

Investor Presentation

March 2016

BLACKROCK CAPITAL
INVESTMENT CORPORATION

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Overview Q4 2015

As of and for the Three Months Ended December 31, 2015

- ▶ Investment Portfolio: \$1,117.0mm
- ▶ Net Assets: \$753.8mm or \$10.17 per share
- ▶ Net Investment Income¹: \$18.5mm or \$0.25 per share
- ▶ Net Investment Income, as adjusted^{1,3}: \$21.7mm or \$0.29 per share
- ▶ Purchases of Investments²: \$98.3mm
- ▶ Sales, Repayments and Other Exits: \$93.4mm
- ▶ Average Investment by Portfolio Company, at Amortized Cost⁴: \$32.5mm
- ▶ Indebtedness: \$364.5mm
- ▶ Credit Facility Availability: \$345.0mm
- ▶ Asset Coverage Ratio: 302%
- ▶ Evaluated more than 3,400 investment opportunities since inception
- ▶ Completed investments in 175 portfolio companies since inception
- ▶ Over \$4.1 billion in capital provided to middle-market companies since inception

Please see Notes to the Investor Presentation on page 16.

Financial Highlights

As of and for the Three Months Ended	3/31/14	6/30/14	9/30/14	12/31/14	3/31/15	6/30/15	9/30/15	12/31/15
(\$mm, except per share data)								
Net Investment Income per share, as adjusted ^{1,3}	\$ 0.19	\$ 0.23	\$ 0.23	\$ 0.26	\$ 0.21	\$ 0.23	\$ 0.24	\$ 0.29
Net Realized / Unrealized Gains (Losses) per share ¹	0.16	0.19	0.13	0.68	0.11	(0.05)	(0.03)	(0.53)
Net Increase / (Decrease) in Net Assets per share, as adjusted ^{1,3}	0.35	0.42	0.36	0.95	0.32	0.18	0.21	(0.23)
Net Asset Value per share ⁵	9.59	9.79	9.97	10.49	10.58	10.56	10.66	10.17
Distributions Declared per share	\$ 0.26	\$ 0.21	\$ 0.21	\$ 0.21	\$ 0.21	\$ 0.21	\$ 0.21	\$ 0.21
Average Shares Outstanding - Basic ¹	74.5	74.5	74.6	74.5	74.7	74.8	74.7	74.2
Shares Outstanding at End of Period	74.5	74.4	74.6	74.5	74.7	74.8	74.2	74.1

(\$mm)	3/31/14	6/30/14	9/30/14	12/31/14	3/31/15	6/30/15	9/30/15	12/31/15
Investment Portfolio at Cost ⁷	\$ 993.8	\$ 941.9	\$ 968.0	\$ 1,134.3	\$ 1,114.2	\$ 1,085.4	\$ 1,154.4	\$ 1,153.1
Investment Portfolio at Fair Value ⁷	\$ 1,106.1	\$ 1,019.4	\$ 1,053.8	\$ 1,257.7	\$ 1,235.6	\$ 1,085.1	\$ 1,149.8	\$ 1,117.0
Fair Value % Cost	111.3%	108.2%	108.9%	110.9%	110.9%	100.0%	99.6%	96.9%
Number of Portfolio Companies	46	44	42	47	45	42	43	45
Average Investment Size at Cost	\$ 21.6	\$ 21.4	\$ 23.0	\$ 24.1	\$ 24.8	\$ 25.8	\$ 26.8	\$ 25.6
Yield on Income Producing Securities at Cost	12.0%	11.9%	11.8%	11.6%	11.5%	11.5%	11.5%	11.0%
Yield on Senior Secured Loans at Cost	11.4%	11.4%	11.4%	11.2%	11.1%	11.1%	11.1%	11.0%
Yield on Other Debt Securities at Cost	12.9%	12.9%	13.0%	12.5%	12.7%	12.6%	12.6%	11.2%

Please see Notes to the Investor Presentation on page 16.

Select Historical Financial Information

\$ in thousands, except per share data	3/31/14	6/30/14	9/30/14	12/31/14	3/31/15	6/30/15	9/30/15	12/31/15	Full Year		
									12/31/13	12/31/14	12/31/15
Net Investment Income	\$ 11,094	\$ 16,431	\$ 19,332	\$ 3,514	\$ 14,624	\$ 18,238	\$ 23,795	\$ 18,534	\$ 47,638	\$ 50,372	\$ 75,191
Net Investment Income per share ¹	0.15	0.22	0.26	0.05	0.20	0.24	0.32	0.25	0.64	0.68	1.01
Net Investment Income, pre-incentive fee ³	14,554	19,400	19,926	23,997	16,001	17,895	19,570	18,534	78,787	77,878	72,002
Net Investment Income per share, pre-incentive fee ^{1,3}	0.20	0.26	0.27	0.32	0.21	0.24	0.26	0.25	1.06	1.04	0.97
Net Investment Income, as adjusted ³	14,277	16,823	17,313	19,492	15,713	16,825	17,748	21,704	67,897	67,905	71,991
Net Investment Income per share, as adjusted ^{1,3}	0.19	0.23	0.23	0.26	0.21	0.23	0.24	0.29	0.92	0.91	0.97
Net Realized / Unrealized Gains (Losses)	11,822	14,436	9,637	50,973	8,032	(3,500)	(2,067)	(39,031)	45,351	86,868	(36,566)
Net Realized / Unrealized Gains (Losses) per share ¹	0.16	0.19	0.13	0.68	0.11	(0.05)	(0.03)	(0.53)	0.61	1.16	(0.49)
Net Increase / (Decrease) in Net Assets	22,917	30,867	28,970	54,487	22,656	14,738	21,728	(20,496)	92,989	137,240	38,625
Net Increase / (Decrease) in Net Assets per share ¹	0.31	0.41	0.39	0.73	0.30	0.20	0.29	(0.28)	1.25	1.84	0.52
Distributions Declared	19,375	15,634	15,657	15,655	15,681	15,703	15,661	15,561	77,143	66,321	62,606
Distributions Declared per share ⁵	0.26	0.21	0.21	0.21	0.21	0.21	0.21	0.21	1.04	0.89	0.84
Total Net Assets	714,290	728,960	743,229	781,959	789,905	789,833	790,672	753,753	709,704	781,959	753,753
Net Asset Value per share ⁵	\$ 9.59	\$ 9.79	\$ 9.97	\$ 10.49	\$ 10.58	\$ 10.56	\$ 10.66	\$ 10.17	\$ 9.54	\$ 10.49	\$ 10.17
Debt / Equity	0.64x	0.45x	0.48x	0.57x	0.60x	0.39x	0.48x	0.48x	0.67x	0.57x	0.48x
Debt / Equity, Net ⁶	0.50x	0.34x	0.39x	0.55x	0.53x	0.33x	0.45x	0.47x	0.64x	0.55x	0.47x

Please see Notes to the Investor Presentation on page 16.

Portfolio Composition

Portfolio Purchases by Investment Type

(\$mm)	3/31/14	6/30/14	9/30/14	12/31/14	3/31/15	6/30/15	9/30/15	12/31/15
Senior Secured Loans - 1st Lien	\$ 2.0	\$ 46.5	\$ 86.0	\$ 79.7	\$ 5.9	\$ 59.3	\$ 13.3	\$ 0.2
Senior Secured Notes	-	20.8	-	-	-	7.5	-	-
Senior Secured Loans - 2nd Lien	46.5	5.9	45.0	51.8	26.0	7.0	47.4	73.9
Subordinated / Unsecured Debt	0.7	4.7	7.9	71.6	10.3	5.4	14.0	19.0
Preferred Equity	5.5	4.1	3.2	13.6	3.8	6.0	2.0	0.6
Common Equity	8.3	5.2	-	10.9	-	4.9	-	-
LP/LLC Interests	-	3.3	-	8.0	0.3	0.2	0.2	4.6
Equity Warrants	-	-	0.5	-	-	-	-	-
Total New Investments at Cost ²	\$ 63.0	\$ 90.5	\$ 142.6	\$ 235.6	\$ 46.3	\$ 90.3	\$ 76.9	\$ 98.3

Net Investments

(\$mm)	3/31/14	6/30/14	9/30/14	12/31/14	3/31/15	6/30/15	9/30/15	12/31/15
New Investments at Cost ²	\$ 63.0	\$ 90.5	\$ 142.6	\$ 235.6	\$ 46.3	\$ 90.3	\$ 76.9	\$ 98.3
Sales, Repayments, Other Exits at Cost	(188.2)	(193.1)	(118.4)	(83.8)	(75.0)	(238.6)	(10.8)	(93.4)
Net New Investments at Cost	\$ (125.2)	\$ (102.6)	\$ 24.2	\$ 151.8	\$ (28.7)	\$ (148.3)	\$ 66.1	\$ 4.9
Number of New Portfolio Company Investments	4	3	3	8	1	1	1	4
Number of Portfolio Company Exits	9	5	5	3	3	4	-	2

Please see Notes to the Investor Presentation on page 16.

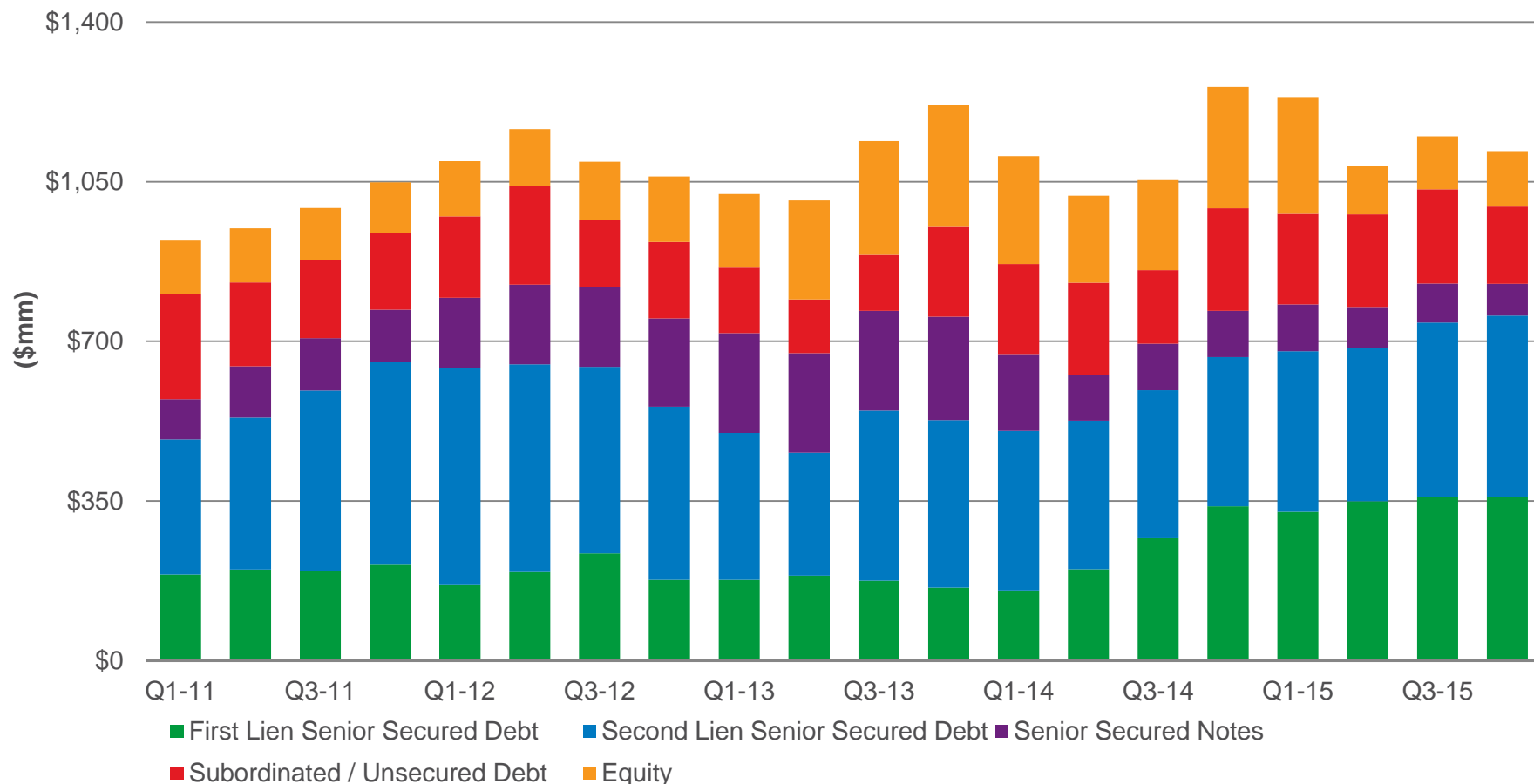
Portfolio Composition (Cont'd)

(\$mm)	3/31/14	6/30/14	9/30/14	12/31/14	3/31/15	6/30/15	9/30/15	12/31/15
Senior Secured Loans	\$ 503.4	\$ 526.2	\$ 592.4	\$ 665.3	\$ 678.2	\$ 686.0	\$ 686.0	\$ 756.4
Senior Secured Notes	168.9	100.5	102.1	101.5	102.5	89.8	89.8	69.9
Subordinated / Unsecured Debt	197.2	202.1	161.5	225.1	198.8	202.6	202.6	169.1
Preferred Equity	30.0	34.1	29.3	40.5	44.5	38.8	38.8	43.5
Common Equity	129.1	72.5	78.8	107.0	97.4	41.2	41.2	46.6
LP/LLC Interests	69.6	75.4	79.4	98.6	92.9	24.0	24.0	28.6
Equity Warrants	7.9	8.6	10.2	19.8	21.4	2.8	2.8	2.9
Total Investment Portfolio at FV⁷	\$ 1,106.1	\$ 1,019.4	\$ 1,053.8	\$ 1,257.7	\$ 1,235.6	\$ 1,085.1	\$ 1,085.1	\$ 1,117.0

Total Investment Portfolio %'s	3/31/14	6/30/14	9/30/14	12/31/14	3/31/15	6/30/15	9/30/15	12/31/15
Senior Secured Loans	45.5%	51.7%	56.2%	52.9%	54.9%	63.1%	63.1%	67.7%
Senior Secured Notes	15.3%	9.9%	9.7%	8.1%	8.3%	8.3%	8.3%	6.3%
Subordinated / Unsecured Debt	17.8%	19.8%	15.3%	17.9%	16.1%	18.7%	18.7%	15.1%
Preferred Equity	2.7%	3.3%	2.8%	3.2%	3.6%	3.6%	3.6%	3.9%
Common Equity	11.7%	7.1%	7.5%	8.5%	7.9%	3.8%	3.8%	4.2%
LP/LLC Interests	6.3%	7.4%	7.5%	7.8%	7.5%	2.2%	2.2%	2.5%
Equity Warrants	0.7%	0.8%	1.0%	1.6%	1.7%	0.3%	0.3%	0.3%

Please see Notes to the Investor Presentation on page 16.

Portfolio Composition (Cont'd)

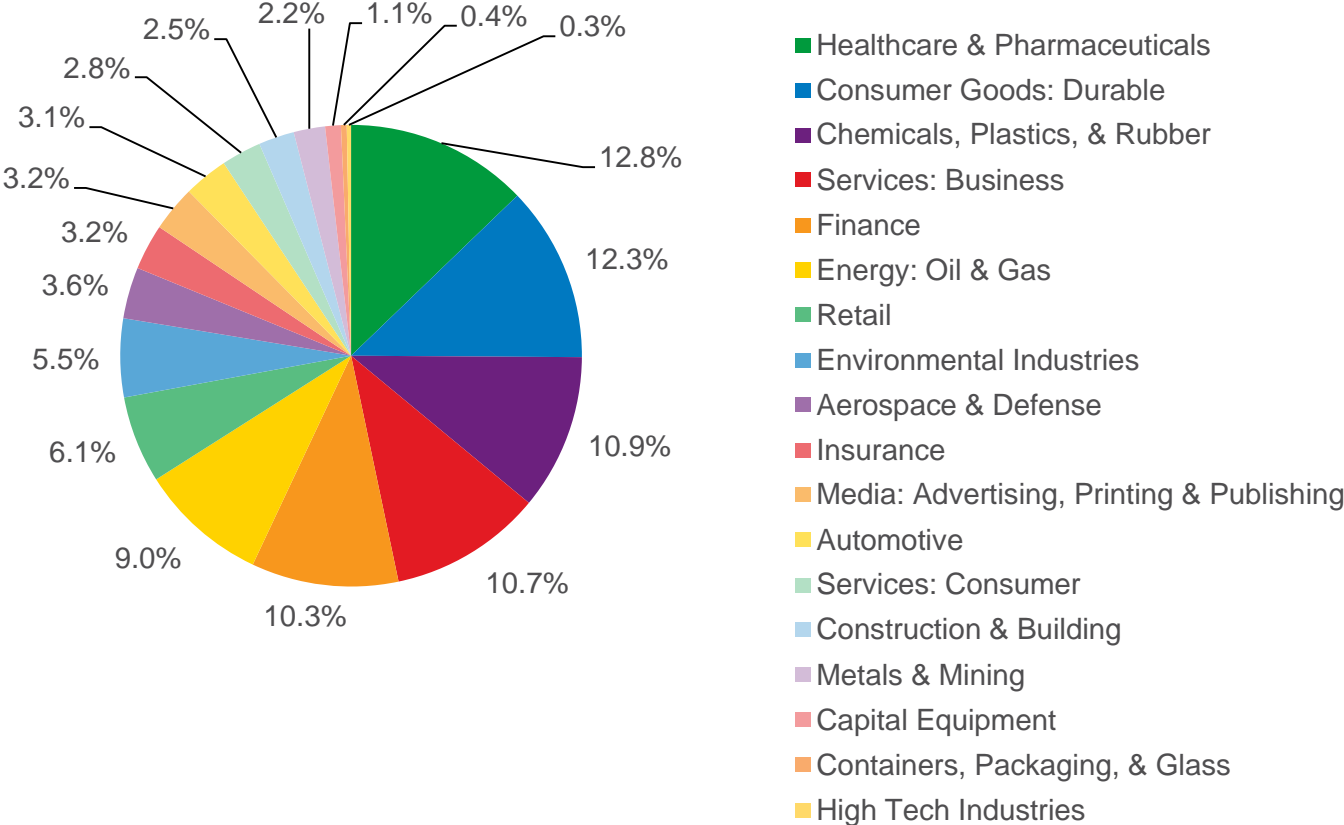


▶ As of December 31, 2015, senior debt comprised 74.0% of the total investment portfolio⁷ at fair market value.

Please see Notes to the Investor Presentation on page 16.

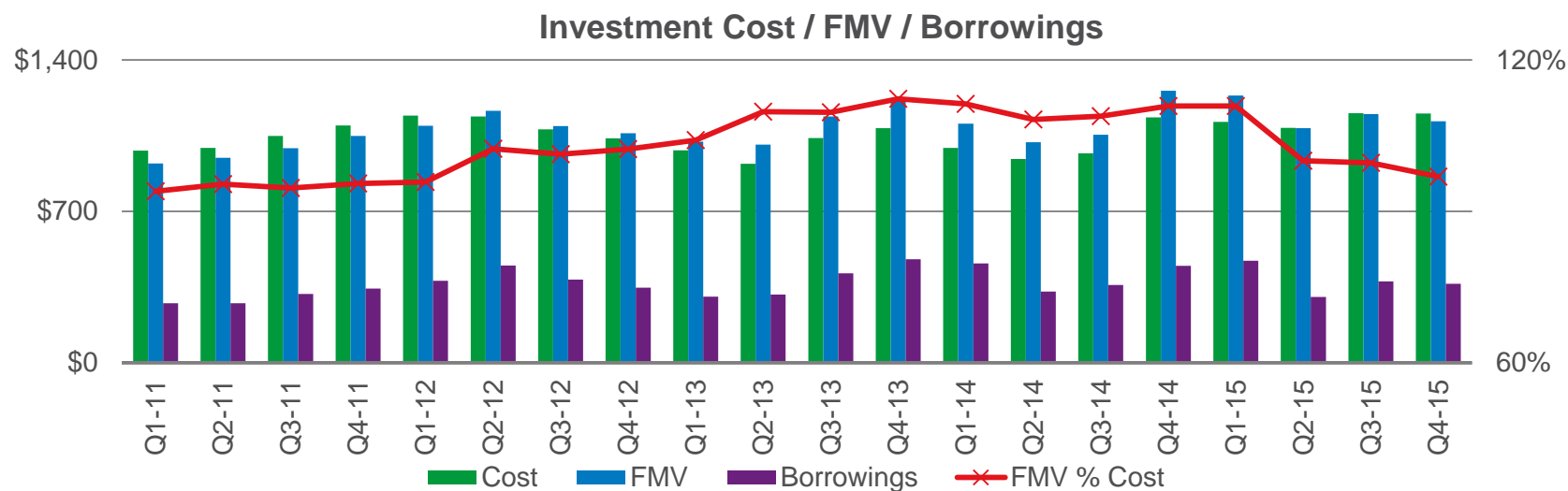
Portfolio Composition (Cont'd)

Portfolio Composition by Industry at Fair Market Value



Portfolio Evolution

Investment Cost / FMV / Borrowings⁸

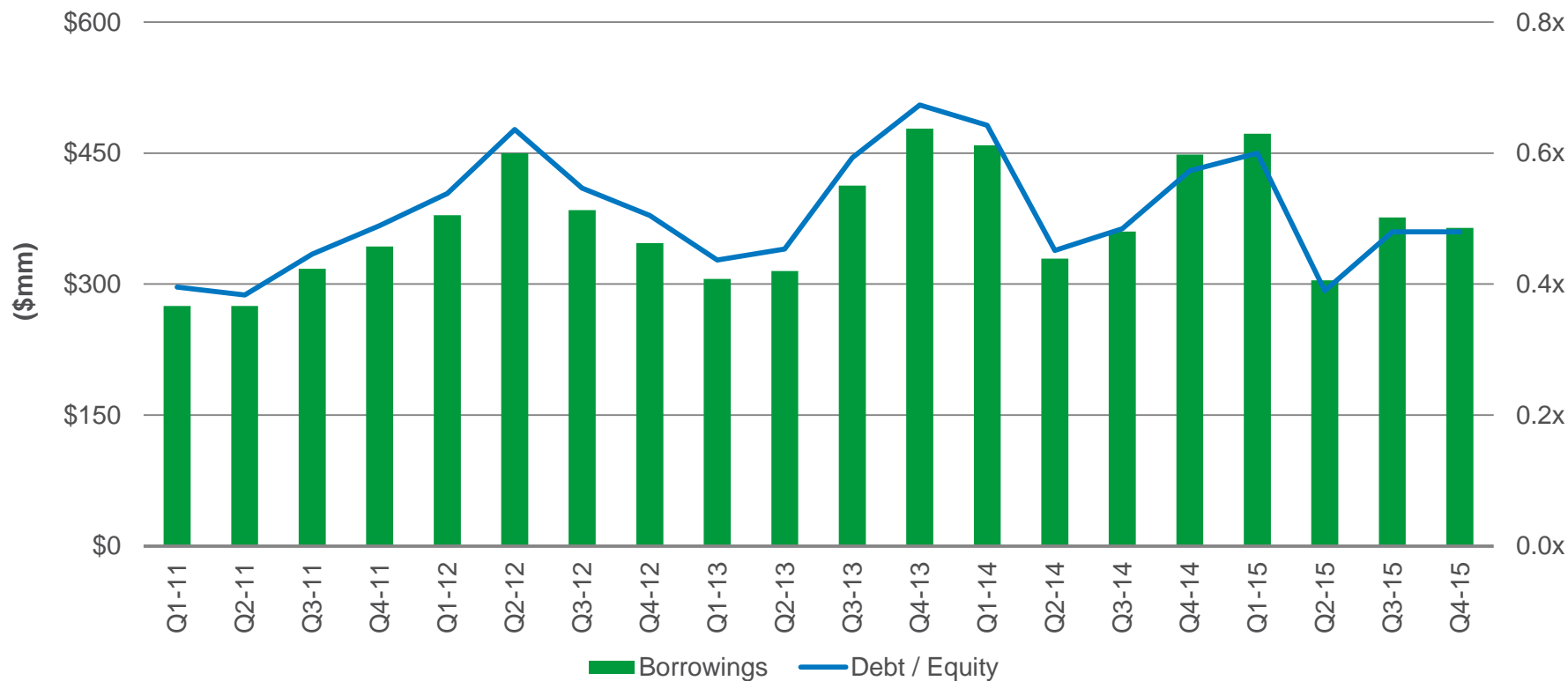


	2011	2012	Q1-13	Q2-13	Q3-13	Q4-13	Q1-14	Q2-14	Q3-14	Q4-14	Q1-15	Q2-15	Q3-15	Q4-15
Cost	\$1,097.9	\$1,037.3	\$982.3	\$919.6	\$1,039.2	\$1,084.5	\$993.8	\$941.9	\$968.0	\$1,134.3	\$1,114.2	\$1,085.4	\$1,154.4	\$1,153.1
FMV	1,049.0	1,061.6	1,022.8	1,009.2	1,139.1	1,218.0	1,106.1	1,019.4	1,053.8	1,257.7	1,235.6	1,085.1	1,149.8	1,117.0
Borrowings	343.0	346.9	305.8	314.9	412.9	478.0	459.0	329.1	360.2	448.2	472.3	304.3	376.4	364.5
FMV % Cost	95.5%	102.3%	104.1%	109.7%	109.6%	112.3%	111.3%	108.2%	108.9%	110.9%	110.9%	100.0%	99.6%	96.9%
Borrowings % FMV	32.7%	32.7%	29.9%	31.2%	36.2%	39.2%	41.5%	32.3%	34.2%	35.6%	38.2%	28.0%	32.7%	32.6%
NAV per share	\$ 9.58	\$ 9.31	\$ 9.47	\$ 9.37	\$ 9.38	\$ 9.54	\$ 9.59	\$ 9.79	\$ 9.97	\$ 10.49	\$ 10.58	\$ 10.56	\$ 10.66	\$ 10.17
Share Price	\$ 8.16	\$ 10.06	\$ 10.00	\$ 9.36	\$ 9.48	\$ 9.33	\$ 9.17	\$ 9.11	\$ 8.54	\$ 8.20	\$ 9.06	\$ 9.14	\$ 8.86	\$ 9.40
Share Price / NAV per share	85.2%	108.1%	105.6%	99.9%	101.1%	97.8%	95.6%	93.0%	85.7%	78.2%	85.6%	86.6%	83.1%	92.4%

Please see Notes to the Investor Presentation on page 16.

Asset Coverage

Quarterly Borrowings⁸



- ▶ Asset coverage ratio of 302%; \$381.1mm in excess availability
- ▶ Credit facility availability of \$345.0mm

Please see Notes to the Investor Presentation on page 16.

Reconciliation of Net Investment Income

	2014		Q1 2015		Q2 2015		Q3 2015		Q4 2015		2015	
	\$'s	per share	\$'s	per share	\$'s	per share	\$'s	per share	\$'s	per share	\$'s	per share
GAAP Basis:												
Net Investment Income	\$ 50,371,706	\$ 0.68	\$ 14,623,577	\$ 0.20	\$ 18,237,907	\$ 0.24	\$ 23,795,150	\$ 0.32	\$ 18,534,409	\$ 0.25	\$ 75,191,043	\$ 1.01
Net Increase / (Decrease) in Net Assets from Operations	137,240,036	1.84	22,655,619	0.30	14,738,001	0.20	21,727,828	0.29	(20,496,364)	(0.28)	38,625,084	0.52
Addback: GAAP incentive management fee expense based on Gains	17,533,209	0.24	1,366,846	0.02	(342,635)	(0.00)	(4,224,731)	(0.06)	-	-	(3,200,520)	(0.04)
Addback: GAAP incentive management fee expense based on Income	<u>9,972,822</u>	<u>0.13</u>	<u>11,061</u>	<u>0.00</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,061</u>	<u>0.00</u>
Pre-Incentive Fee¹												
Net Investment Income	77,877,737	1.04	16,001,484	0.21	17,895,272	0.24	19,570,419	0.26	18,534,409	0.25	72,001,584	0.97
Net Increase / (Decrease) in Net Assets from Operations	164,746,067	2.21	24,033,526	0.32	14,395,366	0.19	17,503,097	0.23	(20,496,364)	(0.28)	35,435,625	0.48
Less: Incremental incentive management fee expense based on Income	<u>(9,972,822)</u>	<u>(0.13)</u>	<u>(288,268)</u>	<u>(0.00)</u>	<u>(1,070,228)</u>	<u>(0.01)</u>	<u>(1,821,960)</u>	<u>(0.02)</u>	<u>3,169,395</u>	<u>0.04</u>	<u>(11,061)</u>	<u>(0.00)</u>
As Adjusted²												
Net Investment Income	67,904,915	0.91	15,713,216	0.21	16,825,044	0.23	17,748,459	0.24	21,703,804	0.29	71,990,523	0.97
Net Increase / (Decrease) in Net Assets from Operations	\$ 154,773,245	\$ 2.08	\$ 23,745,258	\$ 0.32	\$ 13,325,138	\$ 0.18	\$ 15,681,137	\$ 0.21	\$ (17,326,969)	\$ (0.23)	\$ 35,424,564	\$ 0.48

Please see Notes to the Investor Presentation on page 16.

Middle Market Opportunity

The Middle Market Offers More Attractive Opportunities for Investors

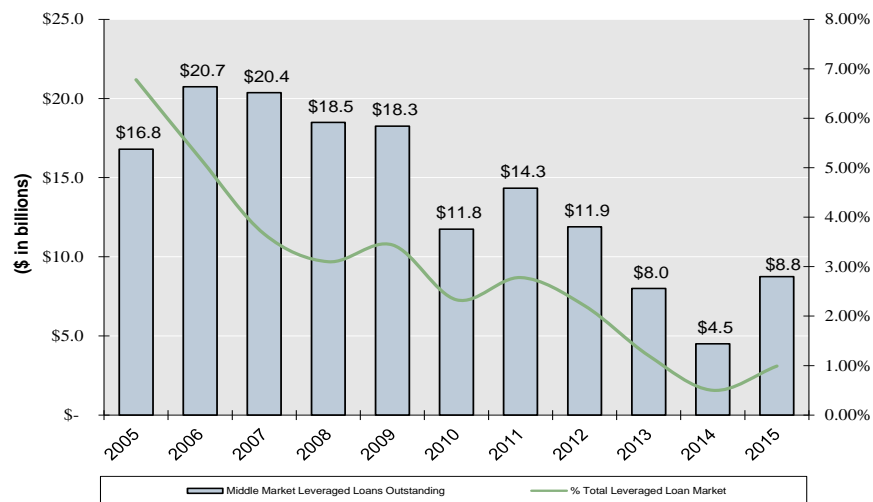
General Characteristics

- ▶ Typically \$50mm–\$1bn in revenues
- ▶ Fundamental credit analysis comparatively more important
- ▶ If rated, rating agencies likely assign lower rating
- ▶ Middle-market investments typically include inherent structural and credit protections
- ▶ High level of acquisition activity (realization opportunities)

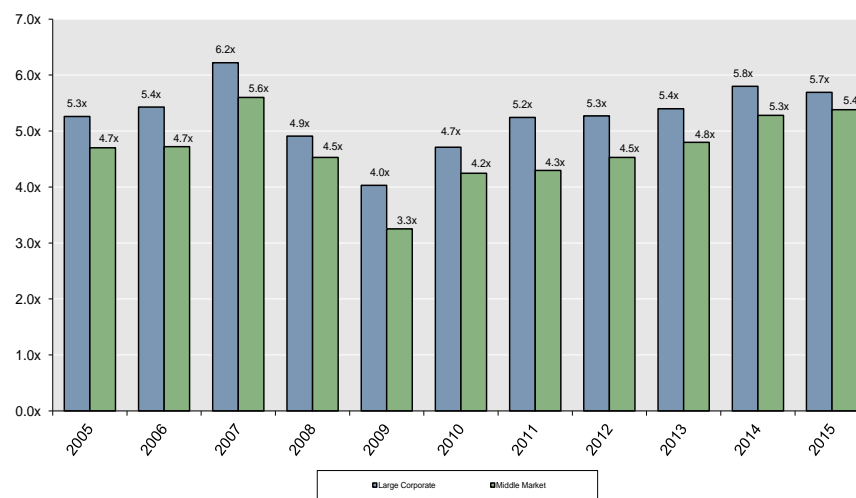
Benefits

- ▶ Attractive yields
- ▶ Conservative capital structures
- ▶ Strong recovery rates
- ▶ Smaller investor groups and active lender involvement
- ▶ Involvement of equity sponsors
- ▶ Issuer diversification

Middle Market Leveraged Loans Outstanding



Average Debt Multiples of LBO Loans



Source: Standard & Poor's LCD High End Middle Market Lending Review Q4 2015.

Notes to the Investor Presentation

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. **Net Investment Income, 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. Excludes portfolio company investments below \$5.0mm, at amortized cost.
5. Balance sheet per share data utilizes total shares outstanding at end of period.
6. Debt adjusted for available cash, receivables for investments sold and payables for investments purchased.
7. Total investment portfolio excludes cash and cash equivalents.
8. Borrowings consist of debt, as listed in public filings.

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