

BlackRock Capital Investment Corporation

Letter to Stockholders on the Tax Status of 2018 Distributions

The information on distributions paid by BlackRock Capital Investment Corporation (“BlackRock Capital Investment” or the “Company”) (CUSIP Number: 092533108) for 2018 is set forth below. For tax purposes, the Company is a regulated investment company (“RIC”) and is designating distributions you received as a stockholder for 2018 in accordance with Subchapter M of the Internal Revenue Code of 1986, as amended (“IRC”), in the following manner:

- **Ordinary Income Dividends:** These dividends are from the Company’s ordinary net investment income and net short-term capital gains for the year. This type of dividend is to be reported on your tax return as ordinary income. Ordinary dividend distributions from the company generally do not qualify for the 20% tax rate applicable to qualified dividends except to the extent that the RIC received the income in the form of qualifying dividends from domestic corporations and qualified foreign corporations.

Total ordinary income distributions are reported on your Form 1099-DIV in Box 1a. Box 1b reports the portion of box 1a that is considered to be qualified dividends.

Please note that if you did not meet certain holding period requirements with respect to your Blackrock Capital Investment Corporation shares, qualified dividends reported in Box 1b of your 2018 Form 1099-DIV may not be eligible for the maximum 20% tax rate. Shareholders should consult their tax advisor for tax guidance.

- **Capital Gains:** Capital gain distributions arise from net long-term capital gains recognized by the Company during the year. Capital gain distributions generally qualify for the maximum 20% capital gains rate. Long-term capital gains are recognized on the disposition of securities held more than one year.

Total capital gain distributions are reported on your Form 1099-DIV in Box 2a.

Distributions that were reinvested through the Company’s Dividend Reinvestment Plan are treated in the same manner, for tax purposes, as if they had been paid in cash. Therefore, stockholders who participated in the Dividend Reinvestment Plan should also refer to the table below for appropriate tax treatment of 2018 dividends.

2018 DISTRIBUTION DETAILS

The table below represent character of distributions paid by the Company in 2018:

Record Date	Payment Date	Total Distribution	2017 Reportable Dividend	Nondividend Distribution (1)	Total Ordinary Dividend	Qualified Dividend (2)	Capital Gain Distribution (3)	Deferred Dividend (4)	Dividends Eligible for Dividends Received Deduction (5)
12/19/2017	1/2/2018	\$0.180000	\$0.085307	\$0.002631	\$0.092062	\$0.011859	-	-	\$0.010141
3/19/2018	4/2/2018	\$0.180000	-	\$0.005001	\$0.174999	\$0.022543	-	-	\$0.019277
6/18/2018	7/9/2018	\$0.180000	-	\$0.005001	\$0.174999	\$0.022543	-	-	\$0.019277
9/17/2018	10/8/2018	\$0.180000	-	\$0.005001	\$0.174999	\$0.022543	-	-	\$0.019277
12/18/2018	1/8/2019	\$0.180000	-	-	-	-	-	\$0.180000	-

- (1) The portion of distributions that exceeds the Company’s current and accumulated earnings and profits, as measured on a tax basis, constitute a non-taxable return of capital.
- (2) The Company hereby designates these distributions as amounts eligible for treatment as qualified dividend income in accordance with IRC Section 854(b).
- (3) The Company hereby designates these distributions as amounts eligible for treatment as capital gain dividends in accordance with IRC Sections 852(b)(3) and 854(a).
- (4) The Company will determine tax character of deferred dividends in 2019.
- (5) The Company hereby designates these as amounts eligible for the dividends received deduction available to certain U.S. domestic corporations.

This tax status letter is not intended to constitute tax, legal, investment, or other professional advice. This is general information and should not be relied upon for tax purposes. Stockholders should be aware that tax treatment is subject to change by law in the future or retroactively. Stockholders should consult their tax advisor for tax guidance pertinent to specific facts and circumstances.

If you have questions about the tax status of your distributions, please contact BlackRock Capital Investment Corporation's Investor Relations Department directly at (212) 810-5800.