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

Form 10-Q

(Mark One)

☑ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2009

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _________ to _________

Commission file number 001-33130

Triangle Capital Corporation
(Exact name of registrant as specified in its charter)

Maryland *(State or other jurisdiction of incorporation or organization)*	**06-1798488** *(I.R.S. Employer Identification No.)*
3700 Glenwood Avenue, Suite 530 **Raleigh, North Carolina** *(Address of principal executive offices)*	**27612** *(Zip Code)*

Registrant's telephone number, including area code: **(919) 719-4770**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☐ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☐	Accelerated filer ☐	Non-accelerated filer ☑ (Do not check if a smaller reporting company)	Smaller reporting company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☑

The number of shares outstanding of the registrant's Common Stock (par value $0.001 per share) on August 1, 2009 was 8,332,942.

TRIANGLE CAPITAL CORPORATION
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QUARTERLY REPORT ON FORM 10-Q

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PART I — FINANCIAL INFORMATION

Item 1. ***Financial Statements***

TRIANGLE CAPITAL CORPORATION
Consolidated Balance Sheets

	June 30, 2009 (Unaudited)	December 31, 2008
Assets		
Investments at fair value:		
Non—Control / Non—Affiliate investments (cost of $143,054,257 and $138,413,589 at June 30, 2009 and December 31, 2008, respectively)	$132,456,893	$135,712,877
Affiliate investments (cost of $30,912,348 and $30,484,491 at June 30, 2009 and December 31, 2008, respectively)	33,012,463	33,894,556
Control investments (cost of $11,429,721 and $11,253,458 at June 30, 2009 and December 31, 2008, respectively)	11,025,921	12,497,858
Total investments at fair value	176,495,277	182,105,291
Cash and cash equivalents	35,918,700	27,193,287
Interest and fees receivable	520,411	679,828
Prepaid expenses and other current assets	226,845	95,325
Deferred financing fees	3,367,100	3,545,410
Property and equipment, net	36,879	48,020
Total assets	$216,565,212	$213,667,161
Liabilities		
Accounts payable and accrued liabilities	$ 1,023,659	$ 1,608,909
Interest payable	2,242,908	1,881,761
Deferred revenue	37,500	—
Dividends payable	3,333,177	2,766,945
Taxes payable	24,899	30,436
Deferred income taxes	512,707	843,947
SBA guaranteed debentures payable	115,110,000	115,110,000
Total liabilities	122,284,850	122,241,998
Net Assets		
Common stock, $0.001 par value per share (150,000,000 shares authorized, 8,332,942 and 6,917,363 shares issued and outstanding as of June 30, 2009 and December 31, 2008, respectively)	8,333	6,917
Additional paid-in capital	100,628,226	87,836,786
Investment income in excess of distributions	2,205,265	2,115,157
Accumulated realized gains on investments	852,293	356,495
Net unrealized appreciation (depreciation) of investments	(9,413,755)	1,109,808
Total net assets	94,280,362	91,425,163
Total liabilities and net assets	$216,565,212	$213,667,161
Net asset value per share	$ 11.31	$ 13.22

See accompanying notes.

TRIANGLE CAPITAL CORPORATION
Unaudited Consolidated Statements of Operations

	Three Months Ended June 30, 2009	Three Months Ended June 30, 2008	Six Months Ended June 30, 2009	Six Months Ended June 30, 2008
Investment income:				
Loan interest, fee and dividend income:				
Non—Control / Non—Affiliate investments	$ 4,210,128	$ 2,797,958	$ 8,401,748	$ 4,719,727
Affiliate investments	909,035	886,815	1,840,871	1,635,581
Control investments	243,021	391,761	480,978	879,195
Total loan interest, fee and dividend income	5,362,184	4,076,534	10,723,597	7,234,503
Paid—in—kind interest income:				
Non—Control / Non—Affiliate investments	790,578	572,169	1,610,520	868,805
Affiliate investments	203,775	170,962	378,036	313,514
Control investments	82,955	130,912	164,078	260,307
Total paid—in—kind interest income	1,077,308	874,043	2,152,634	1,442,626
Interest income from cash and cash equivalent investments	136,911	69,514	204,672	206,946
Total investment income	6,576,403	5,020,091	13,080,903	8,884,075
Expenses:				
Interest expense	1,730,575	898,995	3,387,566	1,460,810
Amortization of deferred financing fees	87,649	56,028	178,310	96,169
General and administrative expenses	1,508,882	1,522,626	3,228,148	2,870,959
Total expenses	3,327,106	2,477,649	6,794,024	4,427,938
Net investment income	3,249,297	2,542,442	6,286,879	4,456,137
Net realized gains on investments — Non-Control/Non-Affiliate	848,164	—	848,164	—
Net unrealized appreciation (depreciation) of investments	(6,918,419)	381,815	(10,523,563)	(640,068)
Total net gain (loss) on investments before income taxes	(6,070,255)	381,815	(9,675,399)	(640,068)
Income tax expense	30,899	75,750	46,694	202,171
Net increase (decrease) in net assets resulting from operations	$(2,851,857)	$ 2,848,507	$ (3,435,214)	$ 3,613,898
Net investment income per share — basic and diluted	$ 0.41	$ 0.37	$ 0.84	$ 0.65
Net increase (decrease) in net assets resulting from operations per share — basic and diluted	$ (0.36)	$ 0.41	$ (0.46)	$ 0.53
Dividends declared per common share	$ 0.40	$ 0.31	$ 0.80	$ 0.31
Distributions of capital gains declared per common share	$ —	$ —	$ 0.05	$ —
Weighted average number of shares outstanding — basic and diluted	7,924,772	6,871,215	7,463,653	6,837,539

See accompanying notes.

TRIANGLE CAPITAL CORPORATION
Unaudited Consolidated Statements of Changes in Net Assets

	Common Stock						
	Number of Shares	Par Value	Additional Paid In Capital	Investment Income in Excess of (Less Than) Distributions	Accumulated Realized Losses on Investments	Net Unrealized Appreciation (Depreciation) of Investments	Total Net Assets
Balance, January 1, 2008	6,803,863	$ 6,804	$86,949,189	$ 1,738,797	$ (618,620)	$ 5,396,183	$93,472,353
Net investment income	—	—	—	4,456,137	—	—	4,456,137
Stock-based compensation	—	—	64,424	—	—	—	64,424
Net unrealized losses on investments	—	—	—	—	—	(640,068)	(640,068)
Income tax expense	—	—	—	(202,171)	—	—	(202,171)
Dividends declared	—	—	—	(2,144,382)	—	—	(2,144,382)
Issuance of restricted stock	113,500	113	(113)	—	—	—	—
Balance, June 30, 2008	6,917,363	$ 6,917	$87,013,500	$ 3,848,381	$ (618,620)	$ 4,756,115	$95,006,293

	Common Stock						
	Number of Shares	Par Value	Additional Paid In Capital	Investment Income in Excess of Distributions	Accumulated Realized Gains on Investments	Net Unrealized Appreciation (Depreciation) of Investments	Total Net Assets
Balance, January 1, 2009	6,917,363	$ 6,917	$ 87,836,786	$ 2,115,157	$ 356,495	$ 1,109,808	$91,425,163
Net investment income	—	—	—	6,286,879	—	—	6,286,879
Net realized gains on investments	—	—	—	—	848,164	(557,316)	290,848
Stock-based compensation	—	—	323,295	—	—	—	323,295
Net unrealized losses on investments	—	—	—	—	—	(9,966,247)	(9,966,247)
Income tax expense	—	—	—	(46,694)	—	—	(46,694)
Dividends/distributions declared	—	—	—	(6,150,077)	(352,366)	—	(6,502,443)
Public offering of common stock	1,280,000	1,280	12,535,181	—	—	—	12,536,461
Issuance of restricted stock	144,812	145	(145)	—	—	—	—
Common stock withheld for payroll taxes upon vesting of restricted stock	(6,533)	(6)	(66,894)	—	—	—	(66,900)
Forfeiture of restricted stock	(2,700)	(3)	3	—	—	—	—
Balance, June 30, 2009	8,332,942	$ 8,333	$100,628,226	$ 2,205,265	$ 852,293	$ (9,413,755)	$94,280,362

See accompanying notes.

TRIANGLE CAPITAL CORPORATION
Unaudited Consolidated Statements of Cash Flows

	Six Months Ended June 30, 2009	Six Months Ended June 30, 2008
Cash flows from operating activities:		
Net increase (decrease) in net assets resulting from operations	$ (3,435,214)	$ 3,613,898
Adjustments to reconcile net increase (decrease) in net assets resulting from operations to net cash provided by (used in) operating activities:		
Purchases of portfolio investments	(9,193,735)	(57,312,359)
Repayments received/sales of portfolio investments	6,791,961	4,620,159
Loan origination and other fees received	175,000	1,091,996
Net realized gain on investments	(848,164)	—
Net unrealized depreciation of investments	10,854,802	271,828
Deferred income taxes	(331,240)	368,240
Paid—in—kind interest accrued, net of payments received	(1,655,206)	(1,389,162)
Amortization of deferred financing fees	178,310	96,169
Recognition of loan origination and other fees	(310,902)	(210,778)
Accretion of loan discounts	(203,742)	(49,631)
Depreciation expense	11,141	6,813
Stock-based compensation	323,295	64,424
Changes in operating assets and liabilities:		
Interest and fees receivable	159,417	(154,831)
Prepaid expenses	(131,520)	(113,512)
Accounts payable and accrued liabilities	(585,250)	(406,480)
Interest payable	361,147	386,259
Deferred revenue	37,500	—
Taxes payable	(5,537)	(52,598)
Net cash provided by (used in) operating activities	2,192,063	(49,169,565)
Cash flows from investing activities:		
Purchases of property and equipment	—	(12,558)
Net cash used in investing activities	—	(12,558)
Cash flows from financing activities:		
Borrowings under SBA guaranteed debentures payable	—	52,100,000
Financing fees paid	—	(1,813,425)
Proceeds from common stock offering, net of expenses	12,536,461	—
Common stock withheld for payroll taxes upon vesting of restricted stock	(66,900)	—
Cash dividends paid	(5,583,845)	(4,185,541)
Cash distributions paid	(352,366)	—
Net cash provided by financing activities	6,533,350	46,101,034
Net increase (decrease) in cash and cash equivalents	8,725,413	(3,081,089)
Cash and cash equivalents, beginning of period	27,193,287	21,787,750
Cash and cash equivalents, end of period	$35,918,700	$ 18,706,661
Supplemental disclosure of cash flow information:		
Cash paid for interest	$ 3,026,419	$ 1,074,552

See accompanying notes.

TRIANGLE CAPITAL CORPORATION
Unaudited Consolidated Schedule of Investments
June 30, 2009

Portfolio Company	Industry	Type of Investment (1) (2)	Principal Amount	Cost	Fair Value (3)
Non–Control / Non–Affiliate Investments:					
Ambient Air Corporation ("AAC") and Peaden-Hobbs Mechanical, LLC ("PHM") (6%)*	Specialty Trade Contractors	Subordinated Note-AAC (14%, Due 03/11)	$ 3,214,365	$ 3,128,267	$ 3,128,267
		Subordinated Note-AAC (18%, Due 03/11)	1,955,923	1,932,854	1,932,854
		Common Stock-PHM (128,571 shares)		128,571	99,100
		Common Stock Warrants-AAC (455 shares)		142,361	677,200
			5,170,288	5,332,053	5,837,421
American De-Rosa Lamparts, LLC and Hallmark Lighting (5%)*	Wholesale and Distribution	Subordinated Note (15.25%, Due 10/13)	8,364,145	8,232,287	4,627,900
			8,364,145	8,232,287	4,627,900
American Direct Marketing Resources, LLC (4%)*	Direct Marketing Services	Subordinated Note (15%, Due 03/15)	4,095,791	4,022,204	4,022,204
			4,095,791	4,022,204	4,022,204
ARC Industries, LLC (3%)*	Remediation Services	Subordinated Note (19%, Due 11/10)	2,592,822	2,577,892	2,577,892
			2,592,822	2,577,892	2,577,892
Art Headquarters, LLC (2%)*	Retail, Wholesale and Distribution	Subordinated Note (14%, Due 01/10)	2,225,155	2,213,014	2,213,014
		Membership unit warrants (15% of units (150 units))		40,800	—
			2,225,155	2,253,814	2,213,014
Assurance Operations Corporation (2%)*	Auto Components / Metal Fabrication	Senior Note (6%, Due 06/11)	2,484,000	2,034,000	2,034,000
		Common Stock (300 shares)		300,000	300,000
			2,484,000	2,334,000	2,334,000
CV Holdings, LLC (11%)*	Specialty Healthcare Products Manufacturer	Subordinated Note (16%, Due 09/13)	10,994,961	10,079,548	10,079,548
		Royalty rights		874,400	818,200
			10,994,961	10,953,948	10,897,748
Cyrus Networks, LLC (7%)*	Data Center Services Provider	Senior Note (4%, Due 07/13)	5,054,837	5,041,227	5,041,227
		2nd Lien Note (8%, Due 01/14)	1,196,809	1,196,809	1,196,809
		Revolving Line of Credit (4%)	455,659	455,659	455,659
			6,707,305	6,693,695	6,693,695
Electronic Systems Protection, Inc. (4%)*	Power Protection Systems Manufacturing	Subordinated Note (14%, Due 12/15)	3,089,936	3,064,466	3,064,466
		Senior Note (5%, Due 01/14)	907,514	907,514	907,514
		Common Stock (500 shares)		285,000	121,500
			3,997,450	4,256,980	4,093,480
Energy Hardware Holdings, LLC (0%)*	Machined Parts Distribution	Voting Units (4,833 units)		4,833	447,400
				4,833	447,400

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Portfolio Company	Industry	Type of Investment (1) (2)	Principal Amount	Cost	Fair Value (3)
FCL Graphics, Inc. (5%)*	Commercial Printing Services	Senior Note (8%, Due 5/12)	$ 1,575,554	$ 1,570,266	$ 1,450,412
		Senior Note (12%, Due 5/13)	2,000,000	1,993,813	1,841,613
		2nd Lien Note (20%, Due 11/13)	3,403,754	3,393,505	1,699,396
			6,979,308	6,957,584	4,991,421
Fire Sprinkler Systems, Inc. (1%)*	Specialty Trade Contractors	Subordinated Notes (12%, Due 04/11)	2,388,362	2,363,063	836,000
		Common Stock (295 shares)		294,624	—
			2,388,362	2,657,687	836,000
Garden Fresh Restaurant Corp. (4%)*	Restaurant	2nd Lien Note (9%, Due 12/11)	3,000,000	3,000,000	3,000,000
		Membership Units (5,000 units)		500,000	844,700
			3,000,000	3,500,000	3,844,700
Gerli & Company (2%)*	Specialty Woven Fabrics Manufacturer	Subordinated Note (14%, Due 08/11)	3,161,439	3,108,319	1,801,500
		Common Stock Warrants (56,559 shares)		83,414	—
			3,161,439	3,191,733	1,801,500
Inland Pipe Rehabilitation Holding Company LLC (13%)*	Cleaning and Repair Services	Subordinated Note (14%, Due 01/14)	8,109,091	7,215,759	7,215,759
		Subordinated Note (18%, Due 01/14)	3,750,000	3,681,751	3,681,751
		Membership Interest Purchase Warrant (2.9%)		853,500	1,415,800
			11,859,091	11,751,010	12,313,310
Jenkins Service, LLC (10%)*	Restoration Services	Subordinated Note (17.5%, Due 04/14)	8,720,565	8,586,396	8,586,396
		Convertible Note (10%, Due 04/18)	1,375,000	1,339,824	1,339,824
			10,095,565	9,926,220	9,926,220
Library Systems & Services, LLC (2%)*	Municipal Business Services	Subordinated Note (12%, Due 03/11)	1,000,000	960,313	960,313
		Common Stock Warrants (112 shares)		58,995	983,700
			1,000,000	1,019,308	1,944,013
Novolyte Technologies, Inc. (8%)*	Specialty Manufacturing	Subordinated Note (16%, Due 04/15)	7,190,682	7,038,783	7,038,783
		Preferred Units (600 units)		600,000	185,000
		Common Units (22,960 units)		150,000	—
			7,190,682	7,788,783	7,223,783
Syrgis Holdings, Inc. (4%)*	Specialty Chemical Manufacturer	Senior Note (6%, Due 08/12-02/14)	4,437,500	4,411,151	4,270,500
		Common Units (2,114 units)		1,000,000	—
			4,437,500	5,411,151	4,270,500
TrustHouse Services Group, Inc. (5%)*	Food Management Services	Subordinated Note (14%, Due 09/15)	4,307,483	4,233,871	4,233,871
		Class A Units (1,495 units)		475,000	416,000
		Class B Units (79 units)		25,000	—
			4,307,483	4,733,871	4,649,871

Portfolio Company	Industry	Type of Investment (1) (2)	Principal Amount	Cost	Fair Value (3)
Tulsa Inspection Resources, Inc. ("TIR") and Regent TIR Partners, LLC ("RTIR") (5%)*	Pipeline Inspection Services	Subordinated Note (14%, Due 03/14)	$ 5,000,000	$ 4,593,888	$ 4,593,888
		Common Units – RTIR (11 units)		200,000	200,000
		Common Stock Warrants - TIR (7 shares)		321,000	321,000
			5,000,000	5,114,888	5,114,888
Twin-Star International, Inc. (6%)*	Consumer Home Furnishings Manufacturer	Subordinated Note (15%, Due 04/14)	4,500,000	4,444,427	4,183,200
		Senior Note (5%, Due 04/13)	1,294,743	1,294,743	1,169,901
			5,794,743	5,739,170	5,353,101
Waste Recyclers Holdings, LLC (11%)*	Environmental and Facilities Services	Subordinated Note (15.5%, Due 01/13)	9,267,064	9,112,631	8,686,900
		Class A Preferred Units (300 Units)		2,251,100	1,581,000
		Common Unit Purchase Warrant (1,170,083 Units)		748,900	—
		Common Units (153,219 Units)		180,783	—
			9,267,064	12,293,414	10,267,900
Wholesale Floors, Inc. (4%)*	Commercial Services	Subordinated Note (14%, Due 06/14)	3,500,000	3,352,312	3,352,312
		Membership Interest Purchase Warrant (4.0%)		132,800	—
			3,500,000	3,485,112	3,352,312
Yellowstone Landscape Group, Inc. (13%)*	Landscaping Services	Subordinated Note (15%, Due 04/14)	13,097,500	12,822,620	12,822,620
			13,097,500	12,822,620	12,822,620
Subtotal Non–Control / Non–Affiliate Investments			137,710,654	143,054,257	132,456,893
Affiliate Investments:					
Asset Point, LLC (6%)*	Asset Management Software Provider	Subordinated Note (17%, Due 03/13)	5,227,974	5,147,733	5,147,733
		Membership Units (10 units)		500,000	337,600
			5,227,974	5,647,733	5,485,333
Axxiom Manufacturing, Inc. (3%)*	Industrial Equipment Manufacturer	Subordinated Note (14%, Due 01/11)	2,145,485	2,129,465	2,129,465
		Common Stock (34,100 shares)		200,000	536,400
		Common Stock Warrant (1,000 shares)		—	13,900
			2,145,485	2,329,465	2,679,765
Brantley Transportation, LLC ("Brantley Transportation") and Pine Street Holdings, LLC ("Pine Street") (4) (2%)*	Oil and Gas Services	Subordinated Note – Brantley Transportation (14%, Due 12/12)	3,800,000	3,701,550	2,303,200
		Common Unit Warrants – Brantley Transportation (4,560 common units)		33,600	—
		Preferred Units – Pine Street (200 units)		200,000	—
		Common Unit Warrants – Pine Street (2,220 units)		—	—
			3,800,000	3,935,150	2,303,200

Portfolio Company	Industry	Type of Investment (1) (2)	Principal Amount	Cost	Fair Value (3)
Dyson Corporation (13%)*	Custom Forging and Fastener	Subordinated Note (15%, Due 12/13)	$ 10,475,372	$ 10,293,682	$ 10,293,682
	Supplies	Class A Units (1,000,000 units)		1,000,000	1,798,100
			10,475,372	11,293,682	12,091,782
Equisales, LLC (8%)*	Energy Products and Services	Subordinated Note (15%, Due 04/12)	6,415,232	6,334,383	6,334,383
		Class A Units (500,000 units)		500,000	1,339,200
			6,415,232	6,834,383	7,673,583
Flint Acquisition Corporation (2%)*	Specialty Chemical Manufacturer	Preferred Stock (9,875 shares)		308,333	2,107,600
				308,333	2,107,600
Genapure Corporation (1%)*	Lab Testing Services	Genapure Common Stock (5,594 shares)		563,602	671,200
				563,602	671,200
Subtotal Affiliate Investments			28,064,063	30,912,348	33,012,463
Control Investments:					
Fischbein, LLC (12%)*	Packaging and Materials Handling	Subordinated Note (16.5%, Due 05/13)	7,348,145	7,229,721	7,229,721
	Equipment Manufacturer	Membership Units (4,200,000 units)		4,200,000	3,796,200
			7,348,145	11,429,721	11,025,921
Subtotal Control Investments			7,348,145	11,429,721	11,025,921
Total Investments, June 30, 2009(185%)*			$ 173,122,862	$ 185,396,326	$ 176,495,277

* Value as a percent of net assets

(1) All debt investments are income producing. Common stock, preferred stock and all warrants are non–income producing.

(2) Interest rates on subordinated debt include cash interest rate and paid–in–kind interest rate.

(3) All investments are restricted as to resale and were valued at fair value as determined in good faith by the Board of Directors.

(4) Pine Street Holdings, LLC is the majority owner of Brantley Transportation, LLC and its sole business purpose is its ownership of Brantley Transportation, LLC. *See accompanying notes.*

See accompanying notes.

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TRIANGLE CAPITAL CORPORATION
Consolidated Schedule of Investments
December 31, 2008

Portfolio Company	Industry	Type of Investment (1) (2)	Principal Amount	Cost	Fair Value (3)
Non–Control / Non–Affiliate Investments:					
Ambient Air Corporation ("AAC") and Peaden-Hobbs Mechanical, LLC ("PHM") (6%)*	Specialty Trade Contractors	Subordinated Note-AAC (14%, Due 03/11)	$ 3,182,231	$ 3,074,633	$ 3,074,633
		Subordinated Note-AAC (18%, Due 03/11)	1,917,045	1,888,343	1,888,343
		Common Stock-PHM (126,634 shares)		126,634	126,634
		Common Stock Warrants-AAC (455 shares)		142,361	600,100
			5,099,276	5,231,971	5,689,710
American De-Rosa Lamparts, LLC and Hallmark Lighting (8%)*	Wholesale and Distribution	Subordinated Note (15.25%, Due 10/13)	8,208,166	8,064,571	6,894,500
			8,208,166	8,064,571	6,894,500
American Direct Marketing Resources, LLC (4%)*	Direct Marketing Services	Subordinated Note (15%, Due 03/15)	4,035,038	3,957,113	3,957,113
			4,035,038	3,957,113	3,957,113
APO Newco, LLC (3%)*	Commercial and Consumer	Subordinated Note (14%, Due 03/13)	1,993,336	1,907,664	1,907,664
	Marketing Products	Unit purchase warrant (87,302 Class C units)		25,200	1,033,400
			1,993,336	1,932,864	2,941,064
ARC Industries, LLC (3%)*	Remediation Services	Subordinated Note (19%, Due 11/10)	2,528,587	2,508,276	2,508,276
			2,528,587	2,508,276	2,508,276
Art Headquarters, LLC (3%)*	Retail, Wholesale and Distribution	Subordinated Note (14%, Due 01/10)	2,333,488	2,309,951	2,309,951
		Membership unit warrants (15% of units (150 units))		40,800	—
			2,333,488	2,350,751	2,309,951
Assurance Operations Corporation (4%)*	Auto Components / Metal Fabrication	Subordinated Note (17%, Due 03/12)	4,026,884	3,985,742	3,261,800
		Common Stock (57 shares)		257,143	—
			4,026,884	4,242,885	3,261,800
CV Holdings, LLC (12%)*	Specialty Healthcare Products Manufacturer	Subordinated Note (16%, Due 09/13)	10,776,412	9,780,508	9,780,508
		Royalty rights		874,400	874,400
			10,776,412	10,654,908	10,654,908
Cyrus Networks, LLC (8%)*	Data Center Services Provider	Senior Note (6%, Due 07/13)	5,539,867	5,524,881	5,524,881
		2nd Lien Note (9%, Due 01/14)	1,196,809	1,196,809	1,196,809
		Revolving Line of Credit (6%)	253,144	253,144	253,144
			6,989,820	6,974,834	6,974,834
DataPath, Inc. (0%)*	Satellite Communication Manufacturer	Common Stock (210,263 shares)		101,500	—
				101,500	—

Portfolio Company	Industry	Type of Investment (1) (2)	Principal Amount	Cost	Fair Value (3)
Electronic Systems Protection, Inc. (5%)*	Power Protection Systems	Subordinated Note (14%, Due 12/15)	$ 3,059,267	$ 3,032,533	$ 3,032,533
	Manufacturing	Senior Note (6%, Due 01/14)	930,635	930,635	930,635
		Common Stock (500 shares)		285,000	285,000
			3,989,902	4,248,168	4,248,168
Energy Hardware Holdings, LLC (0%)*	Machined Parts Distribution	Voting Units (4,833 units)		4,833	292,300
				4,833	292,300
FCL Graphics, Inc. (8%)*	Commercial Printing Services	Senior Note (8%, Due 5/12)	1,669,200	1,663,083	1,663,083
		Senior Note (12%, Due 5/13)	2,000,000	1,993,191	1,993,191
		2nd Lien Note (18%, Due 11/13)	3,393,186	3,382,162	3,382,162
			7,062,386	7,038,436	7,038,436
Fire Sprinkler Systems, Inc. (1%)*	Specialty Trade Contractors	Subordinated Notes (12%, Due 04/11)	2,388,362	2,356,781	1,000,000
		Common Stock (283 shares)		282,905	11,719
			2,388,362	2,639,686	1,011,719
Garden Fresh Restaurant Corp. (4%)*	Restaurant	2nd Lien Note (11%, Due 12/11)	3,000,000	3,000,000	3,000,000
		Membership Units (5,000 units)		500,000	583,600
			3,000,000	3,500,000	3,583,600
Gerli & Company (2%)*	Specialty Woven Fabrics	Subordinated Note (14%, Due 08/11)	3,161,439	3,092,786	1,865,000
	Manufacturer	Common Stock Warrants (56,559 shares)		83,414	—
			3,161,439	3,176,200	1,865,000
Inland Pipe Rehabilitation Holding Company LLC (10%)*	Cleaning and Repair Services	Subordinated Note (14%, Due 01/14)	8,095,149	7,422,265	7,422,265
		Membership Interest Purchase Warrant (2.5%)		563,300	1,407,300
			8,095,149	7,985,565	8,829,565
Jenkins Service, LLC (10%)*	Restoration Services	Subordinated Note (17.5%, Due 04/14)	8,411,172	8,266,277	8,266,277
		Convertible Note (10%, Due 04/18)	1,375,000	1,336,993	1,336,993
			9,786,172	9,603,270	9,603,270
Library Systems & Services, LLC (3%)*	Municipal Business Services	Subordinated Note (12%, Due 03/11)	2,000,000	1,948,573	1,948,573
		Common Stock Warrants (112 shares)		58,995	802,500
			2,000,000	2,007,568	2,751,073
Novolyte Technologies, Inc. (8%)*	Specialty Manufacturing	Subordinated Note (16%, Due 04/15)	7,048,222	6,880,696	6,880,696
		Preferred Units (600 units)		600,000	600,000
		Common Units (22,960 units)		150,000	150,000
			7,048,222	7,630,696	7,630,696
Syrgis Holdings, Inc. (6%)*	Specialty Chemical Manufacturer	Senior Note (7%, Due 08/12-02/14)	4,632,500	4,602,773	4,602,773
		Common Units (2,114 units)		1,000,000	532,700
			4,632,500	5,602,773	5,135,473

Portfolio Company	Industry	Type of Investment (1) (2)	Principal Amount	Cost	Fair Value (3)
TrustHouse Services Group, Inc. (5%)*	Food Management Services	Subordinated Note (14%, Due 09/15)	$ 4,264,494	$ 4,186,542	$ 4,186,542
		Class A Units (1,495 units)		475,000	207,500
		Class B Units (79 units)		25,000	—
			4,264,494	4,686,542	4,394,042
Twin-Star International, Inc. (6%)*	Consumer Home Furnishings	Subordinated Note (15%, Due 04/14)	4,500,000	4,439,137	4,439,137
	Manufacturer	Senior Note (8%, Due 04/13)	1,301,921	1,301,921	1,301,921
			5,801,921	5,741,058	5,741,058
Waste Recyclers Holdings, LLC (13%)*	Environmental and Facilities Services	Subordinated Note (15.5%, Due 01/13)	9,106,995	8,935,266	8,935,266
		Class A Preferred Units (300 Units)		2,251,100	2,251,100
		Common Unit Purchase Warrant (1,170,083 Units)		748,900	748,900
		Common Units (153,219 Units)		153,219	153,219
			9,106,995	12,088,485	12,088,485
Wholesale Floors, Inc. (4%)*	Commercial Services	Subordinated Note (14%, Due 06/14)	3,500,000	3,341,947	3,341,947
		Membership Interest Purchase Warrant (4.0%)		132,800	—
			3,500,000	3,474,747	3,341,947
Yellowstone Landscape Group, Inc. (14%)*	Landscaping Services	Subordinated Note (15%, Due 04/14)	13,261,710	12,965,889	12,965,889
			13,261,710	12,965,889	12,965,889
Subtotal Non–Control / Non–Affiliate Investments			133,090,259	138,413,589	135,712,877
Affiliate Investments:					
Asset Point, LLC (6%)*	Asset Management Software Provider	Subordinated Note (15%, Due 03/13)	5,123,925	5,035,428	5,035,428
		Membership Units (10 units)		500,000	371,400
			5,123,925	5,535,428	5,406,828
Axxiom Manufacturing, Inc. (3%)*	Industrial Equipment	Subordinated Note (14%, Due 01/11)	2,124,037	2,103,277	2,103,277
	Manufacturer	Common Stock (34,100 shares)		200,000	408,900
		Common Stock Warrant (1,000 shares)		—	10,600
			2,124,037	2,303,277	2,522,777
Brantley Transportation, LLC (“Brantley Transportation”) and Pine Street Holdings, LLC (“Pine Street”) (4) (4%)*	Oil and Gas Services	Subordinated Note – Brantley Transportation (14%, Due 12/12)	3,800,000	3,690,525	3,690,525
		Common Unit Warrants – Brantley Transportation (4,560 common units)		33,600	41,800
		Preferred Units – Pine Street (200 units)		200,000	139,200
		Common Unit Warrants – Pine Street (2,220 units)		—	—

	3,800,000	3,924,125	3,871,525

Portfolio Company	Industry	Type of Investment (1) (2)	Principal Amount	Cost	Fair Value (3)
Dyson Corporation (12%)*	Custom Forging and Fastener	Subordinated Note (15%, Due 12/13)	$ 10,318,750	$ 10,123,339	$ 10,123,339
	Supplies	Class A Units (1,000,000 units)		1,000,000	964,700
			10,318,750	11,123,339	11,088,039
Equisales, LLC (9%)*	Energy Products and Services	Subordinated Note (15%, Due 04/12)	6,319,315	6,226,387	6,226,387
		Class A Units (500,000 units)		500,000	2,322,400
			6,319,315	6,726,387	8,548,787
Flint Acquisition Corporation (2%)*	Specialty Chemical Manufacturer	Preferred Stock (9,875 shares)		308,333	1,984,500
				308,333	1,984,500
Genapure Corporation (1%)*	Lab Testing Services	Genapure Common Stock (5,594 shares)		563,602	472,100
				563,602	472,100
Subtotal Affiliate Investments			27,686,027	30,484,491	33,894,556
Control Investments:					
Fischbein, LLC (14%)*	Packaging and Materials Handling	Subordinated Note (16.5%, Due 05/13)	7,184,066	7,053,458	7,053,458
	Equipment Manufacturer	Membership Units (4,200,000 units)		4,200,000	5,444,400
			7,184,066	11,253,458	12,497,858
Subtotal Control Investments			7,184,066	11,253,458	12,497,858
Total Investments, December 31, 2008* (199%)			$ 167,960,352	$ 180,151,538	$ 182,105,291

* Value as a percent of net assets

(1) All debt investments are income producing. Common stock, preferred stock and all warrants are non–income producing.

(2) Interest rates on subordinated debt include cash interest rate and paid–in–kind interest rate.

(3) All investments are restricted as to resale and were valued at fair value as determined in good faith by the Board of Directors.

(4) Pine Street Holdings, LLC is the majority owner of Brantley Transportation, LLC and its sole business purpose is its ownership of Brantley Transportation, LLC.

See accompanying notes.

TRIANGLE CAPITAL CORPORATION
Notes to Unaudited Financial Statements

1. ORGANIZATION, BASIS OF PRESENTATION AND BUSINESS

Organization

Triangle Capital Corporation and its wholly owned subsidiary, Triangle Mezzanine Fund LLLP (the "Fund") (collectively, the "Company") operate as a Business Development Company ("BDC") under the Investment Company Act of 1940 (the "1940 Act"). The Fund is a specialty finance limited liability limited partnership formed to make investments primarily in middle market companies located throughout the United States. The Fund's term is ten years from the date of formation (August 14, 2002) unless terminated earlier or extended in accordance with provisions of the limited partnership agreement. On September 11, 2003, the Fund was licensed to operate as a Small Business Investment Company ("SBIC") under the authority of the United States Small Business Administration ("SBA"). As an SBIC, the Fund is subject to a variety of regulations concerning, among other things, the size and nature of the companies in which it may invest and the structure of those investments.

The Company currently operates as a closed–end, non–diversified investment company and has elected to be treated as a BDC under the 1940 Act. The Company is internally managed by its executive officers under the supervision of its board of directors. The Company does not pay management or advisory fees, but instead incurs the operating costs associated with employing executive management and investment and portfolio management professionals.

Basis of Presentation

The financial statements of the Company include the accounts of the Company and its wholly-owned subsidiaries, including the Fund. The Fund does not consolidate portfolio company investments. The effects of all intercompany transactions between the Company and its subsidiaries have been eliminated in consolidation/combination.

The accompanying unaudited financial statements are presented in conformity with United States generally accepted accounting principles ("U.S. GAAP") for interim financial information and pursuant to the requirements for reporting on Form 10-Q and Article 10 of Regulation S-X. Accordingly, certain disclosures accompanying annual consolidated financial statements prepared in accordance with U.S. GAAP are omitted. In the opinion of management, all adjustments, consisting solely of normal recurring accruals considered necessary for the fair presentation of financial statements for the interim period, have been included. The current period's results of operations are not necessarily indicative of results that ultimately may be achieved for the year. Therefore, the unaudited financial statements and notes should be read in conjunction with the audited financial statements and notes thereto for the period ended December 31, 2008. Financial statements prepared on a U.S. GAAP basis require management to make estimates and assumptions that affect the amounts and disclosures reported in the consolidated financial statements and accompanying notes. Such estimates and assumptions could change in the future as more information becomes known, which could impact the amounts reported and disclosed herein.

Management has evaluated subsequent events for recognition or disclosure through August 5, 2009, which was the date this Form 10-Q was filed with the Securities and Exchange Commission.

Public Offering of Common Stock

On April 23, 2009, the Company filed a Prospectus Supplement whereby 1,200,000 shares of common stock were offered for sale at a price of $10.75 per share. Pursuant to this offering, all shares were sold and delivered on April 27, 2009 resulting in net proceeds to the Company, after underwriting discounts and offering expenses, of approximately $11,700,000. On May 27, 2009, pursuant to the exercise of an overallotment option granted in connection with the offering, the underwriters in this transaction purchased an additional 80,000 shares of the Company's common stock at the public offering price, less underwriting discounts and commissions, resulting in net proceeds to the Company of approximately $800,000.

New Accounting Pronouncements

In May 2009, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 165, *Subsequent Events* ("SFAS 165"), which provides authoritative accounting literature for a topic that was previously addressed only in auditing literature. The three modifications to the subsequent events guidance contained in AU Section 560 that are required by SFAS 165 are 1) to name the two types of subsequent events either as recognized subsequent events or non-recognized subsequent events; 2) to modify the definition of subsequent events to refer to events or transactions that occur after the balance sheet date, but before the financial statements are issued; and 3) to require entities to disclose the date through which an entity has evaluated subsequent events and the basis for that date. The Company adopted SFAS 165 on June 15, 2009.

2. INVESTMENTS

Summaries of the composition of the Company's investment portfolio at cost and fair value as a percentage of total investments are shown in the following tables:

	Cost	Percentage of Total Portfolio	Fair Value	Percentage of Total Portfolio
June 30, 2009:				
Subordinated debt and 2nd lien notes	$150,531,337	81%	$140,313,651	80%
Senior debt	17,708,373	10	17,170,826	10
Equity shares	13,866,846	8	14,781,000	8
Equity warrants	2,415,370	1	3,411,600	2
Royalty rights	874,400	—	818,200	—
	$185,396,326	100%	$176,495,277	100%
December 31, 2008:				
Subordinated debt and 2nd lien notes	$147,493,871	82%	$143,015,291	79%
Senior debt	16,269,628	9	16,269,628	9
Equity shares	13,684,269	8	17,301,372	9
Equity warrants	1,829,370	1	4,644,600	3
Royalty rights	874,400	—	874,400	—
	$180,151,538	100%	$182,105,291	100%

The company made no new investments during the three months ended June 30, 2009. During the six months ended June 30, 2009, the Company made one new investment totaling $5.2 million and five investments in existing portfolio companies totaling approximately $4.0 million.

During the three months ended June 30, 2008, the Company made five new investments totaling $41.9 million, two additional debt investments in existing portfolio companies of $1.3 million and one additional equity investment in an existing portfolio company of approximately $21,000. During the six months ended June 30, 2008, the Company made eight new investments totaling $56.4 million, one additional debt investment in an existing portfolio company of $0.9 million and two additional equity investments in existing portfolio companies of approximately $0.1 million.

Valuation of Investments

The Company has established and documented processes and methodologies for determining the fair values of portfolio company investments on a recurring basis in accordance with Statement of Financial Accounting Standards No. 157, *Fair Value Measurements* ("SFAS 157"). Under SFAS 157, a financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The three levels of valuation hierarchy established by SFAS 157 are defined as follows:

Level 1 – inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 – inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level 3 – inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The Company's investment portfolio is comprised of debt and equity of privately held companies for which quoted prices falling within the categories of Level 1 and Level 2 inputs are not available. Therefore, the Company values all of its investments at fair value, as determined in good faith by the Board of Directors (Level 3 inputs, as further described below). Due to the inherent uncertainty in the valuation process, the Board of Directors' estimate of fair value may differ significantly from the values that would have been used had a ready market for the securities existed, and the differences could be material. In addition, changes in the market environment and other events that may occur over the life of the investments may cause the gains or losses ultimately realized on these investments to be different than the valuations currently assigned.

Debt and equity securities that are not publicly traded and for which a limited market does not exist are valued at fair value as determined in good faith by the Board of Directors. There is no single standard for determining fair value in good faith, as fair value depends upon circumstances of each individual case. In general, fair value is the amount that the Company might reasonably expect to receive upon the current sale of the security.

Management evaluates the investments in portfolio companies using the most recent portfolio company financial statements and forecasts. Management also consults with the portfolio company's senior management to obtain further updates on the portfolio company's performance, including information such as industry trends, new product development and other operational issues.

In making the good faith determination of the value of debt securities, the Company starts with the cost basis of the security, which includes the amortized original issue discount, and paid–in–kind (PIK) interest, if any. The Company also uses a risk rating system to estimate the probability of default on the debt securities and the probability of loss if there is a default. The risk rating system covers both qualitative and quantitative aspects of the business and the securities held. In valuing debt securities, management utilizes an "income approach" model that considers factors including, but not limited to, (i) the portfolio investment's current risk rating (discussed below), (ii) the portfolio company's current trailing twelve months' ("TTM") results of operations as compared to the portfolio company's TTM results of operations as of the date the investment was made and the portfolio company's anticipated results for the next twelve months of operations, (iii) the portfolio company's current leverage as compared to its leverage as of the date the investment was made, and (iv) current pricing and credit metrics for similar proposed and executed investment transactions. In valuing equity securities of private companies, the Company considers valuation methodologies consistent with industry practice, including (i) valuation using a valuation model based on original transaction multiples and the portfolio company's recent financial performance, (ii) valuation of the securities based on recent sales in comparable transactions, and (iii) a review of similar companies that are publicly traded and the market multiple of their equity securities.

The following table presents the Company's financial instruments carried at fair value as of June 30, 2009 and December 31, 2008, on the consolidated balance sheet by FAS 157 valuation hierarchy, as previously described:

	Fair Value at June 30, 2009			
	Level 1	Level 2	Level 3	Total
Portfolio company investments	$ —	$ —	$176,495,277	$176,495,277
	$ —	$ —	$176,495,277	$176,495,277

	Fair Value at December 31, 2008			
	Level 1	Level 2	Level 3	Total
Portfolio company investments	$ —	$ —	$182,105,291	$182,105,291
	$ —	$ —	$182,105,291	$182,105,291

The following table reconciles the beginning and ending balances of our portfolio company investments measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the six months ended June 30, 2009 and 2008:

	Six Months Ended June 30, 2009	Six Months Ended June 30, 2008
Fair value of portfolio, beginning of period	$ 182,105,291	$ 113,036,240
New investments	9,193,735	57,312,359
Loan origination fees received	(175,000)	(1,091,996)
Proceeds from sale of investment	(1,888,384)	(175,000)
Principal repayments received	(4,903,577)	(4,445,159)
Paid-in-kind interest earned	2,152,633	1,442,626
Paid-in-kind interest received	(497,427)	(53,464)
Accretion of loan discounts	203,742	49,631
Accretion of deferred loan origination revenue	310,902	180,152
Realized gains on investments	848,164	—
Unrealized losses on investments	(10,854,802)	(271,827)
Fair value of portfolio, end of period	$ 176,495,277	$ 165,983,562

All realized and unrealized gains and losses are included in earnings (changes in net assets) and are reported on separate line items within the Company's statements of operations. Net unrealized losses on investments of approximately $6,692,000 and $10,929,000, respectively, during the three and six months ended June 30, 2009 are related to portfolio company investments that are still held by the Company as of June 30, 2009. Net unrealized gains (losses) on investments of approximately $924,000 and

$(328,000), respectively, during the three and six months ended June 30, 2008 are related to portfolio company investments that were still held by the Company as of June 30, 2008.

Duff & Phelps, LLC ("Duff & Phelps"), an independent valuation firm, provides third party valuation consulting services to the Company which consist of certain limited procedures that the Company identified and requested Duff & Phelps to perform (hereinafter referred to as the "procedures"). We generally request Duff & Phelps to perform the procedures on each portfolio company at least once in every calendar year and for new portfolio companies, at least once in the twelve-month period subsequent to the initial investment. In certain instances, we may determine that it is not cost-effective, and as a result is not in our stockholders' best interest, to request Duff & Phelps to perform the procedures on one or more portfolio companies. Such instances include, but are not limited to, situations where the fair value of our investment in the portfolio company is determined to be insignificant relative to our total investment portfolio.

For the quarter ended March 31, 2009, the Company asked Duff & Phelps to perform the procedures on investments in seven portfolio companies comprising approximately 26% of the total investments at fair value (exclusive of the fair value of new investments made during the quarter) as of March 31, 2009. For the quarter ended June 30, 2009, the Company asked Duff & Phelps to perform the procedures on investments in six portfolio companies comprising approximately 20% of the total investments at fair value (exclusive of the fair value of new investments made during the quarter) as of June 30, 2009. Upon completion of the procedures, Duff & Phelps concluded that the fair value, as determined by the Board of Directors, of those investments subjected to the procedures did not appear to be unreasonable. The Board of Directors of Triangle Capital Corporation is ultimately and solely responsible for determining the fair value of the Company's investments in good faith.

Warrants

When originating a debt security, the Company will sometimes receive warrants or other equity–related securities from the borrower. The Company determines the cost basis of the warrants or other equity–related securities received based upon their respective fair values on the date of receipt in proportion to the total fair value of the debt and warrants or other equity–related securities received. Any resulting difference between the face amount of the debt and its recorded fair value resulting from the assignment of value to the warrant or other equity instruments is treated as original issue discount and accreted into interest income over the life of the loan.

Realized Gain or Loss and Unrealized Appreciation or Depreciation of Portfolio Investments

Realized gains or losses are recorded upon the sale or liquidation of investments and calculated as the difference between the net proceeds from the sale or liquidation, if any, and the cost basis of the investment using the specific identification method. Unrealized appreciation or depreciation reflects the difference between the valuation of the investments and the cost basis of the investments.

Investment Classification

In accordance with the provisions of the 1940 Act, the Company classifies investments by level of control. As defined in the 1940 Act, "Control Investments" are investments in those companies that the Company is deemed to "Control." "Affiliate Investments" are investments in those companies that are "Affiliated Companies" of the Company, as defined in the 1940 Act, other than Control Investments. "Non–Control/Non–Affiliate Investments" are those that are neither Control Investments nor Affiliate Investments. Generally, under the 1940 Act, the Company is deemed to control a company in which it has invested if the Company owns more than 25.0% of the voting securities of such company or has greater than 50.0% representation on its board. The Company is deemed to be an affiliate of a company in which the Company has invested if it owns between 5.0% and 25.0% of the voting securities of such company.

Investment Income

Interest income, adjusted for amortization of premium and accretion of original issue discount, is recorded on the accrual basis to the extent that such amounts are expected to be collected. Generally, when interest and/or principal payments on a loan become past due, or if the Company otherwise does not expect the borrower to be able to service its debt and other obligations, the Company will place the loan on non-accrual status and will generally cease recognizing interest income on that loan until all principal and interest has been brought current through payment or due to a restructuring such that the interest income is deemed to be collectible. The Company writes off any previously accrued and uncollected interest when it is determined that interest is no longer considered collectible. Dividend income is recorded on the ex–dividend date.

Fee Income

Loan origination, facility, commitment, consent and other advance fees received in connection with loan agreements are recorded as deferred income and recognized as income over the term of the loan. Loan prepayment penalties and loan amendment fees are recorded into income when received. Any previously deferred fees are immediately recorded into income upon prepayment of the related loan.

Paid-in-Kind Interest

The Company holds loans in its portfolio that contain a paid–in–kind ("PIK") interest provision. The PIK interest, computed at the contractual rate specified in each loan agreement, is added to the principal balance of the loan and is recorded as interest income. To maintain the Company's status as a Regulated Investment Company ("RIC"), this non-cash source of income must be paid out to stockholders in the form of dividends, even though the Company has not yet collected the cash. Generally, when current cash interest and/or principal payments on a loan become past due, or if the Company otherwise does not expect the borrower to be able to service its debt and other obligations, the Company will place the loan on non-accrual status and will generally cease recognizing PIK interest income on that loan until all principal and interest has been brought current through payment or due to a restructuring such that the interest income is deemed to be collectible. The Company writes off any accrued and uncollected PIK interest when it is determined that the PIK interest is no longer collectible.

Concentration of Credit Risk

The Company's investees are generally lower middle–market companies in a variety of industries. At both June 30, 2009 and December 31, 2008, there were no individual investments greater than 10% of the fair value of the Company's portfolio. Income, consisting of interest, dividends, fees, other investment income, and realization of gains or losses on equity interests, can fluctuate dramatically upon repayment of an investment or sale of an equity interest and in any given year can be highly concentrated among several investees.

The Company's investments carry a number of risks including, but not limited to: 1) investing in lower middle market companies which may have limited operating histories and, in many cases, have limited financial resources; 2) investing in senior subordinated debt which ranks equal to or lower than debt held by certain other investors; 3) holding investments that are not publicly traded and are subject to legal and other restrictions on resale and other risks common to investing in below investment grade debt and equity instruments.

3. INCOME TAXES

The Company has elected to be treated as a RIC under Subchapter M of the Code. As a RIC, so long as the Company meets certain minimum distribution, source-of-income and asset diversification requirements, it generally is required to pay income taxes only on the portion of its taxable income and gains it does not distribute (actually or constructively) and certain built-in gains.

In addition, the Company has certain wholly owned taxable subsidiaries (the "Taxable Subsidiaries"), each of which holds one or more of its portfolio investments that are listed on the Consolidated Schedule of Investments. The Taxable Subsidiaries are consolidated for GAAP purposes, such that the Company's consolidated financial statements reflect the Company's investments in the portfolio companies owned by the Taxable Subsidiaries. The purpose of the Taxable Subsidiaries is to permit the Company to hold certain portfolio companies that are organized as limited liability companies ("LLCs") (or other forms of pass–through entities) and still satisfy the RIC tax requirement that at least 90% of the RIC's gross revenue for income tax purposes must consist of investment income. Absent the Taxable Subsidiaries, a proportionate amount of any gross income of an LLC (or other pass–through entity) portfolio investment would flow through directly to the RIC. To the extent that such income did not consist of investment income, it could jeopardize the Company's ability to qualify as a RIC and therefore cause the Company to incur significant amounts of federal income taxes. Where the LLCs (or other pass-through entities) are owned by the Taxable Subsidiaries, however, their income is taxed to the Taxable Subsidiaries and does not flow through to the RIC, thereby helping the Company preserve its RIC status and resultant tax advantages. The Taxable Subsidiaries are not consolidated for income tax purposes and may generate income tax expense as a result of their ownership of the portfolio companies. This income tax expense is reflected in the Company's Statements of Operations.

For federal income tax purposes, the cost of investments owned at June 30, 2009 was approximately $186.0 million.

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4. LONG–TERM DEBT

At both June 30, 2009 and December 31, 2008, the Company has the following debentures outstanding guaranteed by the SBA:

Issuance/Pooling Date	Maturity Date	Prioritized Return (Interest) Rate	
September 22, 2004	September 1, 2014	5.539%	$ 8,700,000
March 23, 2005	March 1, 2015	5.893%	13,600,000
September 28, 2005	September 1, 2015	5.796%	9,500,000
February 1, 2007	March 1, 2017	6.231%	4,000,000
March 26, 2008	March 1, 2018	6.191%	6,410,000
March 27, 2008	September 1, 2018	6.580%	4,840,000
April 11, 2008	September 1, 2018	6.442%	9,400,000
April 28, 2008	September 1, 2018	6.442%	15,160,000
May 29, 2008	September 1, 2018	6.442%	5,000,000
May 29, 2008	September 1, 2018	6.442%	5,000,000
June 11, 2008	September 1, 2018	6.442%	5,000,000
June 24, 2008	September 1, 2018	6.442%	2,500,000
August 28, 2008	September 1, 2018	6.442%	1,000,000
August 28, 2008	September 1, 2018	6.442%	2,000,000
August 28, 2008	September 1, 2018	6.442%	1,000,000
October 24, 2008	March 1, 2019	5.337%	4,000,000
October 28, 2008	March 1, 2019	5.337%	4,000,000
October 31, 2008	March 1, 2019	5.337%	4,000,000
October 31, 2008	March 1, 2019	5.337%	4,000,000
November 4, 2008	March 1, 2019	5.337%	4,000,000
November 4, 2008	March 1, 2019	5.337%	2,000,000
			$ 115,110,000

Interest payments are payable semi–annually. There are no principal payments required on these issues prior to maturity. Debentures issued prior to September 2006 were subject to prepayment penalties during their first five years. Those pre-payment penalties no longer apply to debentures issued after September 1, 2006.

Under the Small Business Investment Act and current SBA policy applicable to SBICs, an SBIC (or group of SBICs under common control) can have outstanding, at any time, SBA guaranteed debentures up to three times the amount of its regulatory capital. As of June 30, 2009, the maximum statutory limit on the dollar amount of outstanding SBA guaranteed debentures issued by a single SBIC is $150.0 million. In June 2009, the Fund received a new leverage commitment from the SBA which increased the Fund's ability to issue SBA guaranteed debentures up to the maximum statutory limit of $150.0 million. In addition to the one–time 1.0% fee on the total commitment from the SBA, the Company also pays a one–time 2.425% fee on the amount of each debenture issued. These fees are capitalized as deferred financing costs and are amortized over the term of the debt agreements using the effective interest method. The weighted average interest rates for all SBA guaranteed debentures as of June 30, 2009 and December 31, 2008 were 6.03% and 5.81%, respectively. The weighted average interest rate as of December 31, 2008 includes $93.1 million of pooled SBA-guaranteed debentures with a weighted average fixed interest rate of 6.19% and $22.0 million of unpooled SBA-guaranteed debentures with a weighted average interim interest rate of 4.19%. As of June 30, 2009, all SBA-guaranteed debentures have been pooled and assigned fixed rates.

5. EQUITY-BASED COMPENSATION

The Company's Board of Directors and stockholders have approved the Triangle Capital Corporation Amended and Restated 2007 Equity Incentive Plan (the "Plan"), under which there are 900,000 shares of the Company's Common Stock authorized for issuance. The terms of equity-based awards granted under the Plan generally will vest ratably over one- to four-year periods.

The Company accounts for its equity-based compensation plan using the fair value method, as prescribed by Statement of Accounting Standards No. 123R, "Share-Based Payment." Accordingly, for restricted stock awards, we measure the grant date fair value based upon the market price of our common stock on the date of the grant and amortize this fair value to compensation expense over the requisite service period or vesting term.

On February 4, 2009, the Company's Board of Directors granted 133,000 restricted shares of our common stock to certain employees. These restricted shares had a total grant date fair value of approximately $1.4 million, which will be expensed on a straight-line basis over each respective award's vesting period. In addition, on May 6, 2009, the Company's Board of directors granted 11,812 restricted shares of our common stock to its independent directors. These restricted shares had a total grant date fair value of approximately $0.1 million, which will be expensed on a straight-line basis over a one-year period ending May 6, 2010.

In the three and six months ended June 30, 2009, the Company recognized equity-based compensation expense of approximately $0.2 million and $0.3 million, respectively. In both the three and six months ended June 30, 2008, the Company recognized equity-based compensation expense of approximately $0.1 million. Equity-based compensation expense is included in general and administrative expenses in the Company's consolidated statements of operations. As of June 30, 2009, the Company has a total of 219,812 restricted shares outstanding.

As of June 30, 2009, there was approximately $2.2 million of total unrecognized compensation cost, related to the Company's non-vested restricted shares. This cost is expected to be recognized over a weighted-average period of approximately 3.0 years.

6. FINANCIAL HIGHLIGHTS

The following is a schedule of financial highlights for the six months ended June 30, 2009 and 2008:

	Six Months Ended June 30, 2009	2008
Per share data:		
Net asset value at beginning of period	$ 13.22	$ 13.74
Net investment income(1)	0.84	0.65
Net realized gains on investments(1)	0.11	—
Net unrealized appreciation (depreciation) on investments(1)	(1.41)	(0.09)
Total increase (decrease) from investment operations(1)	(0.46)	0.56
Cash dividends/distributions declared	(0.85)	(0.31)
Common Stock Offering	(0.41)	—
Stock-based compensation	0.04	0.01
Income tax provision(1)	(0.01)	(0.03)
Other(3)	(0.22)	(0.24)
Net asset value at end of period	$ 11.31	$ 13.73
Market value at end of period(4)	$ 10.92	$ 11.39
Shares outstanding at end of period	8,332,942	6,917,363
Net assets at end of period	$94,280,362	$95,006,293
Average net assets	$93,022,600	$94,468,102
Ratio of operating expenses to average net assets (annualized)	15%	9%
Ratio of net investment income to average net assets (annualized)	14%	9%
Portfolio turnover ratio	4%	4%
Total Return(5)	15%	(6%)

(1) Weighted average basic per share data.

(2) Represents the dilutive effect of the Company's offering of Common Stock at a price less than net asset value.

(3) Represents the impact of the different share amounts used in calculating per share data as a result of calculating certain per share data based upon the weighted average basic shares outstanding during the period and certain per share data based on the shares outstanding as of a period end or transaction date.

(4) Represents the closing price of the Company's common stock on the last day of the period.

(5) Total return equals the change in the ending market value of the Company's common stock during the period, plus dividends declared per share during the period, divided by the market value of the Company's common stock on the first day of the period. Total return is not annualized.

7. SUBSEQUENT EVENTS

On July 30, 2009, the Company invested $7.5 million in subordinated debt of Frozen Specialties, Inc. ("FSI"), a leading manufacturer of private label frozen pizzas and pizza bites, sold primarily through the retail grocery channel.

Item 2. ***Management's Discussion and Analysis of Financial Condition and Results of Operations.***

The following discussion is designed to provide a better understanding of our unaudited consolidated financial statements, including a brief discussion of our business, key factors that impacted our performance and a summary of our operating results. The following discussion should be read in conjunction with the Unaudited Financial Statements and the notes thereto included in Item 1 of this Quarterly Report on Form 10-Q, and the Consolidated Financial Statements and notes thereto and Management's Discussion and Analysis of Financial Condition and Results of Operations contained in our Annual Report on Form 10-K for the year ended December 31, 2008. Historical results and percentage relationships among any amounts in the financial statements are not necessarily indicative of trends in operating results for any future periods.

"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995

This Quarterly Report contains forward-looking statements which are subject to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Statements that are not historical are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Some of the statements in this Quarterly Report constitute forward-looking statements because they relate to future events or our future performance or financial condition. Forward-looking statements may include, among other things, statements as to our future operating results, our business prospects and the prospects of our portfolio companies, the impact of the investments that we expect to make, the ability of our portfolio companies to achieve their objectives, our expected financings and investments, the adequacy of our cash resources and working capital, and the timing of cash flows, if any, from the operations of our portfolio companies. Words such as "expect," "anticipate," "target," "goals," "project," "intend," "plan," "believe," "seek," "estimate," "continue," "forecast," "may," "should," "potential," variations of such words, and similar expressions indicate a forward-looking statement, although not all forward-looking statements include these words. Readers are cautioned that the forward-looking statements contained in this Quarterly Report are only predictions, are not guarantees of future performance, and are subject to risks, events, uncertainties and assumptions that are difficult to predict. Our actual results could differ materially from those implied or expressed in the forward-looking statements for any reason, including the factors discussed in Item 1A entitled "Risk Factors" in Part I of our 2008 Annual Report on Form 10-K. Other factors that could cause actual results to differ materially include changes in the economy, risks associated with possible disruption due to terrorism in our operations or the economy generally, and future changes in laws or regulations and conditions in our operating areas. These statements are based on our current expectations, estimates, forecasts, information and projections about the industry in which we operate and the beliefs and assumptions of our management as of the date of this Quarterly Report. We assume no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless we are required to do so by law. Although we undertake no obligation to revise or update any forward-looking statements, whether as a result of new information, future events or otherwise, you are advised to consult any additional disclosures that we may make directly to you or through reports that we in the future may file with the SEC, including annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K.

Overview of Our Business

We are a Maryland corporation which has elected to be treated and operates as an internally managed business development company, or BDC, under the Investment Company Act of 1940, or 1940 Act. Our wholly owned subsidiary, Triangle Mezzanine Fund LLLP (the "Fund") is licensed as a small business investment company, or SBIC, by the United States Small Business Administration, or SBA, and has also elected to be treated as a BDC under the 1940 Act. We and the Fund invest primarily in debt instruments, equity investments, warrants and other securities of lower middle market privately held companies located in the United States.

Our business is to provide capital to lower middle market companies in the United States. We define lower middle market companies as those with annual revenues between $10.0 and $100.0 million. We focus on investments in companies with a history of generating revenues and positive cash flows, an established market position and a proven management team with a strong operating discipline. Our target portfolio company has annual revenues between $20.0 and $75.0 million and annual earnings before interest, taxes, depreciation and amortization, or EBITDA, between $2.0 and $20.0 million.

We invest primarily in senior and subordinated debt securities secured by first and second lien security interests in portfolio company assets, coupled with equity interests. Our investments generally range from $5.0 to $15.0 million per portfolio company. In certain situations, we have partnered with other funds to provide larger financing commitments.

We generate revenues in the form of interest income, primarily from our investments in debt securities, loan origination and other fees and dividend income. Fees generated in connection with our debt investments are recognized over the life of the loan using the effective interest method or, in some cases, recognized as earned. In addition, we generate revenue in the form of capital gains, if any, on warrants or other equity-related securities that we acquire from our portfolio companies. Our debt investments generally have a term of between three and seven years and typically bear interest at fixed rates between 11.0% and 16.0% per annum. Certain of our debt investments have a form of interest, referred to as paid-in-kind, or PIK, interest, that is not paid currently but that is accrued and added to the loan balance and paid at the end of the term. In our negotiations with potential portfolio companies, we generally seek to minimize PIK interest. Cash interest on our debt investments is generally payable monthly; however, some of our debt investments pay cash interest on a quarterly basis. As of June 30, 2009 and December 31, 2008, the weighted average yield on all of our outstanding debt investments (including PIK interest) was approximately 14.3% and 14.4%, respectively. The weighted average yield on all of our outstanding investments (including equity and equity-linked investments) was approximately 13.1% and 13.2% as of June 30, 2009 and December 31, 2008, respectively.

The Fund is eligible to sell debentures guaranteed by the SBA in the capital markets at favorable interest rates and invest these funds in portfolio companies. We intend to continue to operate the Fund as an SBIC, subject to SBA approval, and to utilize the proceeds of the sale of the Fund's SBA-guaranteed debentures, referred to herein as SBA leverage, to enhance returns to our stockholders.

Portfolio Composition

The total value of our investment portfolio was $176.5 million as of June 30, 2009, as compared to $182.1 million as of December 31, 2008. As of June 30, 2009, we had investments in 33 portfolio companies with an aggregate cost of $185.4 million. As of December 31, 2008, we had investments in 34 portfolio companies with an aggregate cost of $180.2 million. As of both June 30, 2009 and December 31, 2008, none of our portfolio investments represented greater than 10% of the total fair value of our investment portfolio.

As of June 30, 2009 and December 31, 2008, our investment portfolio consisted of the following investments:

	Cost	Percentage of Total Portfolio	Fair Value	Percentage of Total Portfolio
June 30, 2009:				
Subordinated debt and 2nd lien notes	$150,531,337	81%	$140,313,651	80%
Senior debt	17,708,373	10	17,170,826	10
Equity shares/membership interests	13,866,846	8	14,781,000	8
Equity warrants	2,415,370	1	3,411,600	2
Royalty rights	874,400	—	818,200	—
	$185,396,326	100%	$176,495,277	100%
December 31, 2008:				
Subordinated debt and 2nd lien notes	$147,493,871	82%	$143,015,291	79%
Senior debt	16,269,628	9	16,269,628	9
Equity shares/membership interests	13,684,269	8	17,301,372	9
Equity warrants	1,829,370	1	4,644,600	3
Royalty rights	874,400	—	874,400	—
	$180,151,538	100%	$182,105,291	100%

Investment Activity

During the six months ended June 30, 2009, we made one new investment totaling $5.2 million and five additional investments in existing portfolio companies totaling approximately $4.0 million. We sold investments in two portfolio companies for total proceeds of approximately $1.9 million and recognized a net gain on these sales of approximately $1.8 million. In addition, we received a full repayment from one portfolio company totaling approximately $2.0 million and received partial repayments of loans from two portfolio companies totaling approximately $2.0 million. In addition, we received normal principal repayments totaling approximately $0.9 million in the six months ended June 30, 2009.

During the six months ended June 30, 2008, we made eight new investments totaling $56.4 million, one additional debt investment in an existing portfolio company of $0.9 million and two additional equity investments in existing portfolio companies of approximately $0.1 million. We also sold one investment in a portfolio company for approximately $0.2 million, resulting in no realized gain or loss as the proceeds from the sale equaled the cost basis of the investment. We had one portfolio company loan repaid at par in the amount of $3.8 million. In addition, we received normal principal repayments and payment in kind (PIK) interest repayments totaling approximately $0.7 million in the six months ended June 30, 2008.

Total portfolio investment activity for the six months ended June 30, 2009 and 2008 was as follows:

	Six Months Ended June 30, 2009	Six Months Ended June 30, 2008
Fair value of portfolio, beginning of period	$ 182,105,291	$ 113,036,240
New investments	9,193,735	57,312,359
Loan origination fees received	(175,000)	(1,091,996)
Proceeds from sale of investment	(1,888,384)	(175,000)
Principal repayments received	(4,903,577)	(4,445,159)
Paid-in-kind interest earned	2,152,633	1,442,626
Paid-in-kind interest received	(497,427)	(53,464)
Accretion of loan discounts	203,742	49,631
Accretion of deferred loan origination revenue	310,902	180,152
Realized gains on investments	848,164	—
Unrealized losses on investments	(10,854,802)	(271,827)
Fair value of portfolio, end of period	$ 176,495,277	$ 165,983,562
Weighted average yield on debt investments at end of period	14.3%	14.0%
Weighted average yield on total investments at end of period	13.1%	13.0%

Non-Accrual Assets

As of June 30, 2009, the fair value of our non-accrual assets comprised 1.5% of the total fair value of our portfolio, and the cost of our non-accrual assets comprised 3.2% of the total cost of our portfolio. Our non-accrual assets as of June 30, 2009 are the following:

Gerli and Company

In the third quarter of 2008, we recognized an unrealized loss of $0.3 million on our subordinated note investment in Gerli and Company ("Gerli"), which has a cost as of June 30, 2009 of approximately $3.2 million. This unrealized loss reduced the fair value of our investment in Gerli to $2.8 million as of September 30, 2008. During the third quarter of 2008, we continued to receive interest payments in accordance with our loan agreement. In November 2008, we placed our investment in Gerli on non-accrual status. As a result, under generally accepted accounting principles ("GAAP"), we no longer recognize interest income on our investment in Gerli. Additionally, in the fourth quarter of 2008, we recognized an additional unrealized loss on our investment in Gerli of $0.9 million and in the six months ended June 30, 2009, we recognized an additional unrealized loss on our investment in Gerli of $0.1 million. As of June 30, 2009, the fair value of our investment in Gerli is $1.8 million.

Fire Sprinkler Systems, Inc.

In 2008, we recognized an unrealized loss of $1.4 million on our subordinated note investment in Fire Sprinkler Systems, Inc. ("Fire Sprinkler Systems"), which has a cost as of June 30, 2009 of approximately $2.4 million. This unrealized loss reduced the fair value of our investment in Fire Sprinkler Systems to $1.0 million as of December 31, 2008. Through the first nine months of 2008, we continued to receive interest and principal payments in accordance with our loan agreement. In October 2008, we placed our investment in Fire Sprinkler Systems on non-accrual status. As a result, under generally accepted accounting principles ("GAAP"), we no longer recognize interest income on our investment in Fire Sprinkler Systems. In the first six months of 2009, we recognized an additional unrealized loss on our investment in Fire Sprinkler Systems of $0.2 million. As of June 30, 2009, the fair value of our investment in Fire Sprinkler Systems is $0.8 million.

Results of Operations

Comparison of three months ended June 30, 2009 and June 30, 2008

Investment Income

For the three months ended June 30, 2009, total investment income was $6.6 million, a 31% increase from $5.0 million of total investment income for the three months ended June 30, 2008. This increase was primarily attributable to a $1.5 million increase in total loan interest, fee and dividend income due to net increase in our portfolio investments from June 30, 2008 to June 30, 2009. We did not recognize any non-recurring fee income for the three months ended June 30, 2009 as compared to $0.2 million for the three months ended June 30, 2008.

Expenses

For the three months ended June 30, 2009, expenses increased by 34% to $3.3 million from $2.5 million for the three months ended June 30, 2008. The increase in expenses was attributable to a $0.8 million increase in interest expense due to higher average balances of SBA-guaranteed debentures outstanding during the three months ended June 30, 2009 than in the comparable period in 2008.

Net Investment Income

As a result of the $1.6 million increase in total investment income and the $0.8 million increase in expenses, net investment income for the three months ended June 30, 2009 was $3.2 million compared to net investment income of $2.5 million during the three months ended June 30, 2008.

Net Decrease in Net Assets Resulting From Operations

During the three months ended June 30, 2009, we recorded net realized gains on investments totaling $0.8 million, consisting primarily of i) a realized gain on the sale of one investment of $1.8 million and ii) a loss on the recapitalization of another investment of $0.9 million. We recognized no realized gains or losses on investments in the three months ended June 30, 2008.

During the three months ended June 30, 2009, we recorded net unrealized depreciation of investments in the amount of $6.9 million, comprised of net unrealized depreciation reclassification adjustments totaling $0.6 million related primarily to the sale of one investment and the recapitalization of another investment noted above, as well as unrealized depreciation on sixteen other investments totaling $6.8 million offset by unrealized appreciation on eight investments totaling $0.5 million. In the three months ended June 30, 2008, we recorded net unrealized appreciation of investments in the amount of $0.4 million, comprised of unrealized appreciation on nine investments totaling $1.9 million and unrealized depreciation on eight investments totaling $1.5 million.

As a result of these events, our net decrease in net assets resulting from operations during the three months ended June 30, 2009 was $2.9 million as compared to a net increase in net assets resulting from operations of $2.8 million for the three months ended June 30, 2008.

Comparison of six months ended June 30, 2009 and June 30, 2008

Investment Income

For the six months ended June 30, 2009, total investment income was $13.1 million, a 47% increase from $8.9 million of total investment income for the six months ended June 30, 2008. This increase was attributable to a $4.2 million increase in total loan interest, fee and dividend income due to net increase in our portfolio investments from June 30, 2008 to June 30, 2009. Non-recurring fee income was $0.3 million for both the six months ended June 30, 2009 and 2008.

Expenses

For the six months ended June 30, 2009, expenses increased by 53% to $6.8 million from $4.4 million for the six months ended June 30, 2008. The increase in expenses was primarily attributable to a $1.9 million increase in interest expense and a $0.4 million increase in general and administrative expenses. The increase in interest expense is related to higher average balances of SBA-guaranteed debentures outstanding during the six months ended June 30, 2009 than in the comparable period in 2008. In addition, we experienced an increase in general and administrative costs in 2009, primarily related to compensation costs (including stock-based compensation) and facility costs. As of June 30, 2009, we had 14 full-time employees, as compared to 13 full-time employees as of June 30, 2008.

Net Investment Income

As a result of the $4.2 million increase in total investment income and the $2.4 million increase in expenses, net investment income for the six months ended June 30, 2009 was $6.3 million compared to net investment income of $4.5 million during the six months ended June 30, 2008.

Net Decrease in Net Assets Resulting From Operations

In the six months ended June 30, 2009, we recorded net realized gains of $0.8 million, consisting primarily of i) a realized gain on the sale of one investment of $1.8 million and ii) a loss on the recapitalization of another investment of $0.9 million. We recognized no realized gains or losses on investments in the six months ended June 30, 2008.

In the six months ended June 30, 2009, we recorded net unrealized depreciation of investments in the amount of $10.5 million, comprised of net unrealized depreciation reclassification adjustments totaling $0.6 million related to the sale of one investment and the recapitalization of another investment noted above, as well as unrealized depreciation on sixteen investments totaling $12.6 million and unrealized appreciation on eleven investments totaling $2.7 million. In the six months ended June 30, 2008, we recorded net unrealized depreciation of investments in the amount of $0.6 million, comprised of unrealized appreciation on ten investments totaling $2.6 million and unrealized depreciation on ten investments totaling $3.2 million.

As a result of these events, our net decrease in net assets resulting from operations during the six months ended June 30, 2009 was $3.4 million as compared to a net increase in net assets resulting from operations of $3.6 million for the six months ended June 30, 2008.

Liquidity and Capital Resources

We believe that our current cash and cash equivalents on hand, our available SBA leverage and our anticipated cash flows from operations will be adequate to meet our cash needs for our daily operations for at least the next twelve months.

On April 27, 2009, we sold 1,200,000 shares of common stock, resulting in net proceeds to us, after underwriting discounts and offering expenses, of approximately $11,700,000. On May 27, 2009, pursuant to the exercise of an overallotment option granted in connection with the offering, the underwriters in this offering purchased an additional 80,000 shares of our common stock at the public offering price, less underwriting discounts and commissions, resulting in net proceeds to us of approximately $800,000.

In the future, depending on the valuation of the Fund’s assets pursuant to SBA guidelines, the Fund may be limited by provisions of the Small Business Investment Act of 1958, and SBA regulations governing SBICs, in making certain distributions to Triangle Capital Corporation that may be necessary to enable Triangle Capital Corporation to make the minimum required distributions to its stockholders and continue to qualify as a RIC.

Cash Flows

For the six months ended June 30, 2009, we experienced a net increase in cash and cash equivalents in the amount of $8.7 million. During that period, our operating activities provided $2.2 million in cash, consisting primarily of i) net investment income and ii) sales/repayments of portfolio investments of $6.8 million, offset by purchases of investments totaling $9.2 million. In the six months ended June 30, 2009, financing activities provided $6.5 million of cash, consisting of proceeds from our public stock offering of $12.5 million, net of cash dividends and distributions to stockholders totaling $5.9 million. At June 30, 2009, we had $35.9 million of cash and cash equivalents on hand.

For the six months ended June 30, 2008, we experienced a net decrease in cash and cash equivalents in the amount of $3.1 million. During that period, our operating activities used $49.2 million in cash, consisting primarily of new portfolio investments of $57.3 million, and we generated $46.1 million of cash from financing activities, consisting of proceeds from borrowings under SBA guaranteed debentures payable of $52.1 million, partially offset by financing fees paid to the SBA of $1.8 million and cash dividends paid of $4.2 million. At June 30, 2008, we had $18.7 million of cash and cash equivalents on hand.

Financing Transactions

Due to the Fund’s status as a licensed SBIC, the Fund has the ability to issue debentures guaranteed by the SBA at favorable interest rates. Under the Small Business Investment Act and the SBA rules applicable to SBICs, an SBIC (or group of SBICs under common control) can have outstanding at any time debentures guaranteed by the SBA in an amount up to three times the amount of its regulatory capital, which generally is the amount raised from private investors. The maximum statutory limit on the dollar amount of outstanding debentures guaranteed by the SBA issued by a single SBIC is currently $150.0 million. Debentures guaranteed by the SBA have a maturity of ten years, with interest payable semi-annually. The principal amount of the debentures is not required to be paid before maturity but may be pre-paid at any time. Debentures issued prior to September 2006 were subject to pre-payment penalties during their first five years. Those pre-payment penalties no longer apply to debentures issued after September 1, 2006.

In June 2009, the Fund received a new leverage commitment from the SBA which increased the Fund's ability to issue SBA guaranteed debentures up to the maximum statutory limit of $150.0 million. As of June 30, 2009, the Fund has $115.1 million of SBA guaranteed debentures outstanding. In addition to the one—time 1.0% fee on the total commitment from the SBA, the Company also pays a one—time 2.425% fee on the amount of each debenture issued. These fees are capitalized as deferred financing costs and are amortized over the term of the debt agreements using the effective interest method. The weighted average interest rate for all SBA guaranteed debentures as of June 30, 2009 was 6.03%.

Current Market Conditions

During 2008 and 2009, the debt and equity capital markets in the United States have been severely impacted by significant write-offs in the financial services sector relating to subprime mortgages and the re-pricing of credit risk in the broadly syndicated bank loan market, among other things. These events, along with the deterioration of the housing market, decline in consumer confidence, and increase in unemployment in the first half of 2009, have led to an economic recession in the U.S. and abroad, which could be long-term. Banks, investment companies and others in the financial services industry have continued to report significant write-downs in the fair value of their assets, which has led to the failure of a number of banks and investment companies, a number of distressed mergers and acquisitions, the government take-over of the nation's two largest government-sponsored mortgage companies, and the passage of the $700 billion Emergency Economic Stabilization of 2008 in October 2008 and the American Recovery and Reinvestment Act of 2009 in February 2009. These events have significantly impacted the financial and credit markets and have reduced the availability of debt and equity capital for the market as a whole, and for financial firms in particular. While we have capacity to issue additional SBA guaranteed debentures as discussed above, we may not be able to access additional equity capital, which could result in the slowing of our origination activity during 2010 and beyond.

In the event that the United States economy remains in a recession, it is possible that the results of some of the middle market companies in which we invest could experience further deterioration, which could ultimately lead to difficulty in meeting debt service requirements and an increase in defaults. There can be no assurance that the performance of certain of our portfolio companies will not be negatively impacted by challenging economic conditions which could have a negative impact on our future results.

Recent Developments

On July 30, 2009, we invested $7.5 million in subordinated debt of Frozen Specialties, Inc. ("FSI"), a leading manufacturer of private label frozen pizzas and pizza bites, sold primarily through the retail grocery channel.

Critical Accounting Policies and Use of Estimates

The preparation of our financial statements in accordance with accounting principles generally accepted in the United States requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses for the periods covered by such financial statements. We have identified investment valuation and revenue recognition as our most critical accounting estimates. On an on-going basis, we evaluate our estimates, including those related to the matters described below. These estimates are based on the information that is currently available to us and on various other assumptions that we believe to be reasonable under the circumstances. Actual results could differ materially from those estimates under different assumptions or conditions. A discussion of our critical accounting policies follows.

Investment Valuation

The most significant estimate inherent in the preparation of our financial statements is the valuation of investments and the related amounts of unrealized appreciation and depreciation of investments recorded. We have established and documented processes and methodologies for determining the fair values of portfolio company investments on a recurring (quarterly) basis. As discussed below, we have engaged an independent valuation firm to assist us in our valuation process.

On January 1, 2008, we adopted Statement of Financial Accounting Standards No. 157, *Fair Value Measurements*, which defines fair value, establishes a framework for measuring fair value in accordance with generally accepted accounting principles and expands disclosures about fair value measurements.

SFAS 157 clarifies that the exchange price is the price in an orderly transaction between market participants to sell an asset or transfer a liability in the market in which the reporting entity would transact for the asset or liability, that is, the principal or most advantageous market for the asset or liability. The transaction to sell the asset or transfer the liability is a hypothetical transaction at the measurement date, considered from the perspective of a market participant that holds the asset or owes the liability. SFAS 157 provides a consistent definition of fair value which focuses on exit price and prioritizes, within a measurement of fair value, the use of market-based inputs over entity-specific inputs. In addition, SFAS 157 provides a framework for measuring fair value and establishes a three-level hierarchy for fair value measurements based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. The three levels of valuation hierarchy established by SFAS 157 are defined as follows:

Level 1 — inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 — inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level 3 — inputs to the valuation methodology are unobservable and significant to the fair value measurement.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. Our investment portfolio is comprised of debt and equity of privately held companies for which quoted prices falling within the categories of Level 1 and Level 2 inputs are not available. Therefore, we value all of our investments at fair value, as determined in good faith by our Board of Directors, using Level 3 inputs, as further described below. Due to the inherent uncertainty in the valuation process, our Board of Directors' estimate of fair value may differ significantly from the values that would have been used had a ready market for the securities existed, and the differences could be material. In addition, changes in the market environment and other events that may occur over the life of the investments may cause the gains or losses ultimately realized on these investments to be different than the valuations currently assigned.

Debt and equity securities that are not publicly traded and for which a limited market does not exist are valued at fair value as determined in good faith by our Board of Directors. There is no single standard for determining fair value in good faith, as fair value depends upon circumstances of each individual case. In general, fair value is the amount that we might reasonably expect to receive upon the current sale of the security.

We evaluate the investments in portfolio companies using the most recently available portfolio company financial statements and forecasts. We also consult with the portfolio company's senior management to obtain further updates on the portfolio company's performance, including information such as industry trends, new product development and other operational issues. Additionally, we consider some or all of the following factors:

- financial standing of the issuer of the security;
- comparison of the business and financial plan of the issuer with actual results;
- the size of the security held as it relates to the liquidity of the market for such security;
- pending public offering of common stock by the issuer of the security;
- pending reorganization activity affecting the issuer, such as merger or debt restructuring;
- ability of the issuer to obtain needed financing;
- changes in the economy affecting the issuer;
- financial statements and reports from portfolio company senior management and ownership;
- the type of security, the security's cost at the date of purchase and any contractual restrictions on the disposition of the security;
- discount from market value of unrestricted securities of the same class at the time of purchase;
- special reports prepared by analysts;
- information as to any transactions or offers with respect to the security and/or sales to third parties of similar securities;
- the issuer's ability to make payments and the type of collateral;
- the current and forecasted earnings of the issuer;
- statistical ratios compared to lending standards and to other similar securities; and
- other pertinent factors.

In making the good faith determination of the value of debt securities, we start with the cost basis of the security, which includes the amortized original issue discount, and paid—in—kind (PIK) interest, if any. We also use a risk rating system to estimate the probability of default on the debt securities and the probability of loss if there is a default. The risk rating system covers both qualitative and quantitative aspects of the business and the securities held. In valuing debt securities, we utilize an "income approach" model that considers factors including, but not limited to, (i) the portfolio investment's current risk rating (discussed below), (ii) the portfolio company's current trailing twelve months' ("TTM") results of operations as compared to the portfolio company's TTM results of operations as of the date the investment was made and the portfolio company's outlook for the next twelve months of operations, (iii) the portfolio company's current leverage as compared to its leverage as of the date the investment was made, and (iv) current pricing and credit metrics for similar proposed and executed investment transactions. In valuing equity securities of private companies, we consider valuation methodologies consistent with industry practice, including (i) valuation using a valuation model based on original transaction multiples and the portfolio company's recent financial performance, (ii) valuation of the securities based on recent sales in comparable transactions, and (iii) a review of similar companies that are publicly traded and the market multiple of their equity securities.

Unrealized appreciation or depreciation on portfolio investments are recorded as increases or decreases in investments on the balance sheets and are separately reflected on the statements of operations in determining net increase or decrease in net assets resulting from operations.

Duff & Phelps, LLC ("Duff & Phelps"), an independent valuation firm, provides third party valuation consulting services to us, which consist of certain limited procedures that we identified and requested Duff & Phelps to perform (hereinafter referred to as the "procedures"). We generally request Duff & Phelps to perform the procedures on each portfolio company at least once in every calendar year and for new portfolio companies, at least once in the twelve-month period subsequent to the initial investment. In certain instances, we may determine that it is not cost-effective, and as a result is not in our stockholders' best interest, to request Duff & Phelps to perform the procedures on one or more portfolio companies. Such instances include, but are not limited to, situations where the fair value of our investment in the portfolio company is determined to be insignificant relative to our total investment portfolio.

For the quarter ended March 31, 2009, we asked Duff & Phelps to perform the procedures on investments in seven portfolio companies comprising approximately 26% of the total investments at fair value (exclusive of the fair value of new investments made during the quarter) as of March 31, 2009. For the quarter ended June 30, 2009, we asked Duff & Phelps to perform the procedures on investments in six portfolio companies comprising approximately 20% of the total investments at fair value (exclusive of the fair value of new investments made during the quarter) as of June 30, 2009. Upon completion of the procedures, Duff & Phelps concluded that the fair value, as determined by the Board of Directors, of those investments subjected to the procedures did not appear to be unreasonable. Our Board of Directors is ultimately and solely responsible for determining the fair value of our investments in good faith.

Revenue Recognition

Interest and Dividend Income

Interest income, adjusted for amortization of premium and accretion of original issue discount, is recorded on the accrual basis to the extent that such amounts are expected to be collected. Generally, when interest and/or principal payments on a loan become past due, or if we otherwise do not expect the borrower to be able to service its debt and other obligations, we will place the loan on non-accrual status and will generally cease recognizing interest income on that loan until all principal and interest have been brought current through payment or due to a restructuring such that the interest income is deemed to be collectible. We write off any previously accrued and uncollected interest when it is determined that interest is no longer considered collectible. Dividend income is recorded on the ex-dividend date.

Fee Income

Loan origination, facility, commitment, consent and other advance fees received by us on loan agreements or other investments are recorded as deferred income and recognized as income over the term of the loan.

Paid-in-Kind Interest (PIK)

We currently hold, and we expect to hold in the future, some loans in our portfolio that contain a PIK interest provision. The PIK interest, computed at the contractual rate specified in each loan agreement, is added to the principal balance of the loan, rather than being paid to us in cash, and recorded as interest income. To maintain our status as a RIC, this non-cash source of income must be paid out to stockholders in the form of dividends, even though we have not yet collected the cash. Generally, when current cash interest and/or principal payments on a loan become past due, or if we otherwise do not expect the borrower to be able to service its debt and other obligations, we will place the loan on non-accrual status and will generally cease recognizing PIK interest income on that loan until all principal and interest has been brought current through payment or due to a restructuring such that the interest income is deemed to be collectible. We write off any accrued and uncollected PIK interest when it is determined that the PIK interest is no longer collectible.

New Accounting Pronouncements

In May 2009, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 165, *Subsequent Events* ("SFAS 165"), which provides authoritative accounting literature for a topic that was previously addressed only in auditing literature. The three modifications to the subsequent events guidance contained in AU Section 560 that are required by SFAS 165 are 1) to name the two types of subsequent events either as recognized subsequent events or non-recognized subsequent events; 2) to modify the definition of subsequent events to refer to events or transactions that occur after the balance sheet date, but before the financial statements are issued; and 3) to require entities to disclose the date through which an entity has evaluated subsequent events and the basis for that date. We adopted SFAS 165 on June 15, 2009.

Off-Balance Sheet Arrangements

We currently have no off-balance sheet arrangements.

Item 3. ***Quantitative and Qualitative Disclosures About Market Risk.***

Interest rate risk is defined as the sensitivity of our current and future earnings to interest rate volatility, variability of spread relationships, the difference in re-pricing intervals between our assets and liabilities and the effect that interest rates may have on our cash flows. Changes in the general level of interest rates can affect our net interest income, which is the difference between the interest income earned on interest earning assets and our interest expense incurred in connection with our interest bearing debt and liabilities. Changes in interest rates can also affect, among other things, our ability to acquire and originate loans and securities and the value of our investment portfolio.

Our investment income is affected by fluctuations in various interest rates, including LIBOR and prime rates. We regularly measure exposure to interest rate risk and determine whether or not any hedging transactions are necessary to mitigate exposure to changes in interest rates. As of June 30, 2009, we were not a party to any hedging arrangements.

As of June 30, 2009, approximately 87.7%, or $138.2 million of our debt portfolio investments bore interest at fixed rates and approximately 12.3%, or $19.3 million of our debt portfolio investments bore interest at variable rates. A 200 basis point decrease in the interest rates on our variable-rate debt investments would decrease our investment income by approximately $0.4 million on an annual basis. All of our pooled SBA-guaranteed debentures bear interest at fixed rates.

Because we currently borrow, and plan to borrow in the future, money to make investments, our net investment income is dependent upon the difference between the rate at which we borrow funds and the rate at which we invest the funds borrowed. Accordingly, there can be no assurance that a significant change in market interest rates will not have a material adverse effect on our net investment income. In periods of rising interest rates, our cost of funds would increase, which could reduce our net investment income if there is not a corresponding increase in interest income generated by floating rate assets in our investment portfolio.

Item 4T. ***Controls and Procedures.***

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in the reports that we file or submit under the Securities Exchange Act of 1934 is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. Our Chief Executive Officer and Chief Financial Officer carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the period covered by this report. Based on the evaluation of these disclosure controls and procedures, the Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective. It should be noted that any system of controls, however well designed and operated, can provide only reasonable, and not absolute, assurance that the objectives of the system are met. In addition, the design of any control system is based in part upon certain assumptions about the likelihood of future events. Because of these and other inherent limitations of control systems, there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions, regardless of how remote.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting during the second quarter of 2009 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II — OTHER INFORMATION

Item 1. ***Legal Proceedings.***

Neither Triangle Capital Corporation nor any of its subsidiaries is a party to any material pending legal proceedings.

Item 1A. ***Risk Factors.***

Recent developments may increase the risks associated with our business and an investment in us.

The U.S. economy and financial markets have been experiencing a high level of volatility, disruption and stress, which was exacerbated by the failure of several major financial institutions in the last few months of 2008. In addition, the U.S. economy has entered a recession, which is likely to be severe and prolonged. Similar conditions have occurred in the financial markets and economies of numerous other countries and could worsen, both in the U.S. and globally. These conditions have raised the level of many of the risks described in the accompanying prospectus and could have an adverse effect on our portfolio companies and on their results of operations, financial conditions, access to credit and capital. The stress in the credit market and upon banks has led other creditors to tighten credit and the terms of credit. In certain cases, senior lenders to our customers can block payments by our customers in respect of our loans to such customers. In turn, these could have adverse effects on our business, financial condition, results of operations, dividend payments, access to capital, valuation of our assets and our stock price.

We are dependent upon our key investment personnel for our future success.

We depend on the members of our senior management team, particularly executive officers Garland S. Tucker, III, Brent P.W. Burgess and Steven C. Lilly, for the identification, final selection, structuring, closing and monitoring of our investments. These executive officers have critical industry experience and relationships that we rely on to implement our business plan. If we lose the services of these individuals, we may not be able to operate our business as we expect, and our ability to compete could be harmed, which could cause our operating results to suffer. Effective February 21, 2009, Messrs. Tucker, Burgess and Lilly are no longer employed by us pursuant to an employment agreement. Rather, each is currently employed by us on an at-will basis.

Item 2. ***Unregistered Sales of Equity Securities and Use of Proceeds.***

Issuer Purchases of Equity Securities

During the three months ended June 30, 2009, in connection with our Dividend Reinvestment Plan for our common stockholders, we directed the plan administrator to purchase 78,936 shares of our common stock for $858,528.60 in the open market in order to satisfy our obligations to deliver shares of common stock to our stockholders with respect to our dividend declared on March 11, 2009. In addition, during the three months ended June 30, 2009, there were elections by employees to surrender shares of stock upon vesting of shares of restricted stock to cover tax withholding obligations. The following chart summarizes repurchases of our common stock for the three months ended June 30, 2009.

Period	Total Number of Shares	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number (or Approximate Dollar Value) of Shares that May Yet Be Purchased Under the Plans or Programs
April 1-30, 2009	78,936(1)	$ 10.8761	—	—
May 1-31, 2009	6,533(2)	$ 10.2400	—	—
June 1-30, 2009	—	—	—	—
Total	85,469	$ 10.8275	—	—

(1) These shares were purchased in the open market pursuant to the terms of our Dividend Reinvestment Plan.

(2) Represents shares of our common stock delivered to us in satisfaction of certain tax withholding obligations of holders of restricted shares that vested during this period.

Item 3. ***Defaults Upon Senior Securities.***

Not applicable.

Item 4. *Submission of Matters to a Vote of Security Holders.*

At the Company's 2009 Annual Meeting of Stockholders held on May 6, 2009, our stockholders voted on the following three matters:

1. The re-election of seven directors to hold office until the Company's 2010 Annual Meeting of Stockholders. The votes cast with respect to each director were as follows:

Director	Shares Voted For	Authority Withheld
Garland S. Tucker, III	6,070,307.71	275,560.76
Brent P.W. Burgess	6,070,007.71	275,860.76
Steven C. Lilly	6,101,766.71	244,101,76
W. McComb Dunwoody	6,102,683.71	243,184.76
Benjamin S. Goldstein	6,102,385.71	243,482,76
Simon B. Rich, Jr.	6,103,040.71	242,827.76
Sherwood H. Smith, Jr.	6,099,840.71	246,027.76

2. A proposal to authorize the Company, pursuant to approval of its Board of Directors, to sell shares of its common stock for a period of one year at a price below the Company's then current net asset value per share, was approved by a vote of 4,001,950.02 shares for, 577,471.45 shares against, 59,617.00 shares abstained and 1,589,731.00 broker non-votes. This proposal was also approved by our non-affiliated stockholders by a vote of 3,185,295.48 shares for, 577,471.45 shares against, 59,617.00 shares abstained and 1,589,731.00 broker non-votes.

3. A proposal for the ratification of the selection of Ernst & Young LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2009 was approved by a vote of 6,262,600.00 shares for, 32,446.00 shares against and 50,820.00 shares abstained.

Item 5. *Other Information.*

Not applicable.

Item 6. ***Exhibits.***

Number	Exhibit
3.1	Articles of Amendment and Restatement of the Registrant (Filed as Exhibit (a)(3) to the Registrant's Registration Statement on Form N-2/N-5 (File No. 333-138418) filed with the Securities and Exchange Commission on December 29, 2006 and incorporated herein by reference).
3.2	Certificate of Limited Partnership of Triangle Mezzanine Fund LLLP (Filed as Exhibit (a)(4) to the Registrant's Registration Statement on Form N-2/N-5 (File No. 333-138418) filed with the Securities and Exchange Commission on February 13, 2007 and incorporated herein by reference).
3.3	Second Amended and Restated Agreement of Limited Partnership of Triangle Mezzanine Fund LLLP (Filed as Exhibit 3.4 to the Registrant's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on November 7, 2007 and incorporated herein by reference).
3.4	Second Amended and Restated Bylaws of the Registrant (Filed as Exhibit 3.4 to the Registrant's Annual Report of Form 10-K filed with the Securities and Exchange Commission on February 25, 2009 and incorporated herein by reference).
4.1	Form of Common Stock Certificate (Filed as Exhibit (d) to the Registrant's Amendment No. 1 to the Registration Statement on Form 8-A (File No. 001-33130) filed with the Securities and Exchange Commission on February 14, 2007 and incorporated herein by reference).
4.2	Triangle Capital Corporation Dividend Reinvestment Plan (Filed as Exhibit 4.2 to the Registrant's Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 12, 2008 and incorporated herein by reference).
4.3	Agreement to Furnish Certain Instruments (Filed as Exhibit 4.19 to the Registrant's Annual Report on Form 10-K filed with the Securities and Exchange Commission on February 25, 2009 and incorporated herein by reference).
31.1	Chief Executive Officer Certification Pursuant to Rule 13a-14 of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Chief Financial Officer Certification Pursuant to Rule 13a-14 of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Chief Executive Officer Certification pursuant to Section 1350, Chapter 63 of Title 18, United States Code, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Chief Financial Officer Certification pursuant to Section 1350, Chapter 63 of Title 18, United States Code, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

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, thereunto duly authorized.

TRIANGLE CAPITAL CORPORATION

Date: August 5, 2009	/s/ Garland S. Tucker, III Garland S. Tucker, III President, Chief Executive Officer and Chairman of the Board of Directors
Date: August 5, 2009	/s/ Steven C. Lilly Steven C. Lilly Chief Financial Officer and Director
Date: August 5, 2009	/s/ C. Robert Knox, Jr. C. Robert Knox, Jr. Principal Accounting Officer

EXHIBIT INDEX

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32.2	Chief Financial Officer Certification pursuant to Section 1350, Chapter 63 of Title 18, United States Code, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

EXHIBIT 31.1

**Certification of Chief Executive Officer of Triangle Capital Corporation
pursuant to Rule 13a-14(a) under the Exchange Act,
as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Garland S. Tucker III, as Chief Executive Officer, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Triangle Capital Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ GARLAND S. TUCKER III

Garland S. Tucker III
Chief Executive Officer

August 5, 2009

EXHIBIT 31.2

Certification of Chief Financial Officer of Triangle Capital Corporation
pursuant to Rule 13a-14(a) under the Exchange Act,
as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Steven C. Lilly, as Chief Financial Officer, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Triangle Capital Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ STEVEN C. LILLY
Steven C. Lilly
Chief Financial Officer

August 5, 2009

EXHIBIT 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Triangle Capital Corporation (the “Company”) on Form 10-Q for the period ended June 30, 2009 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Garland S. Tucker III, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ GARLAND S. TUCKER III

Garland S. Tucker III
Chief Executive Officer

August 5, 2009

EXHIBIT 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Triangle Capital Corporation (the "Company") on Form 10-Q for the period ended June 30, 2009 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Steven C. Lilly, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ STEVEN C. LILLY

Steven C. Lilly
Chief Financial Officer

August 5, 2009