



December 2008

GSC Capital Corp. (the "Company") is reporting today certain developments with respect to the rights of shareholders and the holders of its \$97.9 million aggregate face value 7.25% Convertible Senior Notes due 2010 (the "Notes"). Throughout 2007 and 2008, the Company's financial position has continued to deteriorate due to well-publicized developments in the sub-prime mortgage and credit markets.

As reported in January 2008, due to the surge in mortgage delinquencies and foreclosures, and resulting downgrades and discounting of securities backed by mortgages, the Company did not consummate a Qualifying IPO (as defined in the Indenture governing the Notes). Because of the Company's operating results and financial position, the Company has not been and will not be in a position to satisfy its obligations to the Note holders under the Indenture.

Although the Company is in default under the terms of the Indenture, throughout 2008, the Note holders have been operating under an informal forbearance arrangement as the Company considers its options with respect to management (and ongoing disposition) of its remaining assets. At a meeting earlier this year, the Board of Directors, in consultation with its legal and financial adviser(s), determined that the Company's equity is valueless, and the Company cannot continue as a going concern. Since that time, the Company has been carefully analyzing all available options including a potential Chapter 11 proceeding or Chapter 7 liquidation under the Bankruptcy Code.

At the current time, the financial recovery to the Company's Note holders and other creditors in any bankruptcy or alternative liquidation proceeding is uncertain. Because shareholders' claims and interests are subordinate to the claims of these creditors and these creditors will receive substantially less than payment in full, we expect that shareholders will not be entitled to, and will not receive, any recovery in a bankruptcy or alternative liquidation proceeding. Notwithstanding the foregoing, the recovery to shareholders will not be formally and finally determined unless and until an agreement is reached with the Note holders and the Company's bankruptcy proceeding or alternative liquidation has been concluded. We expect that this matter will be resolved during the first or second quarter of 2009. We will notify Note holders and Shareholders at that time.

In light of the Company's limited scope of operations, the name of the Company has been changed to 2008 Asset Holding Corp. Any correspondence regarding your investment prospectively will be sent in that name. In the meantime, if you have any questions regarding this notice, please contact Carl Crosetto at 973.437.1007.

**Important Notice: This information is a general description of the current state of the Company and value of your investment. It does not address any specific tax consequences that may be relevant to you based on your particular circumstances. We urge you to consult your personal tax advisor before you make any decisions about the tax treatment of your investment.**