



PROSPECT CAPITAL

PROSPECT CAPITAL CORPORATION

NASDAQ:PSEC

DIFFERENTIATED PERFORMANCE AND VALUE





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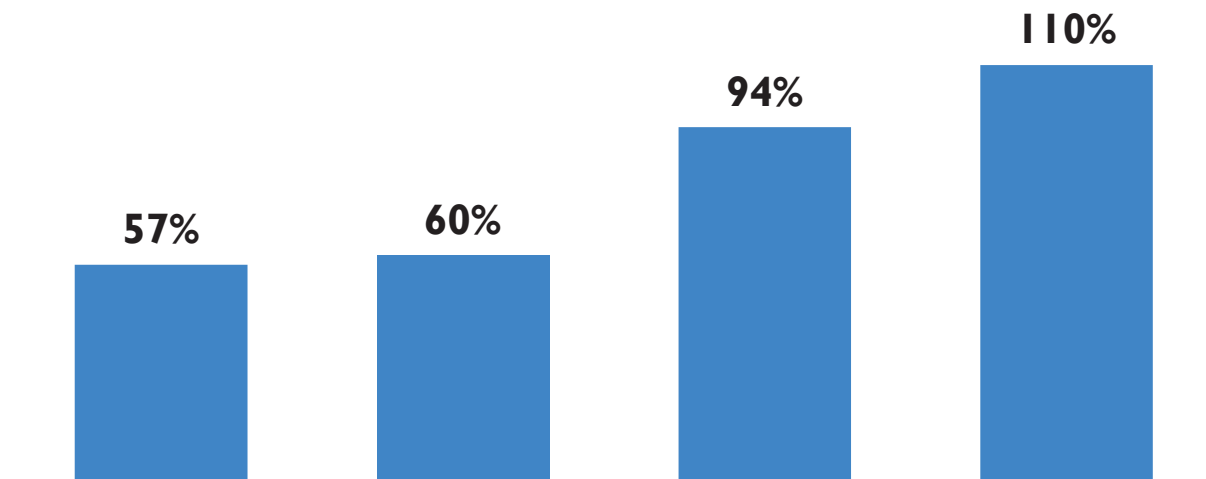
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HISTORICAL RETURNS OF PSEC SHARES AT CERTAIN DISCOUNTS TO NAV

Internal Rate of Return Including Dividends After One Year



Discount to NAV

Last time PSEC stock traded at approx. this discount to NAV

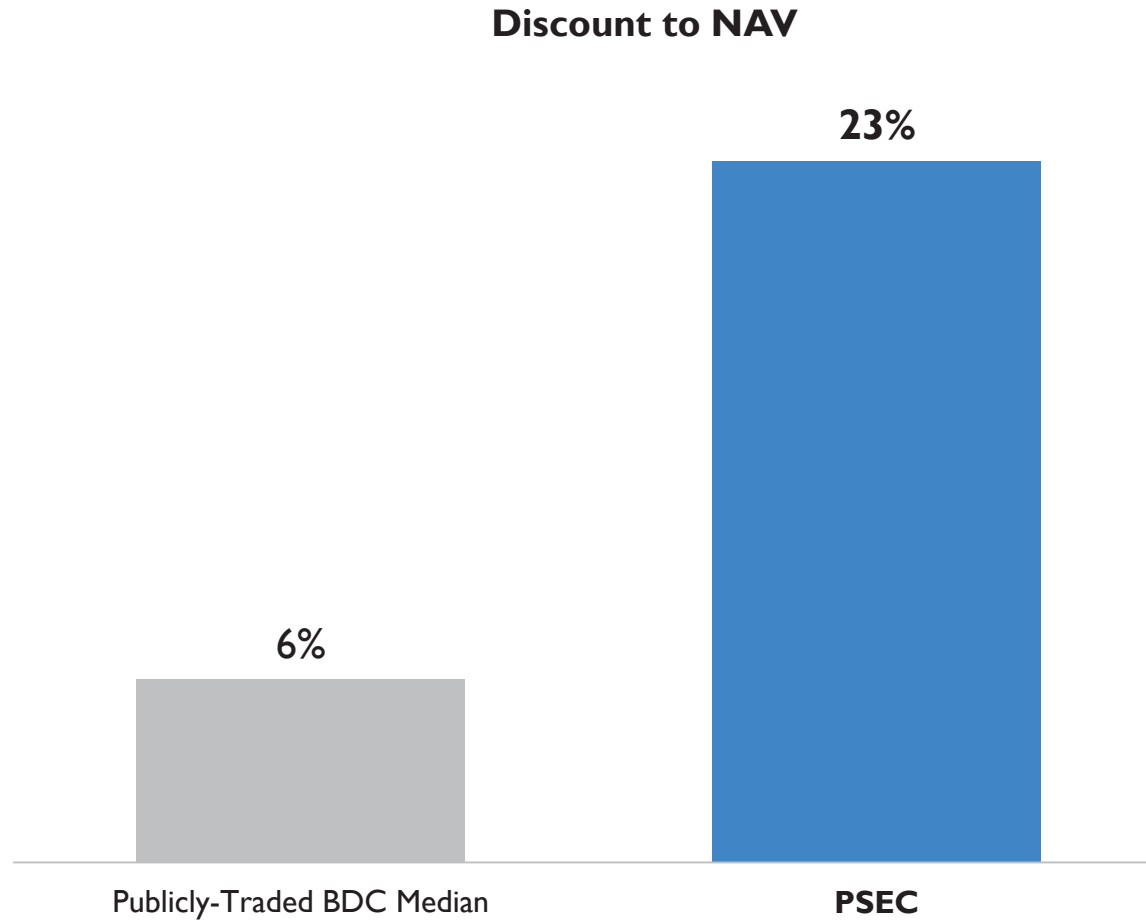
Share price on this date

Share price after one year

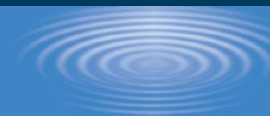
	20%	25%	30%	35%
Last time PSEC stock traded at approx. this discount to NAV	10/4/2011	8/10/2011	3/17/2009	3/11/2009
Share price on this date	\$8.25	\$7.71	\$7.61	\$7.13
Share price after one year	\$11.62	\$10.94	\$12.39	\$12.52

Note: Internal rate of return defined as the annualized effective discount rate at which the present value of all future cash flows is equal to the initial investment. Information related to past performance, while potentially helpful as an evaluative tool, is not necessarily indicative of future results. As share price fluctuate in relation to net asset value, investments at other dates would have resulted in lower or negative internal rates of return. Source: PSEC analysis of Capital IQ data through 5/29/2015.

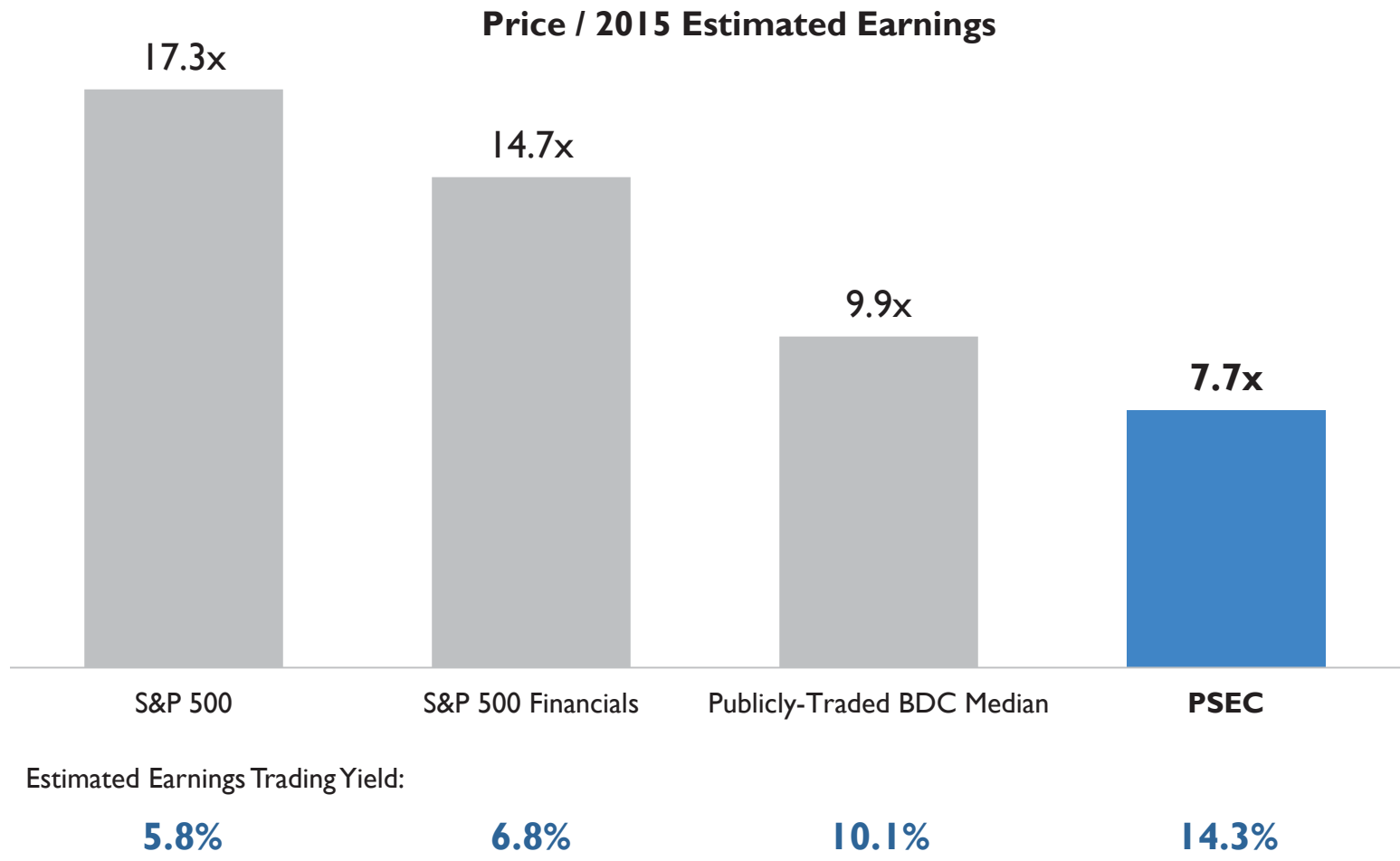
PSEC IS TRADING AT A DISCOUNT TO THE BDC MEDIAN AS OF 5/29/15



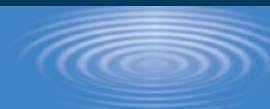
Source: PSEC analysis of Capital IQ price data as of 5/29/2015 and net asset value per share data as of 3/31/2015 on constituents of WF BDC Index as of 5/29/2015. PSEC's discount to the BDC median or its net asset value per share may narrow or widen.



PSEC IS TRADING AT DISCOUNTS TO THE S&P 500, S&P 500 FINANCIALS, AND THE BDC MEDIAN AS OF 5/29/15



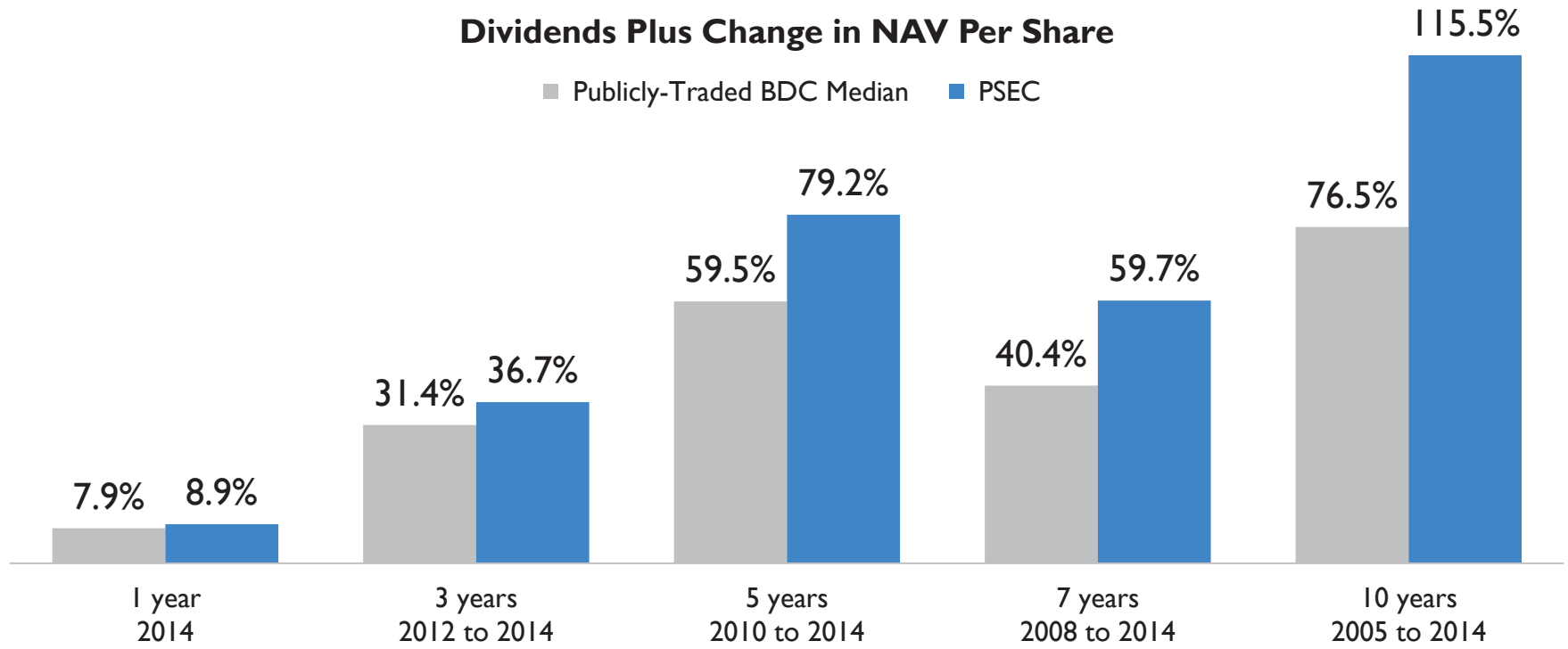
Source: PSEC analysis of Capital IQ data of price and estimates on constituents of WF BDC Index as of 5/29/2015. Estimated earnings of PSEC are calculated by Capital IQ and not PSEC. PSEC's discount to the BDC median or third party estimates of its 2015 earnings may narrow or widen.



PSEC HAS OUTPERFORMED PUBLICLY-TRADED BDC MEDIAN OPERATING RETURNS OVER THE SHORT, MEDIUM, AND LONG TERM

Dividends Plus Change in NAV Per Share

Publicly-Traded BDC Median PSEC



PSEC Performance Percentile:

65%

67%

71%

62%

62%

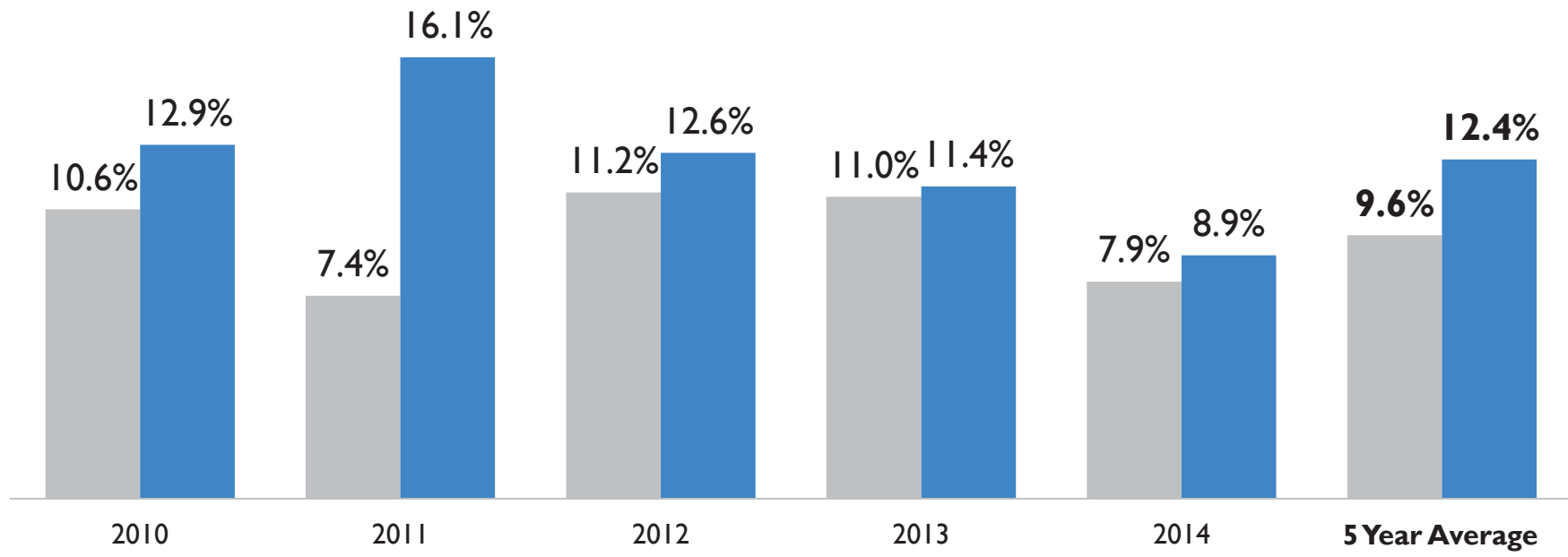
Note: All periods end on 12/31/2014. Dividends plus change in net asset value compounded on a calendar year basis. Investors purchase and sell shares of PSEC common stock at prevailing market prices, which may be higher or lower than NAV. Information related to past performance, while potentially helpful as an evaluative tool, is not necessarily indicative of future results. PSEC and BDC median net asset values may have declined for periods since 12/31/14. Source: PSEC analysis of Capital IQ data on constituents of WF BDC Index as of 5/29/2015 for which there is data for each entire period (40 for 2014, 33 for 2012 to 2014, 24 for 2010 to 2014, 21 for 2008 to 2014, and 13 for 2005 to 2014).

PSEC HAS OUTPERFORMED PUBLICLY-TRADED BDC MEDIAN OPERATING RETURNS IN EACH OF THE PAST 5 YEARS

Dividends Plus Change in NAV Per Share

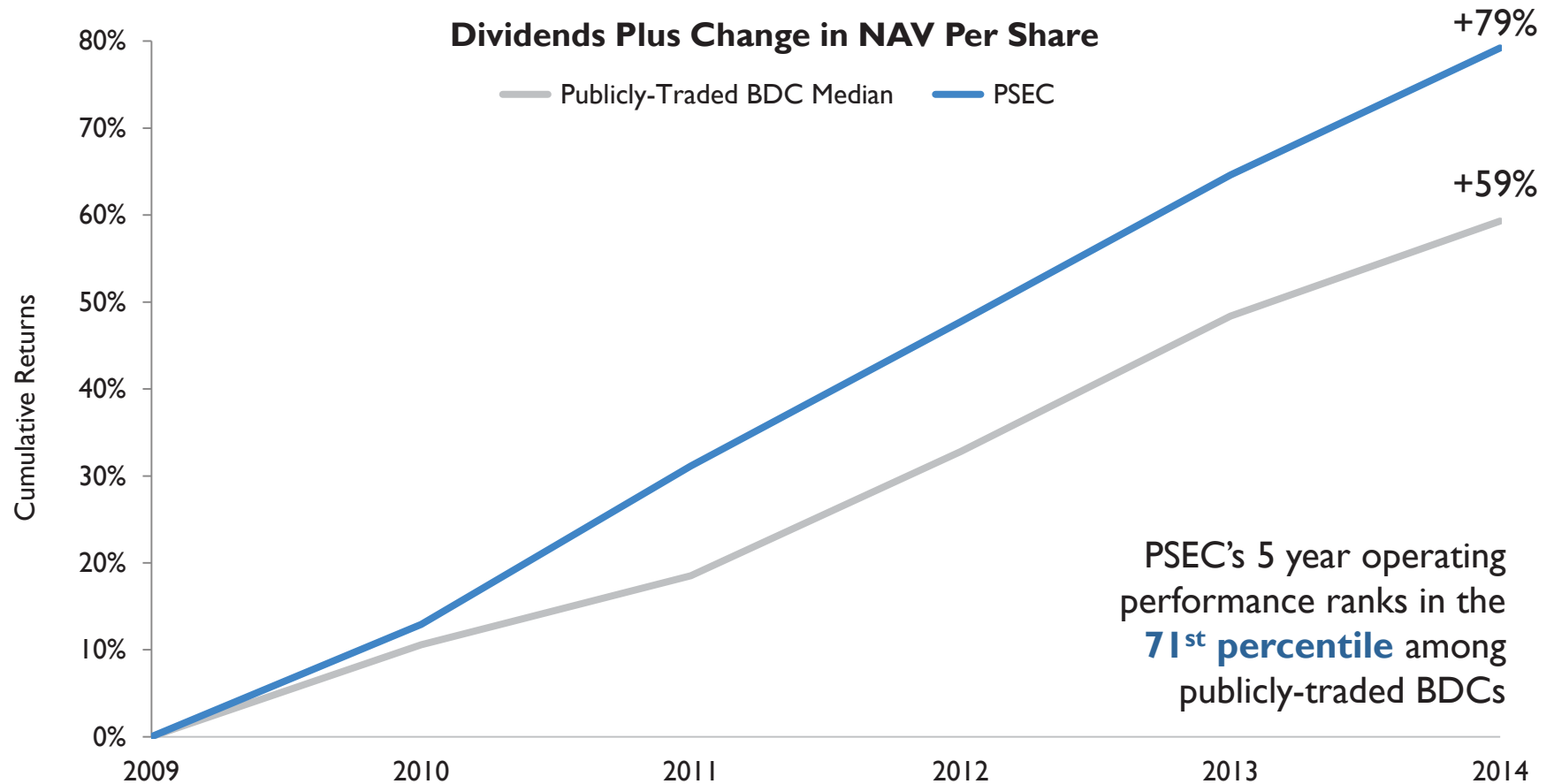
■ Publicly-Traded BDC Median ■ PSEC

PSEC is one of only 4 BDCs to have outperformed the publicly-traded BDC median in each of the past 5 years (**83rd percentile**)



Note: Dividends plus change in net asset value per share compounded on a calendar year basis. Investors purchase and sell shares of PSEC common stock at prevailing market prices, which may be higher or lower than NAV. Information related to past performance, while potentially helpful as an evaluative tool, is not necessarily indicative of future results. PSEC and BDC median net asset values may have declined for periods since 12/31/14. PSEC and BDC median net asset values may have declined for periods since 12/31/14. Source: PSEC analysis of Capital IQ data on constituents of WF BDC Index as of 5/29/2015 for which there is data for each period (24 in 2010, 27 in 2011, 33 in 2012, 38 in 2013, and 40 in 2014).

PSEC HAS GENERATED SUPERIOR OPERATING RETURNS COMPARED WITH PUBLICLY-TRADED BDC MEDIAN OVER THE PAST 5 YEARS

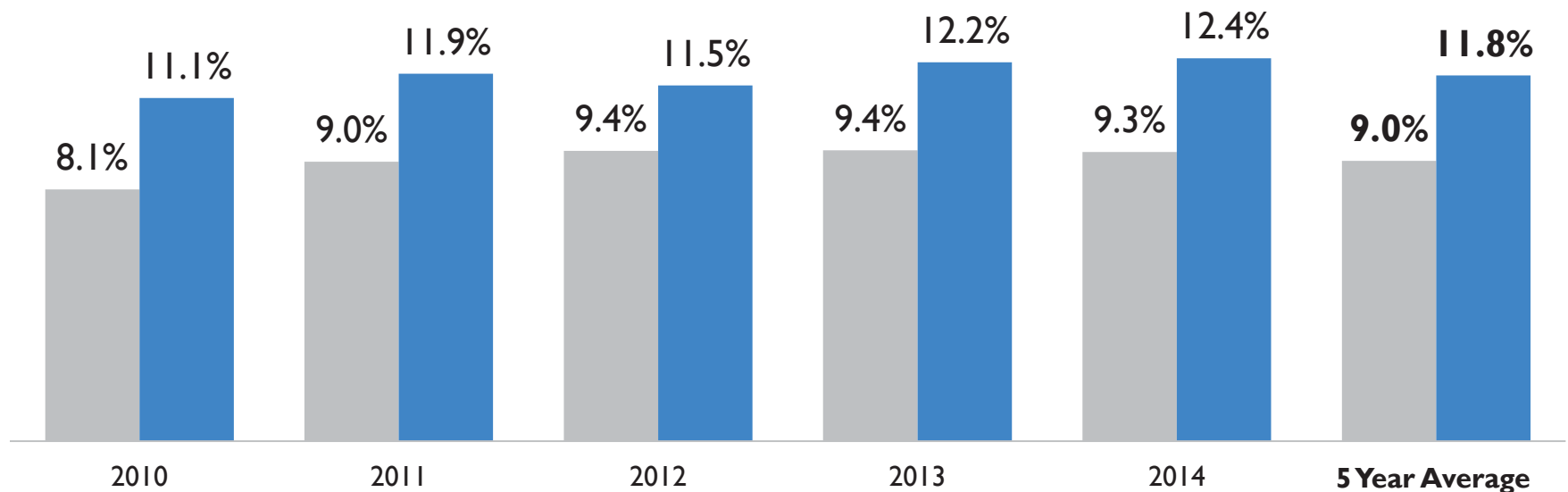


Note: Dividends plus change in net asset value compounded on a calendar year basis. Investors purchase and sell shares of PSEC common stock at prevailing market prices, which may be higher or lower than NAV. Information related to past performance, while potentially helpful as an evaluative tool, is not necessarily indicative of future results. PSEC and BDC median net asset values may have declined for periods since 12/31/14. Source: PSEC analysis of Capital IQ data on 24 constituents of WF BDC Index as of 5/29/2015 that have been active from 2009 through 2014.

PSEC'S BOOK EQUITY DIVIDEND YIELD HAS OUTPERFORMED PUBLICLY-TRADED BDC MEDIAN OVER EACH OF THE PAST 5 YEARS

Dividend / NAV (Dividend Yield)

■ Publicly-Traded BDC Median ■ PSEC



PSEC Performance Percentile:

75%

81%

85%

92%

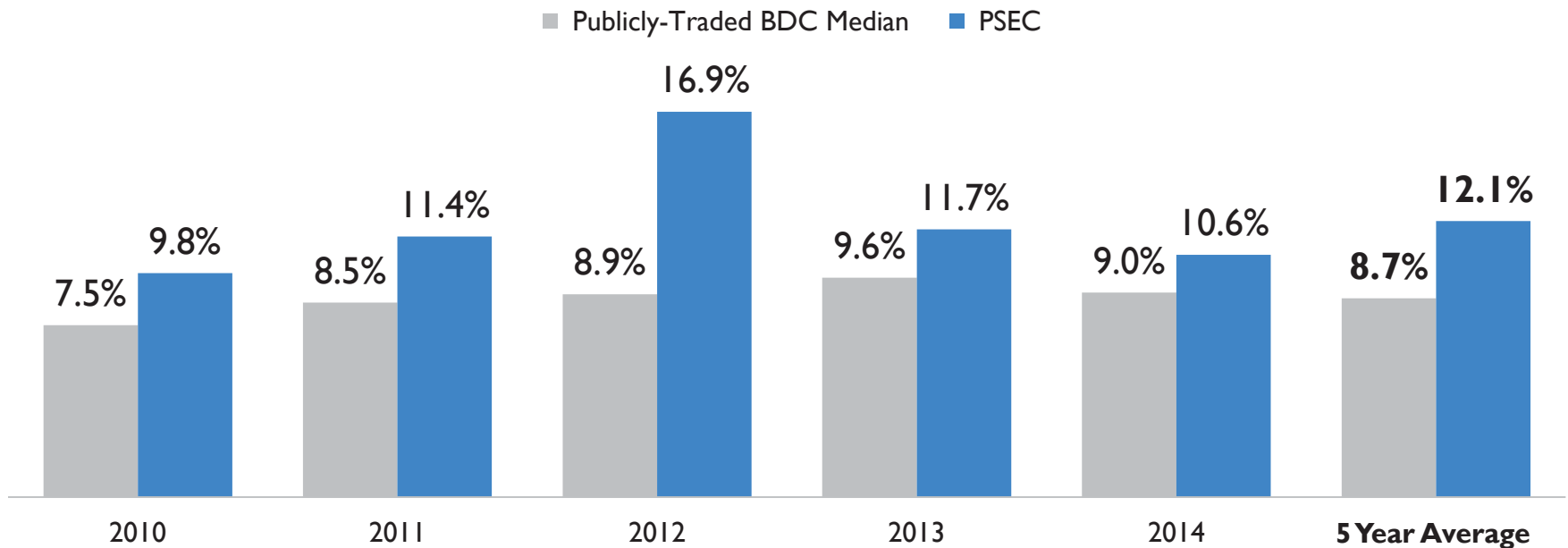
93%

95%

Note: Dividends per share divided by net asset value per share at the beginning of the period. Information related to past performance, while potentially helpful as an evaluative tool, is not necessarily indicative of future results. PSEC and BDC median net asset values may have declined for periods since 12/31/14. Between approximately 15% and 21% of the BDCs in the WF BDC Index (depending on the year) do not focus on generation of current income, which has the effect of making it easier for PSEC's net income, net investment income and dividends to exceed the BDC median. Source: PSEC analysis of Capital IQ data on constituents of WF BDC Index as of 5/29/2015 for which there is data for each period (24 in 2010, 27 in 2011, 33 in 2012, 38 in 2013, and 40 in 2014).

PSEC'S BOOK EQUITY NET INVESTMENT INCOME YIELD HAS OUTPERFORMED PUBLICLY-TRADED BDC MEDIAN OVER EACH OF THE PAST 5 YEARS

Net Investment Income / NAV (NII Yield)



PSEC Performance Percentile:

69%

74%

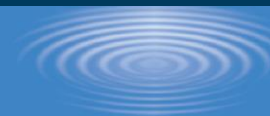
92%

80%

71%

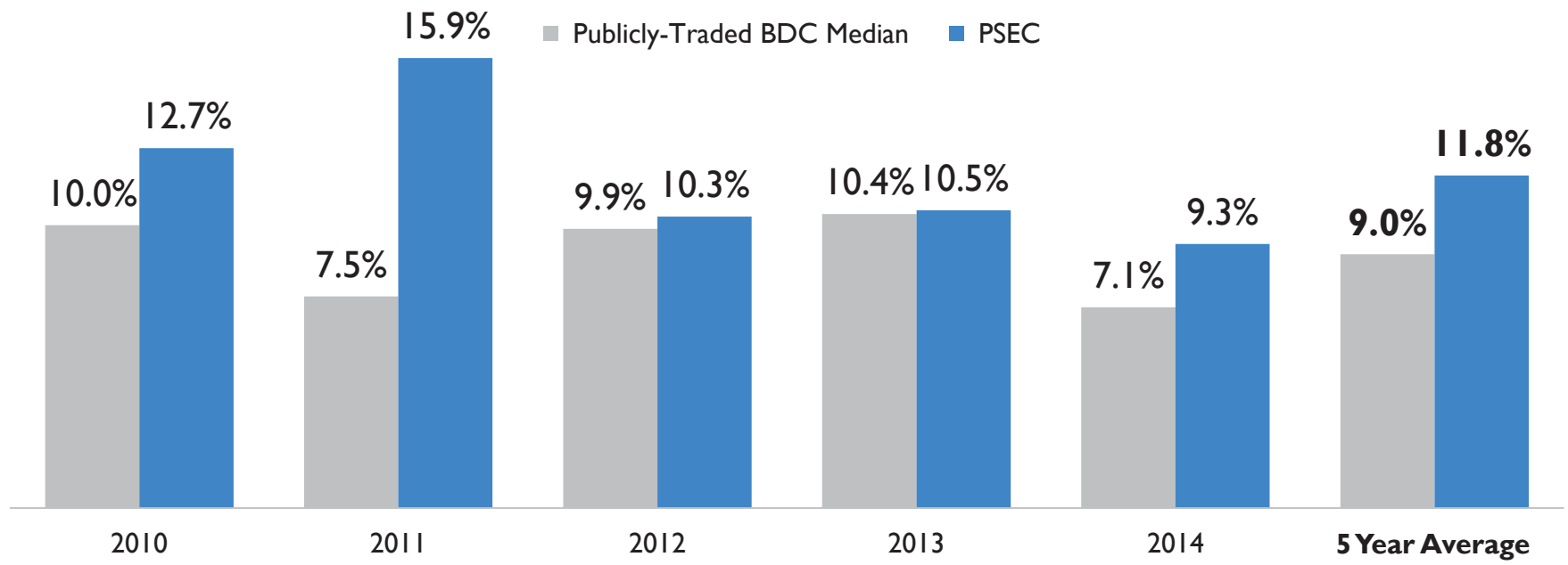
86%

Note: Book equity earnings yield calculated as calendar year net investment income divided by average of beginning and ending book value of equity. Information related to past performance, while potentially helpful as an evaluative tool, is not necessarily indicative of future results. PSEC and BDC median net asset values may have declined for periods since 12/31/14. Between approximately 15% and 21% of the BDCs in the WF BDC Index (depending on the year) do not focus on generation of current income, which has the effect of making it easier for PSEC's net income, net investment income and dividends to exceed the BDC median. Source: PSEC analysis of Capital IQ data on constituents of WF BDC Index as of 5/29/2015 for which there is data for each period (24 in 2010, 27 in 2011, 33 in 2012, 38 in 2013, and 40 in 2014).



PSEC'S RETURN ON EQUITY HAS OUTPERFORMED PUBLICLY-TRADED BDC MEDIAN OVER EACH OF THE PAST 5 YEARS

Return on Equity



PSEC Performance Percentile:

62%

82%

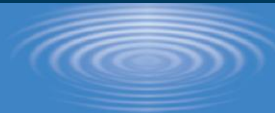
54%

50%

69%

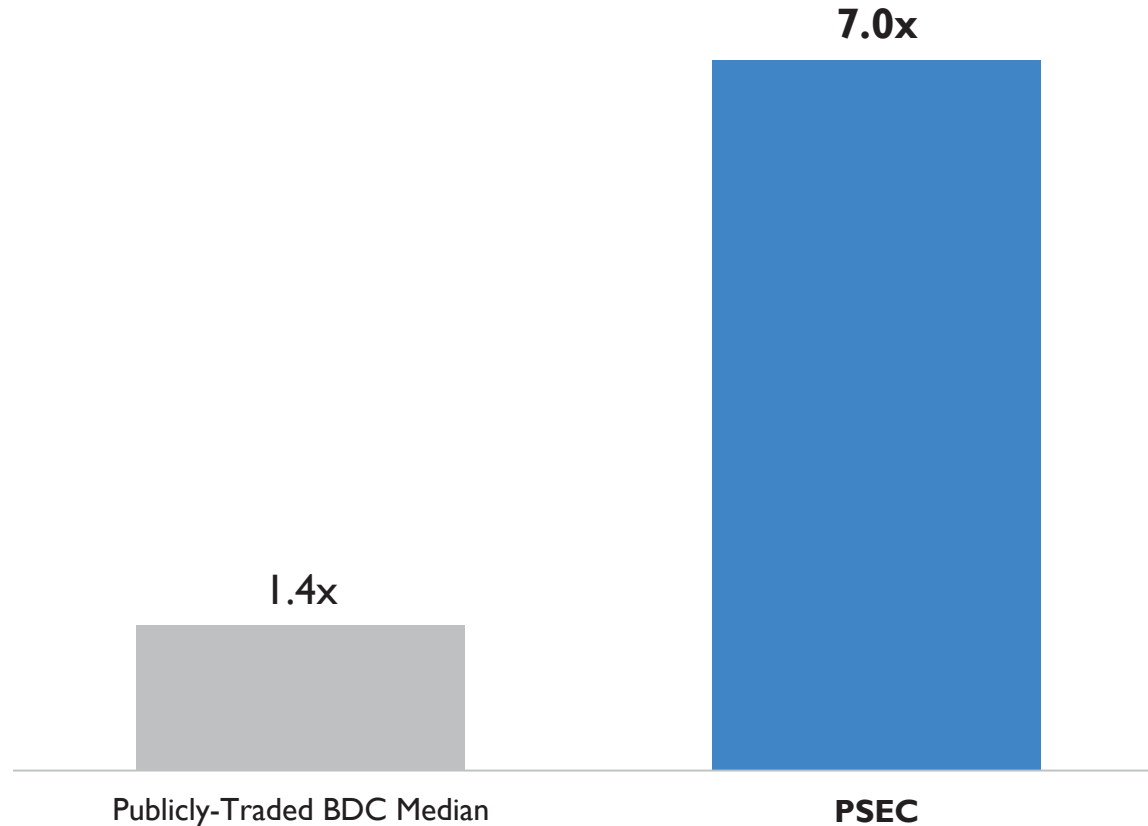
67%

Note: Return on equity defined as net increase in net assets resulting from operations per share divided by average of beginning and ending book value of common equity. Information related to past performance, while potentially helpful as an evaluative tool, is not necessarily indicative of future results. PSEC and BDC median net asset values and earnings may have declined for periods since 12/31/14. Source: PSEC analysis of Capital IQ data on constituents of WF BDC Index as of 5/29/2015 for which there is data for each period (24 in 2010, 27 in 2011, 33 in 2012, 38 in 2013, and 40 in 2014).



PSEC HAS GENERATED SUPERIOR RISK-ADJUSTED OPERATING RETURNS FOR THE TRAILING FIVE YEARS THROUGH 3/31/15

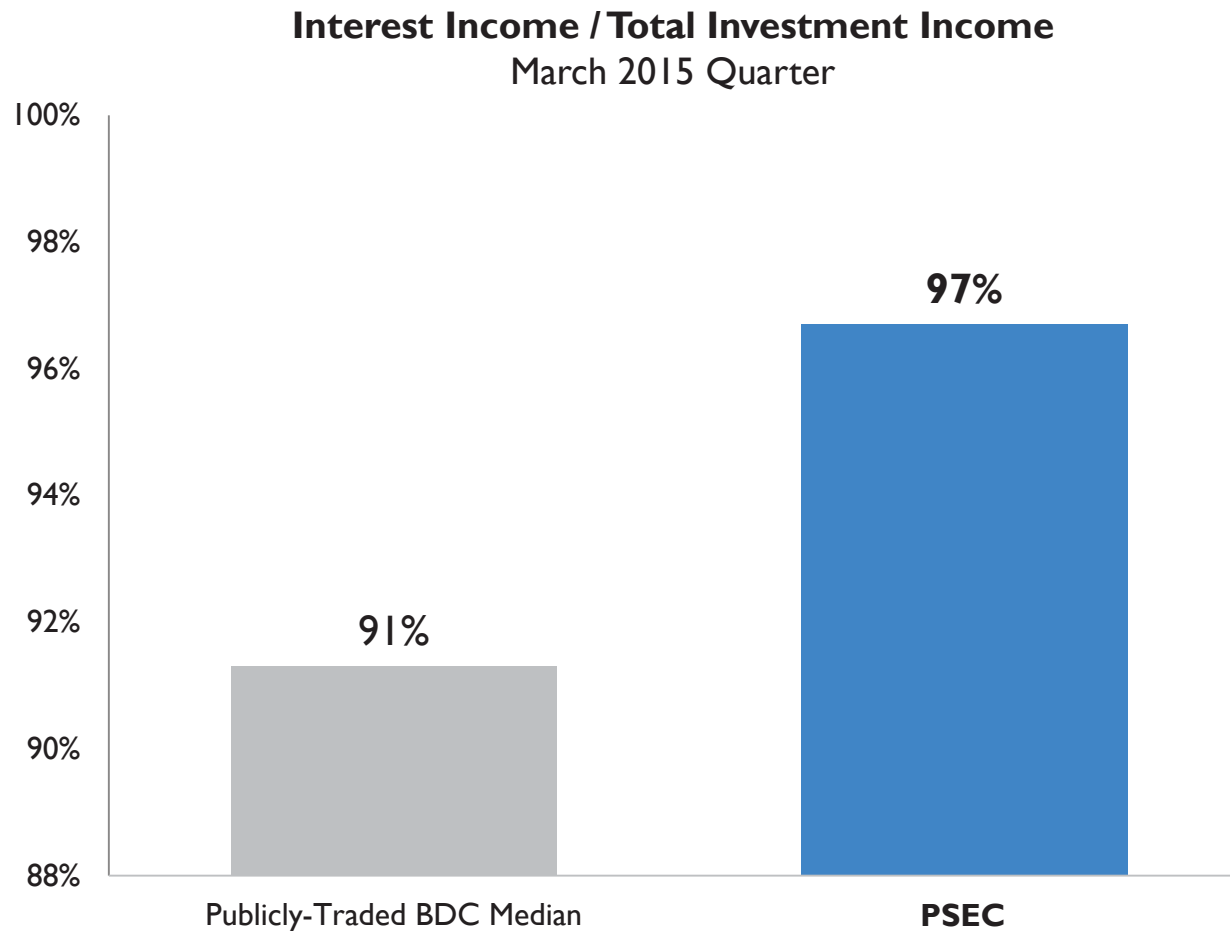
Returns / Volatility – Trailing 5 Years



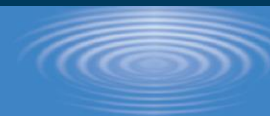
Note: Returns calculated as change in net asset value per share plus dividends. Volatility measured as one standard deviation in returns. Returns and volatility are measured on a quarterly basis and annualized to calculate returns / volatility ratio. Information related to past performance, while potentially helpful as an evaluative tool, is not necessarily indicative of future results. Source: PSEC analysis of Capital IQ data on 25 constituents of WF BDC Index as of 5/29/2015 that have been active during this period.



PSEC CURRENTLY DERIVES A HIGHER PERCENTAGE OF INVESTMENT INCOME FROM RECURRING INTEREST PAYMENTS THAN THE PUBLICLY-TRADED BDC MEDIAN

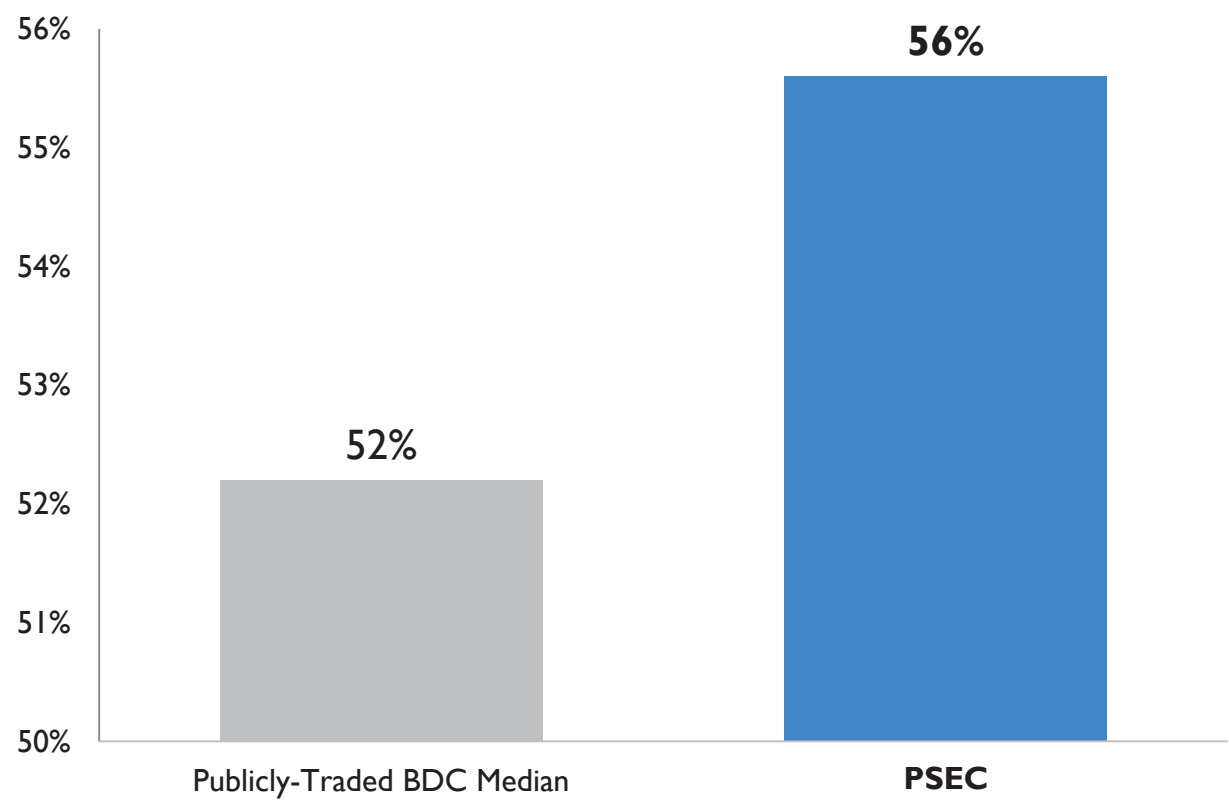


Source: PSEC analysis of public filings for quarters ending 3/31/2015 for constituents of WF BDC Index as of 5/29/2015. Approximately 15% of the BDCs in the WF BDC Index do not focus on generation of current income, which has the effect of making it easier for PSEC to exceed the BDC median.

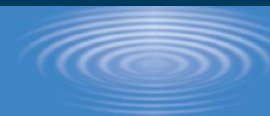


PSEC IS FOCUSED ON INVESTING IN HIGH-QUALITY DEBT

First Lien Debt as % of Total Investments
March 2015 Quarter

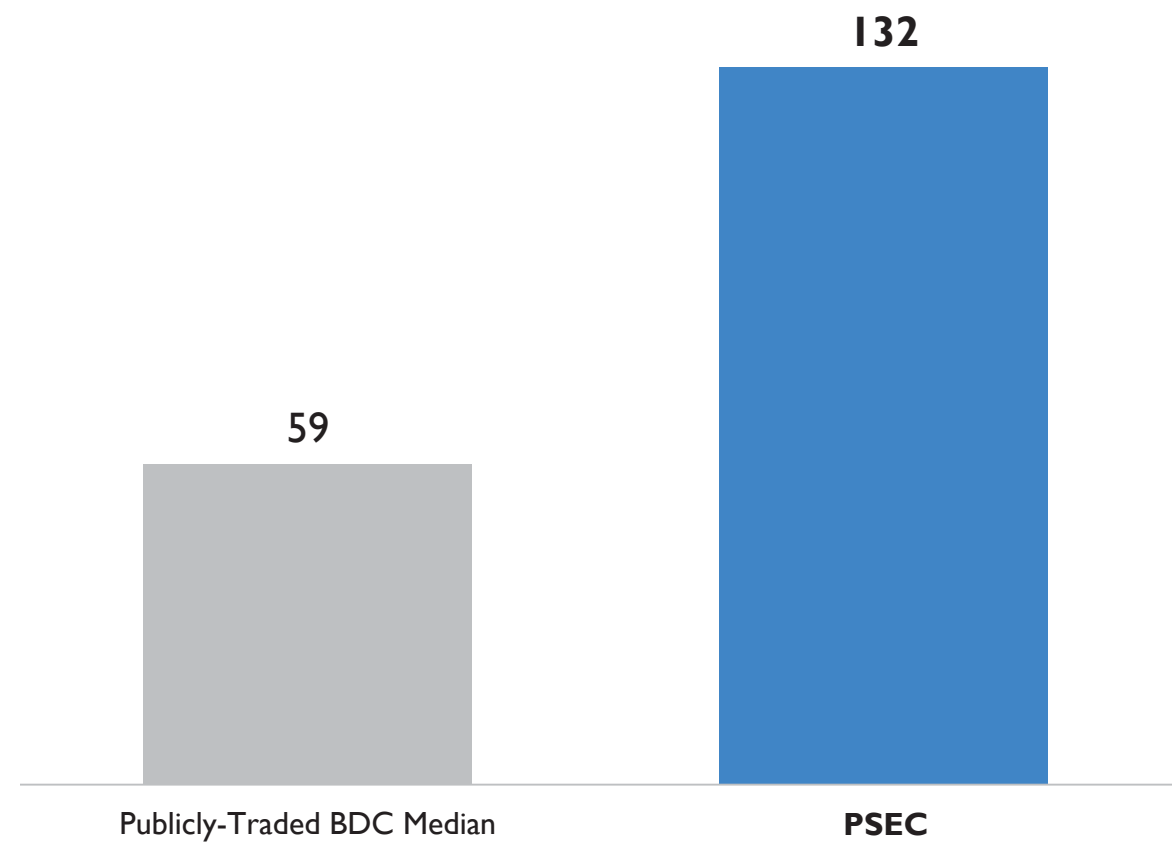


Source: PSEC analysis of public filings for quarters ending 3/31/2015 for constituents of WF BDC Index as of 5/29/2015. Approximately 15% of the BDCs in the WF BDC Index do not focus on generation of current income, which has the effect of making it easier for PSEC to exceed the BDC median.



PSEC HAS MORE PORTFOLIO COMPANIES THAN THE PUBLICLY-TRADED BDC MEDIAN

Number of Portfolio Investments
March 2015 Quarter

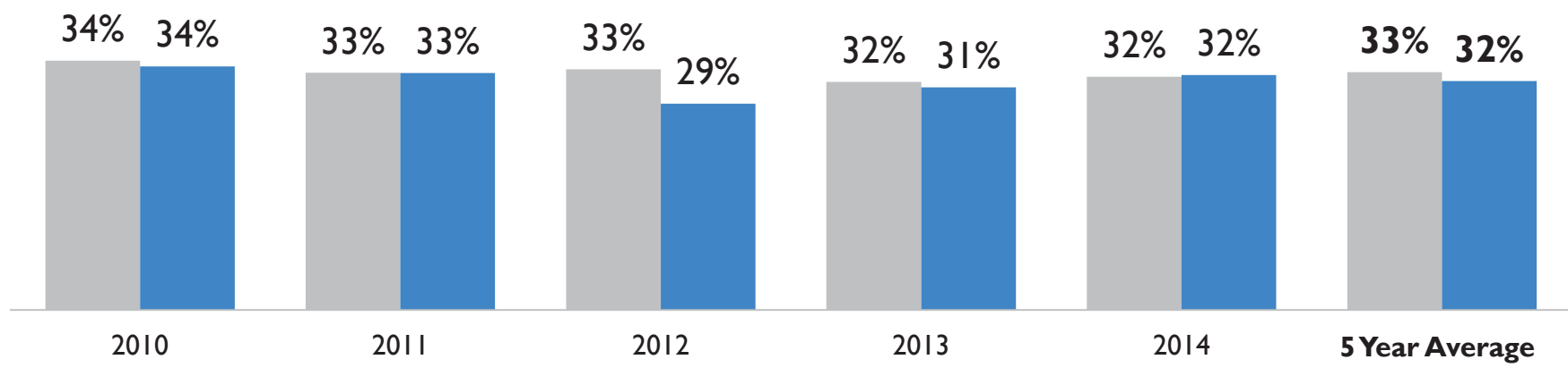


Source: PSEC analysis of public filings for quarters ending 3/31/2015 for constituents of WF BDC Index as of 5/29/2015.

PSEC'S EXPENSES (INCLUDING ALL MANAGEMENT FEES AND EXPENSES) HAVE BEEN IN LINE WITH PUBLICLY-TRADED BDC MEDIAN

Efficiency Ratio (Lower is Better)

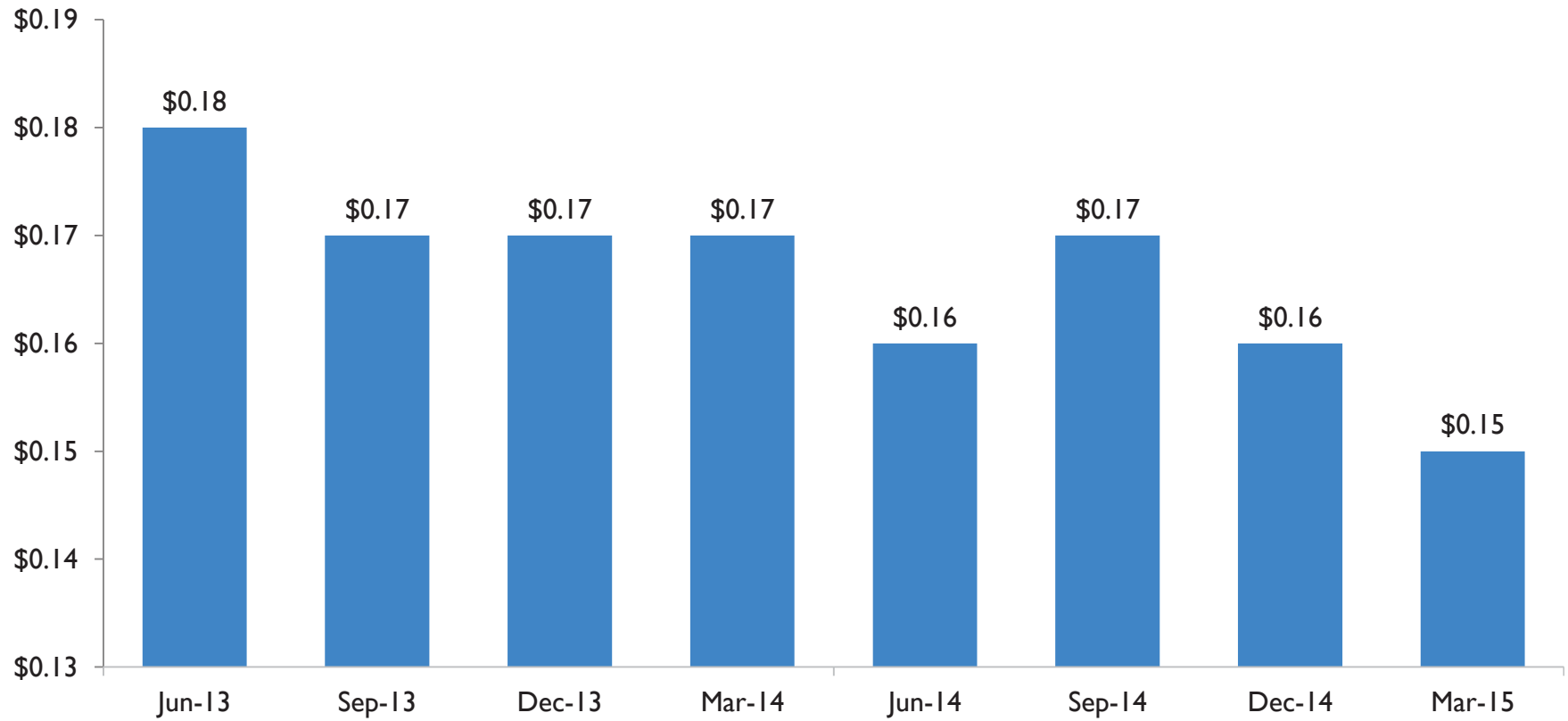
■ Publicly-Traded BDC Median ■ PSEC



Note: Efficiency ratio defined as non-financing operating expenses (including all management fees and expenses) divided by gross investment income. Information related to past performance, while potentially helpful as an evaluative tool, is not necessarily indicative of future results. Between approximately 15% and 21% of the BDCs in the WF BDC Index (depending on the year) do not focus on generation of current income, which has the effect of making it easier for PSEC's net income, net investment income and dividends to exceed the BDC median. Source: PSEC analysis of Capital IQ data on constituents of WF BDC Index as of 5/29/2015 for which there is data for each period (24 in 2010, 27 in 2011, 33 in 2012, 38 in 2013, and 40 in 2014).

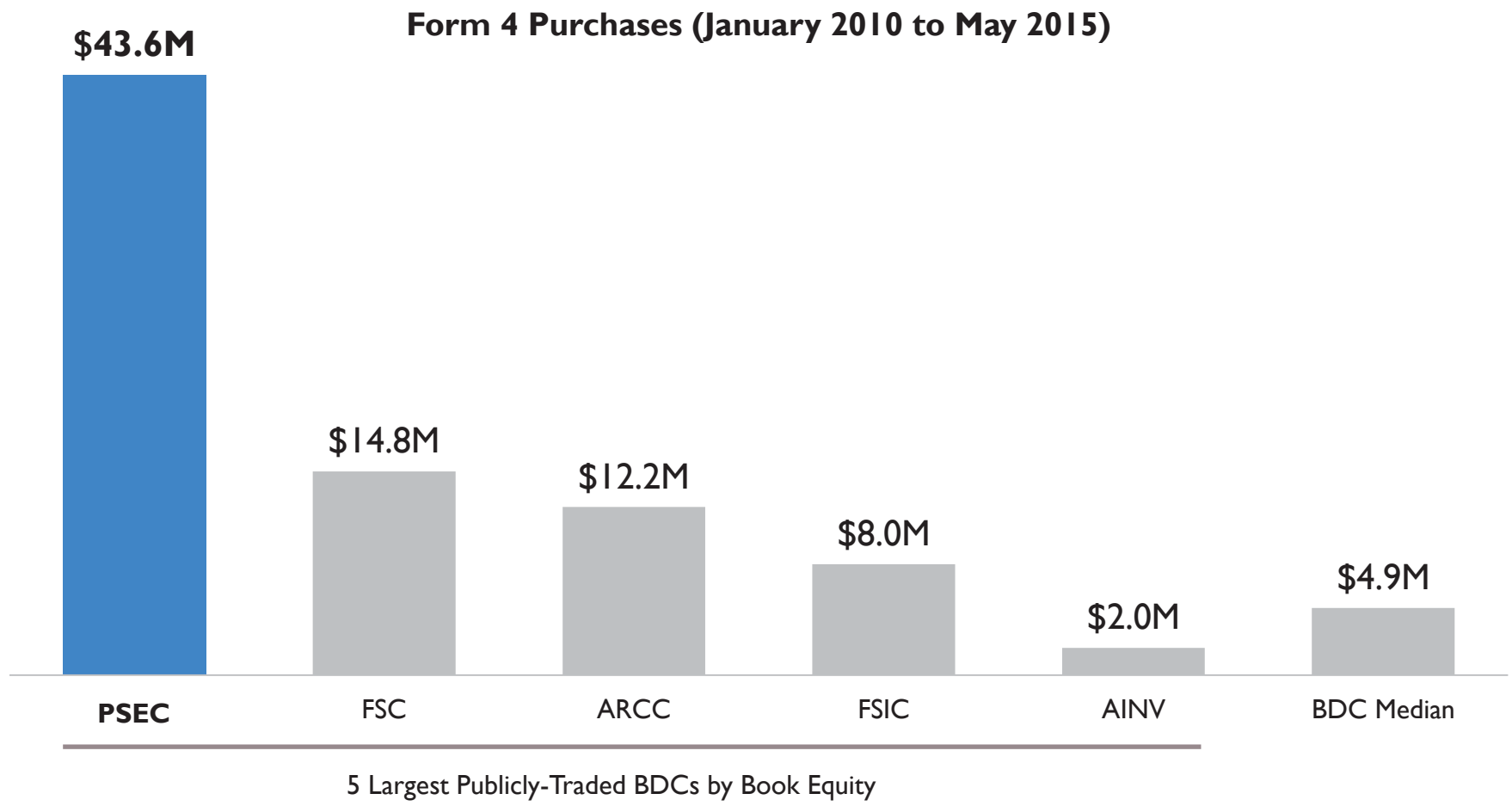
PSEC MANAGEMENT FEES PER SHARE HAVE DECLINED SINCE JUNE 2013

Quarterly Management Fees per Share



Note: Declines in quarterly management fees per share reflect declines in pre-incentive net investment income rather than changes in the structure of Investment Advisory fees.
Source: PSEC analysis of public filings.

SENIOR MANAGEMENT HAS MADE SIGNIFICANT INVESTMENTS IN PSEC



Source: PSEC analysis of Capital IQ data on 24 constituents of WF BDC Index as of 5/29/2015 that have been active during this period. PSEC senior management has not sold any of such investments.