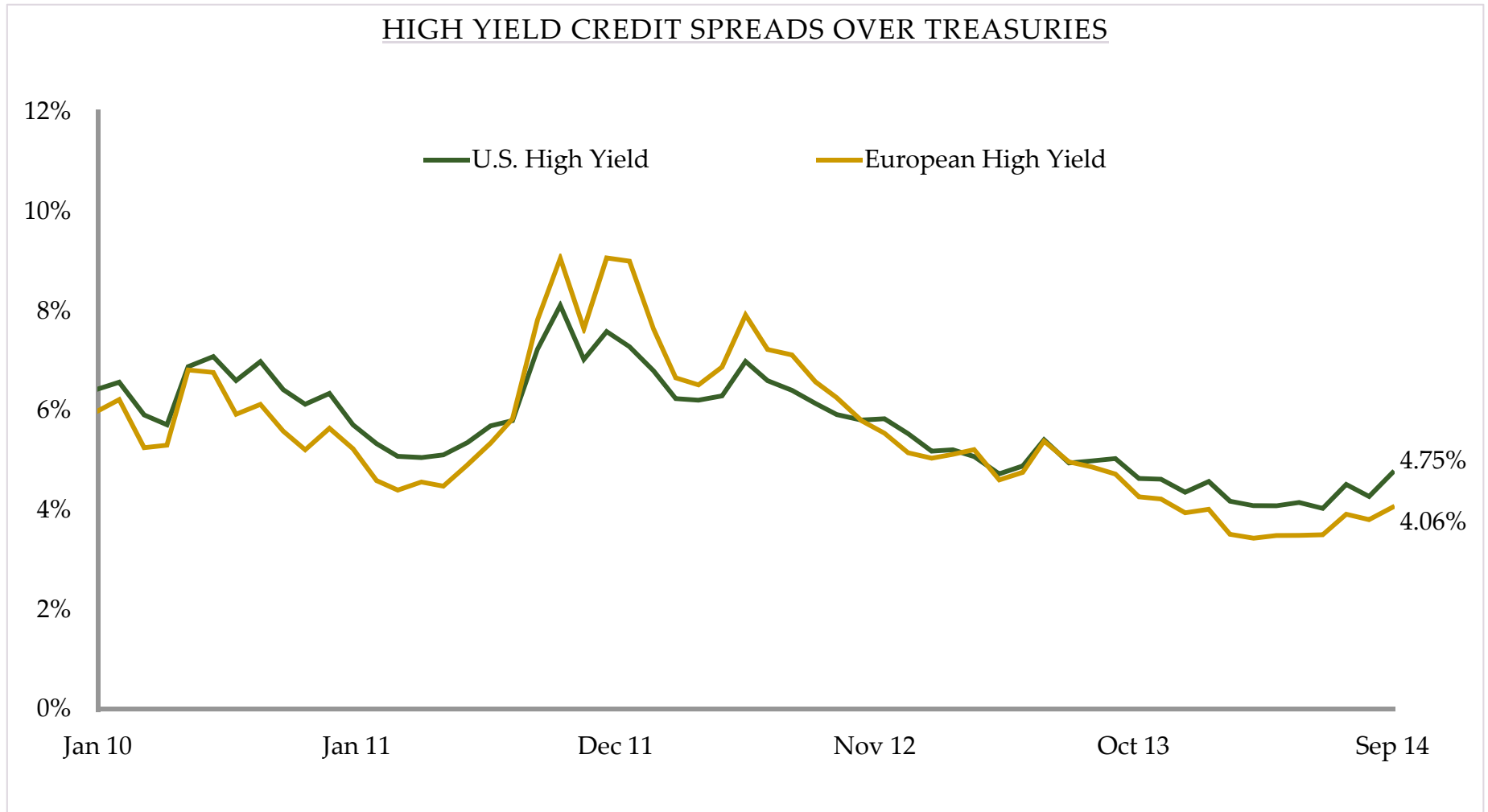
III. Investment Strategy and Portfolio Overview

IV. Financial Highlights & Return on Equity

V. TSL Core Principles and Current Investment Themes

Market Observations

Credit Market Cautions

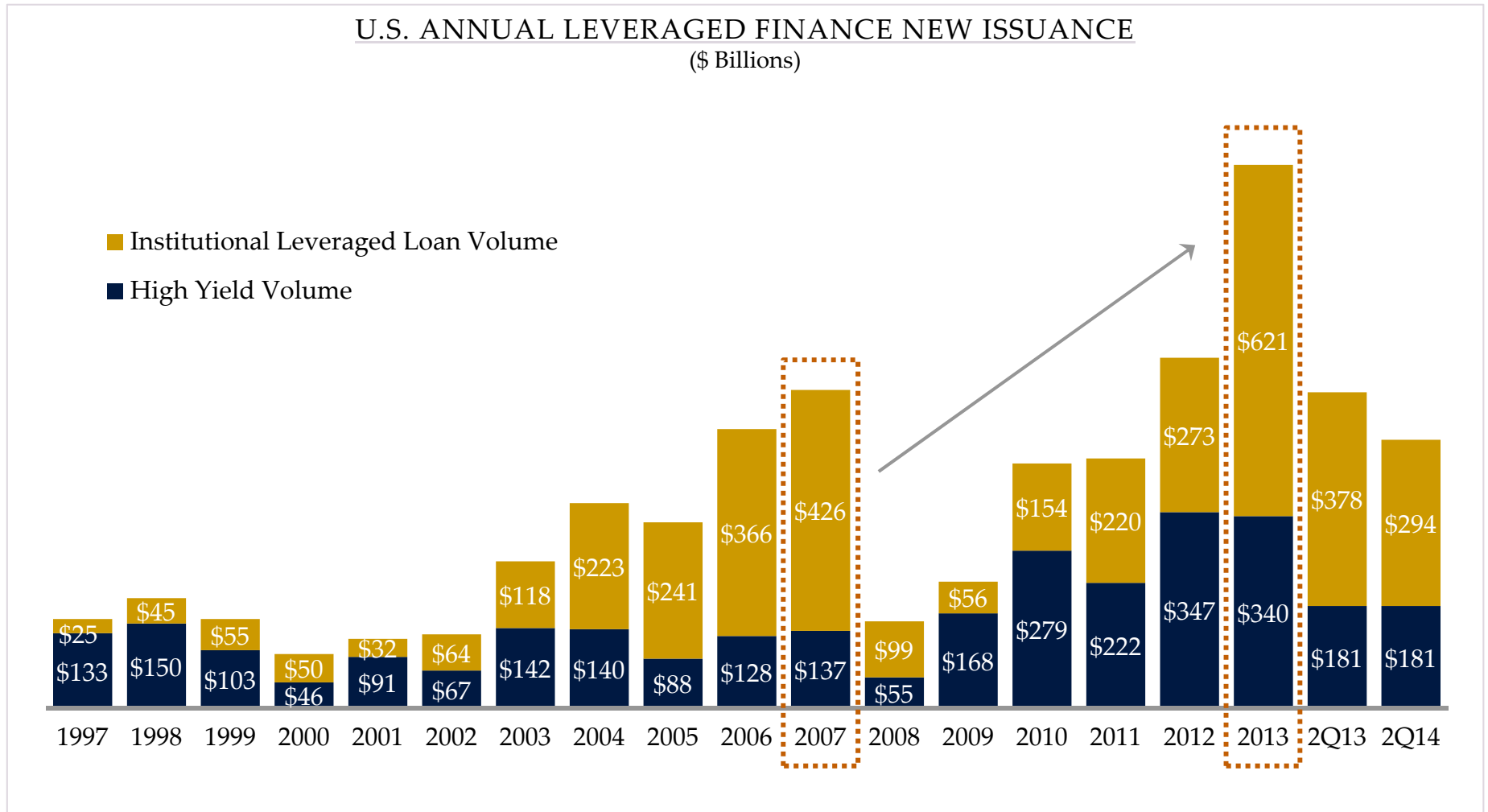


Note: As of September 2014
Source: Credit Suisse

High yield credit spreads are near all-time lows

Market Observations

Credit Market Cautions

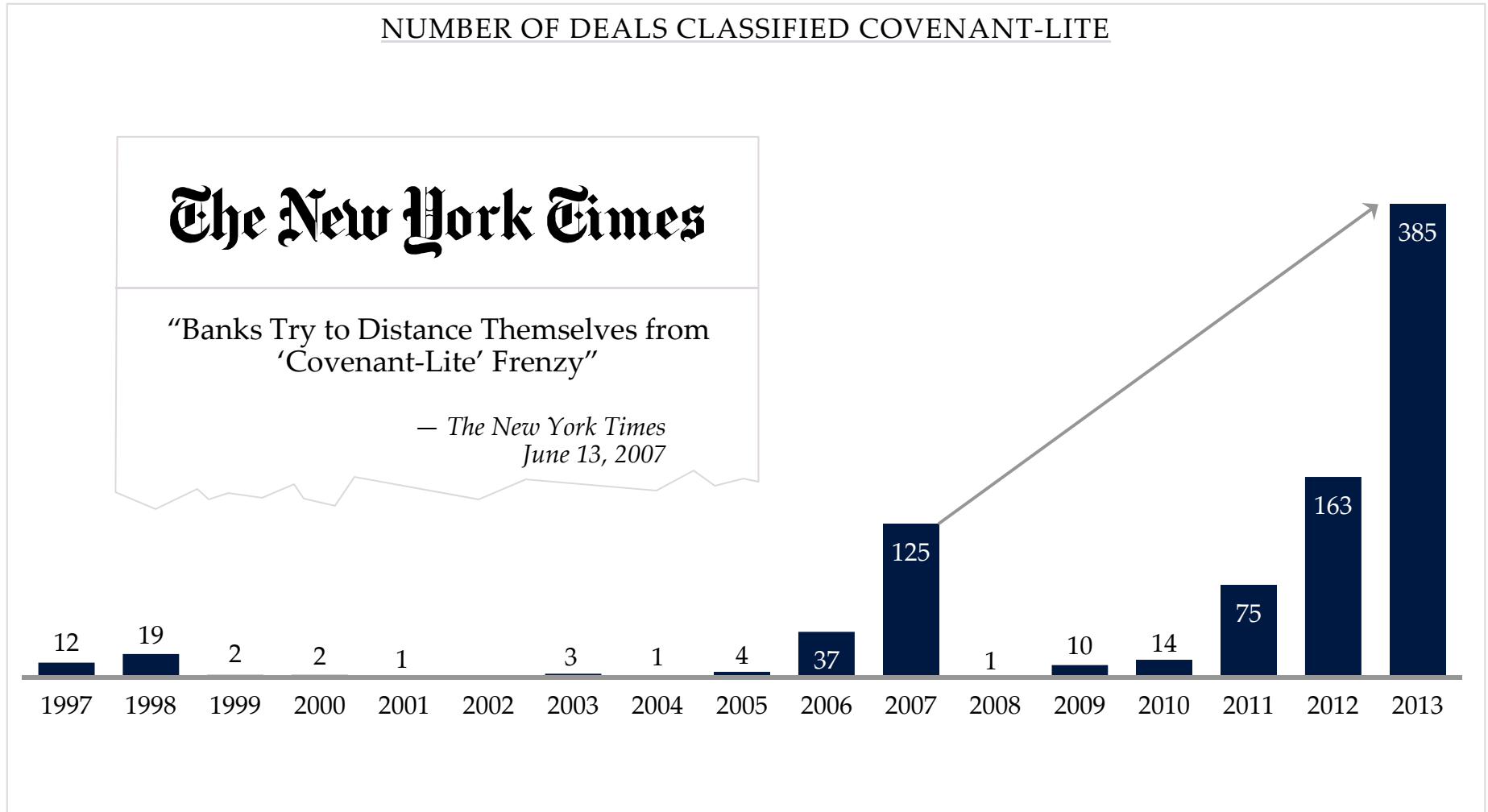


Note: As of August 2014
Source: Credit Suisse

Leveraged finance issuance was 1.7x higher in 2013 than in 2007

Market Observations

Credit Market Cautions

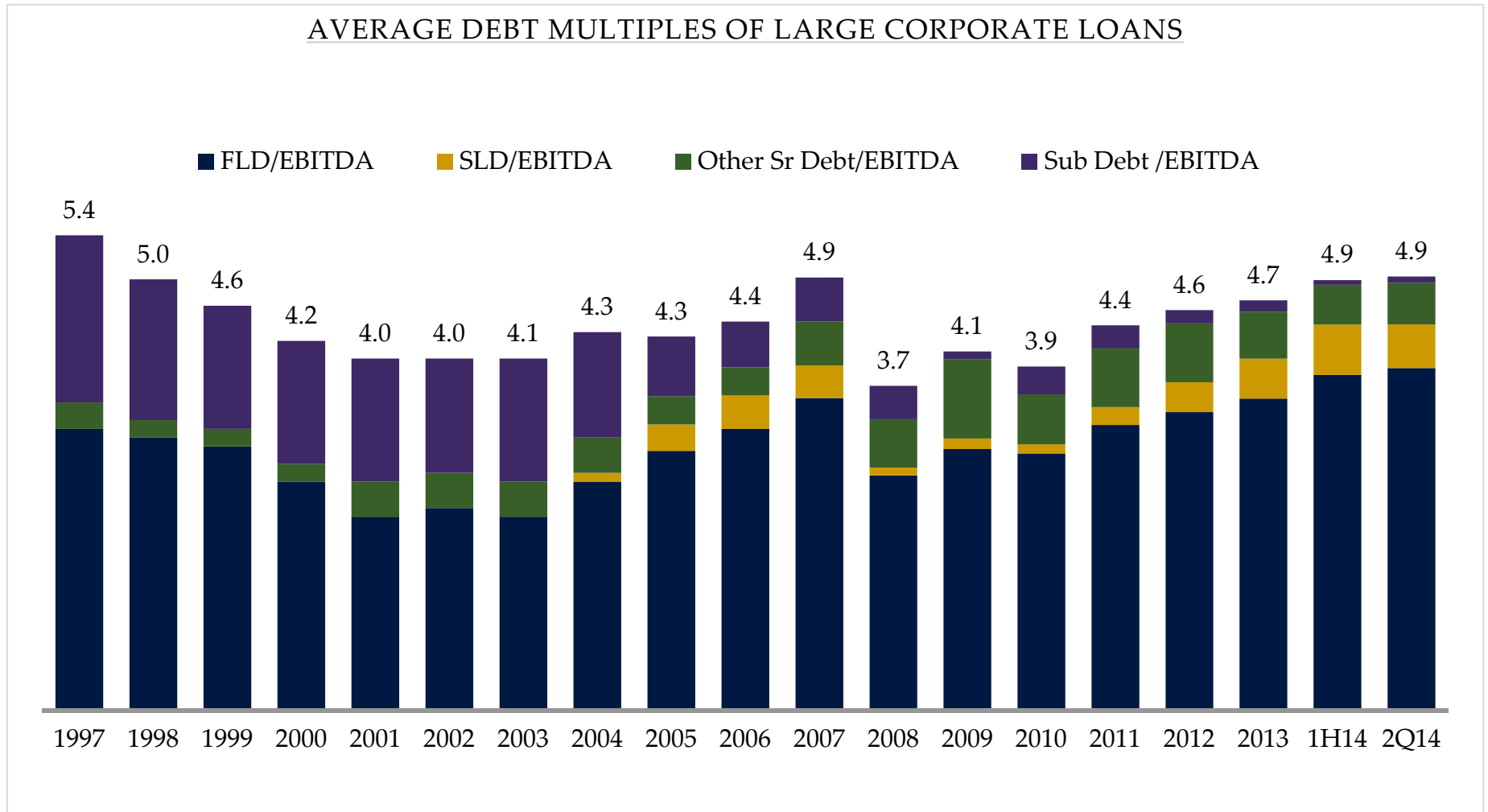


Note: As of December 2013. Excludes existing tranches of add-ons and amendments & restatements with no new money. Excludes DIP, second liens and unsecured transactions. These numbers comprise loans denominated in U.S. dollars and are subject to revision as Standard & Poor's LCD collects additional data
Source: S&P Capital IQ LCD

Covenant-lite issuance was 3.0x higher in 2013 than in 2007

Market Observations

Credit Market Cautions



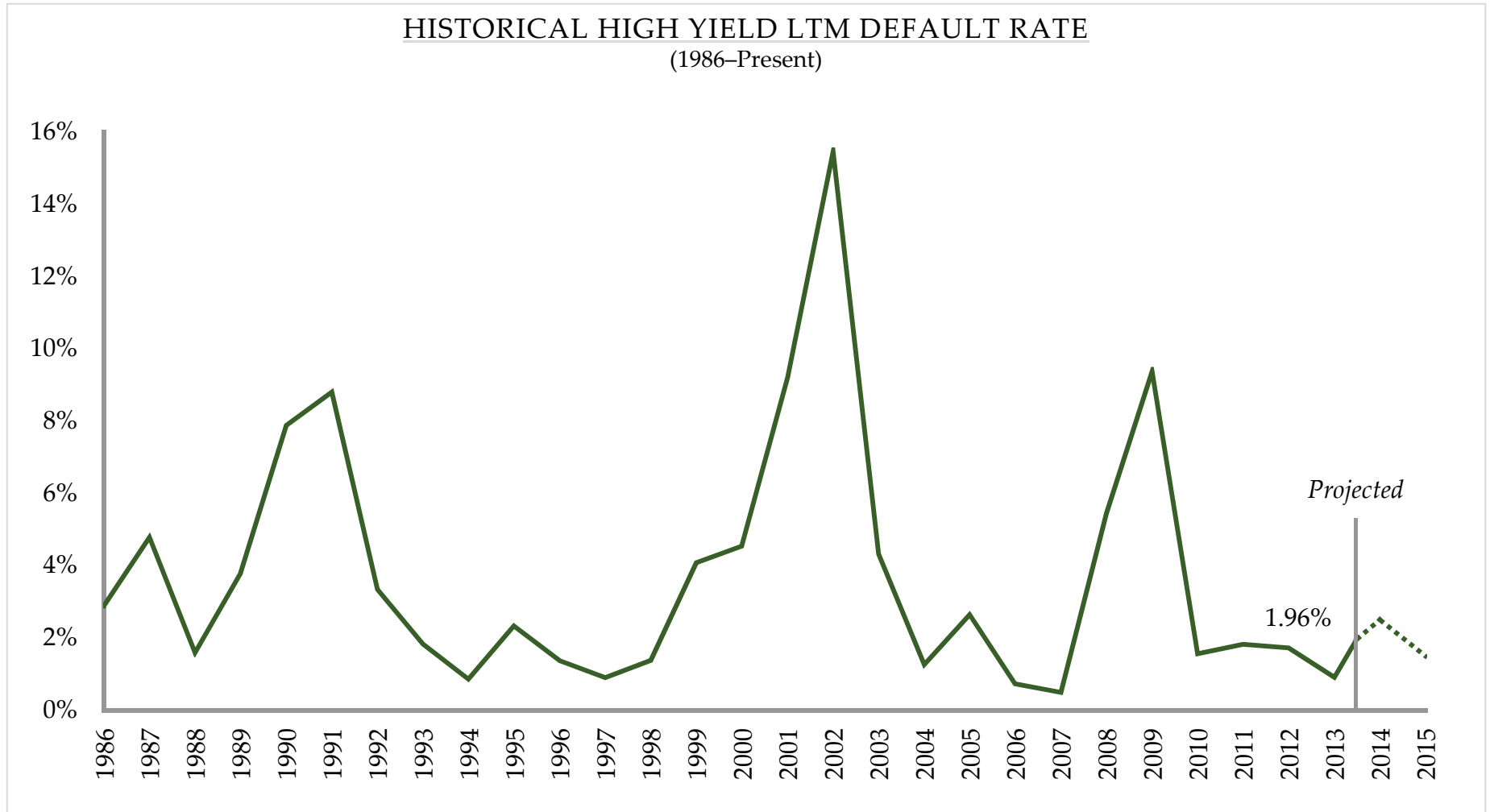
Note: As of August 2014. Defined as issuers with EBITDA of more than \$50M. Prior to 2011, media and telecom deals were excluded. EBITDA adjusted for prospective cost savings or synergies
Source: S&P Capital IQ LCD



Leverage multiples have returned to 2007 levels

Market Observations

Credit Market Cautions

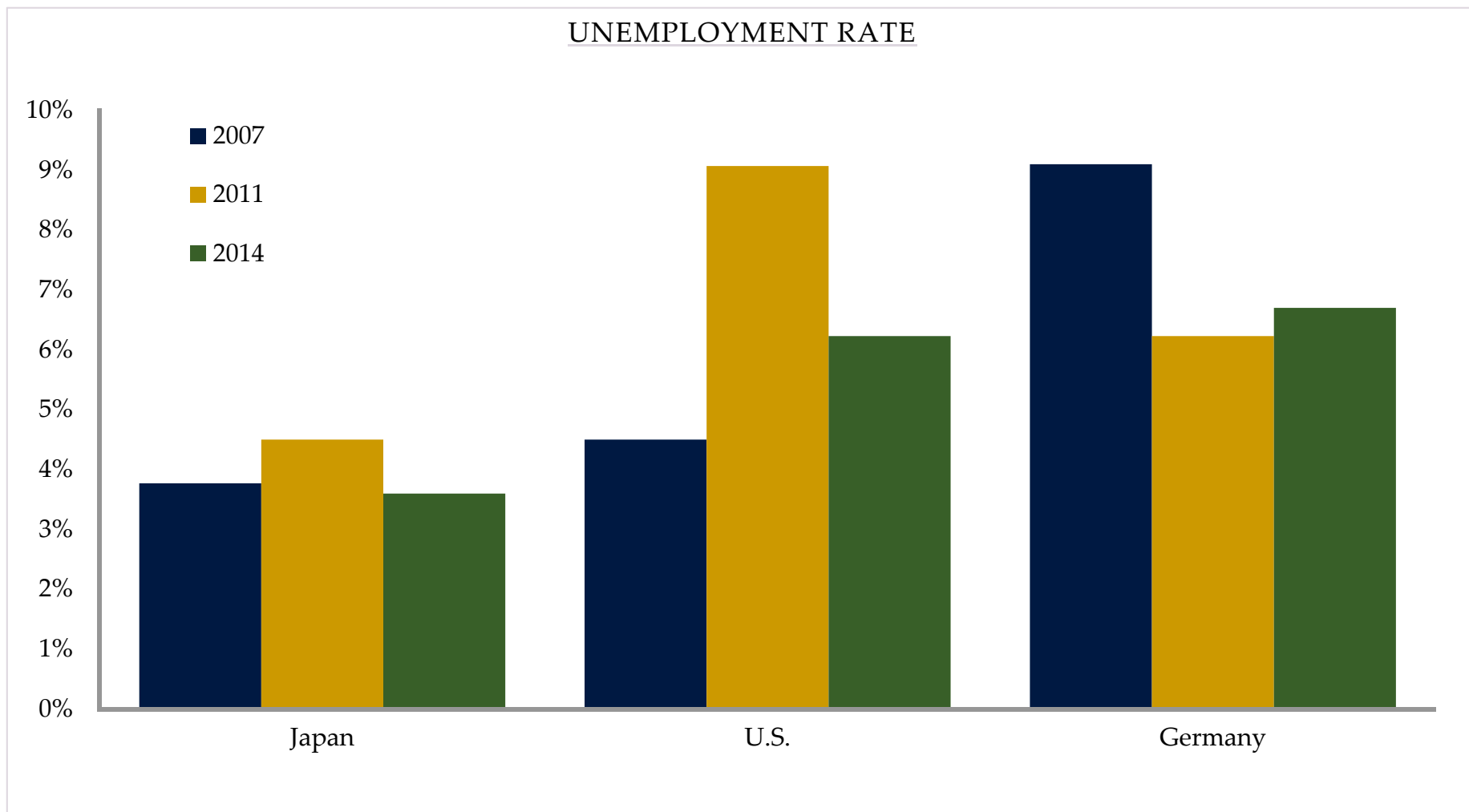


Note: As of August 2014
Source: Credit Suisse

Near record low default rates and projected to stay low

Market Observations

Macro Comments



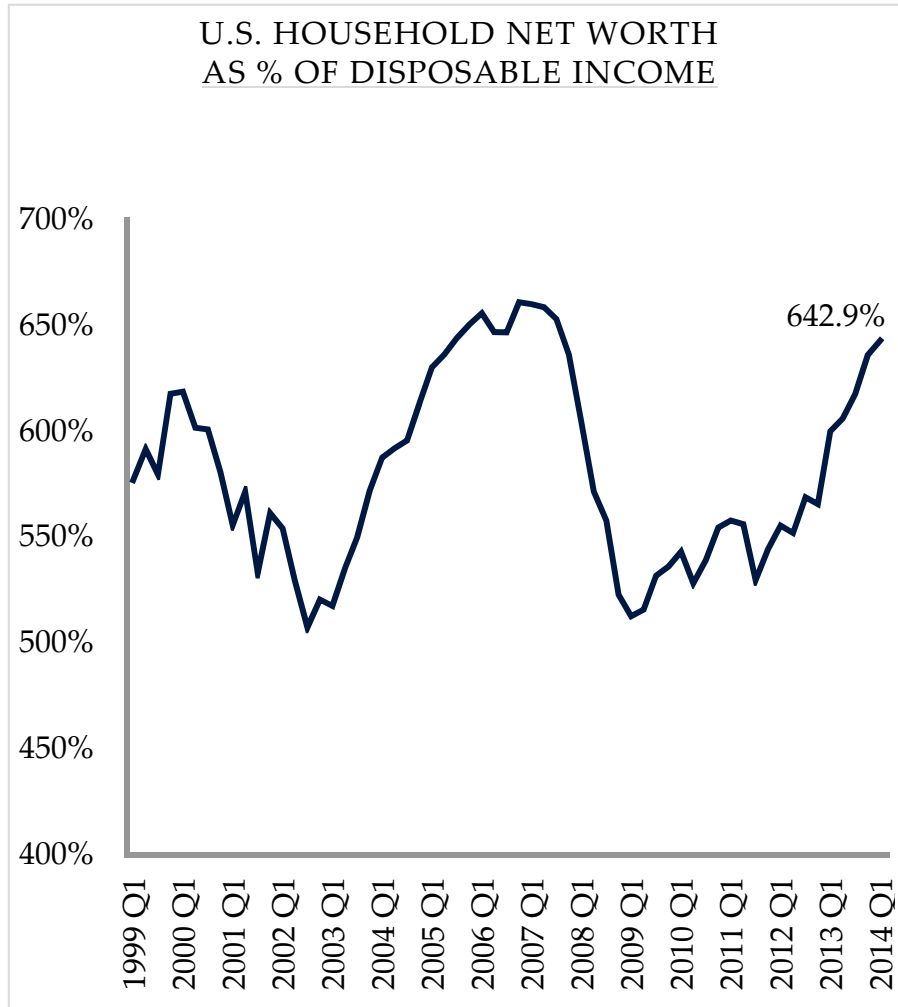
Note: As of August 2014
Source: Bloomberg



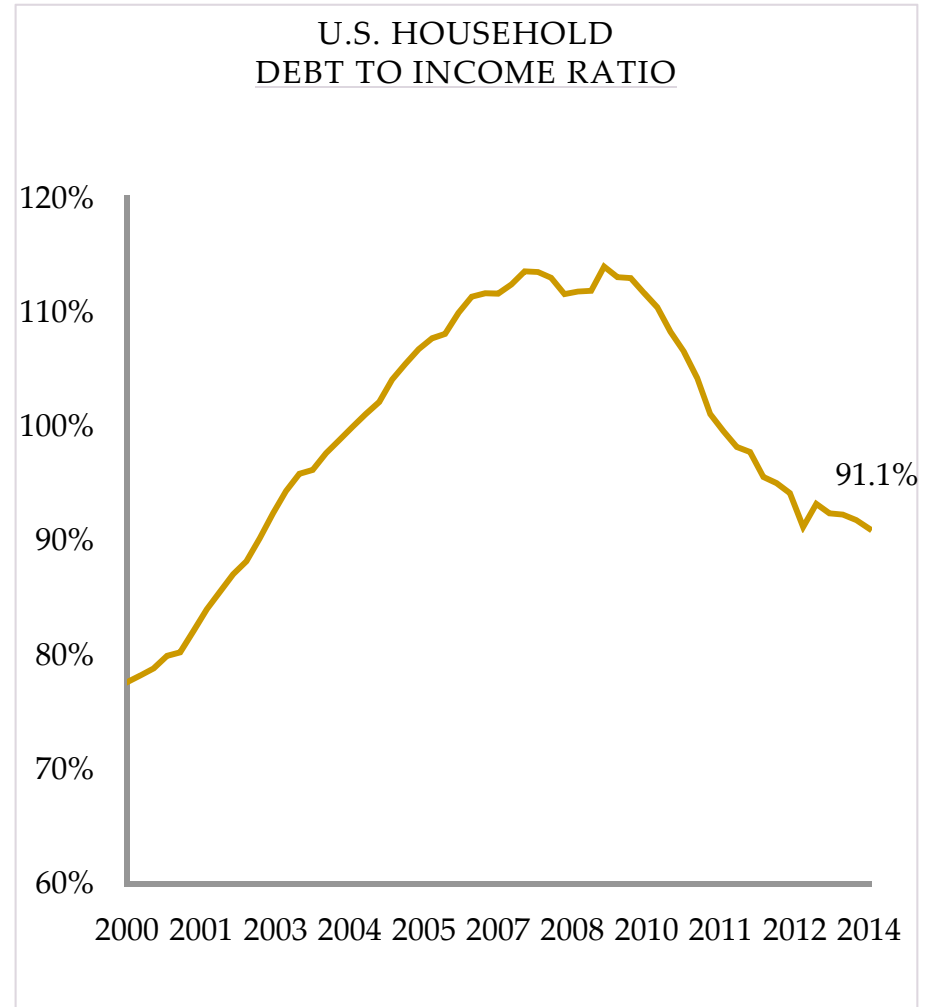
Unemployment has declined from peak levels

Market Observations

Macro Comments



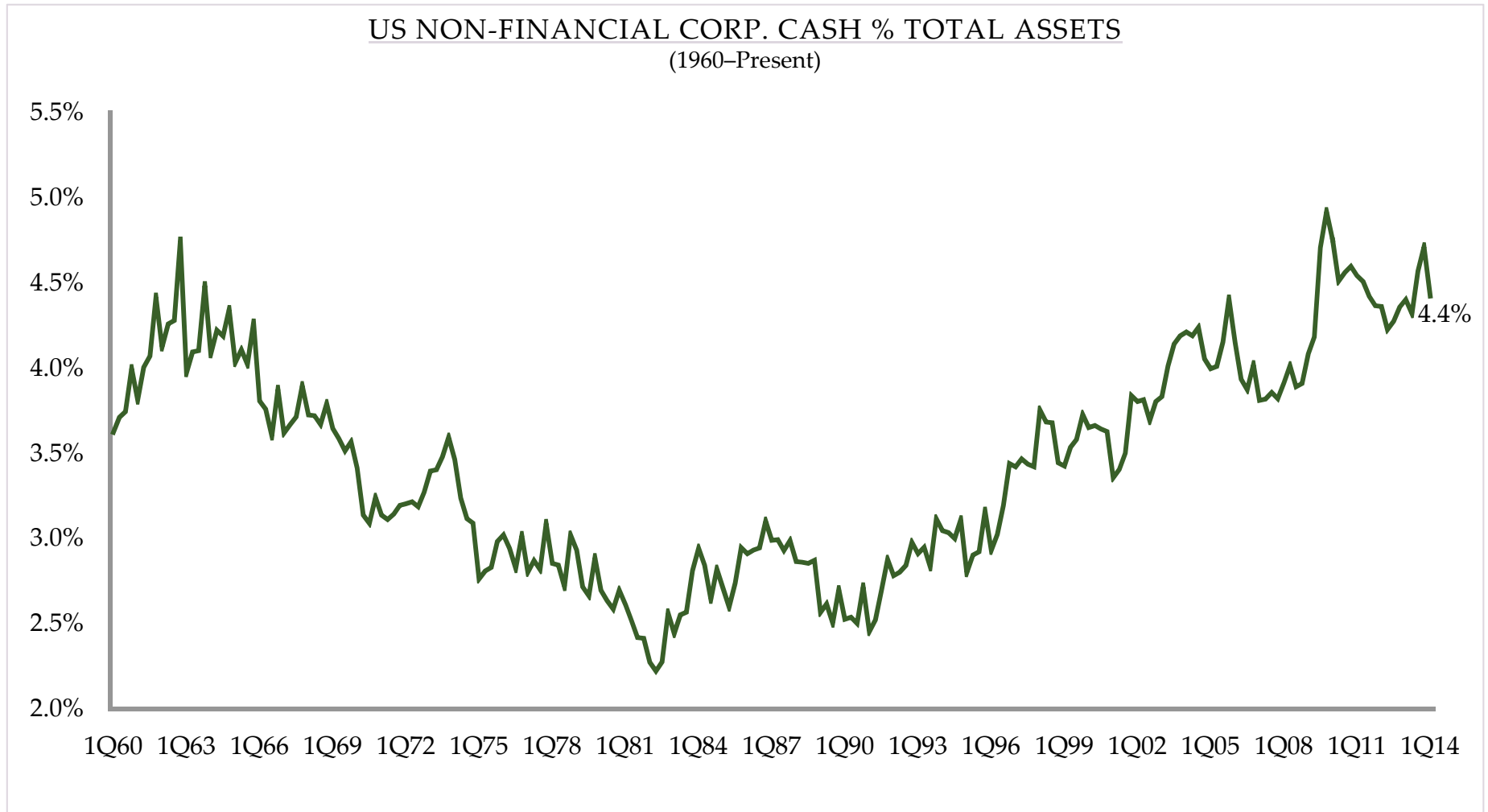
Note: As of August 2014
Source: Bloomberg



Consumer balance sheets have improved

Market Observations

Macro Comments

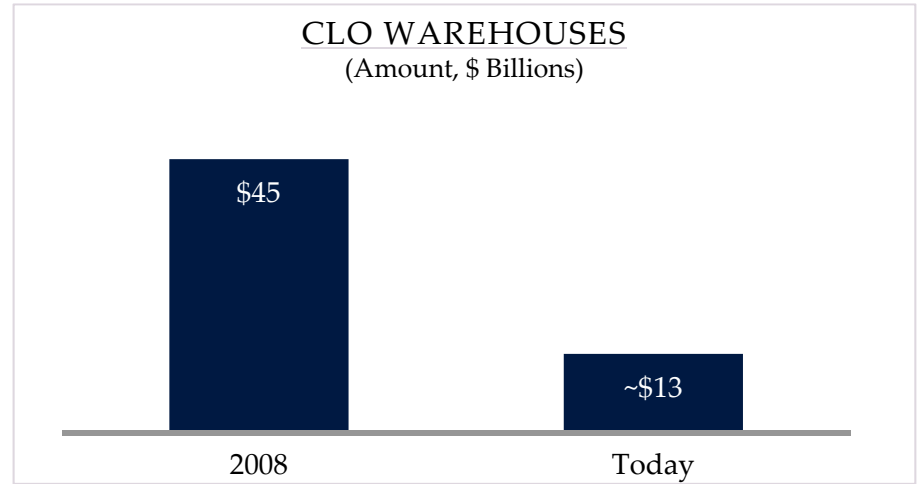
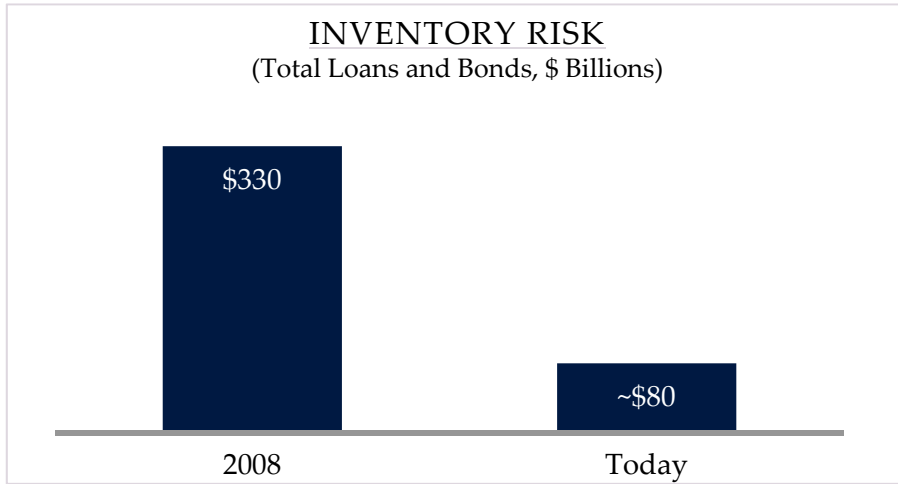


Source: Federal Reserve

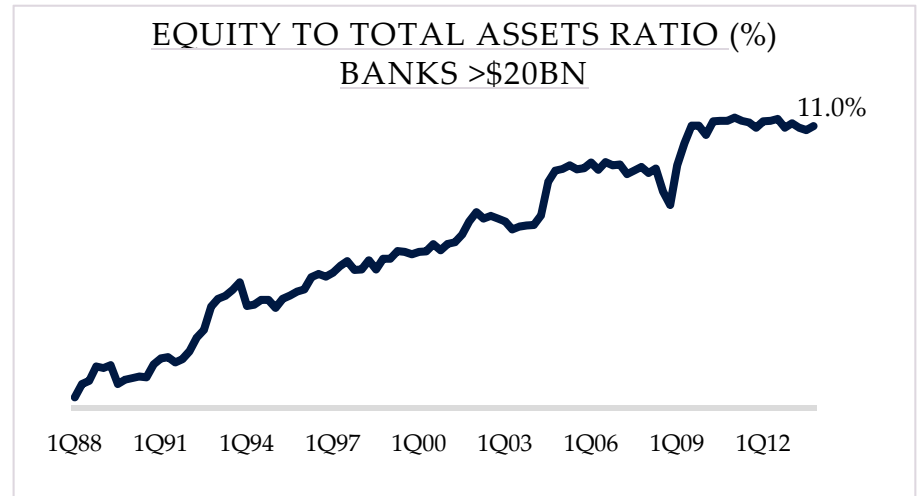
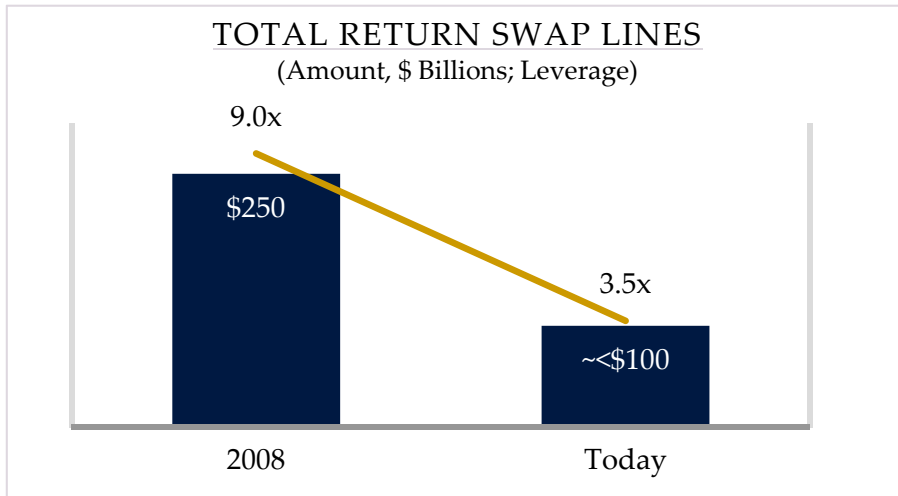


Corporate balance sheets are healthy

Market Observations



Note: As of March 2013
Source: J.P. Morgan



Note: As of March 2013
Source: J.P. Morgan

Source: Federal Reserve Bank of St. Louis



Keep an eye on the plumbing in credit markets

Market Observations

Economic Cycle Observations

YEARS SINCE START OF CYCLE											Peak to Trough % Change in S&P
1	2	3	4	5	6	7	8	9	10	11	
1982	1983	1984	1985	1986	1987	1988	1989	1990			+250%
1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	+350%
2002	2003	2004	2005	2006	2007	2008					+100%
2009	2010	2011	2012	2013	2014	?	?	?			+195% so far ¹

(1) As of September 2014
 Note Trough-to-Peak % Change in S&P during the respective periods
 Source: Bloomberg

Agenda

I. Market Observations

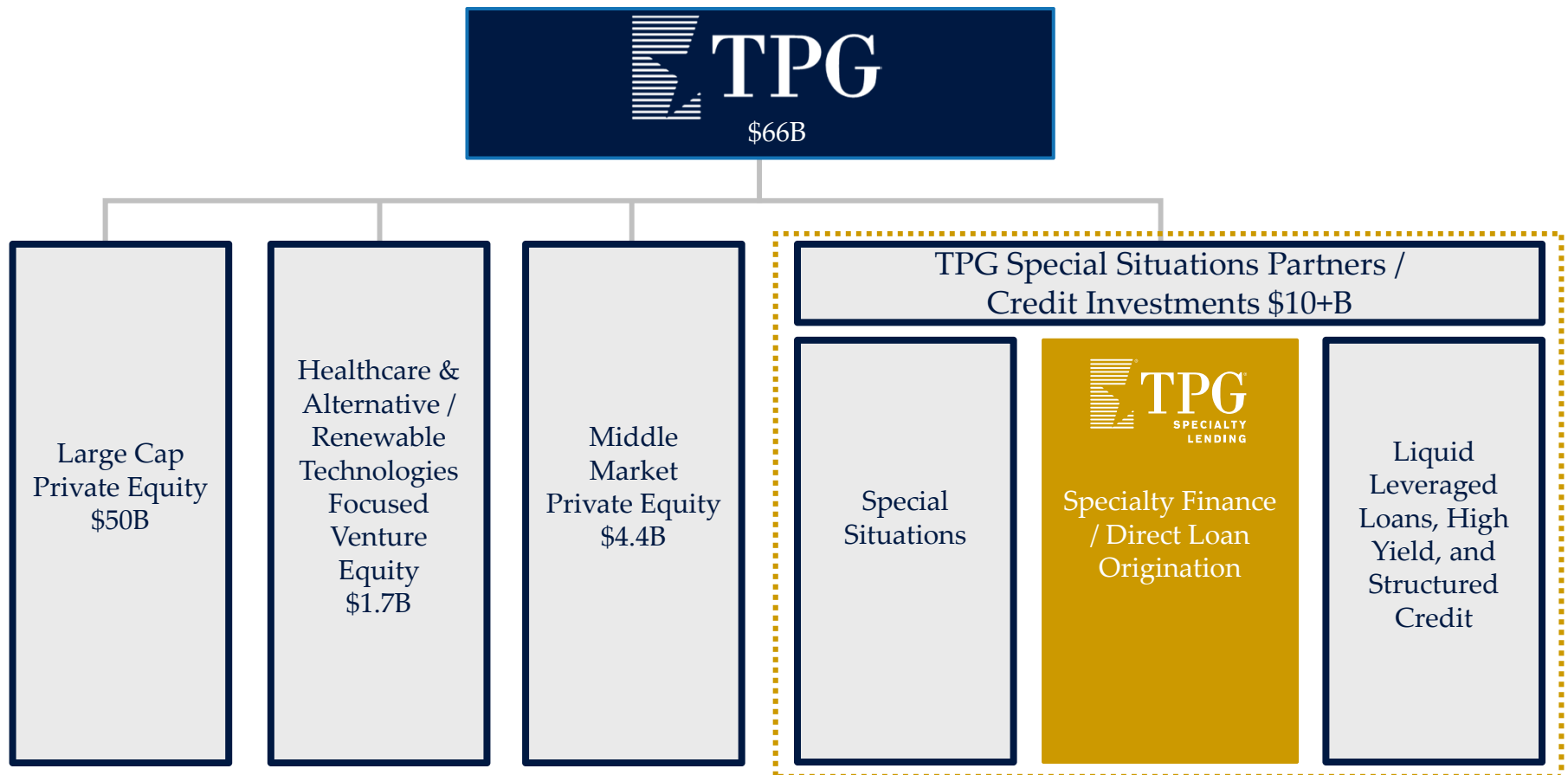
II. TSL Company Overview and Market Opportunity

III. Investment Strategy and Portfolio Overview

IV. Financial Highlights & Return on Equity

V. TSL Core Principles and Current Investment Themes

TPG Platform Overview

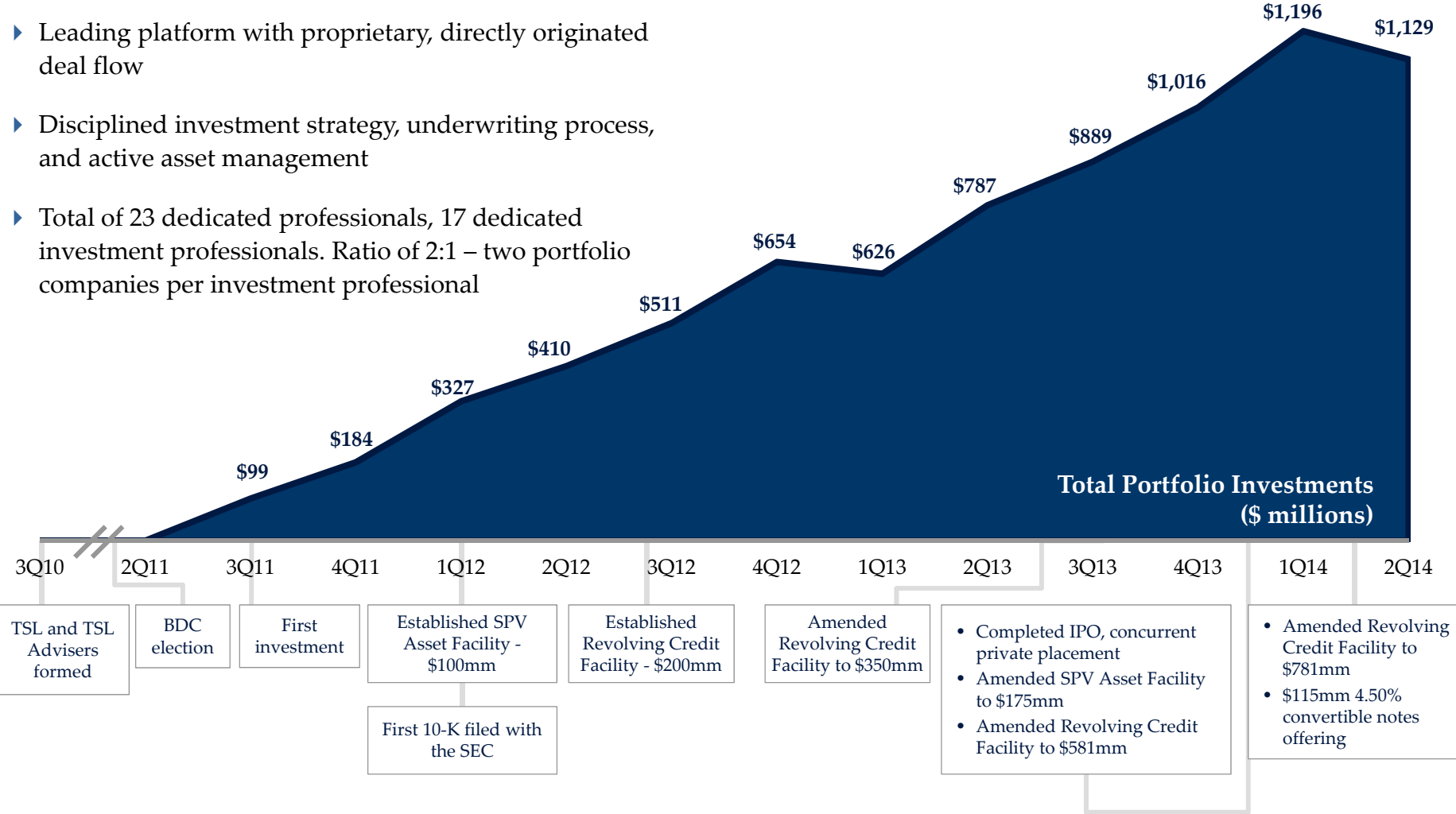


- TSL sits within the TPG Special Situations Partners (TSSP) platform, the \$10+ billion dedicated credit and special situations platform of TPG, a \$66 billion global asset manager
- TSL is the first-stop channel for directly originated, U.S. middle market credit opportunities

Note: TSSP AUM as of 6/30/2014

Overview

- ▶ Specialty finance company focused on lending to middle-market companies
- ▶ Operates as an externally managed business development company
- ▶ Leading platform with proprietary, directly originated deal flow
- ▶ Disciplined investment strategy, underwriting process, and active asset management
- ▶ Total of 23 dedicated professionals, 17 dedicated investment professionals. Ratio of 2:1 – two portfolio companies per investment professional
- ▶ Senior executives of TSSP and TPG own a significant stake in TSLX – approx. 5.2% of outstanding stock
- ▶ Investment grade credit ratings from both Standard & Poor’s and Fitch



TSL Competitive Advantages

Leading Platform and Proprietary Deal Flow

- ▶ 17 dedicated investment professionals
- ▶ Leverage resources of TPG and TSSP
- ▶ Approximately 90% of investments are directly originated
- ▶ Investment grade credit ratings from S&P (BBB-) and Fitch Ratings (BBB-)

Experienced Management Team

- ▶ 8 managing directors at adviser with over 160 years of collective experience as commercial dealmakers
- ▶ Senior team built and managed Goldman Sachs Specialty Lending Group from its inception in 2003 through 2009
- ▶ Operating as a BDC since 2011



Disciplined Investment Process

- ▶ Focus on highest risk-adjusted returns, not highest absolute return
- ▶ Identify attractive relative values across the middle-market by leveraging TSSP and TPG
- ▶ Robust and active management of investments that informs the underwriting activities

Aligned Investment Professionals

- ▶ Sourcing and underwriting in separate functions
- ▶ Compensation structure based on returns, not on volume of loans originated
- ▶ TPG senior management support and ownership alignment

Existing Senior, Floating Portfolio w/ Strong Yields

- ▶ Invested in 31 companies with a weighted average yield of 10.5% at amortized cost
- ▶ 86% first lien, 99% secured, 98% floating rate
- ▶ 99% of debt investments have call protection

Note: As of 6/30/2014

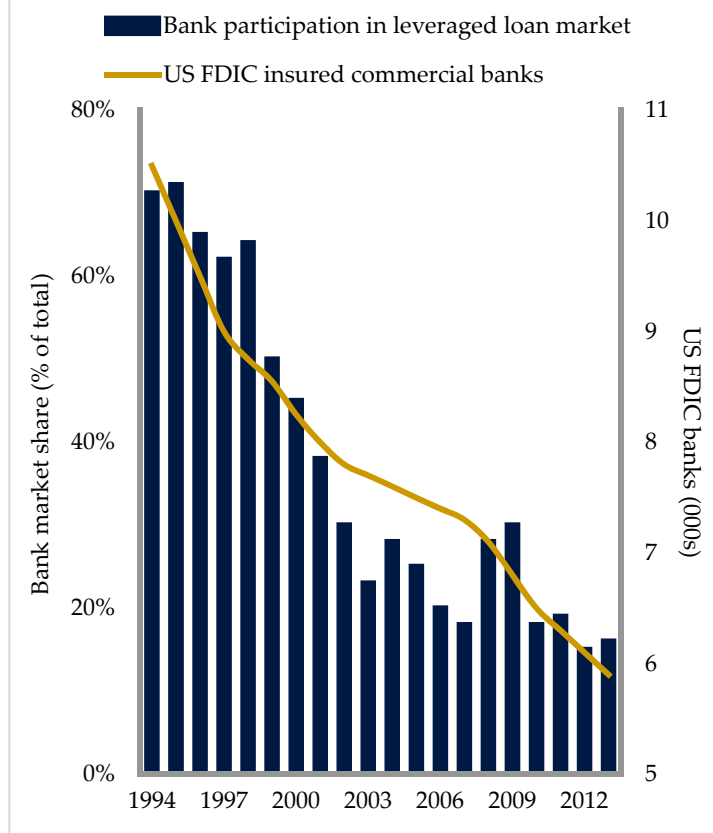
Banks' Participation in the Loan Market

Leveraged Lending Guidance

2012–2013	March 2013	Q4 2013–Q1 2014	Spring 2014
Regulators Note Concern On Underwriting Standards	... Issue Revised Leveraged Lending Guidance...	... Aiming to “Deter” Criticized Loans...	Ultimately Moving to a “No Expectations” Policy
<ul style="list-style-type: none"> FRB / OCC / FDIC note concerns about weakening underwriting standards, citing that “while leveraged lending declined during the crisis, volumes have since increased and <u>prudent underwriting practices have deteriorated</u>” Announce review of 2001 Interagency Guidance on Leveraged Lending 	<ul style="list-style-type: none"> Regulators issue the Revised Guidance The Guidance included several recommendations for the banks focused on underwriting standards, risk limits, pipeline management and internal risk standards The Guidance also noted that leverage “in excess of 6x... raises concerns for most industries 	<ul style="list-style-type: none"> “We’re <u>looking to deter</u> the origination of criticized or below-standard loans” “The impact on private equity, a significant driver of what we see as risky practices, is an intended consequence of our actions... <u>we certainly hope to change bad practices</u> and remove the extraordinary froth that’s experienced at the peak of a credit cycle” 	<ul style="list-style-type: none"> “On new issuance, we have a <u>‘no exceptions policy’</u>” Agencies are “continuing to evaluate the need” to make publicly available a document clarifying the guidelines

Source: Goldman Sachs

Commercial Bank Loan Market Trends



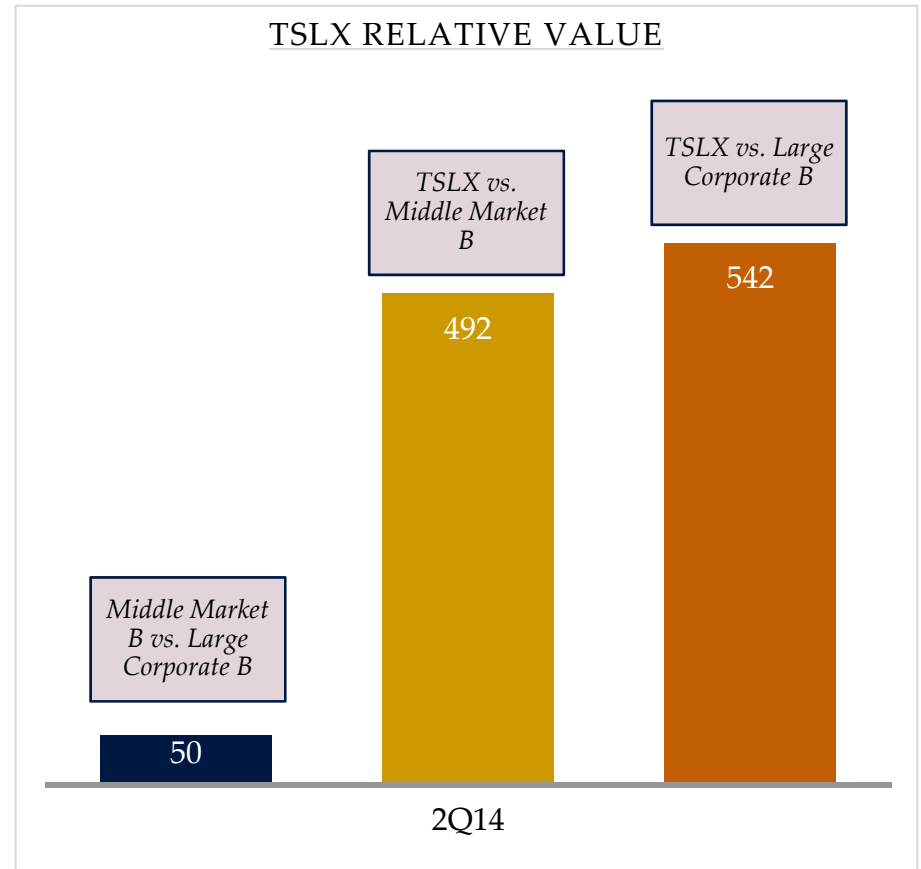
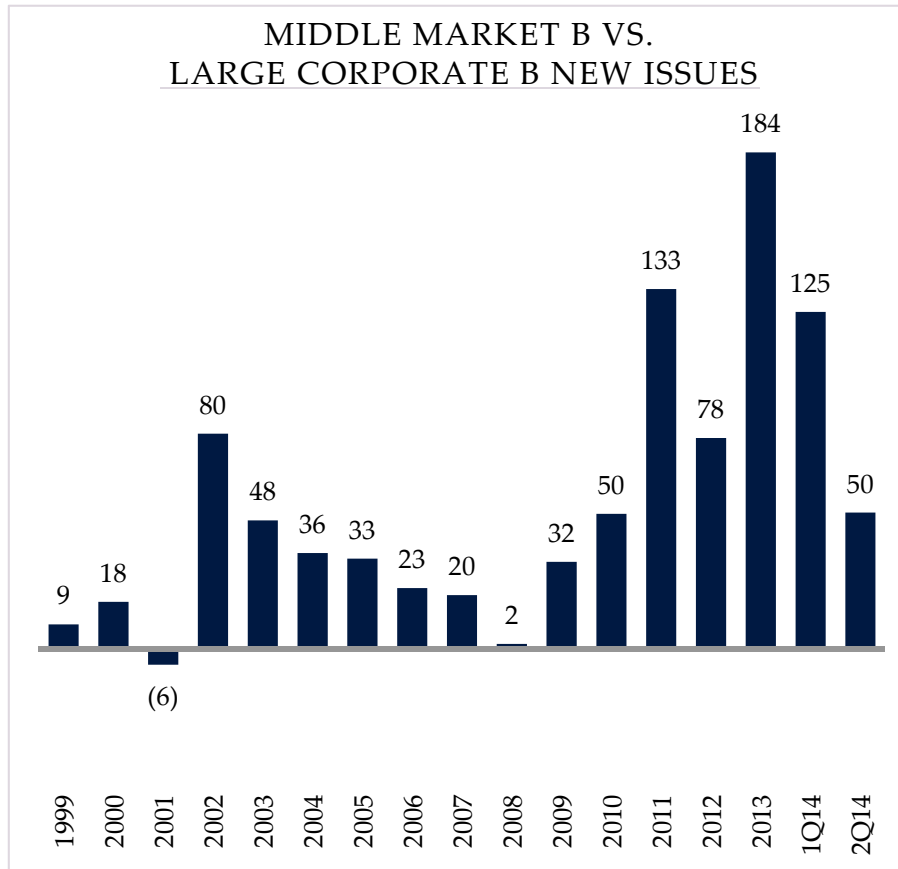
Note: Represents reported number of commercial banking institutions insured by FDIC as of 12/31/2013
Source: Federal Deposit Insurance Corporation, S&P as of 12/31



- Decreasing number of banks; bank loan volumes are depressed
- Remaining banks have contracted their lending to middle market companies, particularly given recent regulatory changes such as Basel III, risk retention requirements, and recent guidance on leveraged lending

Relative Value in the Middle Market

Spread with Floor Benefit Differential in BPS



Note: Middle market defined as issuers with EBITDA of \$50 million or less and large corporate defined as issuers with EBITDA greater than \$50 million. Past performance is not necessarily indicative of future results.
 Source: S&P Capital IQ LCD New Issue MMB and LCB spreads with floor benefit



The size premium for “B” risk is 50bps and 52bps for all institutional new loan volume.
 There is an observable illiquidity premium in private credit (492bps vs TSLX investments made in 2Q14)

Middle Market Conundrum

Risks

- You write call options
- Asymmetrical return profile
- Lack of liquidity in underlying security
- Capital formation in the strategy
- Performance varies by manager

TSL Mitigants

- Disciplined investment process led by experienced team
- Private equity style due diligence, dedicated team, and access to TSSP and TPG platform resources
- Moving the call option out of the money– 99% of the debt portfolio has call protection
- Disciplined asset management routines and culture of “re-underwriting risk”
- Weighted average of 2.9 financial covenants per underlying security
- Mitigate illiquidity risk by constructively addressing credit concerns with counterparties

Note: As of 6/30/14



Managing the Opportunity Set

Agenda

I. Market Observations

II. TSL Company Overview and Market Opportunity

III. Investment Strategy and Portfolio Overview

IV. Financial Highlights & Return on Equity

V. TSL Core Principles and Current Investment Themes

TSL Investment Strategy and Portfolio Composition

Value Proposition for our Borrowers

- ▶ Fully committed financing solutions / ability to syndicate large transactions
- ▶ Ability to hold large position sizes
- ▶ Flexible, long term capital / ability to grow with borrowers
- ▶ Understanding of business / speed and certainty of execution

Target Investments

- ▶ Core focus on investing in middle-market loans to U.S. based companies
 - Target EBITDA: \$10 million to \$250 million, with a core focus on \$50 million and below
 - As of 6/30/14 portfolio weighted average EBITDA: \$30 million
- ▶ Targeting average investment hold size of \$30 million to \$70 million

Strong Documentation

- ▶ Weighted average of 2.9 key financial covenants per credit agreement
- ▶ Effective voting control on 92% of debt investments

Geography

- ▶ Primarily US domiciled
- ▶ Opportunistic investments in borrower-friendly jurisdictions outside the US

Non-Accruals / Loss Rate

- ▶ No realized investment losses to date
- ▶ No investments on non-accrual as of 6/30/14

Note: By fair value of investments as of 6/30/14, unless otherwise noted

TSL Investment Strategy

1

Drive Strong Risk-Adjusted Returns

2

Fully-Dedicated Originations Platform

3

Disciplined Sector Approach

4

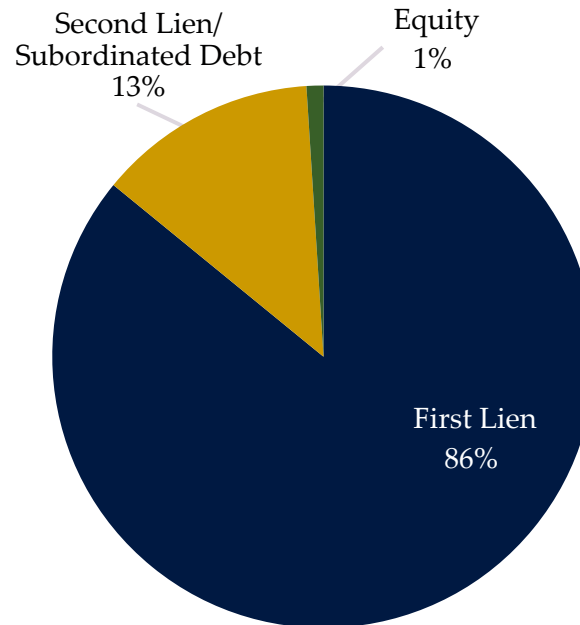
Maintain a Low Volatility Portfolio

5

Focused Risk Management

Risk-Adjusted Returns

TSL PORTFOLIO



Yield at Amortized Cost:
10.5%

Note: As of 6/30/2014

TSL is generating strong risk-adjusted returns on a primarily senior secured, floating rate portfolio

TSL Investment Strategy

1 Drive Strong Risk-Adjusted Returns

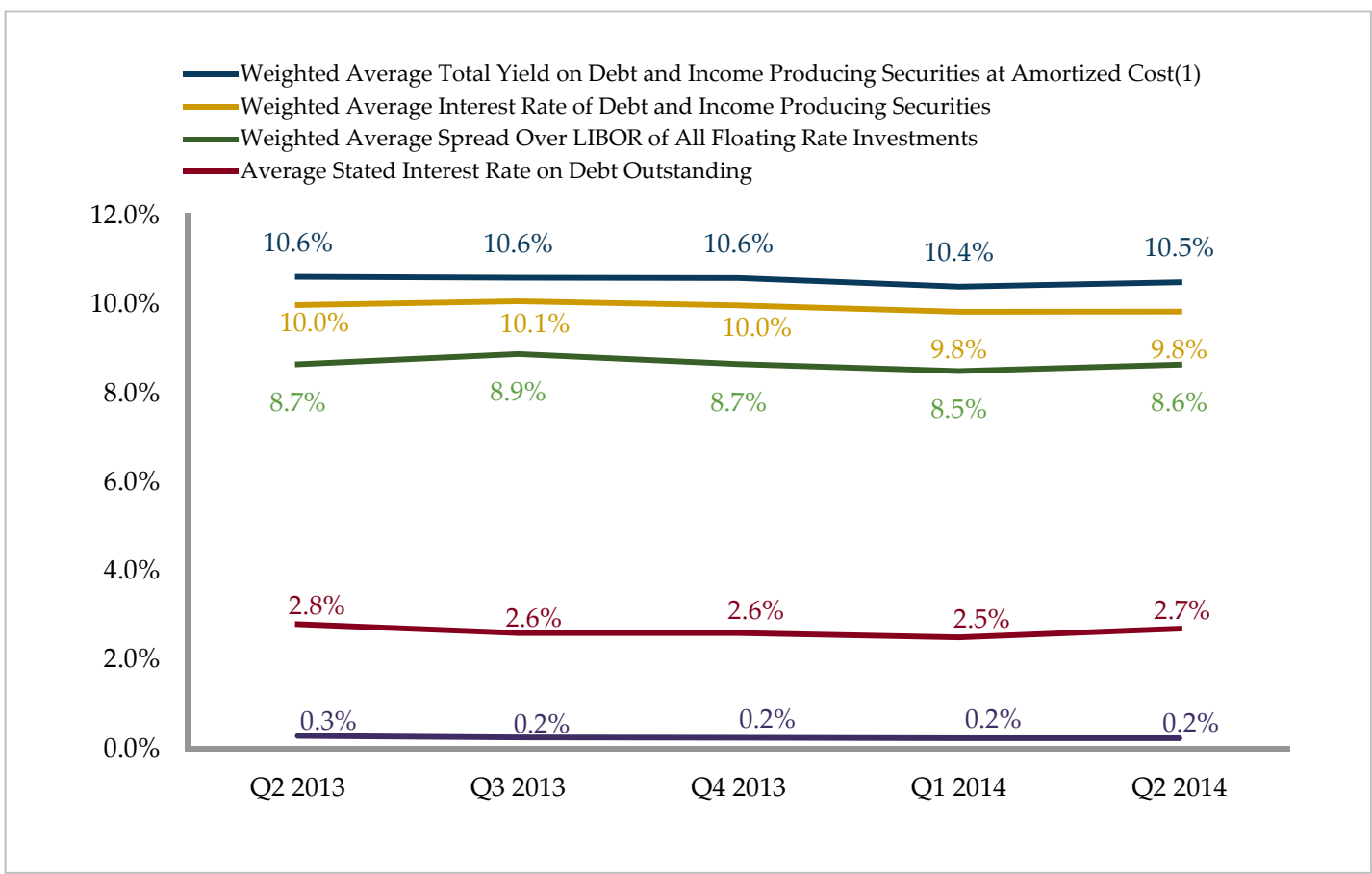
2 Fully-Dedicated Originations Platform

3 Disciplined Sector Approach

4 Maintain a Low Volatility Portfolio

5 Focused Risk Management

Risk-Adjusted Returns



(1) Total yield on investments is calculated based on the interest rate and the accretion of OID

Net investment margin has been stable... the benefit of direct originations

TSL Investment Strategy

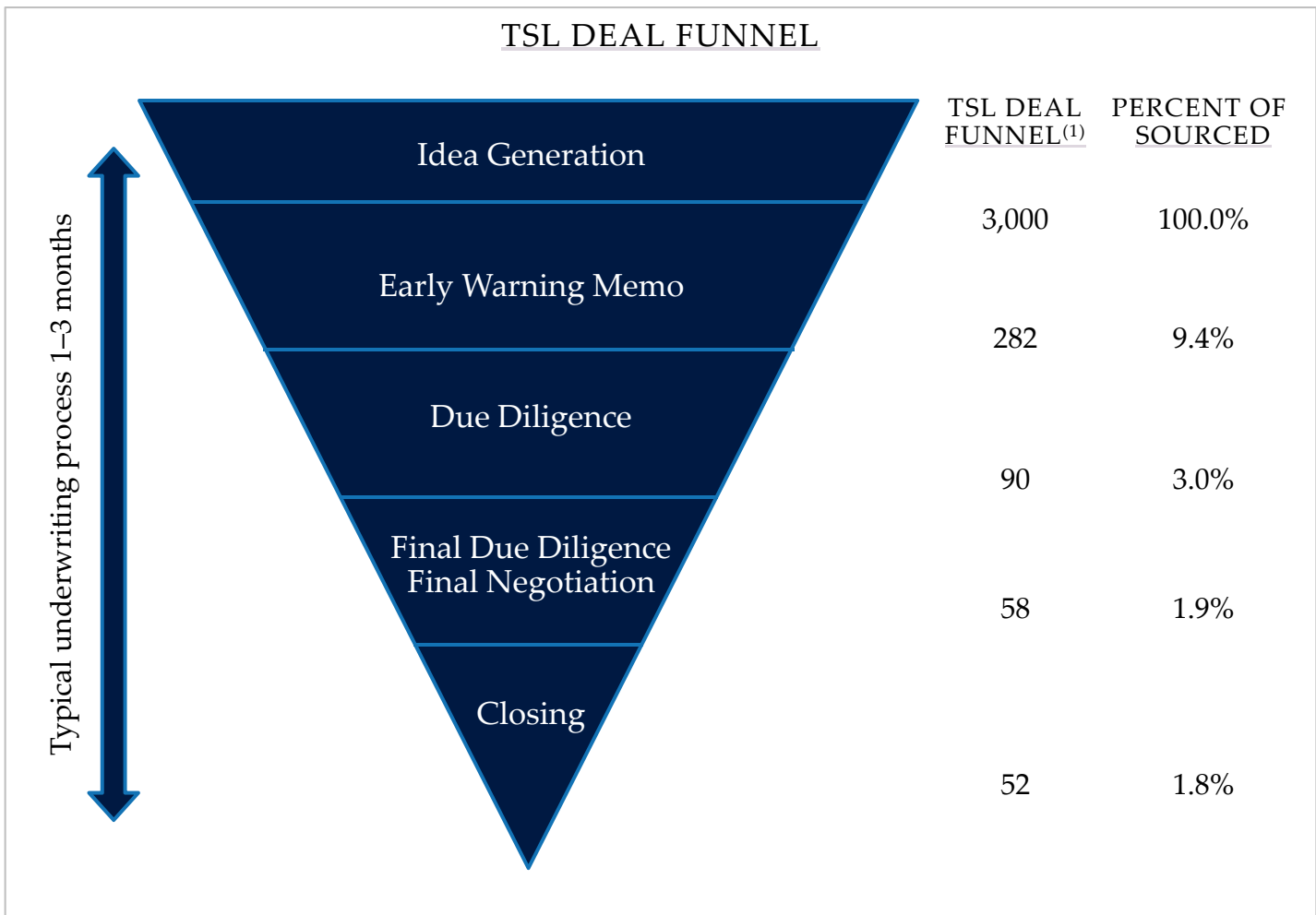
1 Drive Strong Risk-Adjusted Returns

2 Fully-Dedicated Originations Platform

3 Disciplined Sector Approach

4 Maintain a Low Volatility Portfolio

5 Focused Risk Management



(1) As of 6/30/2014 since TSL inception

Disciplined portfolio construction; closed investments represent ~1.8% of deals sourced since inception

TSL Investment Strategy

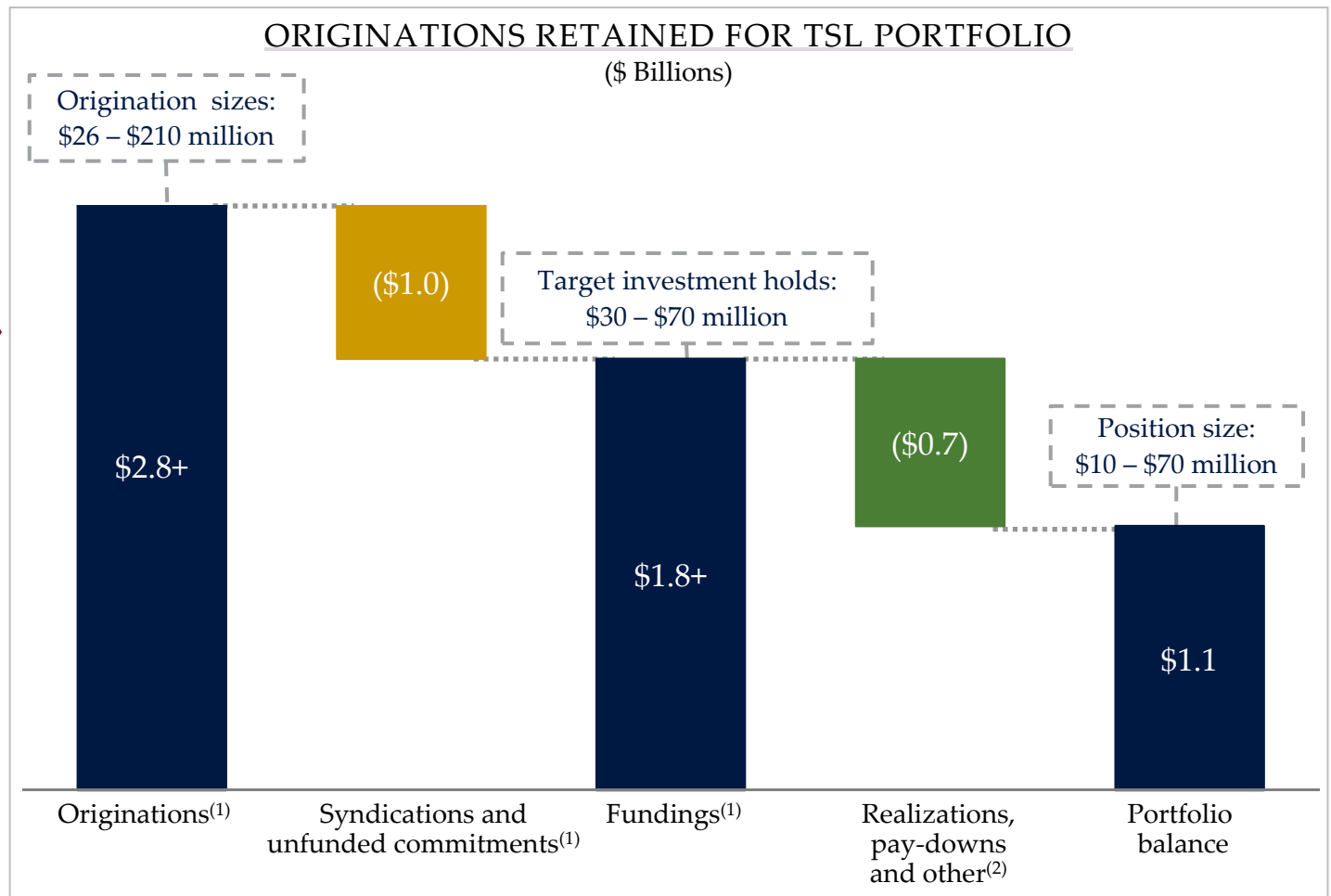
1 Drive Strong Risk-Adjusted Returns

2 Fully-Dedicated Originations Platform

3 Disciplined Sector Approach

4 Maintain a Low Volatility Portfolio

5 Focused Risk Management



Note: Figures as of 6/30/2014

(1) At par

(2) Pay-downs include amortization of term loans and revolver pay-downs; other reflects the difference between the basis of fundings (par value) and portfolio balance (fair value as of 6/30/2014, plus cost basis for new investments, less pay-downs since quarter-end)

TSL is a major player with the ability to originate large transactions and syndicate to the right hold size

TSL Investment Strategy

1 Drive Strong Risk-Adjusted Returns

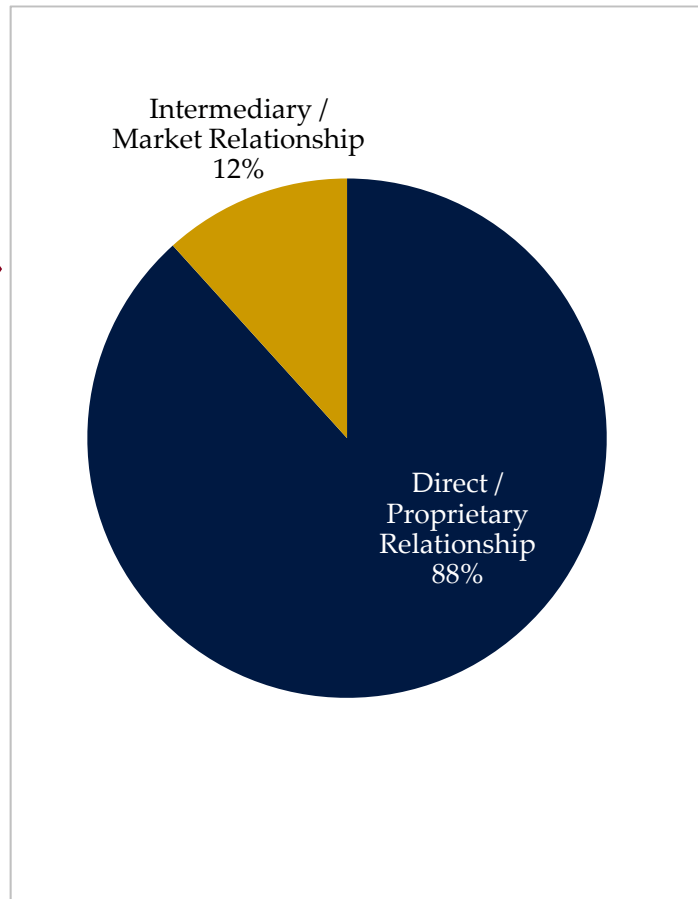
2 Fully-Dedicated Originations Platform

3 Disciplined Sector Approach

4 Maintain a Low Volatility Portfolio

5 Focused Risk Management

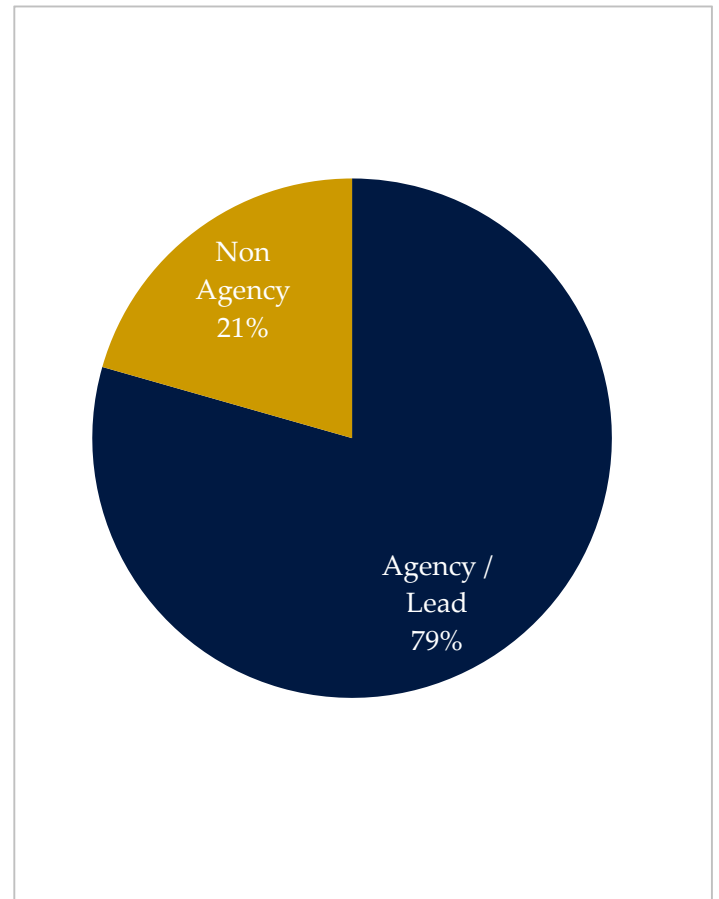
Sourcing



Note: By fair value of investments as of 6/30/2014

88% sourced away from Wall Street

Agency



Note: By fair value of debt investments as of 6/30/2014

TSL holds agency / lead position in 79% of portfolio debt investments

TSL Investment Strategy

- 1 Drive Strong Risk-Adjusted Returns
- 2 Fully-Dedicated Originations Platform
- 3 Disciplined Sector Approach
- 4 Maintain a Low Volatility Portfolio
- 5 Focused Risk Management

<p>Business Svcs / Human Resource Support Svcs / Electronics</p>	<p>Healthcare & Pharmaceuticals</p>	<p>Beverage, Food & Tobacco / Hotels, Gaming, & Leisure</p> <p>—Centaur Gaming</p>
<p>Const. & Building / Capital Equip. / Manufacturing / Containers & Pckg. / Automotive</p>	<p>Other</p>	<p>Financial Services / Insurance</p>

Notes: Portfolio companies since inception through 6/30/14. Industry classifications based on end-market rather than by the products or services directed to those end-markets

TSL Investment Strategy

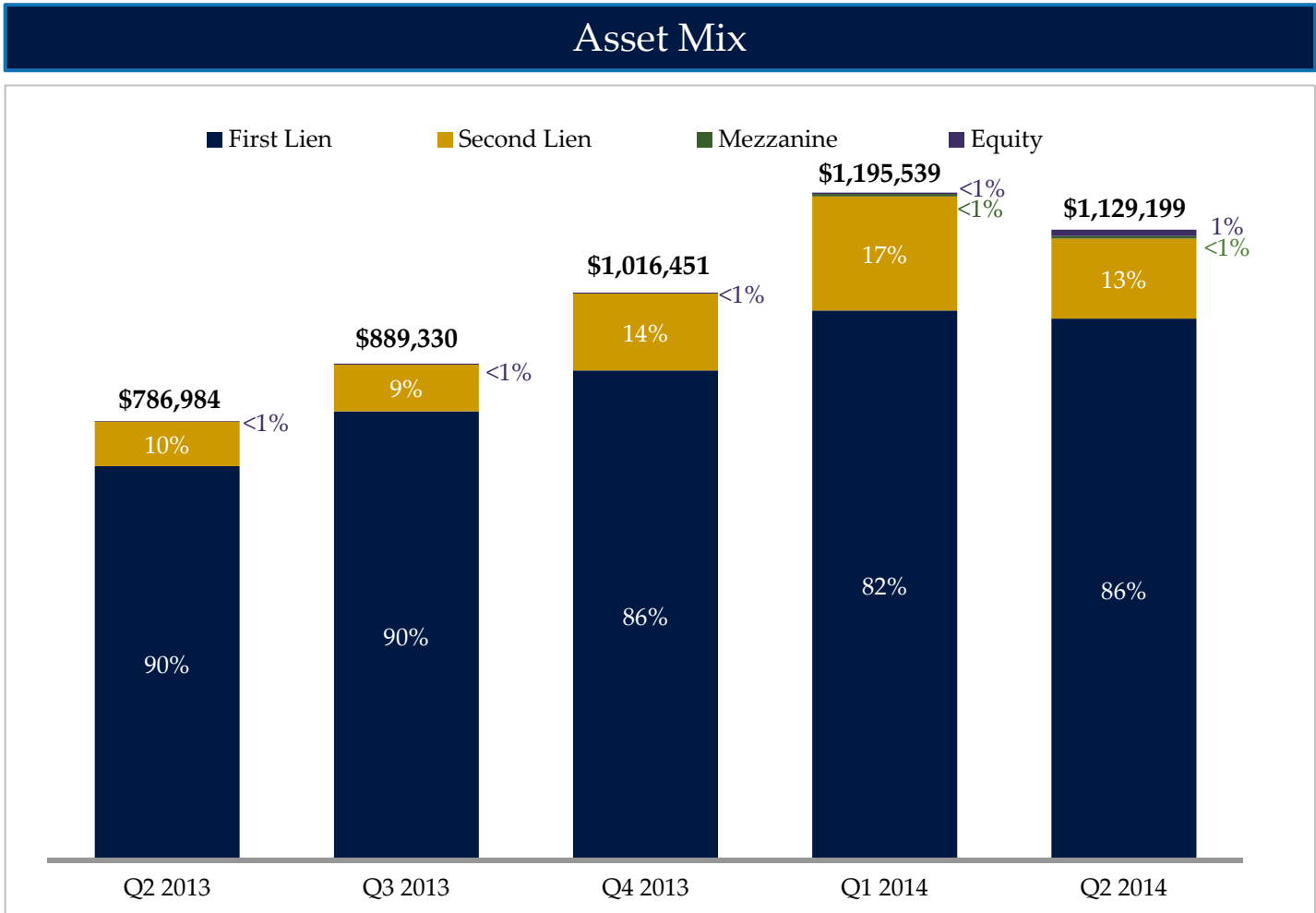
1 Drive Strong Risk-Adjusted Returns

2 Fully-Dedicated Originations Platform

3 Disciplined Sector Approach

4 Maintain a Low Volatility Portfolio

5 Focused Risk Management



Note: By fair value of investments

99% of the portfolio is secured

TSL Investment Strategy

1 Drive Strong Risk-Adjusted Returns

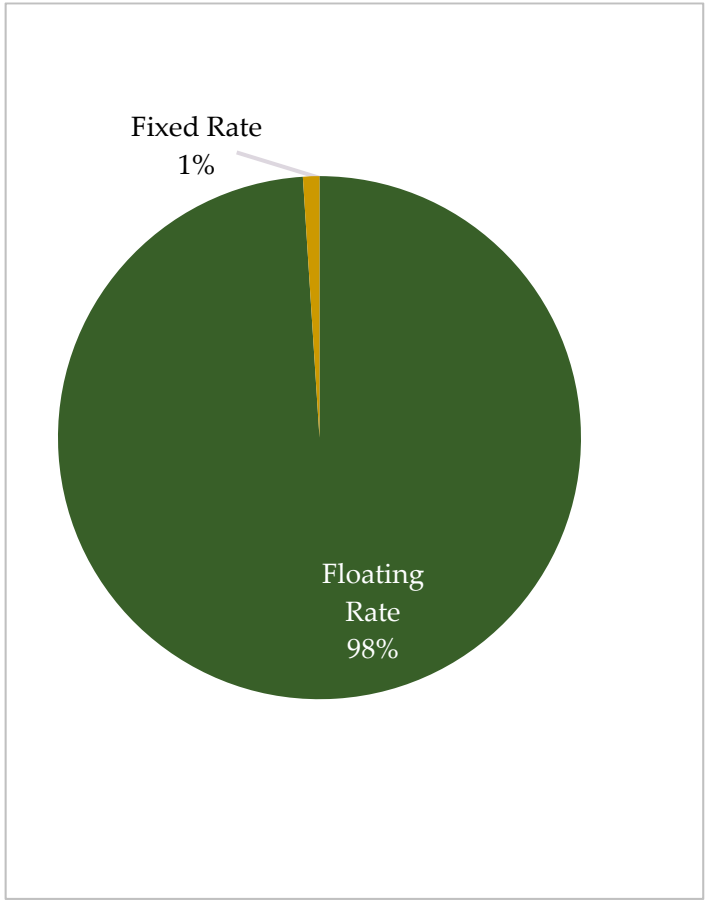
2 Fully-Dedicated Originations Platform

3 Disciplined Sector Approach

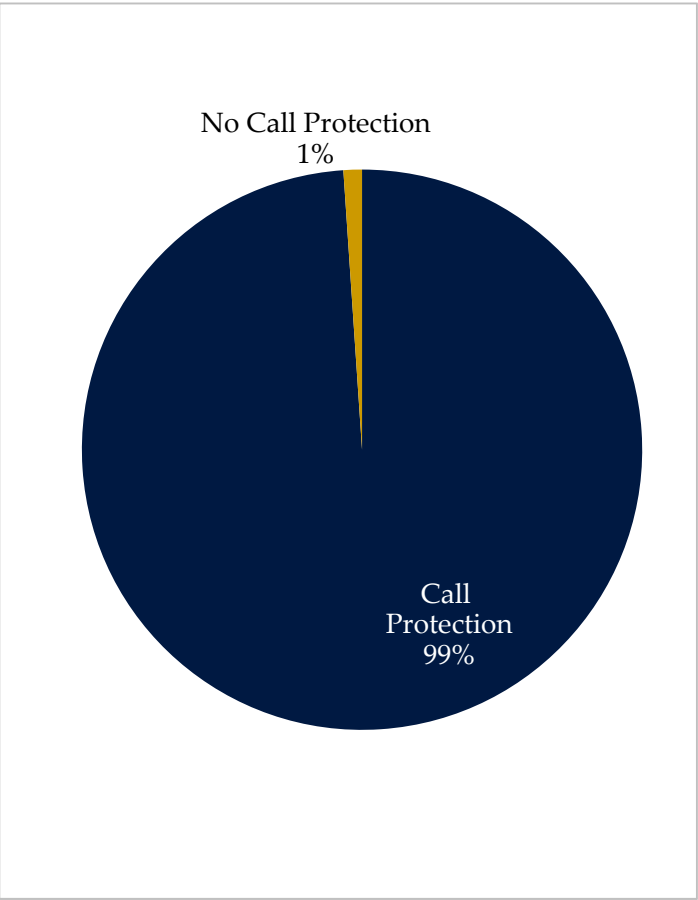
4 Maintain a Low Volatility Portfolio

5 Focused Risk Management

Yield Protection



Call Protection



Note: By fair value of debt investments as of 6/30/2014

Mitigating non-credit (interest rate and reinvestment) risks

TSL Investment Strategy

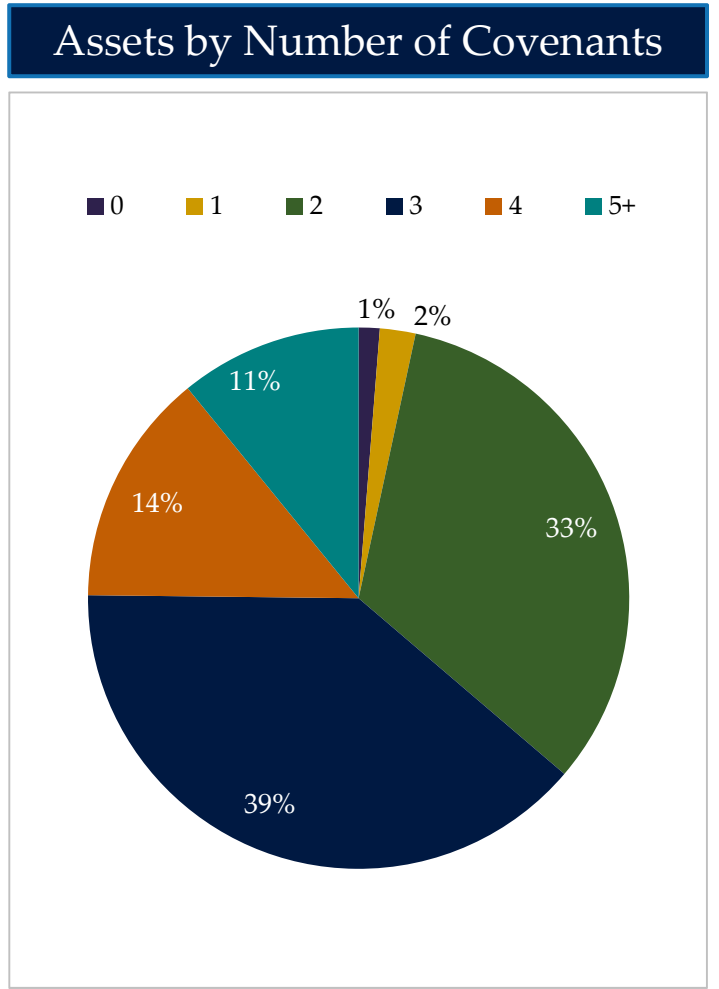
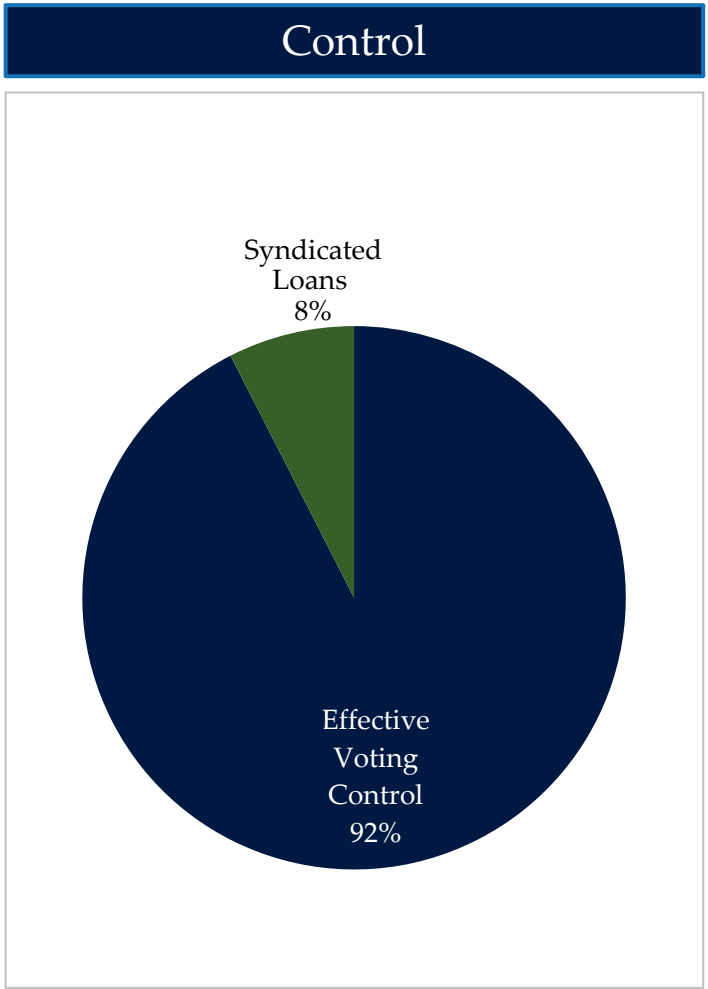
1 Drive Strong Risk-Adjusted Returns

2 Fully-Dedicated Originations Platform

3 Disciplined Sector Approach

4 Maintain a Low Volatility Portfolio

5 Focused Risk Management



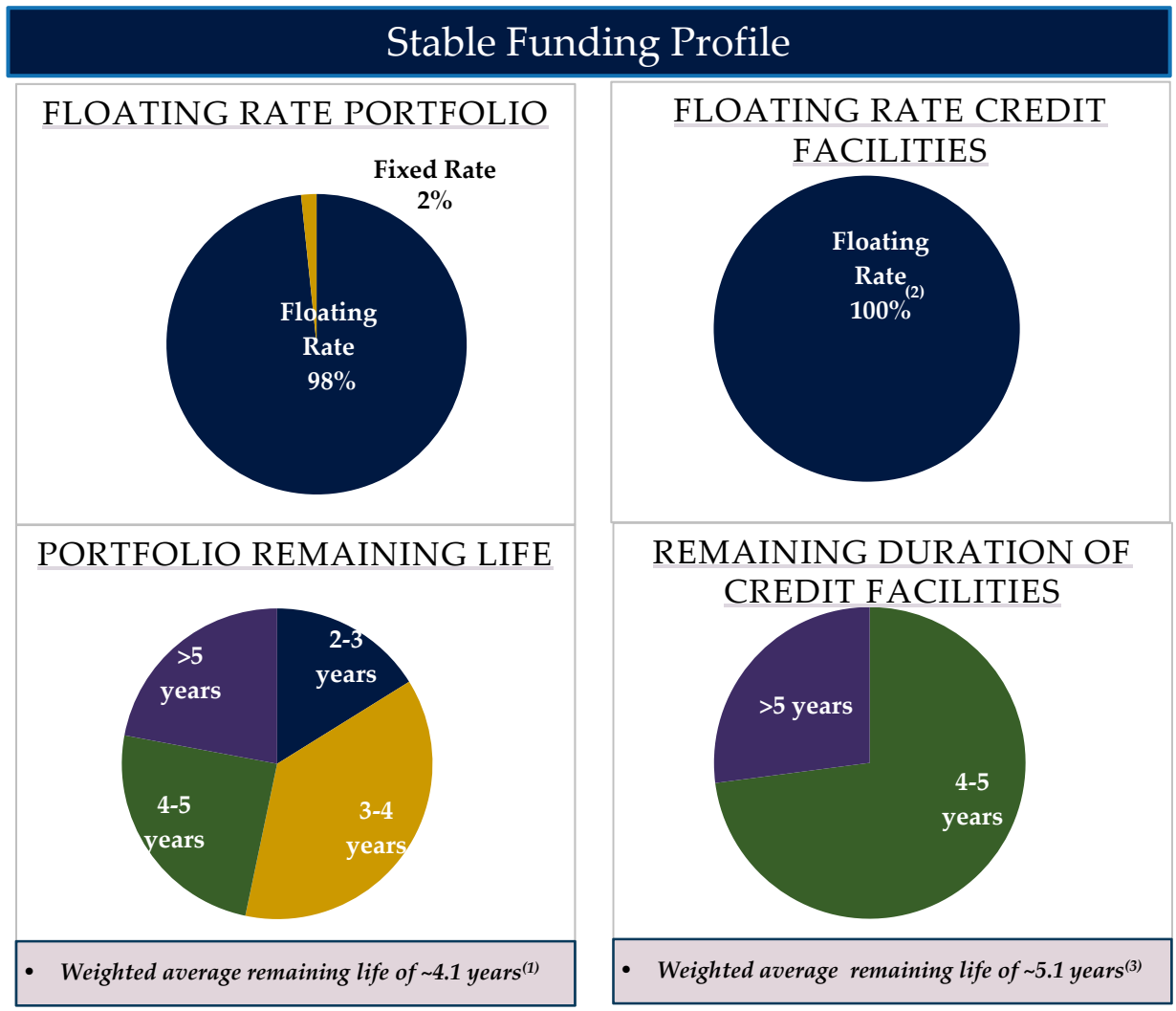
Note: By fair value of debt investments as of 6/30/2014. Numbers may not sum to 100% due to rounding

92% of portfolio has effective voting control

~2.9 weighted average covenants per transaction

TSL Investment Strategy

- 1 Drive Strong Risk-Adjusted Returns
- 2 Fully-Dedicated Originations Platform
- 3 Disciplined Sector Approach
- 4 Maintain a Low Volatility Portfolio
- 5 Focused Risk Management



(1) Weighted by fair value of debt investments
 (2) Convertible debt treated as floating rate due to interest rate swap TSL entered into to swap fixed notes payments for floating rate payments
 (3) Weighted by gross commitment amount

TSL is match funded from an interest rate and duration perspective

TSL Investment Strategy

1 Drive Strong Risk-Adjusted Returns

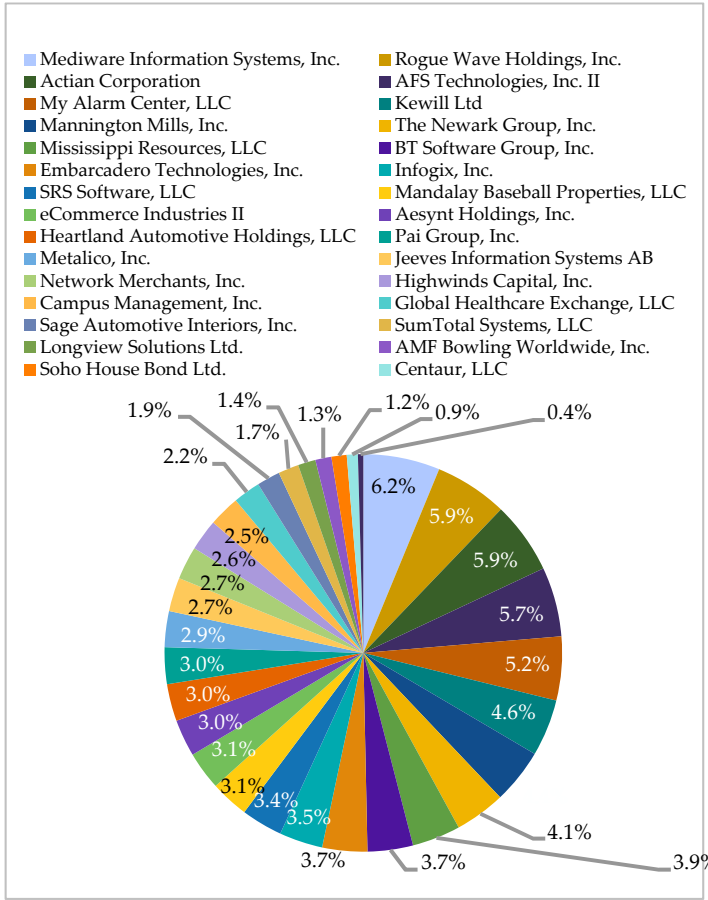
2 Fully-Dedicated Originations Platform

3 Disciplined Sector Approach

4 Maintain a Low Volatility Portfolio

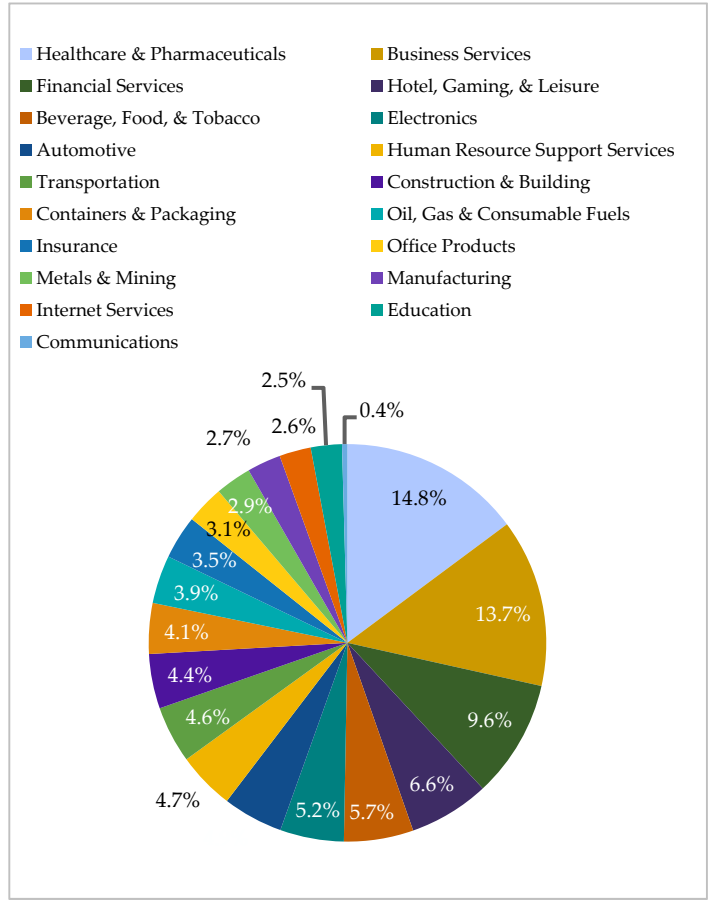
5 Focused Risk Management

Borrower Diversification



Note: Numbers may not sum to 100% due to rounding
Based on fair value of investments as of 6/30/14

Industry Diversification



Diversity across borrower and industry concentrations

Agenda

I. Market Observations

II. TSL Company Overview and Market Opportunity

III. Investment Strategy and Portfolio Overview

IV. Financial Highlights & Return on Equity

V. TSL Core Principles and Current Investment Themes

Financial Highlights

(Dollar amounts in thousands, except per share data; per share data is based on weighted average shares outstanding during the period, except as otherwise noted)

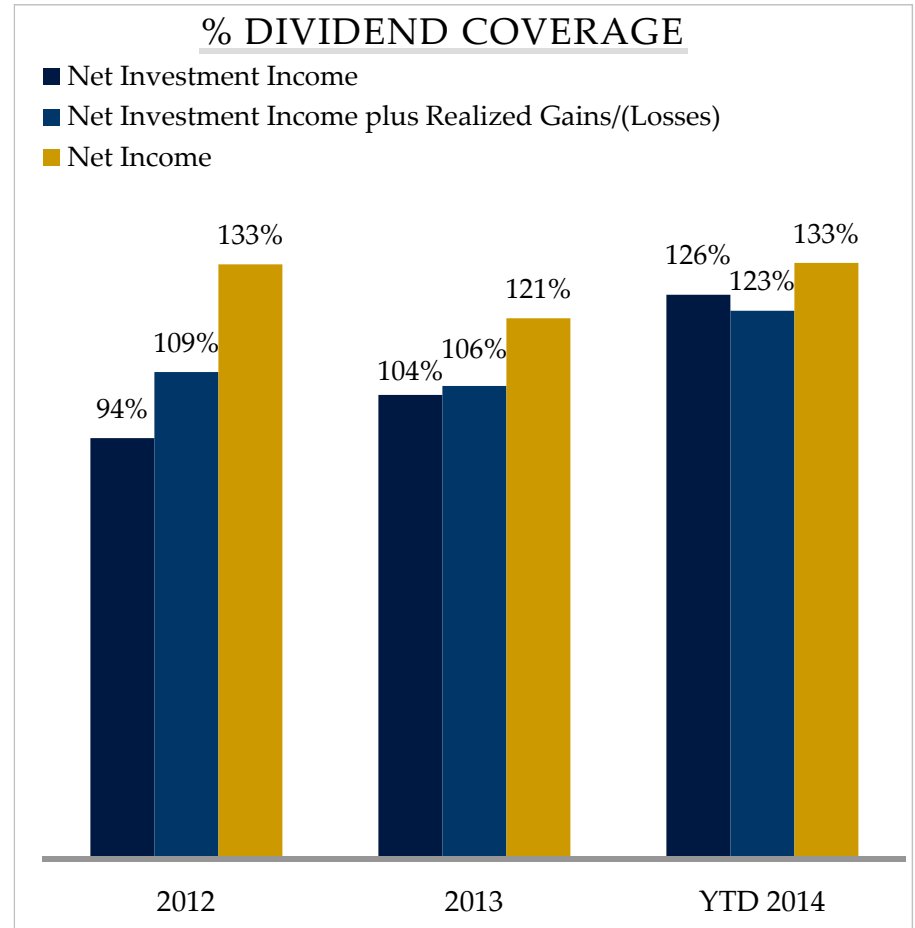
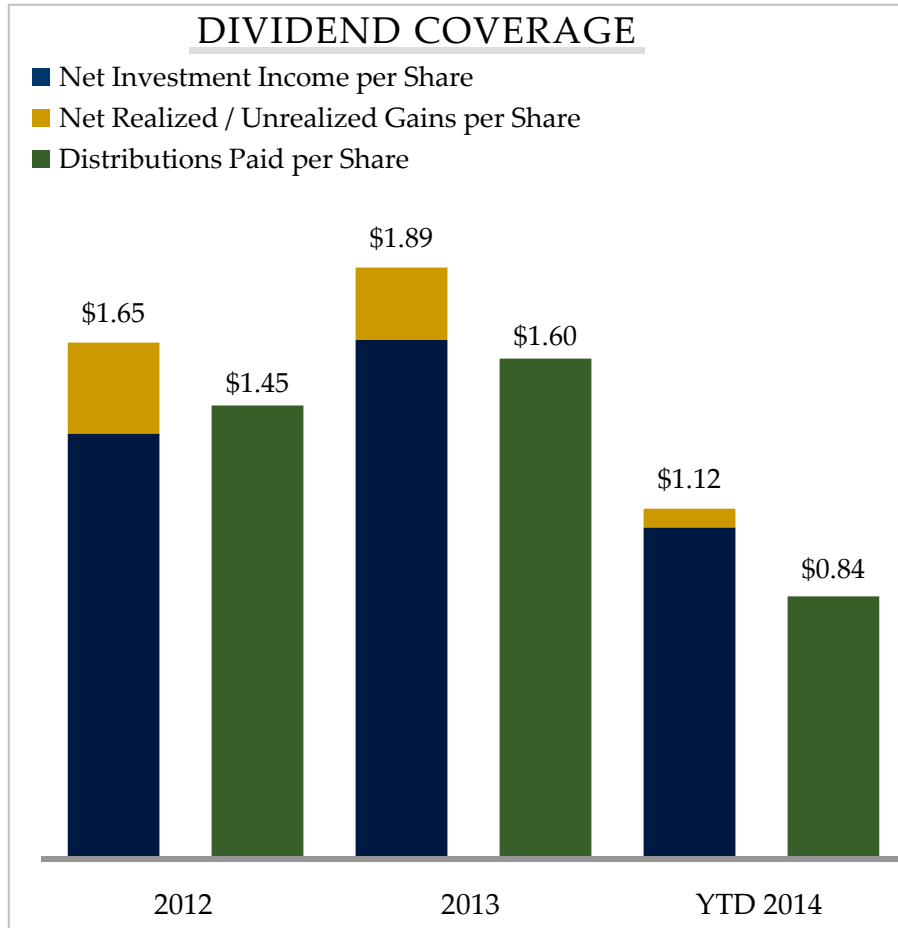
	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014
Net investment income per share ⁽¹⁾	\$0.37	\$0.42	\$0.46	\$0.51	\$0.55
Net realized and unrealized gains per share ⁽¹⁾	\$0.04	\$0.05	\$0.11	\$0.10	(\$0.04)
Net income per share ⁽¹⁾	\$0.41	\$0.47	\$0.57	\$0.61	\$0.51
Net asset value per share ⁽¹⁾	\$15.29	\$15.35	\$15.52	\$15.51	\$15.70
Distributions paid per share ⁽¹⁾	\$0.40	\$0.40	\$0.40	\$0.47	\$0.38
Distributions paid per share (ending shares) ⁽¹⁾	\$0.40	\$0.38	\$0.40	\$0.38	\$0.38
Net Assets	\$526,547	\$561,089	\$574,696	\$804,755	\$837,426
Total Debt	\$378,973	\$338,267	\$432,267	\$402,077	\$296,392
Debt to Equity at Quarter-End	0.72x	0.60x	0.75x	0.50x	0.35x
Average Debt to Equity ⁽²⁾	0.42x	0.51x	0.68x	0.73x	0.43x

(1) The indicated amounts have been retroactively adjusted for the stock split which was effected in the form of a stock dividend. On December 3, 2013, the Board approved a stock split in the form of a stock dividend pursuant to which the Company's stockholders of record as of December 4, 2013 received 65.676 additional shares of common stock for each share of common stock held. The Company distributed the shares on December 5, 2013 and paid cash for fractional shares without interest or deduction. The Company has retroactively applied the effect of the stock split to the financial information presented herein by multiplying numbers of shares outstanding by 66.676 and dividing per share amounts by 66.676

(2) Daily average debt outstanding during the quarter divided by daily average net assets during the quarter. Daily average net assets is calculated by starting with the prior quarter end net asset value and adjusting for capital activity during the quarter (adding capital calls / DRIP contributions)

Financial Highlights

(Dollar amounts in thousands, except per share data; per share data is based on weighted average shares outstanding during the period)



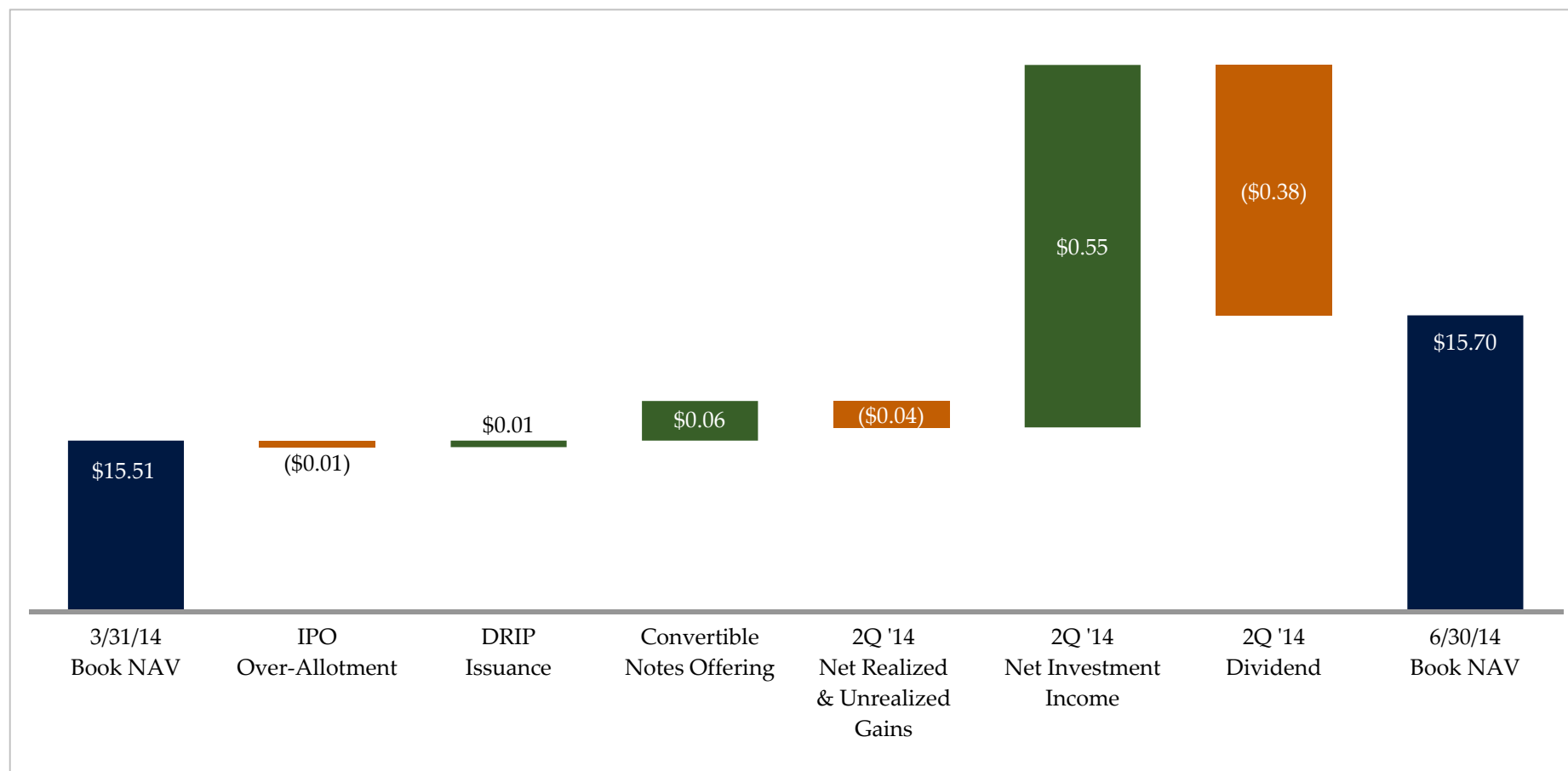
Note: The indicated amounts have been retroactively adjusted for the stock split which was effected in the form of a stock dividend. On December 3, 2013, the Board approved a stock split in the form of a stock dividend pursuant to which the Company's stockholders of record as of December 4, 2013 received 65,676 additional shares of common stock for each share of common stock held. The Company distributed the shares on December 5, 2013 and paid cash for fractional shares without interest or deduction. The Company has retroactively applied the effect of the stock split to the financial information presented herein by multiplying numbers of shares outstanding by 66,676 and dividing per share amounts by 66,676.



Consistently earned dividend for over 2 years

Net Asset Value Bridge

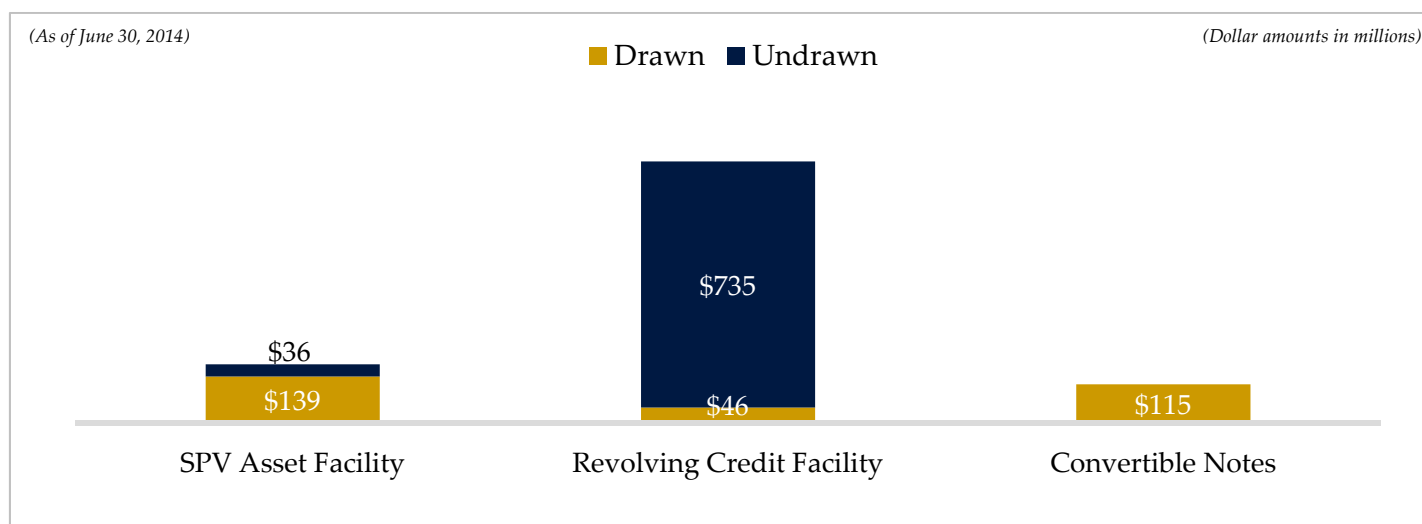
- April 2014 – the underwriters fully exercised their over-allotment option of 1,050,000 shares of common stock from our IPO
- May 1, 2014 – DRIP issuance of \$7.1 million
- June 10, 2014 – Convertible notes offering of \$115.0 million principal amount



Note: Each net asset value per share impact is calculated based on total TSLX equity post each event divided by total shares outstanding post each event, less net asset value per share pre-event

Liquidity and Liabilities Management

SPV Asset Facility		Revolving Credit Facility	Convertible Notes	
Size:	\$175 million	\$781 million; uncommitted accordion feature can increase total size to \$956 million	Size:	\$115 million
Revolving Period:	January 21, 2015	February 27, 2018	Maturity:	December 15, 2019
Maturity Date:	January 21, 2021	February 27, 2019	Coupon:	4.50%
Interest Rate:	CP + 225	LIBOR + 225	Interest Rate Swap Pricing⁽¹⁾:	LIBOR + 252.9
Undrawn Fee:	0.75%	0.375%	Conversion Price:	\$25.83



(1) In connection with the offering of the convertible senior notes, the Company entered into an interest rate swap to continue to align the interest rates of our liabilities with our investment portfolio, which consists of predominately floating rate loans. As a result of the swap, our effective interest rate on the convertible senior notes is three-month LIBOR plus 252.9 basis points

Note: As of June 30, 2014, we had \$25 million immediately available to draw, and an additional \$11 million available to draw subject to assigning investments to our SPV

Drivers of ROE

1

Return on Assets

2

Prudent Use of Leverage

3

Expense Management

4

Positioned For NAV Growth

Illustrative Unit Economics / Return on Equity	
Weighted Average Interest Rate of Debt and Income Producing Securities	9.8%
Accelerated amortization of upfront fees ⁽¹⁾	1.0%
Total Yield	10.8%
Impact of Additional Fees ⁽²⁾	0.9%
All-in Yield	11.7%
Cost of funds	(3.3%)
Assumed Debt/Equity	0.60x
Net Levered Return	16.7%
Management Fees (1.50% of Assets)	(2.4%)
Operating Expenses (0.76% of Assets)	(1.2%)
Levered Returns Before Incentive Fee	13.1%
Incentive Fee	(2.3%)
Illustrative Net Levered ROE	10.8%
Book Dividend Yield at 6/30/14	9.7%

We believe we are generating a strong risk-adjusted return on equity in excess of our dividend

1) Assumes 2.5 year average life

2) The midpoint of the average of prepayment fees, syndication fees and other income, which includes amendment and syndication fees, dividend income and other income, over the last six quarters and the period ended 3/31/14 as a percentage of net earning assets

Illustrative Net Levered ROE Throughout Cycles

Illustrative Net Levered ROE								
		Debt to Equity						
		0.45x	0.50x	0.60x	0.65x	0.70x	0.75x	0.80x
All-in Yield	9.5%	7.4%	7.6%	7.9%	8.1%	8.2%	8.4%	8.6%
	10.0%	8.0%	8.2%	8.6%	8.8%	8.9%	9.1%	9.3%
	10.5%	8.6%	8.8%	9.2%	9.4%	9.7%	9.9%	10.1%
	11.0%	9.2%	9.5%	9.9%	10.1%	10.4%	10.6%	10.8%
	11.7%	10.1%	10.3%	10.8%	11.1%	11.3%	11.6%	11.8%
	12.0%	10.4%	10.7%	11.2%	11.5%	11.8%	12.0%	12.3%
	12.5%	11.0%	11.3%	11.9%	12.2%	12.5%	12.7%	13.0%
	13.0%	11.6%	11.9%	12.5%	12.9%	13.2%	13.5%	13.8%

Illustrative Net Levered ROE								
		Cost of Funds						
		2.75%	3.00%	3.30%	3.50%	3.75%	4.00%	4.25%
All-in Yield	9.5%	8.2%	8.1%	7.9%	7.8%	7.7%	7.6%	7.5%
	10.0%	8.9%	8.7%	8.6%	8.5%	8.4%	8.2%	8.1%
	10.5%	9.5%	9.4%	9.2%	9.1%	9.0%	8.9%	8.8%
	11.0%	10.2%	10.1%	9.9%	9.8%	9.7%	9.6%	9.4%
	11.7%	11.1%	11.0%	10.8%	10.7%	10.6%	10.5%	10.4%
	12.0%	11.5%	11.4%	11.2%	11.1%	11.0%	10.9%	10.8%
	12.5%	12.2%	12.0%	11.9%	11.8%	11.7%	11.5%	11.4%
	13.0%	12.8%	12.7%	12.5%	12.4%	12.3%	12.2%	12.1%

Notes: Analysis assumes no non-accruals. illustrative purposes only; not necessarily indicative of future returns



We believe our senior secured, floating rate portfolio and matched funding profile is well positioned for cycles

Agenda

I. Market Observations

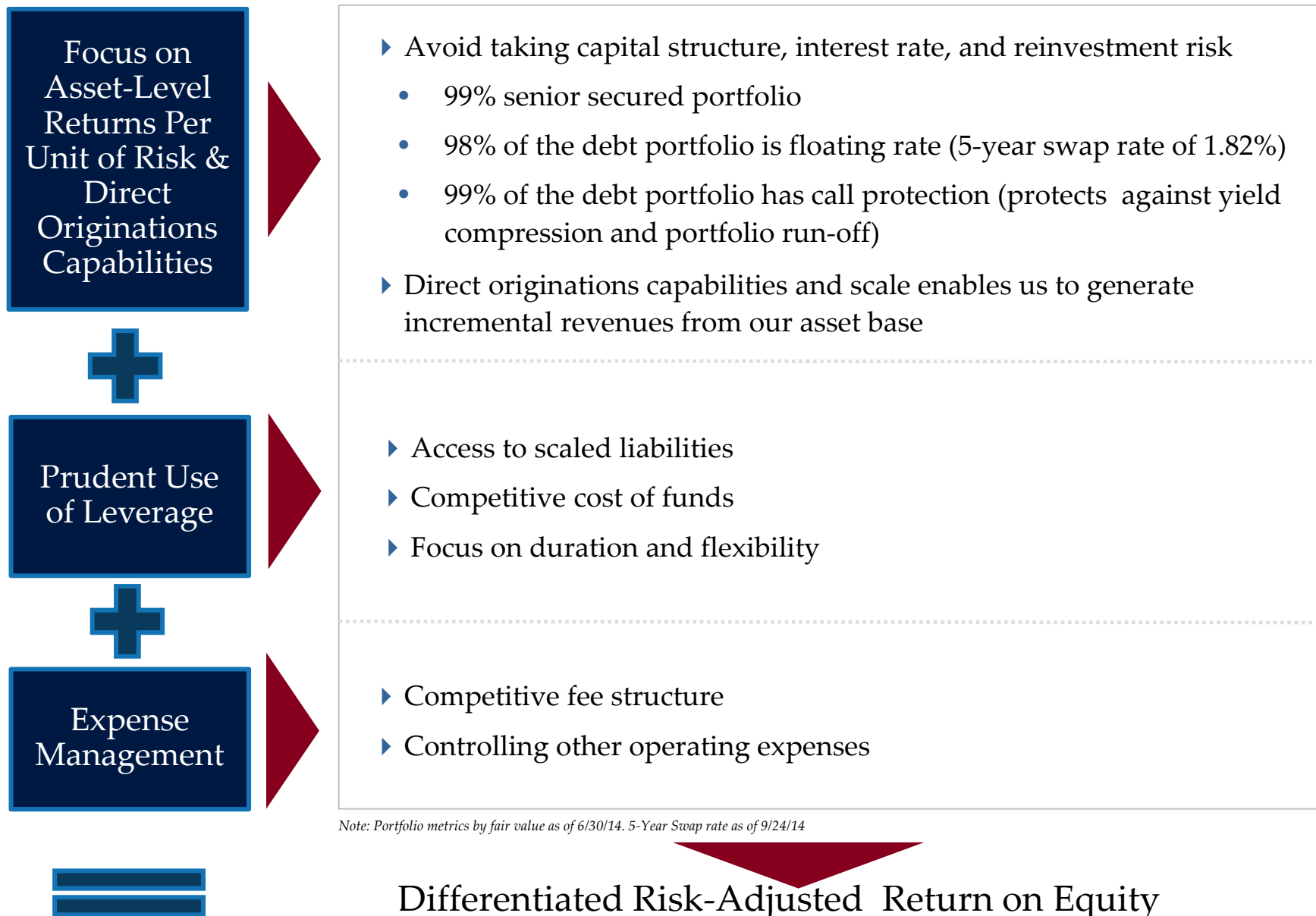
II. TSL Company Overview and Market Opportunity

III. Investment Strategy and Portfolio Overview

IV. Financial Highlights & Return on Equity

V. TSL Core Principles and Current Investment Themes

Our Drivers of ROE



Note: Portfolio metrics by fair value as of 6/30/14. 5-Year Swap rate as of 9/24/14

Market Observations

Economic Cycle Observations

YEARS SINCE START OF CYCLE											Change in S&P
1	2	3	4	5	6	7	8	9	10	11	
1982	1983	1984	1985	1986	1987	1988	1989	1990			+350%
1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	+450%
2002	2003	2004	2005	2006	2007	2008					+200%
2009	2010	2011	2012	2013	2014	?	?	?			+195% so far ¹

(1) As of September 2014
 Note Trough-to-Peak Ratio
 Source: Bloomberg

TSL Portfolio Construction Disciplines and Current Investment Themes

