

Investor Presentation

July 2016

BLACKROCK CAPITAL
INVESTMENT CORPORATION

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The following slides contain summaries of certain financial and statistical information about the Company. The information contained in this presentation is summary information that is intended to be considered in the context of our SEC filings and other public announcements that we may make, by press release or otherwise, from time to time. In addition, information related to past performance, while helpful as an evaluative tool, is not necessarily indicative of future results, the achievement of which cannot be assured. You should not view the past performance of the Company, or information about the market, as indicative of the Company’s future results.

BlackRock Capital Investment Corporation Overview

BlackRock Capital Investment Corporation (NASDAQ: BKCC) is a publicly traded and externally-managed BDC (business development company).

- ▶ Provides middle-market companies with flexible financing solutions, including senior and junior secured and unsecured debt securities, as well as equity securities.
- ▶ Seeks and invests in opportunities which offer an attractive risk-adjusted return, while creating long-term partnerships with growing middle-market companies.
- ▶ 10+ year track record of delivering performance since our inception in 2005.
- ▶ Managed by BlackRock Advisors, LLC (“Advisor”), a wholly owned indirect subsidiary of BlackRock, Inc. (“BlackRock”) since March 6th, 2015. BlackRock is the largest asset manager globally with \$4.9 trillion under management, as of June 30, 2016.
- ▶ Experienced investment team possesses strong sourcing capabilities and sponsor relationships, employs rigorous bottom-up investment analysis and possesses restructuring/M&A skill set.
- ▶ BlackRock’s scope and scale enhances sourcing channels and provides informational advantage via company, sector and macro level insights.
- ▶ Evaluated approximately 3,500 investment opportunities since inception.
- ▶ Completed investments in 179 portfolio companies since inception.
- ▶ Approximately \$4.4 billion in capital provided to middle-market companies since inception.

Key Metrics as of June 30, 2016

Investment Portfolio⁶:

\$1,011.9 million

Dividend Yield⁹:

10.8%

Net Assets:

\$661.4 million or \$9.13 per share⁴

Share Price:

\$7.78

Quarterly Distribution Coverage¹⁰:

142%

Market Capitalization:

\$563.4 million

Please see Notes to the Investor Presentation on page 13.

Select Historical Financial Information

(\$ in Thousands, Except per Share Data)	Quarter Ended					Full Year Ended	
	6/30/15	9/30/15	12/31/15	3/31/16	6/30/16	12/31/14	12/31/15
Net Investment Income	\$ 18,238	\$ 23,795	\$ 18,534	\$ 17,478	\$ 21,607	\$ 50,372	\$ 75,191
Net Investment Income per share ¹	0.24	0.32	0.25	0.24	0.30	0.68	1.01
Net Investment Income, pre-incentive fee ³	17,895	19,570	18,534	17,478	21,607	77,878	72,002
Net Investment Income per share, pre-incentive fee ^{1,3}	0.24	0.26	0.25	0.24	0.30	1.04	0.97
Net Investment Income, as adjusted ³	16,825	17,748	21,704	17,478	21,607	67,905	71,991
Net Investment Income per share, as adjusted ^{1,3}	0.23	0.24	0.29	0.24	0.30	0.91	0.97
Net Realized / Unrealized Gains (Losses)	(3,500)	(2,067)	(39,031)	(55,653)	(31,161)	86,868	(36,566)
Net Realized / Unrealized Gains (Losses) per share ¹	(0.05)	(0.03)	(0.53)	(0.76)	(0.43)	1.17	(0.49)
Net Increase / (Decrease) in Net Assets from Operations	14,738	21,728	(20,496)	(38,175)	(9,554)	137,240	38,625
Net Increase / (Decrease) in Net Assets from Operations per share ¹	0.20	0.29	(0.28)	(0.52)	(0.13)	1.84	0.52
Net Increase / (Decrease) in Net Assets from Operations, as adjusted ³	13,325	15,681	(17,327)	(38,175)	(9,554)	154,773	35,425
Net Increase / (Decrease) in Net Assets from Operations per share, as adjusted ^{1,3}	0.18	0.21	(0.23)	(0.52)	(0.13)	2.08	0.48
Net Assets	789,833	790,672	753,753	689,322	661,442	781,959	753,753
Net Asset Value per share ⁴	\$ 10.56	\$ 10.66	\$ 10.17	\$ 9.46	\$ 9.13	\$ 10.49	\$ 10.17
Distributions Declared	15,703	15,661	15,561	15,300	15,209	66,321	62,606
Distributions Declared per share	0.21	0.21	0.21	0.21	0.21	0.89	0.84
Weighted Average Shares Outstanding - Basic ¹	74,773,688	74,670,477	74,203,324	73,106,678	72,700,685	74,539,159	74,576,277
Shares Outstanding at End of Period	74,775,966	74,184,736	74,099,182	72,857,414	72,422,007	74,547,622	74,099,182
Distribution Coverage ¹⁰	107%	113%	139%	114%	142%	102%	115%
Net Leverage ⁵	0.33x	0.45x	0.47x	0.63x	0.52x	0.55x	0.47x

Please see Notes to the Investor Presentation on page 13.

Portfolio Activity

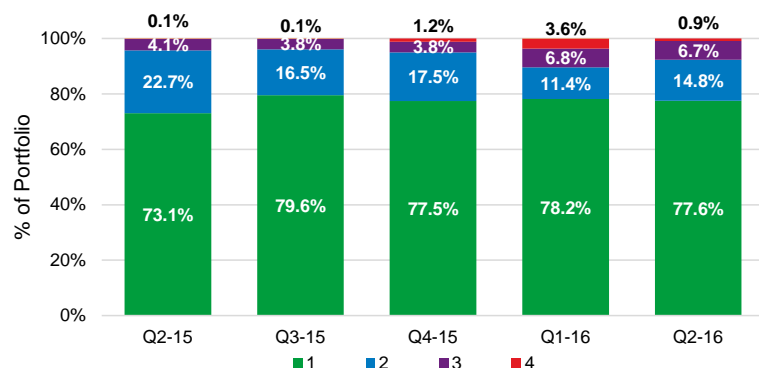
(\$ in Millions)	Quarter Ended				
	6/30/15	9/30/15	12/31/15	3/31/16	6/30/16
New Investments at Cost ²	\$ 90.3	\$ 76.9	\$ 98.3	\$ 97.5	\$ 76.3
Sales, Repayments, Other Exits at Cost	(238.6)	(10.8)	(93.4)	(32.9)	(161.4)
Net New Investments at Cost	\$ (148.3)	\$ 66.1	\$ 4.9	\$ 64.6	\$ (85.1)
Number of New Portfolio Company Investments	1	1	4	3	1
Number of Portfolio Company Exits	4	-	2	1	8
<u>New Investments by Asset Class at Cost (\$):</u>					
Senior Secured 1st Lien Debt	\$ 59.3	\$ 13.3	\$ 0.2	\$ 0.2	\$ 28.4
Senior Secured 2nd Lien Debt	14.5	47.4	73.9	76.1	-
Subordinated / Unsecured Debt	5.4	14.0	19.0	18.2	21.0
Preferred Equity	6.0	2.0	0.6	0.7	16.4
Common Equity & Other	5.1	0.2	4.6	2.3	10.6
<u>New Investments by Asset Class at Cost (%):</u>					
Senior Secured 1st Lien Debt	65.7%	17.3%	0.2%	0.2%	37.2%
Senior Secured 2nd Lien Debt	16.1%	61.6%	75.2%	78.0%	0.0%
Subordinated / Unsecured Debt	5.9%	18.2%	19.3%	18.7%	27.5%
Preferred Equity	6.6%	2.6%	0.6%	0.8%	21.5%
Common Equity & Other	5.7%	0.3%	4.7%	2.3%	13.8%

Please see Notes to the Investor Presentation on page 13.

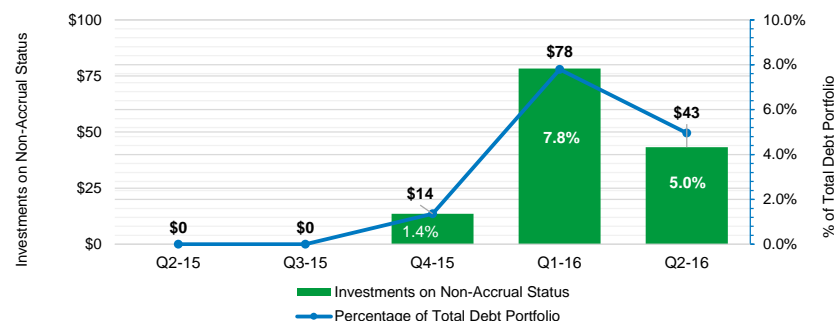
Portfolio Status

(\$ in Millions)	Quarter Ended				
	6/30/15	9/30/15	12/31/15	3/31/16	6/30/16
Investment Portfolio at Cost ⁶	\$ 1,085	\$ 1,154	\$ 1,153	\$ 1,219	\$ 1,105
Investment Portfolio at Fair Value ⁶	1,085	1,150	1,117	1,126	1,012
Fair Value % Cost	100.0%	99.6%	96.9%	92.4%	91.6%
Number of Portfolio Companies	42	43	45	47	40
Average Investment Size at Cost	\$ 25.8	\$ 26.8	\$ 25.6	\$ 25.9	\$ 27.6
<i>Portfolio by Asset Class at Fair Value:</i>					
Senior Secured 1st Lien Debt	\$ 418	\$ 424	\$ 407	\$ 387	\$ 392
Senior Secured 2nd Lien Debt	357	403	419	460	339
Subordinated / Unsecured Debt	203	207	169	157	142
Preferred Equity	39	40	44	51	64
Common Equity & Other	68	76	78	71	74
Yield on Income Producing Securities at Cost	11.5%	11.5%	11.0%	9.8%	10.0%
Yield on Senior Secured Loans at Cost	11.1%	11.1%	11.0%	9.2%	9.6%
Yield on Other Debt Securities at Cost	12.6%	12.6%	11.2%	11.4%	11.0%
Yield on Income Producing Securities at Fair Value	11.5%	11.6%	11.6%	10.8%	11.1%
Yield on Senior Secured Loans at Fair Value	11.1%	11.1%	11.4%	10.2%	10.5%
Yield on Other Debt Securities at Fair Value	13.0%	13.4%	13.0%	13.4%	13.4%

Portfolio by Internal Investment Rating (by FMV)



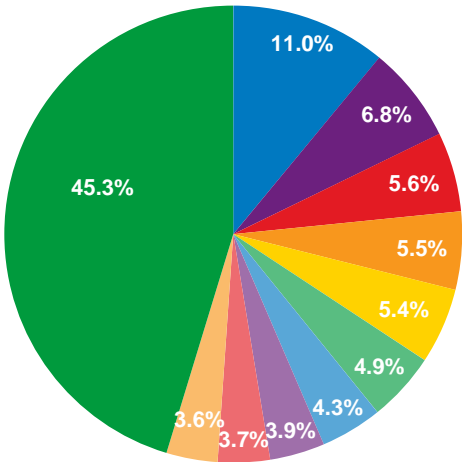
Portfolio by Non-Accrual Status (by FMV)



Please see Notes to the Investor Presentation on page 13.

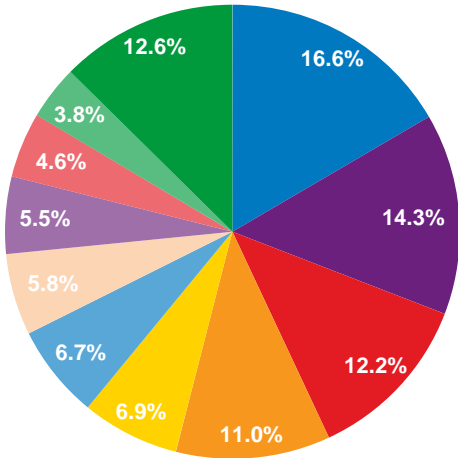
Portfolio Composition at Fair Value at 6/30/16

Portfolio Composition by Issuer



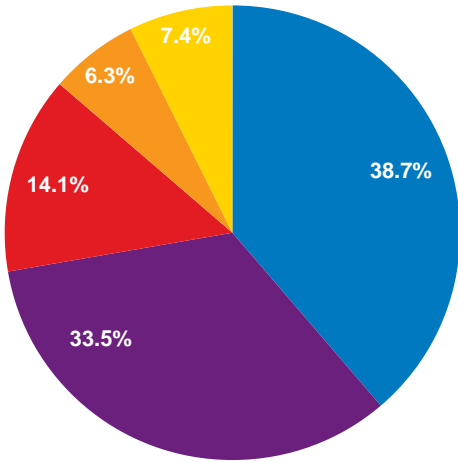
- Gordon Brothers Finance Company
- MediMedia USA, Inc.
- U.S. Well Services, LLC
- AGY Holding Corp.
- Vertellus Specialties Inc.
- Sur La Table, Inc.
- MBS Group Holdings Inc.
- Bankruptcy Management Solutions, Inc.
- Wink Holdco, Inc.
- GSE Environmental, Inc.
- Other

Portfolio Composition by Industry



- Healthcare & Pharmaceuticals
- Finance
- Chemicals, Plastics, & Rubber
- Services: Business
- Consumer Goods: Durable
- Retail
- Energy: Oil & Gas
- Environmental Industries
- Insurance
- Aerospace & Defense
- Other

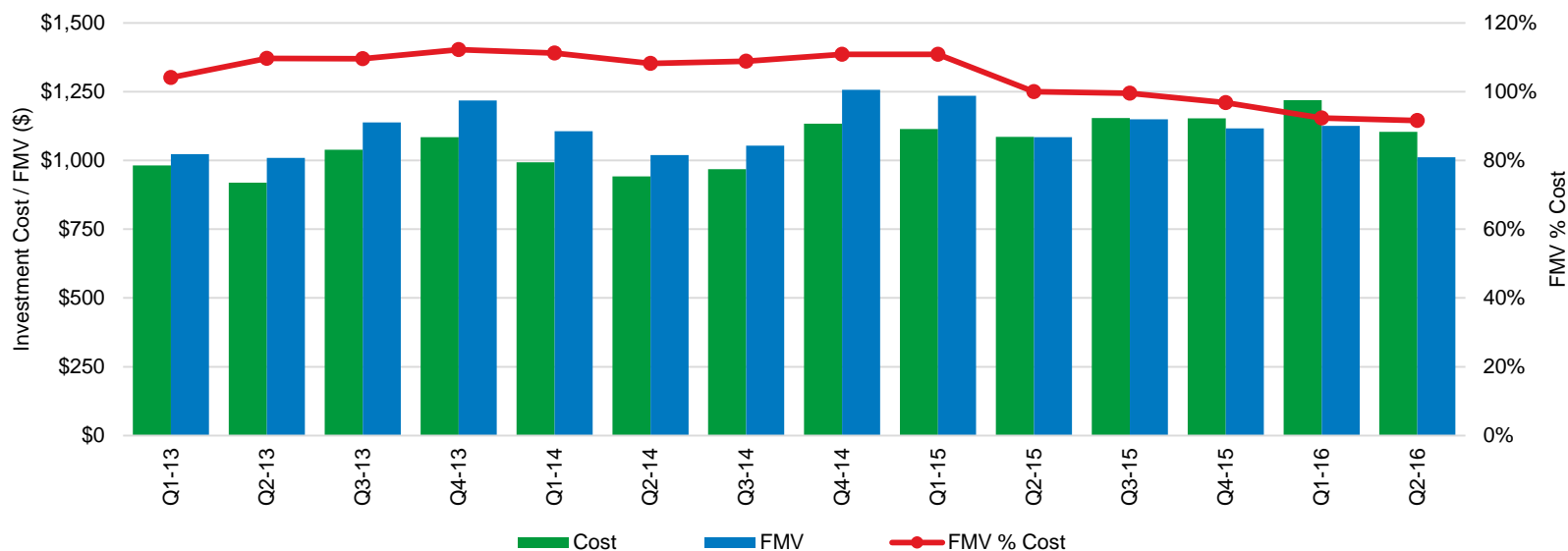
Portfolio Composition by Asset Class



- Senior Secured 1st Lien Debt
- Senior Secured 2nd Lien Debt
- Subordinated / Unsecured Debt
- Preferred Equity
- Common Equity & Other

Portfolio Evolution

Investment Cost / FMV

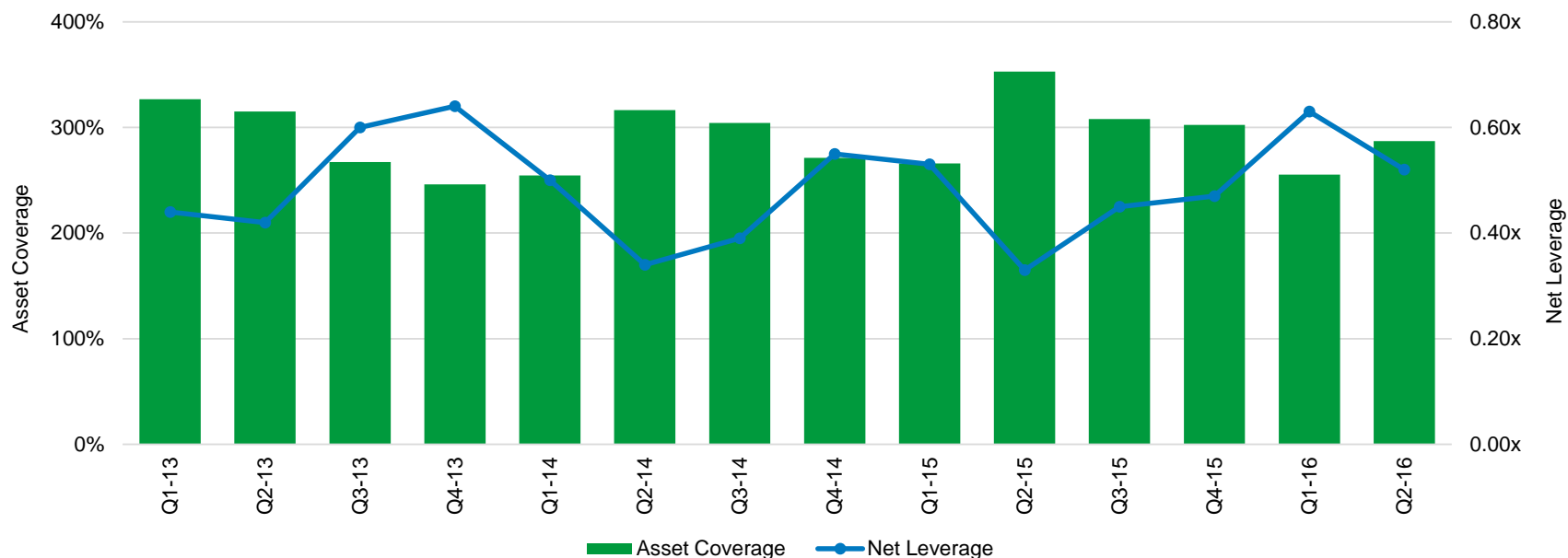


(\$ in Millions, Except per Share Data)	As of													
	Q1-13	Q2-13	Q3-13	Q4-13	Q1-14	Q2-14	Q3-14	Q4-14	Q1-15	Q2-15	Q3-15	Q4-15	Q1-16	Q2-16
Cost	\$982	\$920	\$1,039	\$1,085	\$994	\$942	\$968	\$1,134	\$1,114	\$1,085	\$1,154	\$1,153	\$1,219	\$1,105
FMV	1,023	1,009	1,139	1,218	1,106	1,019	1,054	1,258	1,236	1,085	1,150	1,117	1,126	1,012
FMV % Cost	104%	110%	110%	112%	111%	108%	109%	111%	111%	100%	100%	97%	92%	92%
NAV per share ⁴	\$9.47	\$9.37	\$9.38	\$9.54	\$9.59	\$9.79	\$9.97	\$10.49	\$10.58	\$10.56	\$10.66	\$10.17	\$9.46	\$9.13

Please see Notes to the Investor Presentation on page 13.

Leverage Profile

Quarterly Leverage Metrics



(\$ in Millions)	As of													
	Q1-13	Q2-13	Q3-13	Q4-13	Q1-14	Q2-14	Q3-14	Q4-14	Q1-15	Q2-15	Q3-15	Q4-15	Q1-16	Q2-16
FMV	\$1,023	\$1,009	\$1,139	\$1,218	\$1,106	\$1,019	\$1,054	\$1,258	\$1,236	\$1,085	\$1,150	\$1,117	\$1,126	\$1,012
Borrowings	306	315	413	478	459	329	360	448	472	304	376	364	443	350
<i>Borrowings % FMV</i>	30%	31%	36%	39%	42%	32%	34%	36%	38%	28%	33%	33%	39%	35%
<i>Asset Coverage Ratio⁷</i>	327%	315%	267%	246%	255%	316%	304%	271%	266%	353%	308%	302%	255%	287%
<i>Net Leverage⁵</i>	0.44x	0.42x	0.60x	0.64x	0.50x	0.34x	0.39x	0.55x	0.53x	0.33x	0.45x	0.47x	0.63x	0.52x

▶ Asset coverage ratio⁷ of 287% represents a \$309 million cushion to the minimum required ratio of 200% per BDC regulations.

▶ Credit facility availability of \$237 million as of 6/30/16.

Please see Notes to the Investor Presentation on page 13.

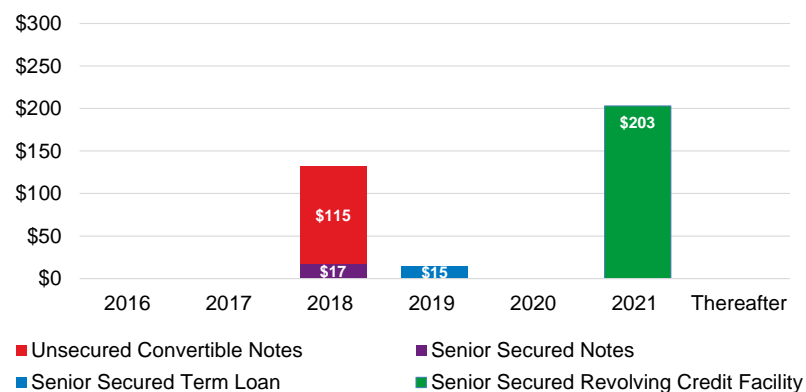
Debt Summary

Summary of Borrowings

(\$ in Millions)

Debt Security	Amount as of 3/31/16		Amount as of 6/30/16		Rate	Maturity
	Available	Outstanding	Available	Outstanding		
Senior Secured Revolving Credit Facility ⁸	\$440	\$296	\$440	\$203	L + 1.75% - 2.00%	2021
Senior Secured Term Loan	15	15	15	15	L + 3.25%	2019
Senior Secured Notes	17	17	17	17	6.60%	2018
Unsecured Convertible Notes	115	115	115	115	5.50%	2018
Total	\$587	\$443	\$587	\$350		

Debt Maturity Profile



Comparison of Debt Investments and Borrowings

	Amount as of 6/30/16	
	Debt Investments	Borrowings
<i>Percentage of Total Amount Outstanding:</i>		
Fixed Rate Securities	31.1%	37.7%
Floating Rate Securities	68.9%	62.3%
Weighted Average Interest Rate	9.8%	3.8%
Weighted Average Years to Maturity	3.6	3.4

Please see Notes to the Investor Presentation on page 13.

Reconciliation of Net Investment Income

	Q2 2015		Q3 2015		Q4 2015		Q1 2016		Q2 2016		2014		2015	
(\$ in Thousands, Except per Share Data)	(\$)	Per Share	(\$)	Per Share	(\$)	Per Share	(\$)	Per Share	(\$)	Per Share	(\$)	Per Share	(\$)	Per Share
GAAP Basis:														
Net Investment Income	\$ 18,238	\$ 0.24	\$ 23,795	\$ 0.32	\$ 18,534	\$ 0.25	\$ 17,478	\$ 0.24	\$ 21,607	\$ 0.30	\$ 50,372	\$ 0.68	\$ 75,191	\$ 1.01
Net Increase / (Decrease) in Net Assets from Operations	14,738	0.20	21,728	0.29	(20,496)	(0.28)	(38,175)	(0.52)	(9,554)	(0.13)	137,240	1.84	38,625	0.52
Addback: GAAP incentive management fee expense based on Gains	(343)	(0.00)	(4,225)	(0.06)	-	-	-	-	-	-	17,533	0.24	(3,201)	(0.04)
Addback: GAAP incentive management fee expense based on Income	-	-	-	-	-	-	-	-	-	-	9,973	0.13	11	0.00
Pre-Incentive Fee ³														
Net Investment Income	17,895	0.24	19,570	0.26	18,534	0.25	17,478	0.24	21,607	0.30	77,878	1.04	72,002	0.97
Net Increase / (Decrease) in Net Assets from Operations	14,395	0.19	17,503	0.23	(20,496)	(0.28)	(38,175)	(0.52)	(9,554)	(0.13)	164,746	2.21	35,436	0.48
Less: Incremental incentive management fee expense based on Income	1,070	0.01	1,822	0.02	(3,169)	(0.04)	-	-	-	-	9,973	0.13	11	0.00
As Adjusted ³														
Net Investment Income	16,825	0.23	17,748	0.24	21,704	0.29	17,478	0.24	21,607	0.30	67,905	0.91	71,991	0.97
Net Increase / (Decrease) in Net Assets from Operations	\$ 13,325	\$ 0.18	\$ 15,681	\$ 0.21	\$ (17,327)	\$ (0.23)	\$ (38,175)	\$ (0.52)	\$ (9,554)	\$ (0.13)	\$ 154,773	\$ 2.08	\$ 35,425	\$ 0.48

Please see Notes to the Investor Presentation on page 13.

Internal Investment Rating System Overview

Advisor employs a grading system for its entire portfolio in which all loans are rated on a scale of 1 to 4. This system is intended to reflect the performance of the borrower's business, the collateral coverage of the loans and other factors considered relevant. The following is a description of the conditions associated with each investment rating:

- ▶ **Grade 1:** Investments in portfolio companies whose performance is substantially within Advisor's expectations and whose risk factors are neutral to favorable to those at the time of the original investment.
- ▶ **Grade 2:** Investments in portfolio companies whose performance is below Advisor's expectations and which require closer monitoring. However, no loss of investment return (interest and/or dividends) or principal is expected.
- ▶ **Grade 3:** Investments in portfolio companies whose performance is below Advisor's expectations and for which risk has increased materially since origination. Some loss of investment return is expected, but no loss of principal is expected. Companies graded 3 will generally be out of compliance with debt covenants and will be unlikely to make debt repayments on their original schedule.
- ▶ **Grade 4:** Investments in portfolio companies whose performance is materially below Advisor's expectations where business trends have deteriorated and risk factors have increased substantially since the original investment. Investments graded 4 are those for which some loss of principal is expected.

Notes to the Investor Presentation

1. Income statement data per share excludes the impact of diluted weighted average shares outstanding.
2. Includes PIK interest and dividends earned during the period presented.
3. As adjusted: Amounts are adjusted to remove the incentive management fee expense based on gains, as required by GAAP, and to include only the incremental incentive management fee expense based on income. The incremental incentive management fee is calculated based on the current quarter's incremental earnings, and without any reduction for incentive management fees paid during the prior calendar quarters. Amounts reflect the Company's ongoing operating results and reflect the Company's financial performance over time.

Pre-Incentive Fee: Amounts are adjusted to remove all incentive management fees. Such fees are calculated but not necessarily due and payable at this time.

4. Balance sheet per share data utilizes total shares outstanding at end of period.
5. Debt less available cash and receivable for investments sold, plus payable for investments purchased and unamortized debt issuance costs.
6. Total investment portfolio excludes cash and cash equivalents.
7. Asset coverage ratio represents the ratio of total assets less non-debt liabilities to total indebtedness.
8. The Senior Secured Revolving Credit Facility commitment may increase in size, under certain circumstances, up to a total of \$750,000,000. The interest rate applicable to Eurocurrency borrowings is generally LIBOR plus an applicable margin of either 1.75% or 2.00% based on a pricing grid using the borrowing base as a multiple of the combined debt amount.
9. Dividend yield as of a date is calculated by expressing the dividends paid in the twelve month period preceding such date as a percentage of the closing stock price on such date.
10. Distribution Coverage for any period represents the ratio of net investment income, as adjusted, for that period to distributions declared during the same period.

Note: Schedules may differ from public filings due to rounding.

Corporate Information

Corporate Information

Board of Directors*

Steven F. Sterling

Chairman of the Board and Chief Executive Officer

John R. Baron

Managing Partner of Crystal Ridge Partners, LP

Jerrold B. Harris

Former President and Chief Executive Officer of VWR Scientific Products Corporation

Mark S. Lies

Former Global Head of Loan Products and Co-Head of Leveraged Finance for Lehman Brothers Holdings

William E. Mayer

Co-founder & Partner at Park Avenue Equity Partners, L.P.

François de Saint Phalle

Former Chief Operating Officer and Vice Chairman of Dillon, Read & Co. Inc.

Maureen K. Usifer

Chief Financial Officer of Seventh Generation Inc.

Corporate Officers

Steven F. Sterling

Chairman of the Board and Chief Executive Officer

Donna M. Milia

Chief Financial Officer and Treasurer

Laurence D. Paredes

General Counsel and Corporate Secretary

Senior BlackRock US Private Capital Professionals

Michael J. Zugay

Head of Investments

Nik Singhal

Investor Relations & Business Strategy
nik.singhal@blackrock.com
212.810.5427

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New York, NY

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NASDAQ Global Select Market

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* Full bios are available on the website.