
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

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

Date of Report (Date of earliest event reported): August 7, 2018

TCG BDC, INC.
(Exact name of registrant as specified in charter)

Maryland
(State or Other Jurisdiction
of Incorporation)

814-00995
(Commission
File Number)

80-0789789
(I.R.S. Employer
Identification No.)

520 Madison Avenue, 40th Floor, New York, New York
(Address of Principal Executive Offices)

10022
(Zip Code)

Registrant's telephone number, including area code: (212) 813-4900

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2 below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 – Results of Operations and Financial Condition.

On August 7, 2018, TCG BDC, Inc. (the “Company”) issued a summary press release and a detailed earnings presentation announcing its second quarter 2018 financial results. Copies of the summary press release and the earnings presentation are attached hereto as Exhibit 99.1 and Exhibit 99.2, respectively.

The information disclosed under this Item 2.02, including Exhibits 99.1 and 99.2 hereto, is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 (the “Exchange Act”), and shall not be deemed incorporated by reference into any filing made under the Securities Act of 1933 (the “Securities Act”) or the Exchange Act, except as expressly set forth by specific reference in such filing.

Item 7.01 – Regulation FD Disclosure.

On August 7, 2018, the Company issued a press release, included herewith as Exhibit 99.1, announcing the declaration of a third quarter 2018 dividend of \$0.37 per share, payable on October 17, 2018 to stockholders of record as of September 28, 2018.

The information disclosed under this Item 7.01, including Exhibit 99.1 hereto, is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Exchange Act, and shall not be deemed incorporated by reference into any filing made under the Securities Act or the Exchange Act, except as expressly set forth by specific reference in such filing.

Item 9.01 – Financial Statements and Exhibits.

Exhibits 99.1 and 99.2 shall be deemed furnished herewith.

(d) Exhibits:

<u>Exhibit Number</u>	<u>Description</u>
<u>99.1</u>	<u>Summary earnings press release of TCG BDC, Inc., dated August 7, 2018.</u>
<u>99.2</u>	<u>Earnings presentation of TCG BDC, Inc., dated August 7, 2018.</u>

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

TCG BDC, INC.
(Registrant)

Dated: August 7, 2018

By:

/s/ Thomas M. Hennigan

Name: Thomas M. Hennigan

Title: Chief Financial Officer

TCG | BDC

CARLYLE GLOBAL CREDIT

For Immediate Release
August 7, 2018

TCG BDC, Inc. Announces Second Quarter 2018 Financial Results and Declares Third Quarter 2018 Dividend of \$0.37 Per Share

New York - TCG BDC, Inc. (together with its consolidated subsidiaries, "we," "us," "our," "TCG BDC" or the "Company") (NASDAQ: CGBD) today announced its financial results for its second quarter ended June 30, 2018.

Selected Financial Highlights

(dollar amounts in thousands, except per share data)

	June 30, 2018		March 31, 2018	
Total investments, at fair value	\$	1,946,792	\$	1,913,459
Total assets		2,031,168		1,990,655
Total debt and notes payable		856,259		798,968
Total net assets	\$	1,121,812	\$	1,131,857
Net assets per share	\$	17.93	\$	18.09
		For the three month periods ended		
		June 30, 2018		March 31, 2018
Total investment income	\$	52,452	\$	47,483
Net investment income (loss)		28,210		25,130
Net realized gain (loss) and net change in unrealized appreciation (depreciation) on investments		(15,104)		(4,041)
Net increase (decrease) in net assets resulting from operations	\$	13,106	\$	21,089
Basic and diluted per weighted-average common share:				
Net investment income (loss)	\$	0.45	\$	0.40
Net realized gain (loss) and net change in unrealized appreciation (depreciation) on investments		(0.24)		(0.06)
Net increase (decrease) in net assets resulting from operations	\$	0.21	\$	0.34
Weighted-average shares of common stock outstanding—Basic and Diluted		62,568,651		62,504,465
Dividends declared per common share	\$	0.37	\$	0.37

Second Quarter 2018 Highlights

(dollar amounts in thousands, except per share data)

- The Company received shareholder approval to reduce its asset coverage requirement to 150%, providing immediate operational flexibility. The Company's Board of Directors subsequently approved a one-third (0.50%) reduction in the 1.50% annual base management fee rate charged by the Investment Adviser on assets financed using leverage in excess of 1.0x debt to equity;
- On August 6, 2018, our Board of Directors declared a quarterly dividend of \$0.37 per share, which is payable on October 17, 2018 to stockholders of record as of September 28, 2018;
- Net investment income for the three month period ended June 30, 2018 was \$28,210, or \$0.45 per share, as compared to \$25,130, or \$0.40 per share, for the three month period ended March 31, 2018;

- Net realized gain (loss) and net change in unrealized appreciation (depreciation) on investments for the three month period ended June 30, 2018 was \$(15,104), or \$(0.24) per share, as compared to \$(4,041), or \$(0.06) per share, for the three month period ended March 31, 2018; and
- Net increase in net assets resulting from operations for the three month period ended June 30, 2018 was \$13,106, or \$0.21 per share, as compared to \$21,089, or \$0.34 per share, for the three month period ended March 31, 2018.

Portfolio and Investment Activity

(dollar amounts in thousands, except per share data, unless otherwise noted)

As of June 30, 2018, the fair value of our investments was approximately \$1,946,792, comprised of 108 investments in 89 portfolio companies/investment fund across 27 industries with 56 sponsors. This compares to the Company's portfolio as of March 31, 2018, as of which date the fair value of our investments was approximately \$1,913,459, comprised of 104 investments in 87 portfolio companies/investment fund across 28 industries with 56 sponsors.

As of June 30, 2018 and March 31, 2018, investments consisted of the following:

Type—% of Fair Value	June 30, 2018		March 31, 2018	
	Fair Value	% of Fair Value	Fair Value	% of Fair Value
First Lien Debt (excluding First Lien/Last Out)	\$ 1,320,216	67.81%	\$ 1,242,310	64.92%
First Lien/Last Out Unitranche	235,312	12.09	233,564	12.21
Second Lien Debt	160,905	8.27	217,707	11.38
Equity Investments	22,354	1.15	18,812	0.98
Investment Fund	208,005	10.68	201,066	10.51
Total	\$ 1,946,792	100.00%	\$ 1,913,459	100.00%

The following table shows our investment activity for the three month period ended June 30, 2018:

Principal amount of investments:	Funded		Sold/Repaid	
	Amount	% of Total	Amount	% of Total
First Lien Debt (excluding First Lien/Last Out)	\$ 231,471	81.60%	\$ (141,795)	60.98%
First Lien/Last Out Unitranche	11,715	4.13	(4,179)	1.80
Second Lien Debt	9,246	3.26	(66,646)	28.66
Equity Investments	3,953	1.39	(1,000)	0.43
Investment Fund	27,300	9.62	(18,900)	8.13
Total	\$ 283,685	100.00%	\$ (232,520)	100.00%

Overall, total investments at fair value increased by 1.7%, or \$33,333, during the three month period ended June 30, 2018 after factoring in repayments, sales, net fundings on revolvers and delayed draws and net change in unrealized appreciation (depreciation).

Total investments at fair value held by Middle Market Credit Fund ("Credit Fund") increased by 4.2%, or \$45,868, during the three month period ended June 30, 2018 after factoring in repayments, sales, net fundings on revolvers and delayed draws and net change in unrealized appreciation (depreciation). As of June 30, 2018, Credit Fund had total investments at fair value of \$1,136,216, which comprised 99.5% of first lien senior secured loans and 0.5% of second lien senior secured loans at fair value. All investments in the Credit Fund portfolio were floating rate debt investments with interest rate floors.

As of June 30, 2018, the weighted average yields for our first and second lien debt investments on an amortized cost basis were 8.98% and 10.91%, respectively, with a total weighted average yield of 9.16%. Weighted average yields include the effect of accretion of discounts and amortization of premiums and are based on interest rates as of June 30, 2018. As of June 30, 2018, on a fair value basis, approximately 0.8% of our debt investments bear interest at a fixed rate and approximately 99.2% of our debt investments bear interest at a floating rate, which primarily are subject to interest rate floors.

As part of the monitoring process, our Investment Adviser has developed risk policies pursuant to which it regularly assesses the risk profile of each of our debt investments and rates each of them based on the following categories, which we refer to as "Internal Risk Ratings":

Internal Risk Ratings Definitions

Rating	Definition
1	Performing—Low Risk: Borrower is operating more than 10% ahead of the base case.
2	Performing—Stable Risk: Borrower is operating within 10% of the base case (above or below). This is the initial rating assigned to all new borrowers.
3	Performing—Management Notice: Borrower is operating more than 10% below the base case. A financial covenant default may have occurred, but there is a low risk of payment default.
4	Watch List: Borrower is operating more than 20% below the base case and there is a high risk of covenant default, or it may have already occurred. Payments are current although subject to greater uncertainty, and there is moderate to high risk of payment default.
5	Watch List—Possible Loss: Borrower is operating more than 30% below the base case. At the current level of operations and financial condition, the borrower does not have the ability to service and ultimately repay or refinance all outstanding debt on current terms. Payment default is very likely or may have occurred. Loss of principal is possible.
6	Watch List—Probable Loss: Borrower is operating more than 40% below the base case, and at the current level of operations and financial condition, the borrower does not have the ability to service and ultimately repay or refinance all outstanding debt on current terms. Payment default is very likely or may have already occurred. Additionally, the prospects for improvement in the borrower's situation are sufficiently negative that impairment of some or all principal is probable.

Our Investment Adviser's risk rating model is based on evaluating portfolio company performance in comparison to the base case when considering certain credit metrics including, but not limited to, adjusted EBITDA and net senior leverage as well as specific events including, but not limited to, default and impairment.

Our Investment Adviser monitors and, when appropriate, changes the investment ratings assigned to each debt investment in our portfolio. In connection with our quarterly valuation process, our Investment Adviser reviews our investment ratings on a regular basis. The following table summarizes the Internal Risk Ratings of our debt portfolio as of June 30, 2018 and March 31, 2018:

	June 30, 2018		March 31, 2018	
	Fair Value	% of Fair Value	Fair Value	% of Fair Value
(dollar amounts in millions)				
Internal Risk Rating 1	\$ 61.7	3.59%	\$ 66.3	3.91%
Internal Risk Rating 2	1,297.0	75.57	1,324.3	78.20
Internal Risk Rating 3	226.1	13.17	142.1	8.39
Internal Risk Rating 4	87.8	5.12	134.6	7.95
Internal Risk Rating 5	30.7	1.79	26.3	1.55
Internal Risk Rating 6	13.1	0.76	—	—
Total	\$ 1,716.4	100.00%	\$ 1,693.6	100.00%

As of June 30, 2018 and March 31, 2018, the weighted average Internal Risk Rating of our debt investment portfolio was 2.3.

Consolidated Results of Operations

(dollar amounts in thousands, except per share data)

Total investment income for the three month periods ended June 30, 2018 and March 31, 2018 was \$52,452 and \$47,483, respectively. This \$4,969 net increase was primarily due to an increase in interest income and other income from our debt portfolio and an increase in interest income from Credit Fund, partially offset by a decrease in dividend income from Credit Fund, during the three month period ended June 30, 2018.

Total expenses for the three month periods ended June 30, 2018 and March 31, 2018 were \$24,242 and \$22,353, respectively. This \$1,889 net increase during the three month period ended June 30, 2018 was primarily attributable to an increase in interest expense as a result of an increase in secured borrowings and LIBOR, an increase in incentive fees, and an increase in professional fees.

During the three month period ended June 30, 2018, the Company recorded a net realized gain and change in unrealized depreciation of \$(15,104). This was primarily due to net change in unrealized depreciation on our debt investments from changes in various inputs utilized under our valuation methodology, including, but not limited to, market spreads, leverage multiples and borrower ratings, and the impact of exits.

Liquidity and Capital Resources

(dollar amounts in thousands, except per share data)

As of June 30, 2018, the Company had cash and cash equivalents of \$27,928, notes payable (before debt issuance costs) of \$273,000, and secured borrowings outstanding of \$585,105. As of June 30, 2018, the Company had \$227,895 of remaining commitments and \$126,662 available for additional borrowings on its revolving credit facilities, subject to leverage and borrowing base restrictions.

Dividend

On August 6, 2018, our Board of Directors declared a quarterly dividend of \$0.37 per share, which is payable on October 17, 2018 to stockholders of record as of September 28, 2018.

Conference Call

The Company will host a conference call at 9:00 a.m. EDT on Wednesday, August 8, 2018 to discuss these quarterly financial results. The call and webcast will be available on the TCG BDC website at tcgbdc.com. The call may be accessed by dialing +1 (866) 394-4623 (U.S.) or +1 (409) 350-3158 (international) and referencing "TCG BDC Financial Results Call." The conference call will be webcast simultaneously via a link on TCG BDC's website and an archived replay of the webcast also will be available on the website soon after the live call for 21 days.

TCG BDC, INC.
CONSOLIDATED STATEMENTS OF ASSETS AND LIABILITIES
(dollar amounts in thousands, except per share data)

	June 30, 2018	March 31, 2018
	(unaudited)	(unaudited)
ASSETS		
Investments, at fair value		
Investments—non-controlled/non-affiliated, at fair value (amortized cost of \$1,746,623 and \$1,704,235, respectively)	\$ 1,722,393	\$ 1,695,287
Investments—non-controlled/affiliated, at fair value (amortized cost of \$15,940 and \$16,516, respectively)	16,394	17,106
Investments—controlled/affiliated, at fair value (amortized cost of \$208,501 and \$200,101, respectively)	208,005	201,066
Total investments, at fair value (amortized cost of \$1,971,064 and \$1,920,852, respectively)	1,946,792	1,913,459
Cash and cash equivalents	27,928	45,610
Receivable for investment sold	40,077	14,925
Deferred financing costs	3,246	3,441
Interest receivable from non-controlled/non-affiliated investments	6,150	6,163
Interest receivable from non-controlled/affiliated investments	8	192
Interest and dividend receivable from controlled/affiliated investments	6,442	6,630
Prepaid expenses and other assets	525	235
Total assets	\$ 2,031,168	\$ 1,990,655
LIABILITIES		
Secured borrowings	\$ 585,105	\$ 527,865
2015-1 Notes payable, net of unamortized debt issuance costs of \$1,846 and \$1,897, respectively	271,154	271,103
Payable for investments purchased	8,780	16,919
Due to Investment Adviser	134	104
Interest and credit facility fees payable	6,166	5,513
Dividend payable	23,151	23,150
Base management and incentive fees payable	13,252	12,552
Administrative service fees payable	113	125
Other accrued expenses and liabilities	1,501	1,467
Total liabilities	909,356	858,798
NET ASSETS		
Common stock, \$0.01 par value; 200,000,000 shares authorized; 62,568,651 shares and 62,568,651 shares issued and outstanding at June 30, 2018 and March 31, 2018, respectively	626	626
Paid-in capital in excess of par value	1,179,432	1,179,432
Offering costs	(1,633)	(1,633)
Accumulated net investment income (loss), net of cumulative dividends of \$268,555 and \$245,404 at June 30, 2018 and March 31, 2018, respectively	9,561	4,502
Accumulated net realized gain (loss)	(41,902)	(43,677)
Accumulated net unrealized appreciation (depreciation)	(24,272)	(7,393)
Total net assets	\$ 1,121,812	\$ 1,131,857
NET ASSETS PER SHARE	\$ 17.93	\$ 18.09

TCG BDC, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(dollar amounts in thousands, except per share data)
(unaudited)

	For the three month periods ended	
	June 30, 2018	March 31, 2018
Investment income:		
From non-controlled/non-affiliated investments:		
Interest income	\$ 41,717	\$ 39,328
Other income	3,590	895
Total investment income from non-controlled/non-affiliated investments	45,307	40,223
From non-controlled/affiliated investments:		
Interest income	447	379
Total investment income from non-controlled/affiliated investments	447	379
From controlled/affiliated investments:		
Interest income	3,198	2,631
Dividend income	3,500	4,250
Total investment income from controlled/affiliated investments	6,698	6,881
Total investment income	52,452	47,483
Expenses:		
Base management fees	7,226	7,222
Incentive fees	5,984	5,330
Professional fees	959	762
Administrative service fees	185	186
Interest expense	8,709	7,815
Credit facility fees	581	525
Directors' fees and expenses	93	98
Other general and administrative	435	405
Total expenses	24,212	22,343
Net investment income (loss) before taxes	28,240	25,140
Excise tax expense	30	10
Net investment income (loss)	28,210	25,130
Net realized gain (loss) and net change in unrealized appreciation (depreciation) on investments:		
Net realized gain (loss) from:		
Non-controlled/non-affiliated investments	1,775	(129)
Net change in unrealized appreciation (depreciation):		
Non-controlled/non-affiliated	(15,282)	(6,044)
Non-controlled/affiliated	(136)	1,432
Controlled/affiliated	(1,461)	700
Net realized gain (loss) and net change in unrealized appreciation (depreciation) on investments	(15,104)	(4,041)
Net increase (decrease) in net assets resulting from operations	\$ 13,106	\$ 21,089
Basic and diluted earnings per common share	\$ 0.21	\$ 0.34
Weighted-average shares of common stock outstanding—Basic and Diluted	62,568,651	62,504,465
Dividends declared per common share	\$ 0.37	\$ 0.37

About TCG BDC, Inc.

TCG BDC is an externally managed specialty finance company focused on lending to middle-market companies. TCG BDC is managed by Carlyle Global Credit Investment Management L.L.C., an SEC-registered investment adviser and a wholly owned subsidiary of The Carlyle Group L.P. Since it commenced investment operations in May 2013 through June 30, 2018, TCG BDC has invested approximately \$4.0 billion in aggregate principal amount of debt and equity investments prior to any subsequent exits or repayments. TCG BDC's investment objective is to generate current income and capital appreciation primarily through debt investments in U.S. middle market companies. TCG BDC has elected to be regulated as a business development company under the Investment Company Act of 1940, as amended.

Web: tcgbdc.com

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This press release may contain forward-looking statements that involve substantial risks and uncertainties. You can identify these statements by the use of forward-looking terminology such as "anticipates," "believes," "expects," "intends," "will," "should," "may," "plans," "continue," "believes," "seeks," "estimates," "would," "could," "targets," "projects," "outlook," "potential," "predicts" and variations of these words and similar expressions to identify forward-looking statements, although not all forward-looking statements include these words. You should read statements that contain these words carefully because they discuss our plans, strategies, prospects and expectations concerning our business, operating results, financial condition and other similar matters. We believe that it is important to communicate our future expectations to our investors. There may be events in the future, however, that we are not able to predict accurately or control. You should not place undue reliance on these forward-looking statements, which speak only as of the date on which we make it. Factors or events that could cause our actual results to differ, possibly materially from our expectations, include, but are not limited to, the risks, uncertainties and other factors we identify in the sections entitled "Risk Factors" and "Cautionary Statement Regarding Forward-Looking Statements" in filings we make with the Securities and Exchange Commission, and it is not possible for us to predict or identify all of them. We undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

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TCG | BDC
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Quarterly Earnings Presentation

Quarter Ended June 30, 2018

THE CARLYLE GROUP

GLOBAL ALTERNATIVE ASSET MANAGEMENT

Disclaimer and Forward-Looking Statement

This presentation (the "Presentation") has been prepared by TCG BDC, Inc. (together with its consolidated subsidiaries, "we," "us," "our," "TCG BDC" or the "Company") (NASDAQ: CGBD) and may only be used for informational purposes only. This Presentation should be viewed in conjunction with the earnings conference call of the Company held on August 8, 2018 and the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2018. The information contained herein may not be used, reproduced, referenced, quoted, linked by website, or distributed to others, in whole or in part, except as agreed in writing by the Company.

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 our common stock or any other securities nor will there be any sale of the common stock or any other securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of such state or jurisdiction.

This Presentation provides limited information regarding the Company and is not intended to be taken by, and should not be taken by, any individual recipient as investment advice, a recommendation to buy, hold or sell, or an offer to sell or a solicitation of offers to purchase, our common stock or any other securities that may be issued by the Company, or as legal, accounting or tax advice. An investment in securities of the type described herein presents certain risks.

This Presentation may contain forward-looking statements that involve substantial risks and uncertainties. You can identify these statements by the use of forward-looking terminology such as "anticipates," "believes," "expects," "intends," "will," "should," "may," "plans," "continue," "believes," "seeks," "estimates," "would," "could," "targets," "projects," "outlook," "potential," "predicts" and variations of these words and similar expressions to identify forward-looking statements, although not all forward-looking statements include these words. You should read statements that contain these words carefully because they discuss our plans, strategies, prospects and expectations concerning our business, operating results, financial condition and other similar matters. We believe that it is important to communicate our future expectations to our investors. There may be events in the future, however, that we are not able to predict accurately or control. You should not place undue reliance on these forward-looking statements, which speak only as of the date on which we make them. Factors or events that could cause our actual results to differ, possibly materially from our expectations, include, but are not limited to, the risks, uncertainties and other factors we identify in the sections entitled "Risk Factors" and "Cautionary Statement Regarding Forward-Looking Statements" in filings we make with the Securities and Exchange Commission (the "SEC"), and it is not possible for us to predict or identify all of them. We undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

Information throughout the Presentation provided by sources other than the Company (including information relating to portfolio companies) has not been independently verified and, accordingly, the Company makes no representation or warranty in respect of this information.

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. We undertake no duty or obligation to publicly update or revise the information contained in this Presentation.

TCG BDC is managed by Carlyle Global Credit Investment Management L.L.C. (the "Investment Adviser"), an SEC-registered investment adviser and a wholly owned subsidiary of The Carlyle Group L.P. (together with its affiliates, "Carlyle").

This Presentation contains information about the Company and certain of its affiliates and includes the Company's historical performance. You should not view information related to the past performance of the Company as indicative of the Company's future results, the achievement of which is dependent on many factors, many of which are beyond the control of the Company and the Investment Adviser and cannot be assured. There can be no assurances that future dividends will match or exceed historical rates or will be paid at all. Further, an investment in the Company is discrete from, and does not represent an interest in, any other Carlyle entity. Nothing contained herein shall be relied upon as a promise or representation whether as to the past or future performance of the Company or any other Carlyle entity.

Summary of Quarterly Results

Quarter Ended June 30, 2018

- New investment fundings¹ for the quarter ended June 30, 2018 were \$284 million and sales and repayments totaled \$233 million
- The investment portfolio of our joint venture, Middle Market Credit Fund, LLC ("Credit Fund"), increased to \$1.14 billion at fair value as of June 30, 2018, as compared to \$1.09 billion at fair value as of March 31, 2018. For the quarter ended June 30, 2018, Credit Fund's new investment fundings¹ were \$121 million and sales and repayments totaled \$72 million, resulting in a net portfolio increase of \$49 million
- Credit Fund produced a 14.7% annualized yield² to the Company for the quarter ended June 30, 2018
- Net investment income for the quarter ended June 30, 2018 was \$0.45 per share, as compared to \$0.40 per share for the quarter ended March 31, 2018³
- The Company paid a second quarter regular dividend of \$0.37 per share, representing an annualized dividend yield of 8.3%⁴
- The Company received shareholder approval to reduce its asset coverage requirement to 150%, providing immediate operational flexibility. The Company's Board of Directors subsequently approved a one-third (0.50%) reduction in the 1.50% annual base management fee rate charged by the Investment Adviser on assets financed using leverage in excess of 1.0x debt to equity
- Net asset value per share was \$17.93 as of June 30, 2018, down from \$18.09 per share as of March 31, 2018

(1) At par/principal and excluding net change in unfunded commitments. Origination activity and resulting capital deployment is dependent on the Investment Adviser's ability to identify investment opportunities. There can be no guarantee that appropriate opportunities will be identified and if they are, that the Company will be selected to originate any or all such opportunities. (2) The annualized Credit Fund yield is calculated by dividing the dividend income by the weighted average of the Company's investment in the subordinated loans of Credit Fund over the quarter and annualizing over 4 periods. (3) Net investment income per share is based on the weighted average shares outstanding during the respective period. (4) The annualized dividend yield is calculated by dividing the declared dividend by the ending net asset value for the quarter and annualizing over 4 periods. There can be no assurance that we will continue to earn income or pay dividends at this rate and our income and our dividends may decline.

Portfolio Highlights – New Originations – TCG BDC and Credit Fund

Combined Fair Value of Investments of TCG BDC and Credit Fund² at June 30, 2018 of \$2,875 million¹

<i>(Dollar amounts in thousands and based on par/principal)</i>	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018
TCG BDC Originations and Net Investment Activity					
Investment Fundings	614,154	316,595	281,725	120,946	283,685
Unfunded Commitments, Net Change	36,575	24,190	(13,449)	4,760	41,614
Sales and Repayments	(281,258)	(68,370)	(289,125)	(172,003)	(232,520)
Net Investment Activity	369,471	272,415	(20,849)	(46,297)	92,779

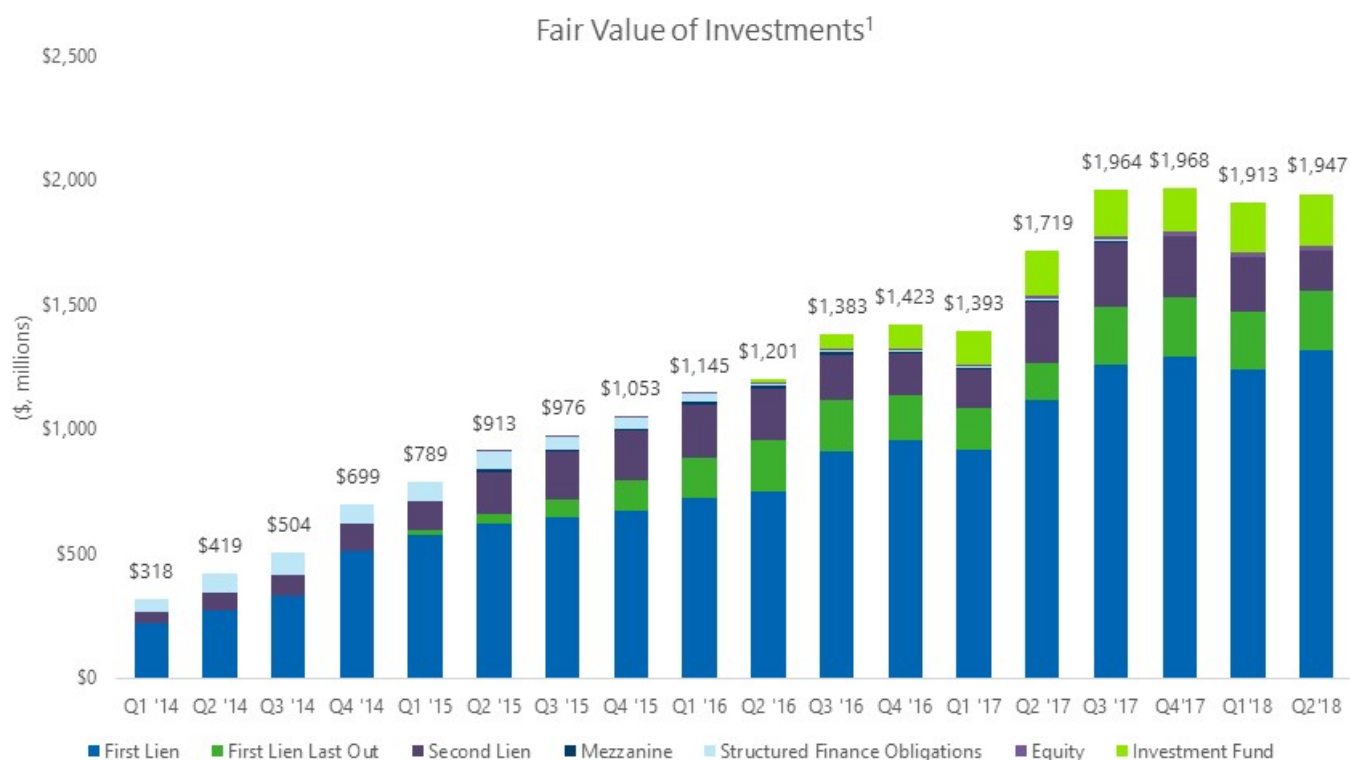
TCG BDC Total Investment Portfolio at Fair Value³					
First Lien Debt	63.49%	64.15%	65.75%	64.92%	67.81%
First Lien, Last-out Unitranche Debt	10.38%	11.74%	12.08%	12.21%	12.09%
Second Lien Debt	14.58%	13.69%	12.51%	11.38%	8.27%
Structured Finance Obligations	0.15%	0.13%	—	—	—
Equity Investments	0.62%	0.69%	0.89%	0.98%	1.15%
Investment Fund / Credit Fund	10.78%	9.60%	8.77%	10.51%	10.68%

Credit Fund² Originations and Net Investment Activity					
Investment Fundings	279,527	99,092	249,896	147,193	121,324
Unfunded Commitments, Net Change	15,634	17,695	7,117	19,138	32,354
Sales and Repayments	(36,998)	(73,960)	(84,373)	(43,975)	(72,366)
Net Investment Activity	258,163	42,827	172,640	122,356	81,312

Please refer to the Company's Form 10-Q, for the quarter ended on June 30, 2018 ("Form 10-Q") for more information. No assurance is given that the Company will continue to achieve comparable results. (1) Combined fair value of investments of TCG BDC and Credit Fund is the sum of the fair value of investments of TCG BDC and Credit Fund excluding investments by TCG BDC in Credit Fund. As of June 30, 2018, the fair value of TCG BDC's investment in Credit Fund was \$208.0 million. (2) Credit Fund is an unconsolidated Delaware limited liability company. The Company and Credit Partners USALLC each has 50% economic ownership of Credit Fund and has commitments to fund, from time to time, capital of up to \$400 million each. Funding of such commitments generally requires the approval of the board of Credit Fund, including the board members appointed by the Company. (3) At quarter end.

Investment Portfolio Overview – TCG BDC

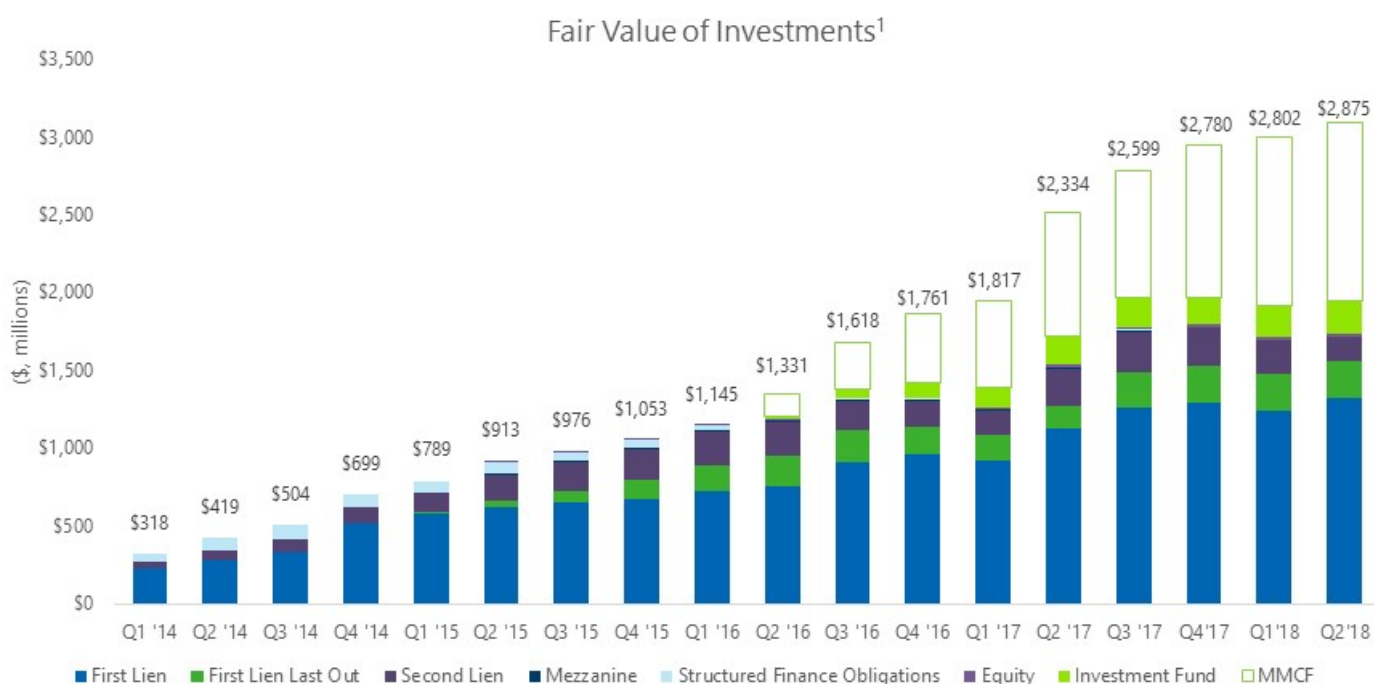
Total Fair Value of Investments of TCG BDC at June 30, 2018 of \$1,947 million



Note: At quarter end, (1) Fair value of investments is subject to change. Past performance is no guarantee of future results. Fair value is determined in good faith by or under the direction of the Company's board of directors pursuant to the Company's valuation policy. Refer to Note 2 (Significant Accounting Policies) and Note 3 (Fair Value Measurements) to the consolidated financial statements in Part I, Item 1 of the Company's Form 10-Q for details on fair value measurements.

Investment Portfolio Overview – TCG BDC and Credit Fund

Combined Fair Value of Investments of TCG BDC and Credit Fund at June 30, 2018 of \$2,875 million¹



Note: At quarter end, fair value of investments is subject to change. Past performance is no guarantee of future results. Fair value is determined in good faith by or under the direction of the Company's board of directors pursuant to the Company's valuation policy. Refer to Note 2 (Significant Accounting Policies), Note 3 (Fair Value Measurements), and Note 5 (Middle Market Credit Fund, LLC) to the consolidated financial statements in Part 1, Item 1 of the Company's Form 10-Q for details on fair value measurements.
 (1) Combined fair value of investments of TCG BDC and Credit Fund is the sum of the fair value of investments of TCG BDC and Credit Fund excluding investments by TCG BDC in Credit Fund. As of June 30, 2018, the fair value of TCG BDC's investment in Credit Fund was \$208.0 million.

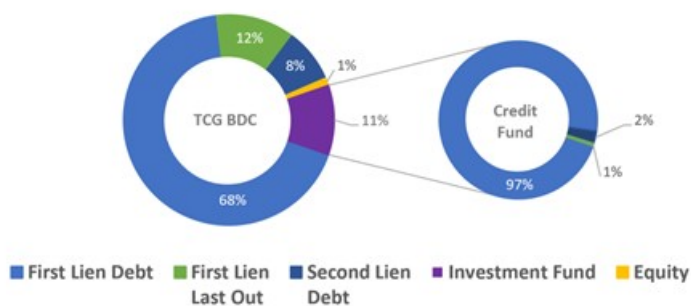
Portfolio Summary – TCG BDC and Credit Fund

As of June 30, 2018

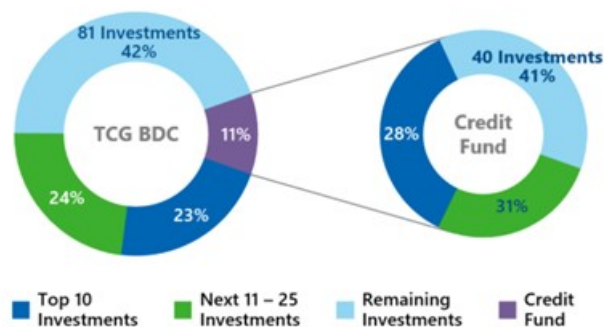
Portfolio Characteristics

	TCG BDC	Credit Fund
Total Investments and Commitments (\$mm)	\$2,112	\$1,260
Unfunded Commitments (\$mm)	\$165	\$124
Investments at Fair Value (\$mm)	\$1,947	\$1,136
Yield of Debt Investments ¹ (%)	9.16%	7.12%
Yield of Total Portfolio ^{1,2} (%)	9.47%	7.12%
Number of Investments	108	65
Number of Portfolio Companies	89	58
Floating / Fixed (%)	99% / 1%	100% / 0%

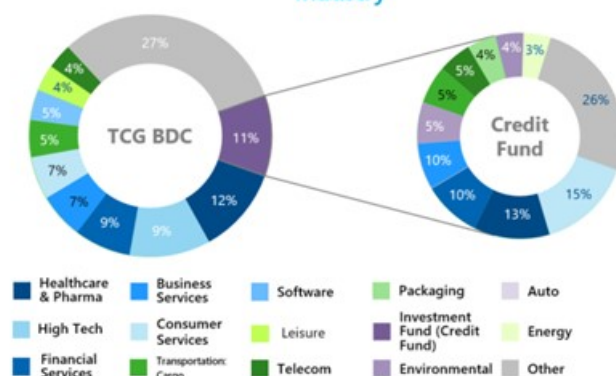
Asset Mix



Diversification by Borrower



Industry



(1) Weighted average yields at cost of the debt investments include the effect of accretion of discounts and amortization of premiums and are based on interest rates as of period end. Actual yields earned over the life of each investment could differ materially from the yields presented above. Weighted average yields for TCG BDC do not include TCG BDC's investment in Credit Fund.

(2) Weighted average yields at cost of the total portfolio includes yield of debt investments, equity investments and TCG BDC's investment in Credit Fund. Actual yields earned over the life of each investment could differ materially from the yields presented above.

Credit Quality of Investments – TCG BDC

- Fundamental credit quality at June 30, 2018 remains strong with 3 borrowers on non-accrual status, representing less than 1.7% of total debt investments at fair value and 3.2% at amortized cost
- Approximately 97% of investments in our debt investment portfolio continue to have an Internal Risk Rating of 1 through 4 as of June 30, 2018

Portfolio Risk Ratings

(Dollar amounts in millions)

Internal Risk Rating	June 30, 2018		March 31, 2018		December 31, 2017	
	Fair Value	% of Fair Value	Fair Value	% of Fair Value	Fair Value	% of Fair Value
1	61.7	3.59%	66.3	3.91%	73.7	4.15%
2	1,297.0	75.57%	1,324.3	78.20%	1,399.6	78.74%
3	226.1	13.17%	142.1	8.39%	170.2	9.57%
4	87.8	5.12%	134.6	7.95%	103.3	5.81%
5	30.7	1.79%	26.3	1.55%	30.7	1.73%
6	13.1	0.76%	-	0.00%	-	0.00%
Total	1,716.4	100.00%	1,693.6	100.00%	1,777.5	100.00%

Rating Definition

1	Performing – Low Risk: Borrower is operating more than 10% ahead of the Base Case
2	Performing – Stable Risk: Borrower is operating within 10% of the Base Case (above or below). This is the initial rating assigned to all new borrowers
3	Performing – Management Notice: Borrower is operating more than 10% below the Base Case. A financial covenant default may have occurred, but there is a low risk of payment default
4	Watch List: Borrower is operating more than 20% below the Base Case and there is a high risk of covenant default, or it may have already occurred. Payments are current although subject to greater uncertainty, and there is moderate to high risk of payment default
5	Watch List – Possible Loss: Borrower is operating more than 30% below the Base Case. At the current level of operations and financial condition, the borrower does not have the ability to service and ultimately repay or refinance all outstanding debt on current terms. Payment default is very likely or may have occurred. Loss of principal is possible
6	Watch List – Probable Loss: Borrower is operating more than 40% below the Base Case, and at the current level of operations and financial condition, the borrower does not have the ability to service and ultimately repay or refinance all outstanding debt on current terms. Payment default is very likely or may have already occurred. Additionally, the prospects for improvement in the borrower's situation are sufficiently negative that impairment of some or all principal is probable

Financial Performance Summary – TCG BDC

<i>(Dollar amounts in thousands, except per share data)</i>	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018
Net Investment Income Per Share	0.47	0.41	0.43	0.40	0.45
Net Realized & Unrealized Appreciation (Depreciation) Per Share	(0.13)	0.00	0.01	(0.06)	(0.24)
Net Income Per Share	0.34	0.41	0.44	0.34	0.21
Dividends Paid Per Share	0.37	0.37	0.49	0.37	0.37
Net Asset Value Per Share	18.14	18.18	18.12	18.09	17.93
Weighted Average Shares Outstanding for the Period (in thousands)	45,978	61,840	62,143	62,504	62,569
Shares Outstanding at End of Period (in thousands)	61,406	61,860	62,208	62,569	62,569
Total Fair Value of Investments	1,719,473	1,964,117	1,967,531	1,913,459	1,946,792
Number of Portfolio Companies	86	92	90	87	89
Average Size of Investment in Portfolio Company (Notional) ¹	20,459	22,774	22,237	22,416	22,488
Weighted Average all-in Yield on Investments at Amortized Cost ²	8.63%	8.61%	8.86%	9.24%	9.16%
Weighted Average all-in Yield on Investments at Fair Value ²	8.68%	8.66%	8.90%	9.31%	9.31%
Net Assets	1,113,743	1,124,353	1,127,304	1,131,857	1,121,812
Debt	602,547	849,770	833,946	798,968	856,259
Debt To Equity at Quarter End	0.54x	0.76x	0.74x	0.71x	0.76x

Note: The net asset value per share and dividends declared per share are based on the shares outstanding at each respective quarter-end. Net investment income per share and net change in realized and unrealized appreciation (depreciation) per share are based on the weighted average number of shares outstanding for the period. (1) For equity investments with no stated par amount, includes total funded amount. (2) Weighted average yields include the effect of accretion of discounts and amortization of premiums and are based on interest rates as of each respective period end. Actual yields earned over the life of each investment could differ materially from the yields presented above.

Quarterly Statements of Financial Condition – TCG BDC

(Dollar amounts in thousands, except per share data)

	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018
Assets					
Investments at Fair Value (Non-Controlled/Non-Affiliated)	1,520,997	1,760,611	1,779,584	1,695,287	1,722,393
Investments at Fair Value (Non-Controlled/Affiliated)	13,165	14,959	15,431	17,106	16,394
Investments at Fair Value (Controlled/Affiliated)	185,311	188,547	172,516	201,066	208,005
Total Investments at Fair Value	1,719,473	1,964,117	1,967,531	1,913,459	1,946,792
Cash & Cash Equivalents	28,159	35,149	32,039	45,610	27,928
Receivable From Investment Sold	—	—	7,022	14,925	40,077
Deferred Financing Costs	3,629	3,734	3,626	3,441	3,246
Interest Receivable Non-Controlled/Non-Affiliated/Affiliated Investments	4,358	4,892	5,108	6,355	6,158
Interest & Dividend Receivable From Controlled/Affiliated Investments	3,996	5,528	5,981	6,630	6,442
Prepaid Expenses & Other Assets	146	55	76	235	525
Total Assets	1,759,761	2,013,475	2,021,383	1,990,655	2,031,168
Liabilities					
Payable for Investment Purchased	4,996	—	9,469	16,919	8,780
Secured Borrowings	331,597	578,769	562,893	527,865	585,105
2015-1 Notes Payable, Net of Unamortized Debt Issuance Costs	270,950	271,001	271,053	271,103	271,154
Due to Investment Adviser	118	102	69	104	134
Interest & Credit Facility Fees Payable	3,830	4,792	5,353	5,513	6,166
Dividend Payable	22,720	22,888	30,481	23,150	23,151
Base Management & Incentive Fees Payable	9,132	9,986	13,098	12,552	13,252
Administrative Service Fees Payable	120	100	95	125	113
Offering Costs Payable	1,128	36	—	—	—
Other Accrued Expenses & Liabilities	1,427	1,448	1,568	1,467	1,501
Total Liabilities	646,018	889,122	894,079	858,798	909,356
Net Assets	1,113,743	1,124,353	1,127,304	1,131,857	1,121,812
Total Liabilities & Net Assets	1,759,761	2,013,475	2,021,383	1,990,655	2,031,168
Net Asset Value Per Share	\$18.14	\$18.18	\$18.12	\$18.09	\$17.93

Please refer to the Company's Form 10-Q for more information.

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THE CARLYLE GROUP

Quarterly Operating Results – TCG BDC

(Dollar amounts in thousands)

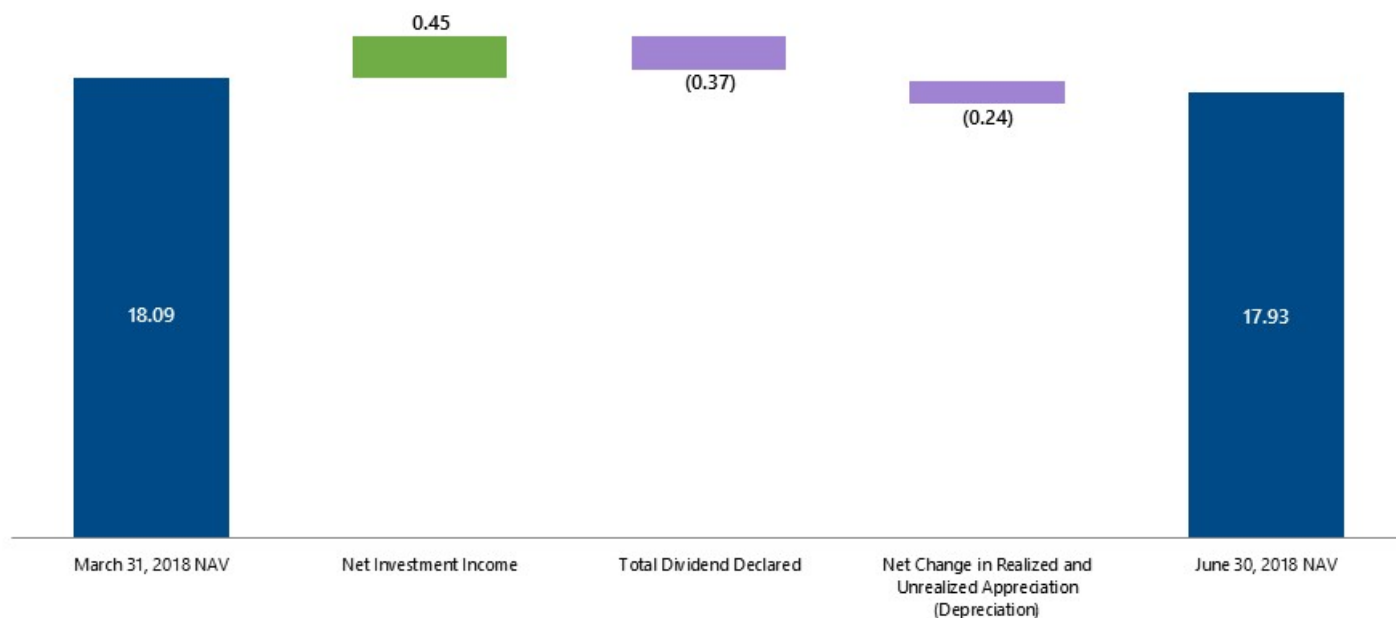
	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018
Interest Income	30,526	34,740	40,345	39,494	41,948
Payment-In-Kind Interest Income	—	778	279	213	216
Income From Credit Fund	4,172	5,812	6,260	6,881	6,698
Other Income	4,046	1,318	2,626	895	3,590
Total Investment Income	38,744	42,648	49,510	47,483	52,452
Management Fees (Net Of Waiver, if applicable) ¹	3,771	4,666	7,473	7,222	7,266
Incentive Fees ²	5,361	5,321	5,625	5,330	5,984
Interest Expense & Credit Facility Fees	6,267	6,443	8,246	8,340	9,290
Other Expenses	1,897	1,138	1,555	1,451	1,672
Excise Tax Expense	—	—	95	10	30
Net Expenses	17,297	17,568	22,994	22,353	24,242
Net Investment Income	21,448	25,080	26,516	25,130	28,210
Net Realized and Change in Unrealized Gains & Losses	(5,947)	463	467	(4,041)	(15,104)
Net Income	15,501	25,543	26,983	21,089	13,106

(1) Effective October 1, 2017, the pre-IPO management fee waiver of 0.50% terminated. As a result, beginning October 1, 2017, the base management fee is calculated at an annual rate of 1.50% of the Company's gross assets, excluding cash and cash equivalents. (2) Effective October 1, 2017, the Investment Adviser agreed to charge 17.5% instead of 20% with respect to the entire calculation of the incentive fee.

Note: There can be no assurance that we will continue to earn income at this rate and our income may decline. If our income declines, we may reduce the dividend we pay and the yield you earn may decline. Refer to the consolidated financial statements included in Part 1, Item 1 of the Company's Form 10-Q for additional details.

Net Asset Value Per Share Bridge – TCG BDC

Quarter Ended June 30, 2018 (\$)



Note: The net asset value per share and dividends declared per share are based on the shares outstanding at each respective quarter-end. Net investment income per share and net change in realized and unrealized appreciation (depreciation) per share are based on the weighted average number of shares outstanding for the period.

Senior Secured Credit Facilities & Unfunded Commitments

Terms & Conditions

Credit Facility¹

Size	\$413.0 million committed
Tenor	5 years (4 year revolving); maturity date 3/21/2022
Pricing	LIBOR + 225 bps / 37.5 bps unused fee

SPV Credit Facility¹

Size	\$400.0 million committed
Tenor	5 years (3 years revolving); maturity date 5/23/2022
Pricing	LIBOR + 200-250 bps / 50-75 bps unused fee

Carlyle GMS Finance MM CLO 2015-1 LLC Notes

Size	\$273.0 million
Maturity Date	7/15/2027
Weighted Average Interest Rate	430bps ²

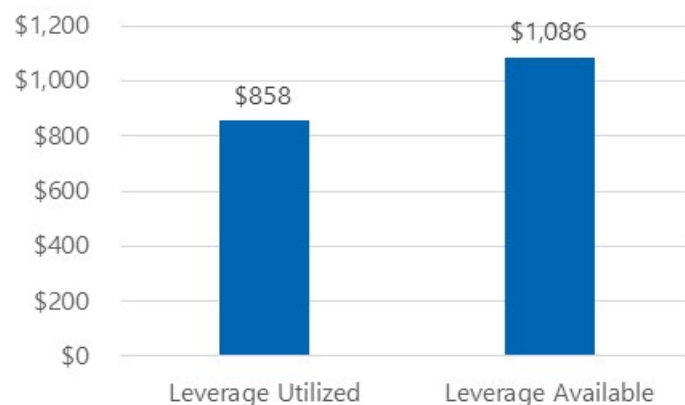
Credit Fund Sub Facility^{1,3}

Size	\$640.0 million committed
Tenor	6 years (3 years revolving); maturity date 5/22/2023
Pricing	LIBOR + 250 bps / 50-75 bps unused fee

MMCF CLO 2017-1 LLC Notes⁴

Size	\$349.2 million
Maturity Date	1/15/2028
Weighted Average Interest Rate	409bps ²

Debt on Company's Balance Sheet as of June 30, 2018



Unfunded Commitments

(Dollar amounts in thousands)	Par Value as of	
	June 30, 2018	March 31, 2018
Unfunded Delayed Draw Commitments	\$ 112,170	\$ 86,813
Unfunded Revolving Term Loan Commitments	52,578	36,321
Total Unfunded Commitments	164,748	123,134

(1) Size represents maximum principal amount of the Facility and is subject to availability under the Facility, which is based on certain advance rates multiplied by the value of the Company's portfolio investments (subject to certain concentration limitations) net of certain other indebtedness that the Company may incur in accordance with the terms of the Facility. Middle Market Credit Fund SPV, LLC (the "Credit Fund Sub"), a Delaware limited liability company, was formed on April 5, 2016. Credit Fund Sub is a wholly-owned subsidiary of Credit Fund and is consolidated in Credit Fund's consolidated financial statements commencing from the date of its formation. (2) Weighted average interest rate, including amortization of debt issuance costs on the 2015-1 Notes and 2017-1 Notes, respectively, for the quarter ended June 30, 2018. (3) Credit Fund closed on June 24, 2016 on a revolving credit facility, the Credit Fund Facility, from which Credit Fund may from time to time request mezzanine loans from the Company. The maximum principal amount of the Credit Fund Facility is \$175mm. (4) MMCF CLO 2017-1 LLC is a wholly-owned and consolidated subsidiary of Credit Fund.

Liquidity and Investment Capacity – TCG BDC

- **Cash and Cash Equivalents**

- Cash and cash equivalents totaled \$27.9 million as of June 30, 2018

- **Credit Facilities - Availability**

- Credit Facility – As of June 30, 2018, subject to leverage and borrowing base restrictions, we had approximately \$83.5 million of remaining unfunded commitments and approximately \$83.5 million of availability on this \$413.0 million revolving credit facility
- SPV Credit Facility – As of June 30, 2018, subject to leverage and borrowing base restrictions, we had approximately \$144.4 million of remaining unfunded commitments and approximately \$43.2 million of availability on this \$400.0 million revolving credit facility

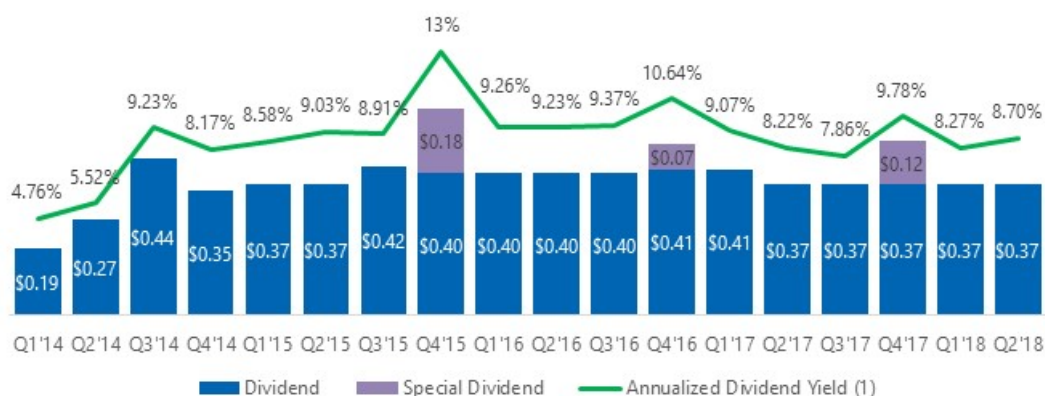
Common Stock and Dividend Information – TCG BDC

Common Stock Data (NASDAQ: CGBD)

Quarter Ended	High	Low	End of Period
June 30, 2018	\$18.34	\$17.02	\$17.02
March 31, 2018	\$18.62	\$17.03	\$17.90
December 31, 2017	\$20.04	\$17.04	\$20.04
September 30, 2017	\$18.89	\$18.00	\$18.82
June 30, 2017 (beginning June 14, 2017)	\$18.49	\$18.01	\$18.01

- On August 6, 2018, our Board of Directors declared a quarterly dividend of \$0.37 per share, which is payable on October 17, 2018 to stockholders of record as of September 28, 2018

Historical Dividend Data



Note: Historical dividend data for dividends declared prior to the period shown are available on the Company's website at tcgbdc.com. No dividend was declared in 2013. There can be no assurance that the Company will continue to achieve comparable results.
 (1) For dividends declared prior to the IPO (June 14, 2017), annualized dividend yield is calculated by dividing the declared dividend by the weighted average of the net asset value at the beginning of the quarter and the capital called during the quarter and annualizing over 4 periods. For dividends declared after the IPO, annualized dividend yield is calculated by dividing the declared dividend by the closing market price for the quarter and annualizing over 4 periods.