
**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): February 26, 2019

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 February 26, 2019, TCG BDC, Inc. (the “Company”) issued a press release announcing its fourth quarter 2018 financial results and a detailed earnings presentation. Copies of the 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 February 26, 2019, the Company issued a press release, included herewith as Exhibit 99.1, announcing its fourth quarter 2018 financial results and the declaration of a first quarter 2019 dividend of \$0.37 per share, payable on April 17, 2019 to stockholders of record as of March 29, 2019.

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>Earnings press release of TCG BDC, Inc., dated February 26, 2019.</u>
<u>99.2</u>	<u>Earnings presentation of TCG BDC, Inc., dated February 26, 2019.</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: February 26, 2019

By: /s/ Thomas M. Hennigan
Name: Thomas M. Hennigan
Title: Chief Financial Officer

TCG | BDC

CARLYLE GLOBAL CREDIT

For Immediate Release
February 26, 2019

TCG BDC, Inc. Announces Fourth Quarter 2018 Financial Results and Declares First Quarter 2019 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 fourth quarter ended December 31, 2018.

Selected Financial Highlights

(dollar amounts in thousands, except per share data)

	December 31, 2018	September 30, 2018
Total investments, at fair value	\$ 1,972,157	\$ 2,018,998
Total assets	2,084,743	2,147,841
Total debt	960,678	1,000,207
Total net assets	\$ 1,063,218	\$ 1,104,742
Net assets per share	\$ 17.09	\$ 17.66
	For the three month periods ended	
	December 31, 2018	September 30, 2018
Total investment income	\$ 56,311	\$ 51,280
Net investment income (loss)	29,411	25,685
Net realized gain (loss) and net change in unrealized appreciation (depreciation) on investments	(30,571)	(19,605)
Net increase (decrease) in net assets resulting from operations	\$ (1,160)	\$ 6,080
	Basic and diluted per weighted-average common share:	
Net investment income (loss)	\$ 0.47	\$ 0.41
Net realized gain (loss) and net change in unrealized appreciation (depreciation) on investments	(0.49)	(0.31)
Net increase (decrease) in net assets resulting from operations	\$ (0.02)	\$ 0.10
Weighted-average shares of common stock outstanding—Basic and Diluted	62,496,338	62,568,651
Dividends declared per common share	\$ 0.57	\$ 0.37

Fourth Quarter 2018 Highlights

(dollar amounts in thousands, except per share data)

- During the three month period ended December 31, 2018, the Company repurchased 338,408 shares of the Company's common stock pursuant to the Company's previously announced \$100 million stock repurchase program at an average cost of \$14.36 per share, or \$4.9 million in the aggregate, resulting in accretion to net assets per share of \$0.02. The program is expected to be in effect until November 5, 2019, or until the approved dollar amount has been used to repurchase shares;
- On February 22, 2019, our Board of Directors declared a quarterly dividend of \$0.37 per share, which is payable on April 17, 2019 to stockholders of record as of March 29, 2019;
- Net investment income for the three month period ended December 31, 2018 was \$29,411, or \$0.47 per share, as compared to \$25,685, or \$0.41 per share, for the three month period ended September 30, 2018;

- Net realized gain (loss) and net change in unrealized appreciation (depreciation) on investments for the three month period ended December 31, 2018 was \$(30,571), or \$(0.49) per share, primarily driven by an increase in market yields, as compared to \$(19,605), or \$(0.31) per share, for the three month period ended September 30, 2018; and
- Net increase (decrease) in net assets resulting from operations for the three month period ended December 31, 2018 was \$(1,160), or \$(0.02) per share, as compared to \$6,080, or \$0.10 per share, for the three month period ended September 30, 2018.

Portfolio and Investment Activity

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

As of December 31, 2018, the fair value of our investments was approximately \$1,972,157, comprised of 119 investments in 96 portfolio companies/investment fund across 27 industries with 57 sponsors. This compares to the Company's portfolio as of September 30, 2018, as of which date the fair value of our investments was approximately \$2,018,998, comprised of 116 investments in 94 portfolio companies/investment fund across 27 industries with 57 sponsors.

As of December 31, 2018 and September 30, 2018, investments consisted of the following:

Type—% of Fair Value	December 31, 2018		September 30, 2018	
	Fair Value	% of Fair Value	Fair Value	% of Fair Value
First Lien Debt (excluding First Lien/Last Out)	\$ 1,343,422	68.12%	\$ 1,402,279	69.46%
First Lien/Last Out Unitranche	202,849	10.29	199,350	9.87
Second Lien Debt	178,958	9.07	170,657	8.45
Equity Investments	24,633	1.25	23,308	1.15
Investment Fund	222,295	11.27	223,404	11.07
Total	\$ 1,972,157	100.00%	\$ 2,018,998	100.00%

The following table shows our investment activity for the three month period ended December 31, 2018:

Principal amount of investments:	Funded		Sold/Repaid	
	Amount	% of Total	Amount	% of Total
First Lien Debt (excluding First Lien/Last Out)	\$ 169,446	51.64%	\$ (209,053)	60.87%
First Lien/Last Out Unitranche	7,014	2.14	(339)	0.10
Second Lien Debt	88,993	27.12	(78,028)	22.72
Equity Investments	659	0.20	—	—
Investment Fund	62,000	18.90	(56,000)	16.31
Total	\$ 328,112	100.00%	\$ (343,420)	100.00%

Overall, total investments at fair value decreased by 2.3%, or \$46,841, during the three month period ended December 31, 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, LLC ("Credit Fund"), which is not consolidated with the Company, decreased by 2.1%, or \$24,924, during the three month period ended December 31, 2018 after factoring in repayments, sales, net fundings on revolvers and delayed draws and net change in unrealized appreciation (depreciation). As of December 31, 2018, Credit Fund had total investments at fair value of \$1,173,508, which comprised 99.9% of first lien senior secured loans and 0.1% of second lien senior secured loans at fair value. As of December 31, 2018, on a fair value basis, approximately 0.1% of Credit Fund's investments bear interest at a fixed rate and approximately 99.9% of Credit Fund's investments bear interest at a floating rate, which primarily are subject to interest rate floors.

As of December 31, 2018, the weighted average yields for our first and second lien debt investments on an amortized cost basis were 9.38% and 11.04%, respectively, with a total weighted average yield of 9.54%. Weighted average yields include the effect of accretion of discounts and amortization of premiums and are based on interest rates as of December 31, 2018. As of December 31, 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 already 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 December 31, 2018 and September 30, 2018:

	December 31, 2018		September 30, 2018	
	Fair Value	% of Fair Value	Fair Value	% of Fair Value
(dollar amounts in millions)				
Internal Risk Rating 1	\$ 71.0	4.12%	\$ 104.7	5.91%
Internal Risk Rating 2	1,302.9	75.52	1,298.0	73.24
Internal Risk Rating 3	208.4	12.08	224.7	12.68
Internal Risk Rating 4	105.1	6.09	119.1	6.72
Internal Risk Rating 5	23.5	1.36	9.4	0.53
Internal Risk Rating 6	14.3	0.83	16.4	0.92
Total	\$ 1,725.2	100.00%	\$ 1,772.3	100.00%

As of December 31, 2018 and September 30, 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 December 31, 2018 and September 30, 2018 was \$56,311 and \$51,280, respectively. This \$5,031 net increase was primarily due to an increase in interest income and other income from our debt portfolio from prepayments and an increase in LIBOR and an increase in interest income from Credit Fund during the three month period ended December 31, 2018.

Total expenses for the three month periods ended December 31, 2018 and September 30, 2018 were \$26,900 and \$25,595, respectively. This \$1,305 net increase during the three month period ended December 31, 2018 was primarily attributable to an increase in interest expense as a result of an increase in LIBOR and an increase in incentive fees.

During the three month period ended December 31, 2018, the Company recorded a net realized gain and change in unrealized depreciation of \$(30,571). This was primarily driven by an increase in market yields.

Liquidity and Capital Resources

(dollar amounts in thousands, except per share data)

As of December 31, 2018, the Company had cash and cash equivalents of \$87,186, notes payable (before debt issuance costs) of \$449,200, and secured borrowings outstanding of \$514,635. As of December 31, 2018, the Company had \$298,365 of remaining unfunded commitments and \$125,047 available for additional borrowings under its revolving credit facilities, subject to leverage and borrowing base restrictions.

Dividend

On February 22, 2019, our Board of Directors declared a quarterly dividend of \$0.37 per share, which is payable on April 17, 2019 to stockholders of record as of March 29, 2019.

Conference Call

The Company will host a conference call at 9:30 a.m. EST on Wednesday, February 27, 2019 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)

	December 31, 2018	September 30, 2018
	(unaudited)	(unaudited)
ASSETS		
Investments, at fair value		
Investments—non-controlled/non-affiliated, at fair value (amortized cost of \$1,799,751 and \$1,820,646, respectively)	\$ 1,731,319	\$ 1,781,621
Investments—non-controlled/affiliated, at fair value (amortized cost of \$13,839 and \$13,595, respectively)	18,543	13,973
Investments—controlled/affiliated, at fair value (amortized cost of \$230,001 and \$224,001, respectively)	222,295	223,404
Total investments, at fair value (amortized cost of \$2,043,591 and \$2,058,242, respectively)	1,972,157	2,018,998
Cash and cash equivalents	87,186	112,911
Receivable for investment sold	8,060	—
Deferred financing costs	3,950	4,126
Interest receivable from non-controlled/non-affiliated investments	5,853	4,895
Interest receivable from non-controlled/affiliated investments	3	10
Interest and dividend receivable from controlled/affiliated investments	7,405	6,881
Prepaid expenses and other assets	129	20
Total assets	\$ 2,084,743	\$ 2,147,841
LIABILITIES		
Secured borrowings	\$ 514,635	\$ 554,299
Notes payable, net of unamortized debt issuance costs of \$3,157 and \$3,292, respectively	446,043	445,908
Payable for investments purchased	1,870	—
Due to Investment Adviser	236	131
Interest and credit facility fees payable	7,500	4,478
Dividend payable	35,497	23,150
Base management and incentive fees payable	13,834	12,992
Administrative service fees payable	94	116
Other accrued expenses and liabilities	1,816	2,025
Total liabilities	1,021,525	1,043,099
NET ASSETS		
Common stock, \$0.01 par value; 200,000,000 shares authorized; 62,230,251 and 62,568,651 shares issued and outstanding at December 31, 2018 and September 30, 2018, respectively	622	626
Paid-in capital in excess of par value	1,174,334	1,179,432
Offering costs	(1,633)	(1,633)
Total distributable earnings (loss)	(110,105)	(73,683)
Total net assets	\$ 1,063,218	\$ 1,104,742
NET ASSETS PER SHARE	\$ 17.09	\$ 17.66

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

	For the three month periods ended	
	December 31, 2018	September 30, 2018
Investment income:		
From non-controlled/non-affiliated investments:		
Interest income	\$ 45,500	\$ 41,736
Other income	2,724	1,925
Total investment income from non-controlled/non-affiliated investments	48,224	43,661
From non-controlled/affiliated investments:		
Interest income	377	418
Total investment income from non-controlled/affiliated investments	377	418
From controlled/affiliated investments:		
Interest income	4,010	3,401
Dividend income	3,700	3,800
Total investment income from controlled/affiliated investments	7,710	7,201
Total investment income	56,311	51,280
Expenses:		
Base management fees	7,595	7,543
Incentive fees	6,239	5,449
Professional fees	814	869
Administrative service fees	151	179
Interest expense	10,905	10,372
Credit facility fees	606	583
Directors' fees and expenses	87	92
Other general and administrative	343	478
Total expenses	26,740	25,565
Net investment income (loss) before taxes	29,571	25,715
Excise tax expense	160	30
Net investment income (loss)	29,411	25,685
Net realized gain (loss) and net change in unrealized appreciation (depreciation) on investments:		
Net realized gain (loss) from:		
Non-controlled/non-affiliated investments	1,619	(4,633)
Net change in unrealized appreciation (depreciation):		
Non-controlled/non-affiliated	(29,407)	(14,795)
Non-controlled/affiliated	4,326	(76)
Controlled/affiliated	(7,109)	(101)
Net realized gain (loss) and net change in unrealized appreciation (depreciation) on investments	(30,571)	(19,605)
Net increase (decrease) in net assets resulting from operations	\$ (1,160)	\$ 6,080
Basic and diluted earnings per common share	\$ (0.02)	\$ 0.10
Weighted-average shares of common stock outstanding—Basic and Diluted	62,496,338	62,568,651

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 December 31, 2018, TCG BDC has invested approximately \$4.6 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.

Contacts:**Investors:**

Daniel Harris
+1-212-813-4527
daniel.harris@carlyle.com

Media:

Elizabeth Gill
+1-202-729-5385
elizabeth.gill@carlyle.com

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Quarterly Earnings Presentation

Quarter Ended December 31, 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 February 27, 2019 and the Company's Annual Report on Form 10-K for the year ended December 31, 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 December 31, 2018

- New investment fundings¹ for the quarter ended December 31, 2018 were \$328 million and sales and repayments totaled \$343 million
- The investment portfolio of our joint venture, Middle Market Credit Fund, LLC (“Credit Fund”), decreased to \$1.17 billion at fair value as of December 31, 2018, as compared to \$1.20 billion at fair value as of September 30, 2018. For the quarter ended December 31, 2018, Credit Fund’s new investment fundings¹ were \$123 million and sales and repayments totaled \$122 million
- Credit Fund produced a 14.4% annualized dividend yield² to the Company for the quarter ended December 31, 2018
- Net investment income for the quarter ended December 31, 2018 was \$0.47 per share, as compared to \$0.41 per share for the quarter ended September 30, 2018³
- The Company paid a fourth quarter regular dividend of \$0.37 per share and a special dividend of \$0.20 per share, resulting in a LTM dividend yield of 9.83% based on ending net asset value
- The Company repurchased and extinguished 338,408 of the Company's common shares at an average cost of \$14.36 per share, or \$4.9 million, resulting in accretion to net assets of \$0.02 per share
- Net asset value per share was \$17.09 as of December 31, 2018, as compared to \$17.66 per share as of September 30, 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 or Credit Fund, as the case may be, will be selected to originate any or all such opportunities. (2) The annualized Credit Fund yield is calculated by dividing the dividend income from Credit Fund 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. 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 December 31, 2018 of \$2,923 million¹

(Dollar amounts in thousands and based on par/principal)

	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018
TCG BDC Originations and Net Investment Activity					
Investment Fundings	281,725	120,946	283,685	231,337	328,112
Unfunded Commitments, Net Change	(13,449)	4,760	41,614	20,473	(28,104)
Sales and Repayments	(289,125)	(172,003)	(232,520)	(143,594)	(343,420)
Net Investment Activity	(20,849)	(46,297)	92,779	108,216	(43,412)

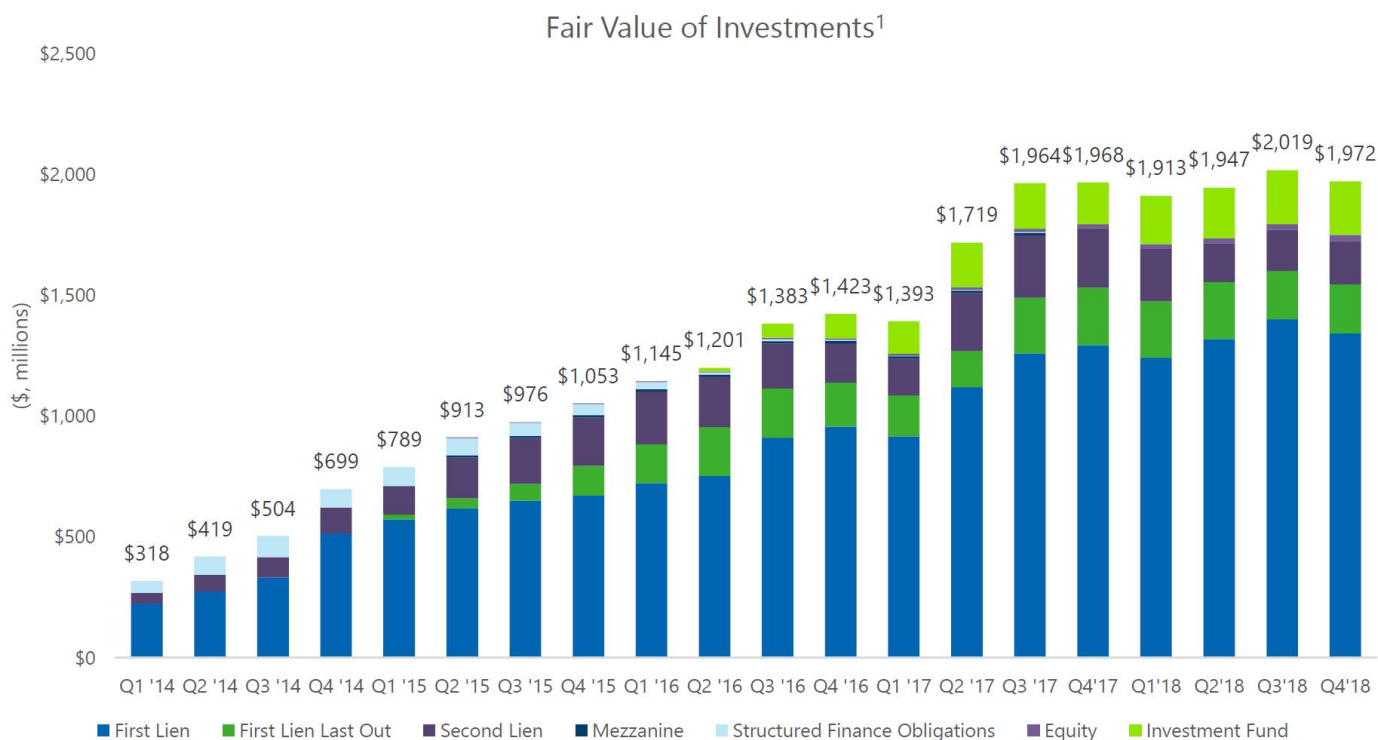
TCG BDC Total Investment Portfolio at Fair Value³					
First Lien Debt	65.75%	64.92%	67.81%	69.46%	68.12%
First Lien, Last-out Unitranche Debt	12.08%	12.21%	12.09%	9.87%	10.29%
Second Lien Debt	12.51%	11.38%	8.27%	8.45%	9.07%
Equity Investments	0.89%	0.98%	1.15%	1.15%	1.25%
Investment Fund / Credit Fund	8.77%	10.51%	10.68%	11.07%	11.27%

Credit Fund² Originations and Net Investment Activity					
Investment Fundings	249,896	147,193	121,324	111,236	122,735
Unfunded Commitments, Net Change	7,114	19,138	32,354	(20,733)	(11,771)
Sales and Repayments	(84,373)	(43,975)	(72,366)	(49,417)	(122,197)
Net Investment Activity	172,637	122,356	81,312	41,086	(11,233)

Please refer to the Company's Form 10-K for the year ended on December 31, 2018 ("Form 10-K") 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 (\$2.0 billion) and Credit Fund (\$1.2 billion) excluding investments by TCG BDC in Credit Fund (\$222.3 million). (2) Credit Fund is a Delaware limited liability company that is not consolidated with the Company. The Company and Credit Partners USA LLC 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

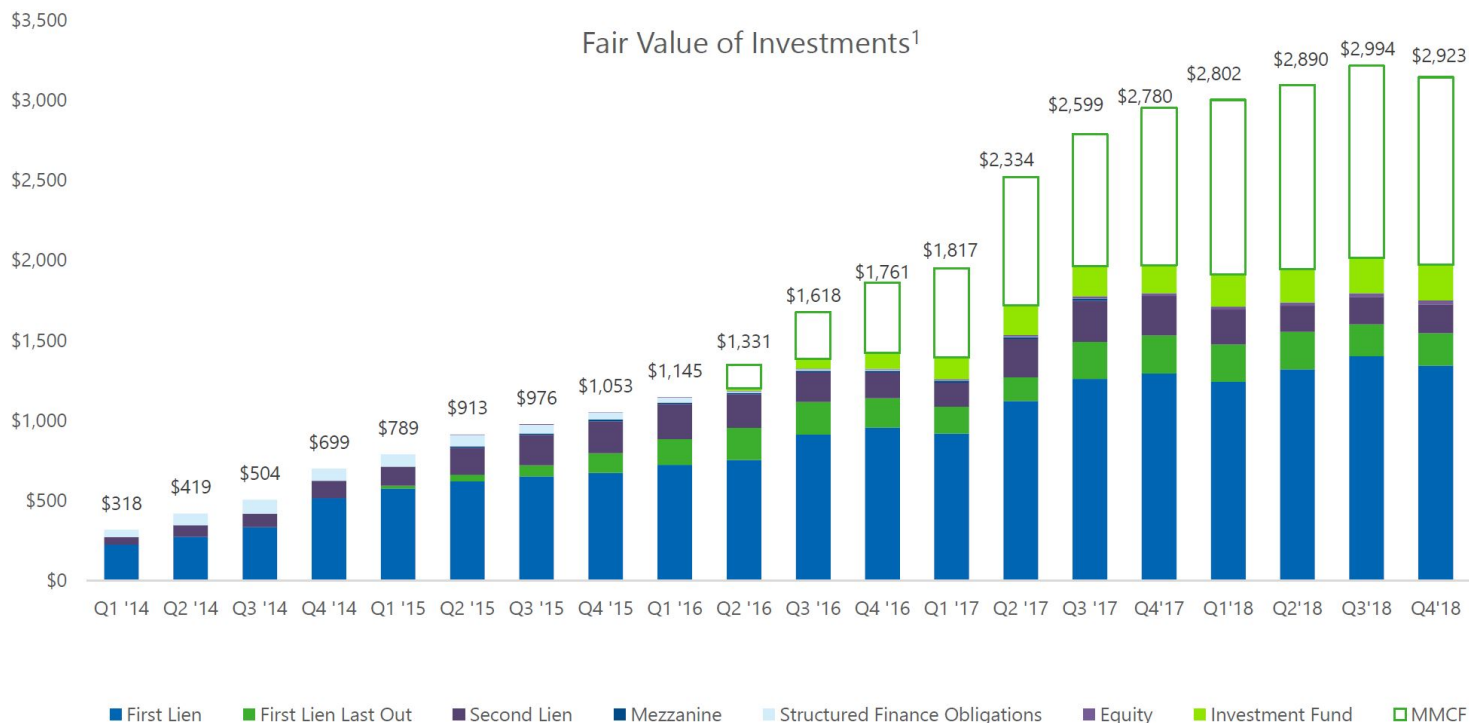
Total Fair Value of Investments of TCG BDC at December 31, 2018 of \$1,972 million



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 II, Item 8 of the Company's Form 10-K 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 December 31, 2018 of \$2,923 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 II, Item 8 of the Company's Form 10-K 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 (\$2.0 billion) and Credit Fund (\$1.2 billion) excluding investments by TCG BDC in Credit Fund (\$222.3 million).

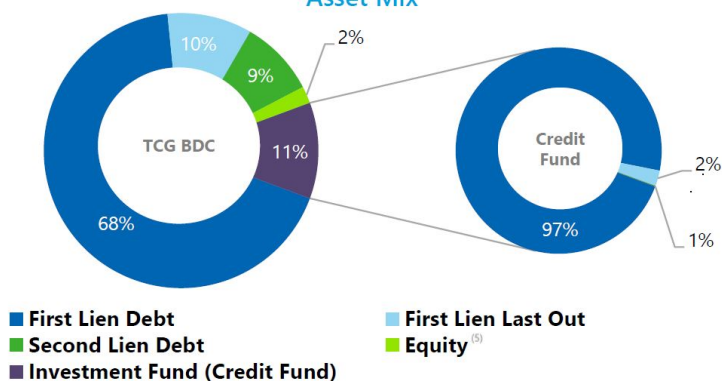
Portfolio Summary – TCG BDC and Credit Fund

As of December 31, 2018

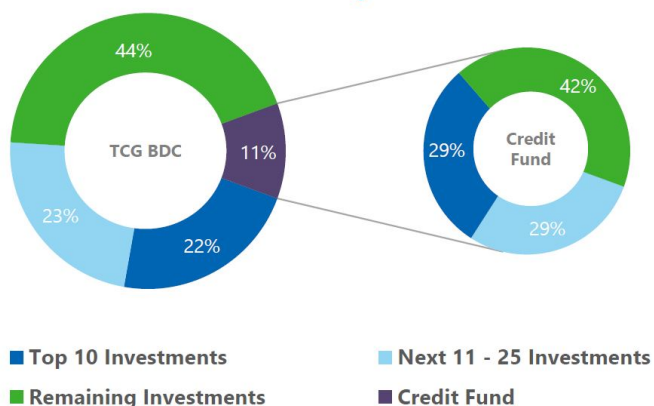
Portfolio Characteristics

	TCG BDC	Credit Fund
Total Investments and Commitments (\$mm)	\$2,129	\$1,265
Unfunded Commitments ¹ (\$mm)	\$157	\$91
Investments at Fair Value (\$mm)	\$1,972	\$1,174
Yield of Debt Investments ² (%)	9.54%	7.16%
Yield of Total Portfolio ^{2,3} (%)	9.94%	7.32%
Number of Investments	119	66
Number of Portfolio Companies	96	60
Floating / Fixed ⁴ (%)	99% / 1%	100% / 0%

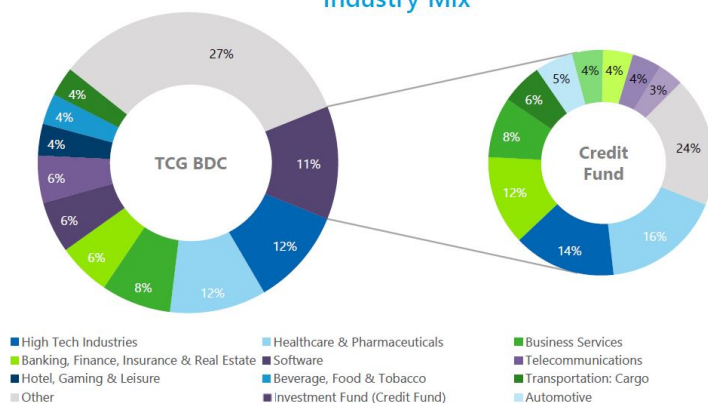
Asset Mix



Diversification by Borrower



Industry Mix



(1) Excludes the Company's commitments to fund capital to Credit Fund. (2) 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. (3) 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. (4) % of fair value of first and second lien debt. (5) Equity percentage is rounded.

Credit Quality of Investments – TCG BDC

- As of December 31, 2018, 2 borrowers remained on non-accrual status, representing 0.7% of total investments at fair value and 2.7% at amortized cost
- Approximately 98% of investments in our debt investment portfolio continue to have an Internal Risk Rating of 1 through 4 as of December 31, 2018

Portfolio Risk Ratings

(Dollar amounts in millions)

Internal Risk Rating	December 31, 2018		September 30, 2018		June 30, 2018	
	Fair Value	% of Fair Value	Fair Value	% of Fair Value	Fair Value	% of Fair Value
1	\$71.0	4.12%	\$104.7	5.91%	\$61.7	3.59%
2	1,302.9	75.52%	1,298.0	73.24%	1,297.0	75.57%
3	208.4	12.08%	224.7	12.68%	226.1	13.17%
4	105.1	6.09%	119.1	6.72%	87.8	5.12%
5	23.5	1.36%	9.4	0.53%	30.7	1.79%
6	14.3	0.83%	16.4	0.92%	13.1	0.76%
Total	\$ 1,725.2	100.00%	\$ 1,772.3	100.00%	\$ 1,716.4	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

(Dollar amounts in thousands, except per share data)

	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018
Net Investment Income Per Share	\$ 0.43	\$ 0.40	\$ 0.45	\$ 0.41	\$ 0.47
Net Realized & Unrealized Appreciation (Depreciation) Per Share	0.01	(0.06)	(0.24)	(0.31)	(0.49)
Net Income Per Share	0.44	0.34	0.21	0.10	(0.02)
Dividends Paid Per Share	0.49	0.37	0.37	0.37	0.57
Impact of Share Repurchases Per Share	-	-	-	-	0.02
Net Asset Value Per Share	\$ 18.12	\$ 18.09	\$ 17.93	\$ 17.66	\$ 17.09

Weighted Average Shares Outstanding for the Period (in thousands)	62,143	62,504	62,569	62,569	62,496
Shares Outstanding at End of Period (in thousands)	62,208	62,569	62,569	62,569	62,230

Total Fair Value of Investments	\$ 1,967,531	\$ 1,913,459	\$ 1,946,792	\$ 2,018,998	\$ 1,972,157
Number of Portfolio Companies	90	87	89	94	96
Average Size of Investment in Portfolio Company (Notional) ¹	\$ 22,237	\$ 22,416	\$ 22,488	\$ 22,225	\$ 21,602
Weighted Average all-in Yield on Investments at Amortized Cost ²	8.86%	9.24%	9.16%	9.25%	9.54%
Weighted Average all-in Yield on Investments at Fair Value ²	8.90%	9.31%	9.31%	9.48%	9.94%

Net Assets	\$ 1,127,304	\$ 1,131,857	\$ 1,121,812	\$ 1,104,742	\$ 1,063,218
Debt	\$ 833,946	\$ 798,968	\$ 856,259	\$ 1,000,207	\$ 960,678
Debt To Equity at Quarter End	0.74x	0.71x	0.76x	0.91x	0.90x

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)

	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018
Assets					
Investments at Fair Value (Non-Controlled/Non-Affiliated)	\$ 1,779,584	\$ 1,695,287	\$ 1,722,393	\$ 1,781,621	\$ 1,731,319
Investments at Fair Value (Non-Controlled/Affiliated)	15,431	17,106	16,394	13,973	18,543
Investments at Fair Value (Controlled/Affiliated)	172,516	201,066	208,005	223,404	222,295
Total Investments at Fair Value	1,967,531	1,913,459	1,946,792	2,018,998	1,972,157
Cash & Cash Equivalents	32,039	45,610	27,928	112,911	87,186
Receivable From Investment Sold	7,022	14,925	40,077	—	8,060
Deferred Financing Costs	3,626	3,441	3,246	4,126	3,950
Interest Receivable Non-Controlled/Non-Affiliated/Affiliated Investments	5,108	6,355	6,158	4,905	5,856
Interest & Dividend Receivable From Controlled/Affiliated Investments	5,981	6,630	6,442	6,881	7,405
Prepaid Expenses & Other Assets	76	235	525	20	129
Total Assets	\$ 2,021,383	\$ 1,990,655	\$ 2,031,168	\$ 2,147,841	\$ 2,084,743
Liabilities					
Payable for Investment Purchased	\$ 9,469	\$ 16,919	\$ 8,780	\$ —	\$ 1,870
Secured Borrowings	562,893	527,865	585,105	554,299	514,635
Notes Payable, Net of Unamortized Debt Issuance Costs	271,053	271,103	271,154	445,908	446,043
Due to Investment Adviser	69	104	134	131	236
Interest & Credit Facility Fees Payable	5,353	5,513	6,166	4,478	7,500
Dividend Payable	30,481	23,150	23,151	23,150	35,497
Base Management & Incentive Fees Payable	13,098	12,552	13,252	12,992	13,834
Administrative Service Fees Payable	95	125	113	116	94
Other Accrued Expenses & Liabilities	1,568	1,467	1,501	2,025	1,816
Total Liabilities	894,079	858,798	909,356	1,043,099	1,021,525
Net Assets	1,127,304	1,131,857	1,121,812	1,104,742	1,063,218
Total Liabilities & Net Assets	\$ 2,021,383	\$ 1,990,655	\$ 2,031,168	\$ 2,147,841	\$ 2,084,743
Net Asset Value Per Share	\$ 18.12	\$ 18.09	\$ 17.93	\$ 17.66	\$ 17.09

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

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THE CARLYLE GROUP

Quarterly Operating Results – TCG BDC

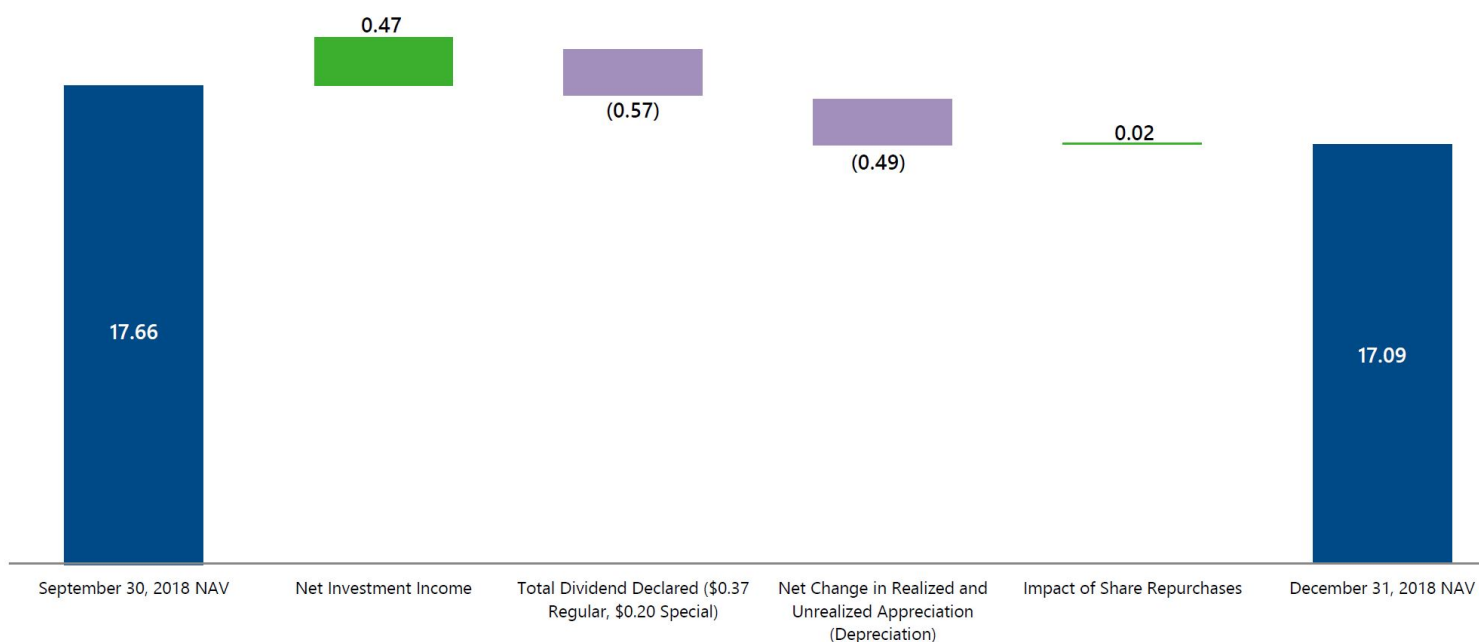
<i>(Dollar amounts in thousands)</i>	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018
Interest Income	\$ 40,345	\$ 39,494	\$ 41,948	\$ 40,676	\$ 44,545
Payment-In-Kind Interest Income	279	213	216	1,478	1,332
Income From Credit Fund	6,260	6,881	6,698	7,201	7,710
Other Income	2,626	895	3,590	1,925	2,724
Total Investment Income	\$ 49,510	\$ 47,483	\$ 52,452	\$ 51,280	\$ 56,311
Management Fees (Net Of Waiver, if applicable) ¹	\$ 7,473	\$ 7,222	\$ 7,266	\$ 7,543	\$ 7,595
Incentive Fees ²	5,625	5,330	5,984	5,449	6,239
Interest Expense & Credit Facility Fees	8,246	8,340	9,290	10,955	11,511
Other Expenses	1,555	1,451	1,672	1,618	1,395
Excise Tax Expense	95	10	30	30	160
Net Expenses	\$ 22,994	\$ 22,353	\$ 24,242	\$ 25,595	\$ 26,900
Net Investment Income	\$ 26,516	\$ 25,130	\$ 28,210	\$ 25,685	\$ 29,411
Net Realized and Change in Unrealized Gains & Losses	467	(4,041)	(15,104)	(19,605)	(30,571)
Net Income/Loss	\$ 26,983	\$ 21,089	\$ 13,106	\$ 6,080	\$ (1,160)

(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. In addition, on August 6, 2018, the Company's Board of Directors 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. Effective July 1, 2018, the reduced annual fee of 1.00% applies to the average value of the Company's gross assets as of the end of the two most recently completed calendar quarters that exceeds the product of (i) 200% and (ii) the average value of the Company's net asset value at the end of the two most recently completed calendar quarters.

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 II, Item 8 of the Company's Form 10-K for additional details.

Net Asset Value Per Share Bridge – TCG BDC

Quarter Ended December 31, 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

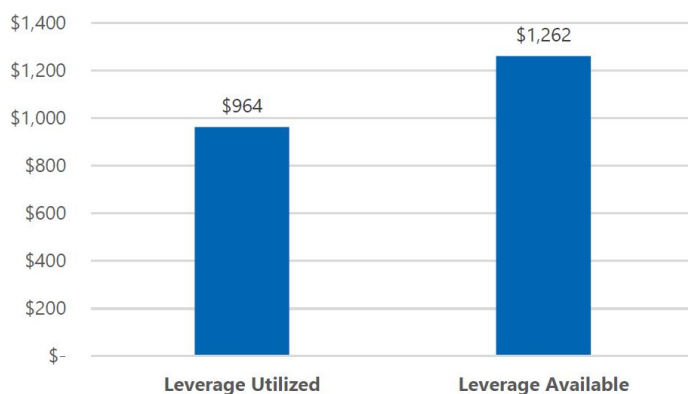
Terms & Conditions

	TCG BDC, Inc. ("Credit Facility") ¹	TCG BDC SPV, LLC ("SPV Credit Facility") ¹	Carlyle Direct Lending CLO 2015-1R LLC Notes ("2015-1R Notes") ⁵
Size	\$413.0 million committed	\$400.0 million committed	\$449.2 million
Tenor / Maturity Date	5 years (4 year revolving); maturity date 3/22/2023	5 years (3 years revolving); maturity date 5/23/2023	October 2031
Pricing	LIBOR + 225 bps / 37.5 bps unused fee	LIBOR + 200 bps / 50-75 bps unused fee	442bps ²

	Middle Market Credit Fund SPV, LLC ("Credit Fund Sub Facility") ^{1,3}	MMCF CLO 2017-1 LLC Notes ("2017-1 Notes") ⁴	MMCF Warehouse, LLC ("Credit Fund Warehouse") ⁵
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Size	\$640.0 million committed	\$311.9 million outstanding (\$352 million at closing)	\$150.0 million committed
Tenor / Maturity Date	6 years (3 years revolving); maturity date 5/22/2024	1/15/2028	Commitment termination date 8/26/2019; maturity date 11/26/2019
Pricing	LIBOR + 225 bps / 50- 75 bps unused fee	432bps ²	LIBOR + 105 bps

Debt on Company's Balance Sheet as of December 31, 2018



Unfunded Commitments – TCG BDC

	Par Value as of	
	December 31, 2018	September 30, 2018
<i>(Dollar amounts in thousands)</i>		
Unfunded Delayed Draw Commitments	\$ 97,261	\$ 132,485
Unfunded Revolving Term Loan Commitments	59,856	52,736
Total Unfunded Commitments	157,117	185,221

(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 certain portfolio investments of the Company or Credit Fund (subject to certain concentration limitations) and may be net of certain other indebtedness that the Company or Credit Fund 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 2015-1R Notes and 2017-1 Notes, respectively, for the quarter ended December 31, 2018, excluding the one-time impact of the refinancing of the 2015-1 Notes. (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. (5) MMCF Warehouse, 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 \$87.2 million as of December 31, 2018

- **Credit Facilities - Availability**

- Credit Facility – As of December 31, 2018, subject to leverage and borrowing base restrictions, we had approximately \$122.5 million of remaining unfunded commitments and approximately \$122.5 million of availability on this \$413.0 million revolving credit facility
- SPV Credit Facility – As of December 31, 2018, subject to leverage and borrowing base restrictions, we had approximately \$175.9 million of remaining unfunded commitments and approximately \$2.5 million of availability on this \$400.0 million revolving credit facility

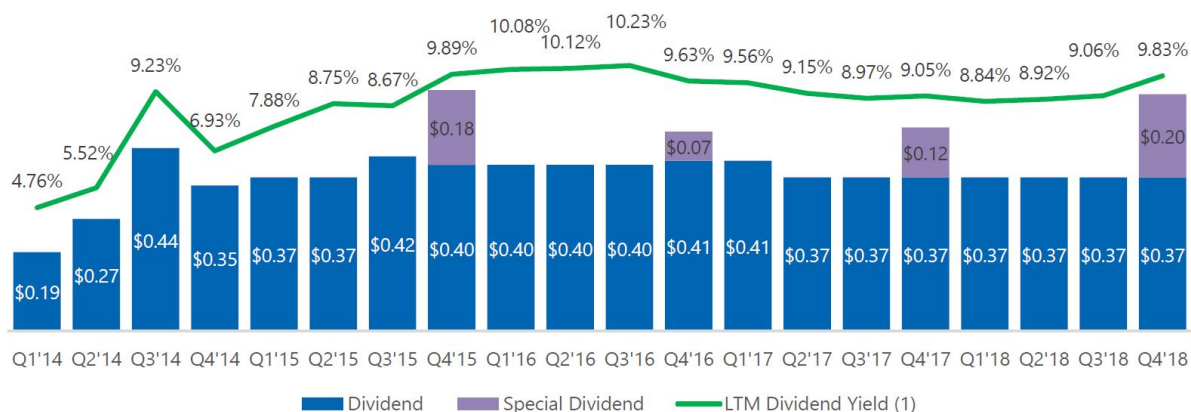
Common Stock and Dividend Information – TCG BDC

Common Stock (NASDAQ: CGBD – Closing Prices)

Quarter Ended	High	Low	End of Period
December 31, 2018	\$16.81	\$12.40	\$12.40
September 30, 2018	\$17.97	\$16.70	\$16.70
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 February 22, 2019, our Board of Directors declared a quarterly dividend of \$0.37 per share, which is payable on April 17, 2019 to stockholders of record as of March 29, 2019

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), dividend yield is calculated by dividing the quarterly 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 LTM dividend yield is calculated by adding the most recent four quarters' dividend yields. For dividends declared after the IPO, LTM dividend yield is calculated by dividing the declared dividends for the most recent four quarters by the ending net asset value. Q1'14-Q3'14 contain fewer than four quarters' dividend yields in the LTM dividend yield presented, which have been annualized.