

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT**

**Pursuant to Section 13 OR 15(d) of  
The Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported) **March 10, 2008**

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**Main Street Capital Corporation**

(Exact name of registrant as specified in its charter)

**Maryland**  
(State or other jurisdiction  
of incorporation)

**333-142879**  
(Commission File Number)

**41-2230745**  
(IRS Employer Identification No.)

**1300 Post Oak Boulevard, Suite 800, Houston, Texas**  
(Address of principal executive offices)

**77056**  
(Zip Code)

Registrant's telephone number, including area code: **713-350-6000**

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(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 2.02. Results of Operations and Financial Condition.**

On March 10, 2008, the Registrant issued a press release. A copy of such press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

The information disclosed under this Item 2.02, including Exhibit 99.1 hereto, is being furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 and shall not be deemed incorporated by reference into any filing made under the Securities Act of 1933, except as expressly set forth by specific reference in such filing.

**Item 9.01. Financial Statements and Exhibits.**

Exhibit 99.1. Press release dated March 10, 2008

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**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**Main Street Capital Corporation**

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(Registrant)

**March 10, 2008**

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**/s/ RODGER A. STOUT**

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(Date)

Rodger A. Stout  
*Senior Vice President - Finance and Administration, Secretary and  
Chief Compliance Officer*

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**Exhibit Index**

99.1 Press release dated March 10, 2008

## Main Street Capital Announces Fourth Quarter and Full Year 2007 Financial Results

### Provides Second Quarter Dividend Guidance

HOUSTON, March 10, 2008 (PRIME NEWSWIRE) -- Main Street Capital Corporation (Nasdaq:MAIN) ("Main Street") announced today its financial results for the fourth quarter of 2007 and the twelve months ended December 31, 2007. The fourth quarter of 2007 represents the first quarter of financial results for Main Street and its subsidiaries subsequent to its October 2007 initial public offering (the "IPO") and associated formation transactions. In accordance with applicable accounting standards, the financial results for the full year of 2007 are presented as if the IPO and the associated formation transactions had occurred on January 1, 2007. The financial results for all comparative periods prior to and as of December 31, 2006 reflect the combined results of Main Street Mezzanine Fund, LP and its general partner (together, the "Existing Portfolio"), which were acquired as part of the formation transactions in connection with the IPO.

#### Fourth Quarter 2007 Highlights

- \* *Total investment income of \$3.8 million, representing a 60% increase over prior year*
- \* *Net investment income of \$2.6 million, representing a 129% increase over prior year, or \$0.30 per share*
- \* *Net realized income of \$4.6 million, representing a 234% increase over prior year, or \$0.52 per share*
- \* *Net Asset Value of \$115.1 million at December 31, 2007, or \$12.85 per share*
- \* *Net increase (decrease) in net assets from operations of \$(3.3) million compared with \$2.7 million in prior year, or \$(0.37) per share*
- \* *Paid initial quarterly dividend of \$0.33 per share*
- \* *Originated \$9.3 million of new investments*
- \* *Realized gain of \$2.0 million on an exited investment and \$0.3 million in related structuring fees*

#### Fourth Quarter 2007 Operating Results

Total investment income increased 60% to \$3.8 million in the fourth quarter of 2007 compared with \$2.4 million in the corresponding period of 2006. This comparable period increase was principally attributable to greater interest income on higher levels of average debt investments, interest income earned on the net proceeds from the IPO, and greater fee income recognized from portfolio activity. Total investment income also increased 21% on a sequential basis compared with the third quarter of 2007.

Net investment income increased 129% to \$2.6 million, or \$0.30 per common share, in the fourth quarter of 2007 compared with \$1.2 million in the corresponding period of 2006. This comparable period increase was principally attributable to higher levels of total investment income. Net investment income sequentially increased 51% compared with the third quarter of 2007.

Total operating expenses decreased by 5% in the fourth quarter of 2007 compared with the corresponding period in 2006 due to no management fee expenses being incurred subsequent to the IPO (given Main Street's internally managed operating structure), partially offset by higher levels of general and administrative expenses associated with operating as a publicly traded entity and greater interest expense.

Net realized income increased 234% to \$4.6 million, or \$0.52 per common share, in the fourth quarter of 2007 compared with \$1.4 million in the corresponding period of 2006. This comparable period increase was attributable to both higher levels of net investment income and greater net realized gains from investments. Net realized income sequentially increased 18% compared with the third quarter of 2007.

The net increase (decrease) in net assets resulting from operations was \$(3.3) million, or \$(0.37) per common share, in the fourth quarter of 2007 compared with \$2.7 million in the corresponding period of 2006. The net increase (decrease) in net assets resulting from operations also sequentially decreased compared with \$2.7 million for the third quarter of 2007. The net decrease in net assets during the fourth quarter of 2007 was impacted by both a net change in unrealized

depreciation from investments recognized during the quarter and deferred income taxes that were recognized during the quarter related to the formation transactions consummated in connection with the IPO.

The \$4.6 million net change in unrealized depreciation from investments for the fourth quarter of 2007 was attributable to (i) the accounting reclassification of approximately \$2.0 million in previously recognized unrealized appreciation into realized gains during the quarter, (ii) \$4.6 million in unrealized depreciation recognized on four portfolio investments, partially offset by \$2.4 million in unrealized appreciation from nine portfolio investments, and (iii) \$0.4 million in unrealized depreciation attributable to Main Street's investment in its affiliated investment manager.

The \$3.3 million in income tax expense recognized in the fourth quarter of 2007 principally consisted of cumulative, non cash deferred taxes related to net unrealized gains for certain portfolio equity investments transferred into Main Street's wholly owned taxable subsidiary in connection with the formation transactions and the IPO. The equity investments that were transferred to the wholly owned taxable subsidiary had historically been made in portfolio companies which were "pass through" entities for tax purposes. Consequently, the transfer of these equity investments into a wholly owned taxable subsidiary was required in order to comply with the "source income" requirements contained in the Regulated Investment Company ("RIC") provisions of Subchapter M of the Internal Revenue Code of 1986. Main Street does not anticipate incurring this level of deferred tax expense in future quarters, given the amount recognized in the fourth quarter represents the cumulative impact of deferred taxes related to net unrealized gains on the equity investments transferred.

#### Liquidity and Capital Resources

At December 31, 2007, Main Street had approximately \$66.0 million of total cash and cash equivalents and idle funds investments. Main Street currently estimates that it will be able to fund its investment activities through 2008 without requiring new debt or equity capital. However, this estimate will be impacted by, among other things, the pace of investment originations and investment redemptions, the level of cash from operations and amount of cash flow from realized gains, and the level of dividends paid net of dividend reinvestment plan participation.

As of December 31, 2007, Main Street had \$55.0 million of SBIC debenture leverage outstanding. The SBIC debenture leverage bears an annual weighted average interest rate of 5.8%, payable semiannually, and matures ten years from original issuance. At December 31, 2007, Main Street had a debt to equity ratio of 0.48 to 1.0.

#### Key Portfolio Statistics (all as of December 31, 2007)(1)

Main Street had debt and equity investments in 27 portfolio companies with the average portfolio investment at cost equaling less than 4% of total portfolio investments and less than 2% of total assets.

Approximately 88% of Main Street's portfolio investments at cost were in the form of secured debt investments, and approximately 93% of Main Street's debt investments were secured by first priority liens on the assets of portfolio companies. The annual weighted average effective yield on the Main Street debt investments held at December 31, 2007 was 14.3%, including amortization of deferred debt origination fees and accretion of original issue discount. Approximately 88% of Main Street's debt investments at cost were structured at fixed interest rates with cash interest payments generally due monthly.

Based on information provided by our portfolio companies, which we have not independently verified, our portfolio companies had a weighted average net debt (interest-bearing debt less cash and cash equivalents) to EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) ratio of approximately 3.1 to 1.0 and a total EBITDA to interest expense ratio of approximately 2.4 to 1.0. (2) Excluding all debt that was junior in priority to Main Street's debt position, these ratios were approximately 2.5 to 1.0 and approximately 2.7 to 1.0, respectively.(2)

Main Street had equity ownership in approximately 85% of its portfolio companies and the average fully diluted equity ownership in those portfolio companies was approximately 24%.

Based upon Main Street's internal investment rating system, with a rating of "1" being the highest and a rating of "5" being the lowest, the weighted average investment rating for Main Street's portfolio was 2.2. At December 31, 2007, Main Street had one investment that was fully depreciated, as well as one investment on non-accrual status representing 3.1% of total portfolio fair value.

Included at the end of this press release is a summary table which presents a sequential quarterly comparison of key portfolio statistics as of December 31, 2007 and September 30, 2007.

#### Portfolio Activity During the Fourth Quarter of 2007

In November 2007, Main Street provided "one-stop" financing to Hydratec Holdings, LLC in the form of approximately \$7.5 million in secured debt and a \$1.8 million equity investment, representing a 60% fully diluted equity interest. Hydratec is engaged in the design, sale and installation of agricultural irrigation products and systems throughout California.

In connection with the previously announced sale in October 2007 of All Hose & Specialty, LLC, Main Street recognized a total realized gain of approximately \$2.0 million, as well as \$0.3 million in related structuring fees. Main Street recognized a cash internal rate of return over the life of its All Hose investment equal to approximately 71%.

#### Portfolio Activity Subsequent to the Fourth Quarter of 2007

Main Street has completed three investments totaling \$16.9 million to date during 2008, which include:

\* \$13.0 million "one-stop" debt and equity investment in NAPCO Precast, LLC, a leading designer, manufacturer and installer of precast and prestressed concrete products serving the commercial, industrial and high density multi-family segments of the construction industry;

\* \$3.1 million follow-on debt investment in Technical Innovations, LLC, a designer and manufacturer of manual, semiautomatic, pneumatic and computer controlled machines and tools used primarily by medical device manufacturers to place access holes in catheters; and

\* \$0.8 million equity investment in Uvalco Supply, LLC, a leading retailer of farm and ranch supplies to ranch owners and farmers, as well as a leading provider of design, fabrication and erection services for metal buildings throughout South Texas.

#### Forward Dividend Guidance / Dividend Activity

In November 2007, Main Street declared and paid its initial quarterly dividend of \$0.33 per share. Main Street estimates that its 2007 taxable income exceeded the amount paid in the initial quarterly dividend by \$1.4 million. Main Street has carried over this undistributed 2007 taxable income, net of a 4% excise tax, into 2008 to be applied to the payment of 2008 dividends.

In February 2008, Main Street declared its second quarterly dividend of \$0.34 per share, which will be paid on March 21, 2008 to stockholders of record on February 15, 2008. This quarterly dividend represents a 3.0% sequential increase from the initial quarterly dividend declared in November 2007.

Main Street anticipates declaring its next quarterly dividend during the second quarter of 2008 and currently estimates that the next quarterly dividend will be in the \$0.34 to \$0.35 range. This projected dividend range is based upon Main Street's current estimate of taxable income and anticipated portfolio activity.

#### Fourth Quarter 2007 Financial Results Conference Call / Webcast

Main Street has scheduled a conference call for Tuesday, March 11, 2008 at 10:00 a.m. Eastern Time to discuss the fourth quarter and full year 2007 financial results.

Dialing (303) 262-2140 or (800) 218-0713 and requesting the Main Street Capital conference call at least 10 minutes prior to the start time can access the conference call. The conference call can also be accessed via a webcast by logging into the investor relations section of the Main Street web site at [www.mainstcapital.com](http://www.mainstcapital.com).

A telephonic replay of the conference call will be available through March 18, 2008 and may be accessed by dialing (303) 590-3000 and using the passcode 11109189#. An audio archive will also be available on the investor relations section of the Main Street web site at [www.mainstcapital.com](http://www.mainstcapital.com) shortly after the call and will be accessible for approximately 90 days.

For a more detailed discussion of the financial and other information included in this press release, please also refer to the Main Street Form 10-K to be filed with the Securities and Exchange Commission ([www.sec.gov](http://www.sec.gov)).

(1) All key portfolio statistics are calculated exclusive of Main Street's portfolio investment in Main Street Capital Partners, LLC, the wholly-owned investment manager, and exclusive of any short-term idle fund investments.

(2) For purposes of calculating these ratios, one portfolio company with significant cash in excess of its outstanding debt and one development stage portfolio company with a net debt to EBITDA ratio that exceeds 15.0 to 1.0 have both been excluded.

## ABOUT MAIN STREET CAPITAL CORPORATION

Main Street ([www.mainstreetcapital.com](http://www.mainstreetcapital.com)) is a principal investment firm that provides long-term debt and equity capital to lower middle market companies. Main Street's investments are generally made to support management buyouts, recapitalizations, growth financings and acquisitions of companies that operate in diverse industry sectors and generally have annual revenues ranging from \$10 to \$100 million. Main Street seeks to partner with entrepreneurs, business owners and management teams and generally provides "one stop" financing alternatives to its portfolio companies.

## FORWARD-LOOKING STATEMENTS

Main Street cautions that statements in this press release which are forward-looking and provide other than historical information involve risks and uncertainties that may impact our future results of operations. The forward-looking statements in this press release are based on current conditions and include statements regarding our goals, beliefs, strategies and future operating results and cash flows, including but not limited to: our estimate of 2007 taxable income in excess of our initial quarterly dividend; our intention to carry over any undistributed 2007 taxable income for distribution to shareholders in 2008; our estimate regarding the ability to fund investment activities during 2008; our expectations regarding future deferred tax expenses; and our estimate of the range for the next quarterly dividend. Although our management believes that the expectations reflected in those forward-looking statements are reasonable, we can give no assurance that those expectations will prove to have been correct. Those statements are made based on various underlying assumptions and are subject to numerous uncertainties and risks, including, without limitation: our continued effectiveness in raising, investing and managing capital; adverse changes in the economy generally or in the industries in which our portfolio companies operate; changes in laws and regulations that may adversely impact our operations or the operations of one or more of our portfolio companies; the operating and financial performance of our portfolio companies; retention of key investment personnel; competitive factors; and such other factors described under the captions "Special Note Regarding Forward-Looking Statements" and "Risk Factors" included in our filings with the Securities and Exchange Commission ([www.sec.gov](http://www.sec.gov)). We undertake no obligation to update the information contained herein to reflect subsequently occurring events or circumstances, except as required by applicable securities laws and regulations.

### MAIN STREET CAPITAL CORPORATION Balance Sheets

	December 31,	
	2007	2006
	(Consolidated)	(Combined)
	-----	-----
	(unaudited)	
<b>ASSETS</b>		
<i>Portfolio investments at fair value:</i>		
<i>Control investments (cost: \$44,169,430 and \$33,312,337 as of December 31, 2007 and 2006, respectively)</i>	\$ 49,161,951	\$ 42,429,000
<i>Affiliate investments (cost: \$34,211,440 and \$24,328,596 as of December 31, 2007 and 2006, respectively)</i>	37,412,907	28,822,245
<i>Non-Control/Non-Affiliate investments (cost: \$3,465,591 and \$4,983,015 as of December 31, 2007 and 2006, respectively)</i>	3,825,591	4,958,183
<i>Investment in affiliated Investment Manager (cost: \$18,000,000)</i>	17,625,000	--
	-----	-----
<i>Total portfolio investments (cost: \$99,846,461 and \$62,623,948 as of December 31, 2007 and 2006, respectively)</i>	108,025,449	76,209,428
<i>Accumulated unearned income</i>	(2,375,035)	(2,498,427)
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<i>Total portfolio investments net of accumulated unearned income</i>	105,650,414	73,711,001



and dividend income	3,163,187	2,184,313	11,312,113	9,013,137
Interest from idle funds and other	629,547	183,260	1,162,865	748,670
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Total investment income	3,792,734	2,367,573	12,474,978	9,761,807
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<b>EXPENSES:</b>				
Management fees to affiliate	--	(487,979)	(1,499,937)	(1,942,032)
Interest	(849,298)	(684,173)	(3,245,839)	(2,717,236)
General and administrative	(307,957)	(42,324)	(512,253)	(197,979)
Professional costs related to initial public offering	--	--	(695,250)	--
	-----	-----	-----	-----
Total expenses	(1,157,255)	(1,214,476)	(5,953,279)	(4,857,247)
	-----	-----	-----	-----
<b>NET INVESTMENT INCOME</b>	<b>2,635,479</b>	<b>1,153,097</b>	<b>6,521,699</b>	<b>4,904,560</b>
	-----	-----	-----	-----
<b>NET REALIZED GAIN (LOSS) FROM INVESTMENTS:</b>				
Control investments	--	(1,068,918)	1,802,713	(805,469)
Affiliate investments	1,950,521	--	3,160,034	1,940,794
Non-Control/ Non-Affiliate investments	--	1,289,120	(270,538)	1,294,598
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Total net realized gain (loss) from investments	1,950,521	220,202	4,692,209	2,429,923
	-----	-----	-----	-----
<b>NET REALIZED INCOME</b>	<b>4,586,000</b>	<b>1,373,299</b>	<b>11,213,908</b>	<b>7,334,483</b>
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<b>NET CHANGE IN UNREALIZED APPRECIATION (DEPRECIATION) FROM INVESTMENTS:</b>				
Control investments	(1,068,142)	(111,904)	(3,075,392)	6,631,698
Affiliate investments	(3,154,755)	2,567,822	(2,340,933)	2,831,649
Non-Control/ Non-Affiliate investments	--	(1,138,331)	384,832	(974,833)
Investment in affiliated Investment				



Manager	(375,000)	--	(375,000)	--
Total net change in unrealized appreciation (depreciation) from investments	(4,597,897)	1,317,587	(5,406,493)	8,488,514
Income tax provision	(3,262,539)	--	(3,262,539)	--
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	\$ (3,274,436)	\$ 2,690,886	\$ 2,544,876	\$ 15,822,997
NET INVESTMENT INCOME PER COMMON SHARE- BASIC AND DILUTED	\$ 0.30	N/A	\$ 0.76	N/A
NET REALIZED INCOME PER COMMON SHARE- BASIC AND DILUTED	\$ 0.52	N/A	\$ 1.31	N/A
DIVIDENDS/ DISTRIBUTIONS PER COMMON SHARE	\$ 0.33	N/A	\$ 1.10	N/A
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS PER COMMON SHARE- BASIC AND DILUTED	\$ (0.37)	N/A	\$ 0.30	N/A
WEIGHTED AVERAGE SHARES OF COMMON STOCK OUTSTANDING- BASIC AND DILUTED	8,768,636	N/A	8,587,701	N/A

(a) The year ended December 31, 2007 operating results include professional costs related to the initial public offering. These costs were 26% of operating expenses for the year.

MAIN STREET CAPITAL CORPORATION  
Key Portfolio Statistics  
unaudited

As of December 31, 2007      As of September 30, 2007

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Number of portfolio companies	27	27
<b>DEBT PORTFOLIO STATISTICS:</b>		
% of total portfolio as secured debt (at cost)	88%	89%
% of debt portfolio as first lien debt (at cost)	93%	93%
Weighted average effective yield(1)	14.3%	14.7%
<b>PORTFOLIO COMPANY CREDIT STATISTICS:</b>		
Total net debt to EBITDA(2)	3.1 to 1.0	3.2 to 1.0
Total EBITDA to interest expense(2)	2.4 to 1.0	2.2 to 1.0
Net debt to EBITDA - excluding debt junior to Main Street(2)	2.5 to 1.0	2.6 to 1.0
EBITDA to interest expense - excluding debt junior to Main Street(2)	2.7 to 1.0	2.5 to 1.0
<b>EQUITY PORTFOLIO STATISTICS:</b>		
% of portfolio with equity ownership	85%	85%
Average equity ownership (fully diluted)	24%	22%
<b>PORTFOLIO QUALITY:</b>		
Weighted average investment ranking(3)	2.2	2.2
% on non-accrual status (at fair value)	3.1%	0.0%

**Notes:**

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- (1) Weighted average effective yield is calculated based upon debt investments as of the indicated date and includes amortization of deferred debt fees and accretion of original issue discount.
- (2) The portfolio company credit statistics are presented based upon the total net debt (interest-bearing debt less cash and cash equivalents) and related total interest expense of the portfolio companies, as well as exclusive of the net debt and interest expense related to portfolio company debt which is junior in priority to Main Street's debt investment. In addition, these statistics exclude one portfolio company with significant cash in excess of its outstanding debt and one development stage portfolio company with a net debt to EBITDA ratio that exceeds 15.0 to 1.0.
- (3) Represents the dollar weighted average investment ranking based upon Main Street's internal ranking system with "1" being the highest rated and "5" being the lowest rated.

**CONTACT:** Main Street Capital Corporation  
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