



Value Creation Through Constructive Activism

Q3 2017 Financial Results Call

November 2, 2017

Safe Harbor Statement



This presentation may contain statements of a forward-looking nature relating to future events. Statements contained in this presentation that are forward-looking statements are intended to be made pursuant to the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to the inherent uncertainties in predicting future results and conditions. These statements reflect the Company's current beliefs, and a number of important factors could cause actual results to differ materially from those expressed herein.

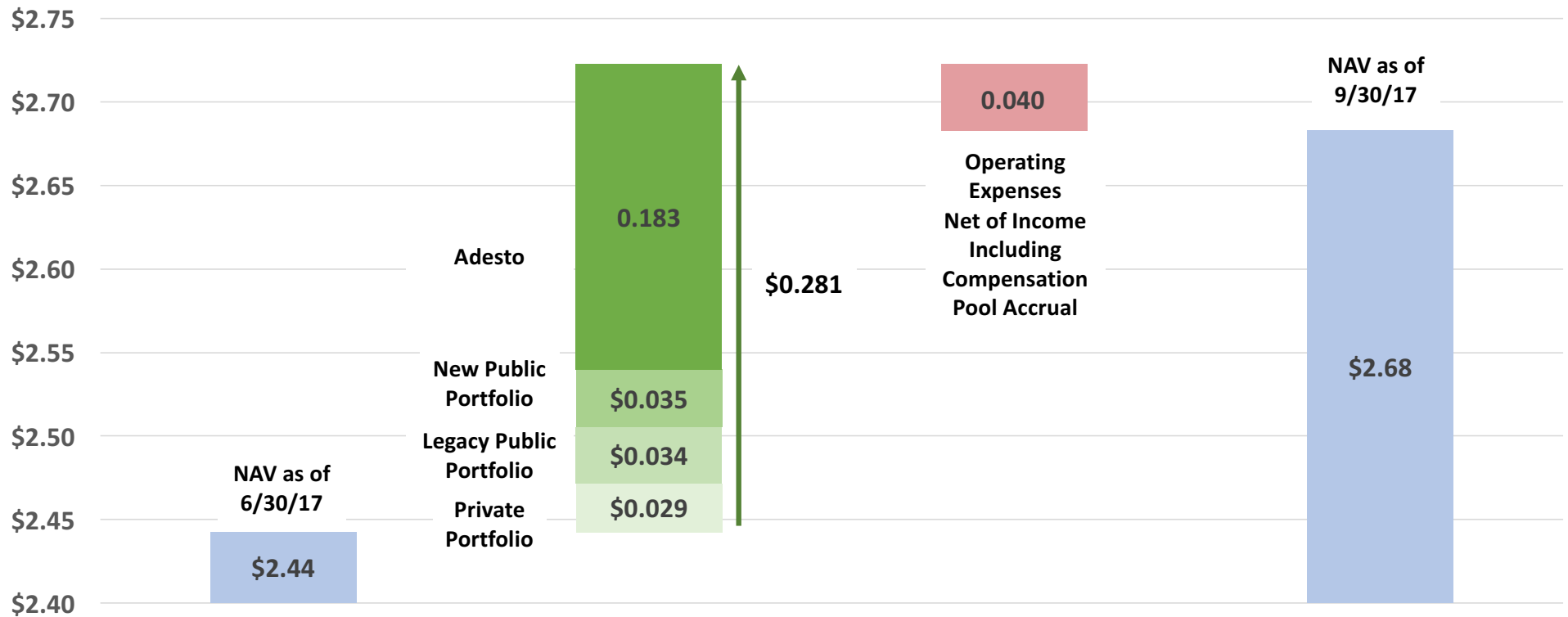
Please see the Company's filings with the Securities and Exchange Commission for a more detailed discussion of the risks and uncertainties associated with the Company's business, including but not limited to the risks and uncertainties associated with investing in privately held and publicly traded companies and other significant factors that could affect the Company's actual results. Except as otherwise required by Federal securities laws, 180 Degree Capital Corp. undertakes no obligation to update or revise these forward-looking statements to reflect new events or uncertainties.

Summary of Q3 2017



- Increases in stock price, NAV/share and cash + liquid securities:
 - Stock Price: \$1.62 -> \$1.74 (+7.4%)
 - NAV/Share: \$2.44 -> \$2.68 (+9.8%)
 - **First time in over 7 years that our NAV/share increased in three consecutive quarters**
 - Cash + Liquid Securities: \$22.6mm -> \$30.0mm (+32.7%)
- Overall positive performance of investment portfolio
 - Publicly traded position net change in value: \$7.8 million
 - Privately held position net change in value: \$1.0 million
- Establishing resources for future growth of the firm
 - Hired head of fund development
 - Initiated process to establish wholly owned broker dealer subsidiary.

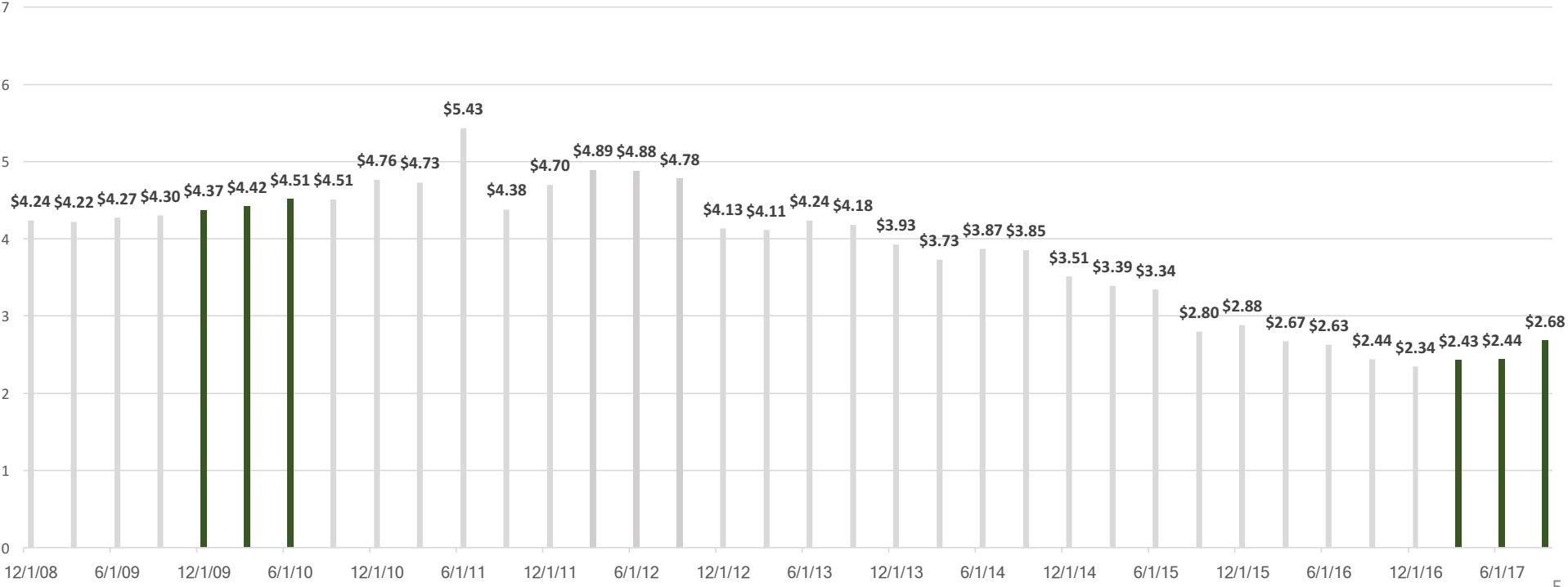
Source of Changes in Net Assets



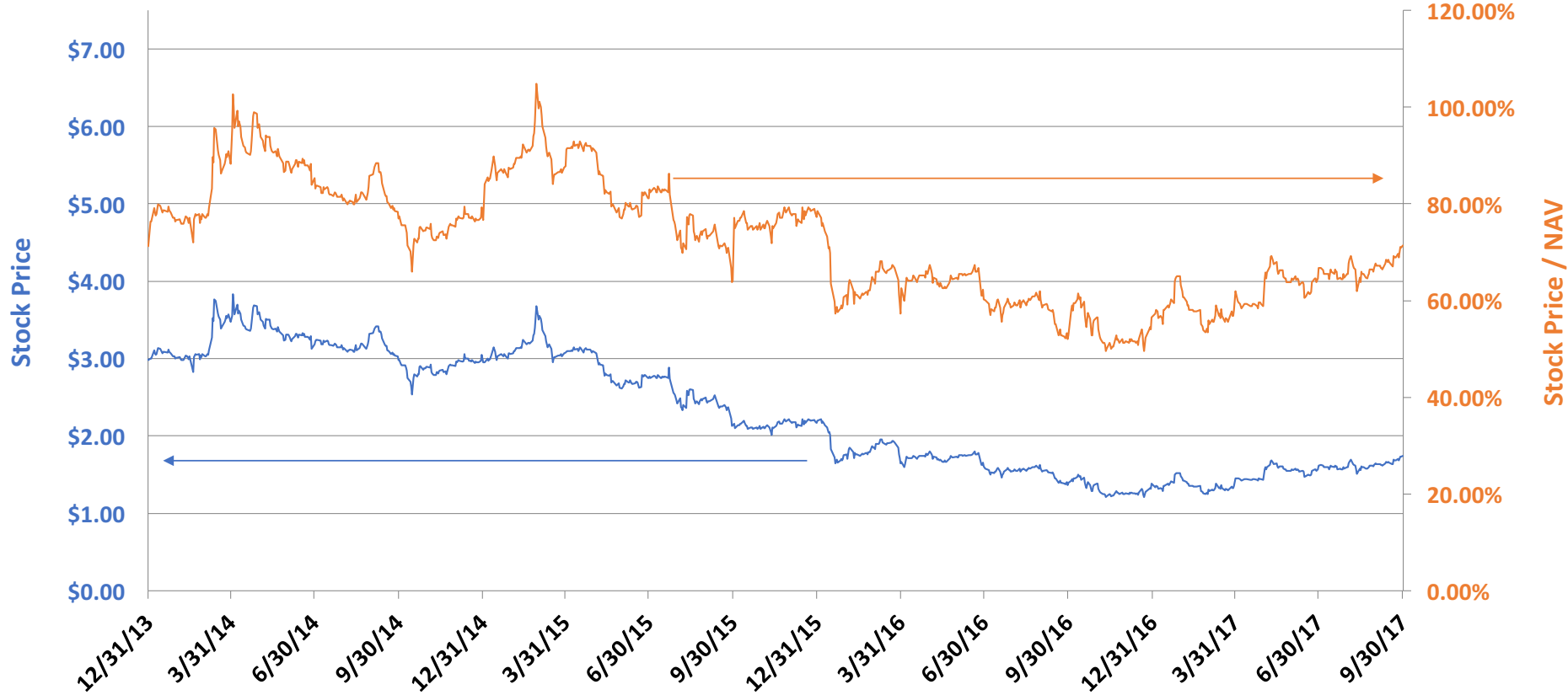
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Historical Trend of NAV

First time in over 7 years that our NAV/share increased in three consecutive quarters



Historical Stock Price and Percent of NAV



Note: Share price / NAV calculated on a historical NAV basis.

Public Portfolio Company Performance in Q3 2017

	PPS 6/30/17	PPS 9/30/17	Change	Notes
IOTS	\$4.55	\$7.85	73%	Strong Q2 and FY2017 guidance
USAK	\$8.66	\$14.05	62%	Trucking industry strong in general
TST	\$0.83	\$1.08	30%	Positive net income in Q2 2017
MRSN	\$13.97	\$17.29	24%	Biotech sector positive in general
SYNC	\$3.65	\$2.70	(26%)	Q2 miss and decrease in FY 2017 revenue expectations; original investment thesis appears to remain intact; added to position in Q3 2017.

- Note: We sold all of our remaining shares of Enumeral during Q3 2017 and abandoned the remaining warrants to close out the entire position. We realized total proceeds of \$127,000 on a cost basis of \$5.5 million for a loss of \$5.37 million. Enumeral is shutting down and appears on cusp of filing for bankruptcy.

Public Company Portfolio Performance YTD

	Total Shares Purchased	Acq. PPS / PPS 12/31/16	Total Cost / Value 12/31/16	Shares Sold Since Purchase	Avg. Sale Price Per Share	Cash Received From Sales	PPS on 9/30/17	Value as of 9/30/17	Value + Cash Received	Change from 12/31/16 or Cost	% Change
IOTS	1,769,868	\$1.85	\$3,274,256	106,874	\$6.4504	\$689,378	\$7.85	\$13,054,503	\$13,743,881	\$10,469,625	319.8%
USAK	262,165	\$6.67	\$1,747,854			\$-	\$14.05	\$3,683,418	\$3,683,418	\$1,935,564	110.7%
TST	1,000,000	\$0.89	\$890,000			\$-	\$1.08	\$1,080,000	\$1,080,000	\$190,000	21.3%
MRSN	294,557	\$13.08	\$3,852,806			\$-	\$17.29	\$5,092,891	\$5,092,891	\$1,240,085	32.2%
SYNC	1,180,200	\$3.11	\$3,670,422			\$-	\$2.70	\$3,186,540	\$3,186,540	\$(483,882)	-13.2%
ENUM	7,966,368	\$0.13	\$1,035,628	7,966,368	\$0.0109	\$87,069	\$0.01	\$-	\$87,069	\$(948,559)	-91.6%
Total Public Portfolio			\$14,470,965					\$26,097,352	\$26,873,798	\$12,402,833	85.7%

Sum of the Parts of TURN

	Based on Stock Price as of September 30, 2017	Based on Stock Price as of June 30, 2017
Stock Price	\$1.74	\$1.62
Value of Publicly Traded Portfolio Companies Per Share	\$0.84	\$0.57
Cash Per Share	\$0.12	\$0.16
Net Other Non-Investment Assets Per Share	\$0.03	\$0.03
Total Liabilities Per Share	\$(0.09)	\$(0.07)
Total Non-Private Portfolio Net Assets Per Share	\$0.90	\$0.68
Remaining Per Share Value Ascribed to Private Portfolio	\$0.84	\$0.94
Private Portfolio Value Per Share	\$1.78	\$1.76
Effective Market Value Per Share / Value of Private Portfolio Per Share	47.2%	53.4%

Our Most Mature Private Portfolio Companies

Portfolio Company	Value as of September 30, 2017
D-Wave Systems, Inc.	\$10.0 million
AgBiome, LLC	\$10.8 million
HZO, Inc.	\$6.3 million
Nanosys, Inc.	\$3.4 million
	\$30.5 million
Remaining Privately Held Portfolio Companies	\$24.8 million
Effective market value ascribed to <u>entire</u> private portfolio	<u>\$26.0 million</u>

Note: Realized amounts may be materially different than the values listed above.

Compensation Framework



- In general, the objectives of the Company's compensation program are to:
 - Align the interests of shareholders and employees;
 - Motivate and retain employees by providing market-competitive total compensation; and
 - Attract talented new employees in a competitive market.

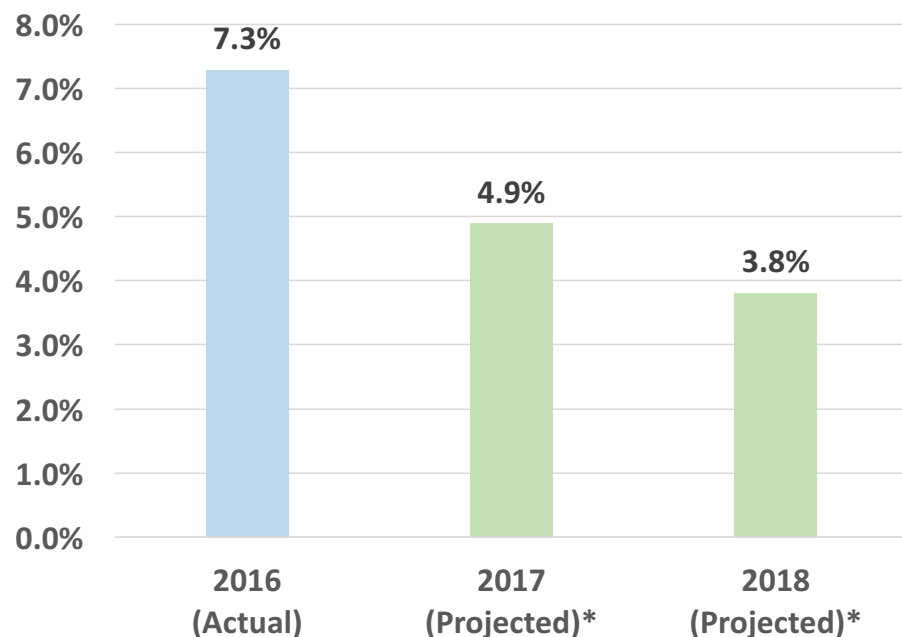
- In deriving total compensation, the Compensation Committee considers metrics including, but not limited to:
 - Individual contributions to the company
 - Comparison of change in stock price, net asset value and cash plus the value of liquid securities to microcap value focused indices and mutual funds
 - Change in net asset value and net asset value per share
 - Change in cash and value of liquid (publicly traded) securities
 - Change in the value of illiquid (privately held) securities
 - Change in percentage of cash and value of liquid securities to net asset value
 - Full year actual versus estimated expenses and expenses as a percentage of assets
 - Change in stock price
 - Progress raising third-party capital

Compensation Framework



- The design of the end-of-year compensation pool is to reward both annual and persistent performance. These goals are accomplished through:
 - Use of a high watermark as basis for growth of net assets and determination of whether or not an end-of-year compensation pool is appropriate;
 - Deferral of a portion of the pool over two years with payout determined based on ending net assets in each year as compared to the original bonus year.
- Growth of value of 180 is prerequisite for a end-of-year compensation pool for management, i.e., shareholders and management are aligned in goals.

Day-to-Day Expense Ratio Reduction



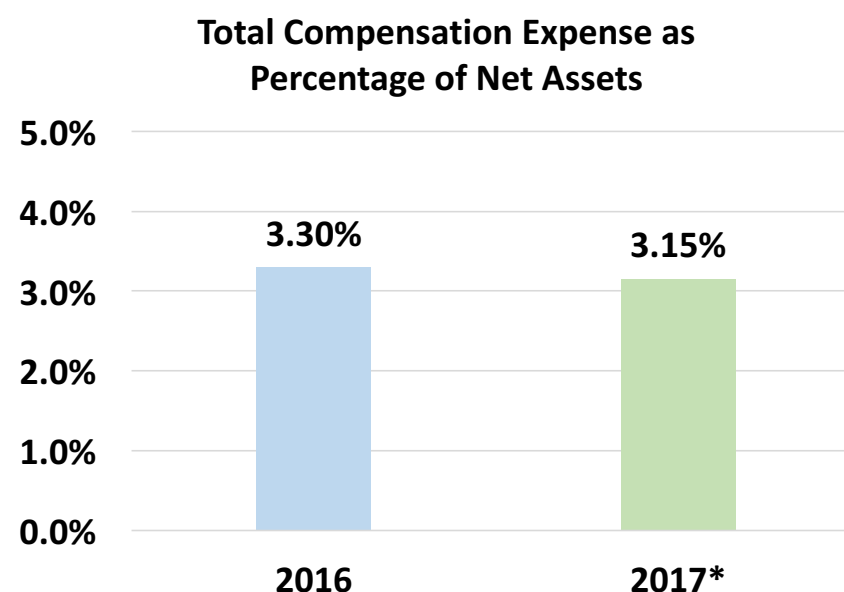
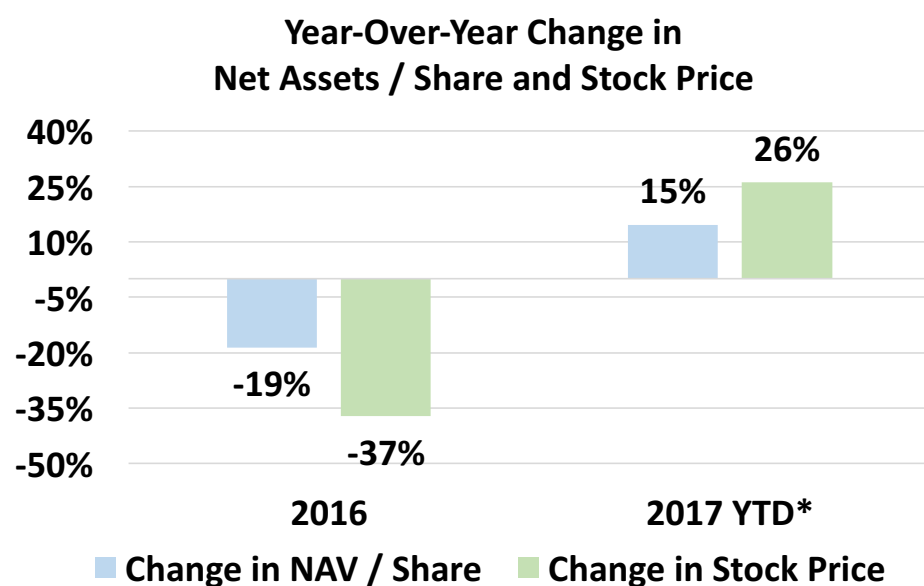
- Approximately \$970,000 of restructuring-related expenses realized during Q2 2017.
- Base operating expense run-rate reduced to approximately \$3 million per annum from a 5-year average of approximately \$6.5 million.**
- Day-to-day expense side of ratio is optimized; further reductions in expense ratio will come from growing net assets.

* Assumes net assets remain flat at \$83.5 million, is net of sublease income and excludes one-time benefit of \$580,000 related to forfeited restricted stock in 2017 and year-end compensation pool accrual.

** Excludes average of \$1.2 million per year in historical stock-based compensation expenses. 180 does not issue stock-based compensation.

Note: Actual expenses for 2017 and 2018 are estimates as of the date of this presentation. The actual expenses for each year may be materially different than the percentages listed above.

2016 vs 2017 Total Compensation Expense Comparison



* Assumes net assets remain flat at \$83.5 million; includes accrual for year-end compensation pool of approximately \$1 million, a portion of which will be deferred and payable based on change in net assets in subsequent two years. The final year-end compensation pool for 2017, including any deferred amounts, will be determined by the compensation committee in early 2018. This amount may be materially different than that accrued as of September 30, 2017.

Note: 2016 and 2017 percentages exclude stock-based compensation expenses/benefits in each year. The actual compensation expenses in 2017 may be materially different than the percentages listed above.

Strategic Initiatives – Managed Funds



- Established wholly owned subsidiary, 180 Degree Capital BD, LLC, to seek a broker dealer license.
 - Enables us to hire and provide market-rate compensation to employees focused on raising capital.
 - Also enables us to receive compensation for helping portfolio companies raise capital.
- Hired Robert E. Bigelow III as VP, Head of Fund Development to manage efforts to raise capital in managed funds and special purpose vehicles
 - Rob graduated from Yale in 1990 and went on to become the founder of Blue River Asset Management, a \$1.7 billion municipal bond fund.
 - Rob was responsible for raising a substantial amount of this capital.
 - We believe his relationships should aid us as we embark on similar efforts.

Steps to an Increased Stock Price

- We endeavor to increase our stock price through:
 - Narrowing of discount to NAV.
 - Increasing NAV through investment appreciation.
 - Decrease/eliminate drag on NAV from non-investment activities through:
 - Minimizing day-to-day operating expenses as much as possible.
 - Generate income from managing third-party capital or other sources.

**Management is 100% aligned with shareholders,
we must increase the price of our stock to be truly successful.**

180° CAPITAL CORP



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