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: 001-33723

Main Street Capital Corporation

(Exact name of registrant as specified in its charter)

Maryland	**41-2230745**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
1300 Post Oak Boulevard, Suite 800 **Houston, TX**	**77056**
(Address of principal executive offices)	(Zip Code)

(713) 350-6000

(Registrant's telephone number including area code)

n/a

(Former name, former address and former fiscal year, if changed since last report)

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 (§232.405 of this chapter) 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 ☐ 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 issuer's common stock as of August 6, 2009 was 10,683,214.

MAIN STREET CAPITAL CORPORATION
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PART I — FINANCIAL INFORMATION

Item 1. ***Financial Statements***

MAIN STREET CAPITAL CORPORATION
Consolidated Balance Sheets

	June 30, 2009 (Unaudited)	December 31, 2008
ASSETS		
Investments at fair value:		
Control investments (cost: $60,258,932 and $60,767,805 as of June 30, 2009 and December 31, 2008, respectively)	$ 63,886,735	$ 65,542,608
Affiliate investments (cost: $38,181,968 and $37,946,800 as of June 30, 2009 and December 31, 2008, respectively)	39,546,390	39,412,695
Non-Control/Non-Affiliate investments (cost: $9,995,553 and $6,245,405 as of June 30, 2009 and December 31, 2008, respectively)	8,920,606	5,375,886
Investment in affiliated Investment Manager (cost: $18,000,000 as of June 30, 2009 and December 31, 2008)	16,730,944	16,675,626
Total investments (cost: $126,436,453 and $122,960,010 as of June 30, 2009 and December 31, 2008, respectively)	129,084,675	127,006,815
Idle funds investments (cost: $15,783,358 and $4,218,704 as of June 30, 2009 and December 31, 2008, respectively)	15,783,358	4,389,795
Cash and cash equivalents	34,412,887	35,374,826
Deferred tax asset	378,005	1,121,681
Other assets	1,589,782	1,100,922
Deferred financing costs (net of accumulated amortization of $1,158,091 and $956,037 as of June 30, 2009 and December 31, 2008, respectively)	1,543,607	1,635,238
Total assets	$182,792,314	$ 170,629,277
LIABILITIES		
SBIC debentures	$ 55,000,000	$ 55,000,000
Interest payable	1,110,068	1,108,193
Distribution payable	1,319,823	726,464
Accounts payable and other liabilities	781,738	1,438,564
Total liabilities	58,211,629	58,273,221
Commitments and contingencies		
NET ASSETS		
Common stock, $0.01 par value per share (150,000,000 shares authorized; 10,558,632 and 9,206,483 issued and outstanding as of June 30, 2009 and December 31, 2008, respectively)	105,586	92,065
Additional paid-in capital	120,424,435	104,467,740
Undistributed net realized income	2,065,469	3,658,495
Net unrealized appreciation from investments, net of income taxes	1,985,195	4,137,756
Total net assets	124,580,685	112,356,056
Total liabilities and net assets	$182,792,314	$ 170,629,277
NET ASSET VALUE PER SHARE	$ 11.80	$ 12.20

The accompanying notes are an integral part of these financial statements

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MAIN STREET CAPITAL CORPORATION
Consolidated Statements of Operations
(Unaudited)

	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:				
Interest, fee and dividend income:				
Control investments	$ 1,831,201	$ 2,667,708	$ 3,833,821	$ 4,574,610
Affiliate investments	1,166,501	1,043,901	2,335,557	2,108,862
Non-Control/Non-Affiliate investments	258,218	313,548	396,173	899,190
Total interest, fee and dividend income	3,255,920	4,025,157	6,565,551	7,582,662
Interest from idle funds and other	344,150	151,754	626,944	621,615
Total investment income	3,600,070	4,176,911	7,192,495	8,204,277
EXPENSES:				
Interest	(941,577)	(921,206)	(1,872,912)	(1,803,842)
General and administrative	(430,114)	(450,960)	(744,787)	(865,061)
Expenses reimbursed to affiliated Investment Manager	(45,513)	(218,170)	(79,938)	(444,738)
Share-based compensation	(195,726)	—	(391,452)	—
Total expenses	(1,612,930)	(1,590,336)	(3,089,089)	(3,113,641)
NET INVESTMENT INCOME	1,987,140	2,586,575	4,103,406	5,090,636
NET REALIZED GAIN FROM INVESTMENTS:				
Control investments	98,050	—	865,651	—
Affiliate investments	—	99,154	—	710,404
Non-Control/Non-Affiliate investments	328,220	—	454,843	—
Total net realized gain from investments	426,270	99,154	1,320,494	710,404
NET REALIZED INCOME	2,413,410	2,685,729	5,423,900	5,801,040
NET CHANGE IN UNREALIZED APPRECIATION (DEPRECIATION) FROM INVESTMENTS:				
Control investments	1,363,329	(186,405)	(1,147,000)	884,704
Affiliate investments	671,018	(443,584)	(101,473)	(940,952)
Non-Control/Non-Affiliate investments	100,269	58,766	(376,519)	58,766
Investment in affiliated Investment Manager	(283,277)	(234,733)	55,318	(464,462)
Total net change in unrealized appreciation (depreciation) from investments	1,851,339	(805,956)	(1,569,674)	(461,944)
Income tax (provision) benefit	(525,612)	2,608,324	(582,887)	2,351,636
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	$ 3,739,137	$ 4,488,097	$ 3,271,339	$ 7,690,732
NET INVESTMENT INCOME PER SHARE BASIC AND DILUTED	$ 0.21	$ 0.29	$ 0.44	$ 0.57
NET REALIZED INCOME PER SHARE BASIC AND DILUTED	$ 0.25	$ 0.30	$ 0.58	$ 0.65
DIVIDENDS PAID PER SHARE	$ 0.38	$ 0.35	$ 0.75	$ 0.69
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS PER SHARE BASIC AND DILUTED	$ 0.39	$ 0.50	$ 0.35	$ 0.86
WEIGHTED AVERAGE SHARES OUTSTANDING — BASIC AND DILUTED	9,520,314	8,959,718	9,323,968	8,959,718

The accompanying notes are an integral part of these financial statements

MAIN STREET CAPITAL CORPORATION
Consolidated Statements of Changes in Net Assets
(Unaudited)

	Common Stock		Additional	Undistributed	Net Unrealized Appreciation from Investments,	Total
	Number of Shares	Par Value	Paid-In Capital	Net Realized Income	Net of Income Taxes	Net Assets
Balances at December 31, 2007	8,959,718	$ 89,597	$104,076,033	$ 6,067,131	$ 4,916,447	$115,149,208
Dividends to stockholders	—	—	—	(6,182,205)	—	(6,182,205)
Net increase resulting from operations	—	—	—	5,801,040	1,889,692	7,690,732
Balances at June 30, 2008	8,959,718	$ 89,597	$104,076,033	$ 5,685,966	$ 6,806,139	$116,657,735
Balances at December 31, 2008	9,206,483	$ 92,065	$104,467,740	$ 3,658,495	$ 4,137,756	$112,356,056
Dividend reinvestment	79,193	791	979,785	—	—	980,576
Public offering of common stock, net of offering costs	1,437,500	14,375	16,200,919	—	—	16,215,294
Share repurchase program	(164,544)	(1,645)	(1,615,461)	—	—	(1,617,106)
Share-based compensation	—	—	391,452	—	—	391,452
Dividends to stockholders	—	—	—	(7,016,926)	—	(7,016,926)
Net increase resulting from operations	—	—	—	5,423,900	(2,152,561)	3,271,339
Balances at June 30, 2009	10,558,632	$ 105,586	$120,424,435	$ 2,065,469	$ 1,985,195	$124,580,685

The accompanying notes are an integral part of these financial statements

MAIN STREET CAPITAL CORPORATION
Consolidated Statements of Cash Flows
(Unaudited)

	Six Months Ended June 30, 2009	Six Months Ended June 30, 2008
CASH FLOWS FROM OPERATING ACTIVITIES		
Net increase in net assets resulting from operations:	$ 3,271,339	$ 7,690,732
Adjustments to reconcile net increase in net assets resulting from operations to net cash provided by operating activities:		
Net change in unrealized depreciation from investments	1,569,674	461,944
Net realized gain from investments	(1,320,494)	(710,404)
Accretion of unearned income	(309,996)	(595,189)
Net payment-in-kind interest accrual	(291,475)	(223,439)
Share-based compensation expense	391,452	—
Amortization of deferred financing costs	202,054	138,580
Deferred taxes	743,676	(2,544,270)
Changes in other assets and liabilities:		
Other assets	(527,092)	386,256
Interest payable	1,875	—
Accounts payable and other liabilities	(786,933)	(259,446)
Deferred debt origination fees received	79,017	377,366
Net cash provided by operating activities	3,023,097	4,722,130
CASH FLOWS FROM INVESTING ACTIVITIES		
Investments in portfolio companies	(6,613,657)	(30,211,460)
Investments in idle funds	(31,842,149)	—
Proceeds from idle funds investments	20,517,609	24,063,261
Principal payments received on loans and debt securities	4,778,280	5,747,542
Proceeds from sale of equity securities and related notes	—	846,277
Net cash provided by (used in) investing activities	(13,159,917)	445,620
CASH FLOWS FROM FINANCING ACTIVITIES		
Share repurchase program	(1,617,106)	—
Proceeds from public offering of common stock	16,345,401	—
Dividends paid to stockholders	(5,842,991)	(6,182,205)
Net change in DRIP deposit	400,000	—
Payment of deferred loan costs and SBIC debenture fees	(110,423)	(16,394)
Net cash provided by (used in) financing activities	9,174,881	(6,198,599)
Net decrease in cash and cash equivalents	(961,939)	(1,030,849)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	35,374,826	41,889,324
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$ 34,412,887	$ 40,858,475

The accompanying notes are an integral part of these financial statements

MAIN STREET CAPITAL CORPORATION
CONSOLIDATED SCHEDULE OF INVESTMENTS
June 30, 2009
(Unaudited)

Portfolio Company/Type of Investment (1) (2)	Industry	Principal (6)	Cost (6)	Fair Value
Control Investments (3)				
Café Brazil, LLC	Casual Restaurant			
12% Secured Debt (Maturity — April 20, 2011)	Group	$ 2,625,000	$ 2,608,099	$ 2,625,000
Member Units (7) (Fully diluted 42.3%)			41,837	1,280,000
			2,649,936	3,905,000
CBT Nuggets, LLC	Produces and Sells			
14% Secured Debt (Maturity — December 31, 2013)	IT Certification	1,680,000	1,649,198	1,680,000
10% Secured Debt (Maturity — March 31, 2012)	Training Videos	915,000	915,000	915,000
10% Secured Debt (Maturity — March 31, 2010)		60,000	60,000	60,000
Member Units (7) (Fully diluted 24.5%)			299,520	1,390,000
			2,923,718	4,045,000
Ceres Management, LLC (Lambs)	Aftermarket Automotive			
14% Secured Debt (Maturity — May 31, 2013)	Services Chain	2,400,000	2,374,909	2,374,909
Member Units (Fully diluted 42.0%)			1,200,000	1,110,000
Class B Member Units (Non-voting)			151,688	151,688
			3,726,597	3,636,597
Condit Exhibits, LLC	Tradeshow Exhibits/			
13% current / 5% PIK Secured Debt (Maturity — July 1, 2013)	Custom Displays	2,366,707	2,334,438	2,334,438
Warrants (Fully diluted 28.1%)			300,000	30,000
			2,634,438	2,364,438
Gulf Manufacturing, LLC	Industrial Metal			
Prime plus 1% Secured Debt (Maturity — August 31, 2012)	Fabrication	1,200,000	1,191,936	1,200,000
13% Secured Debt (Maturity — August 31, 2012)		1,600,000	1,485,462	1,580,000
Member Units (7) (Fully diluted 18.4%)			472,000	1,710,000
Warrants (Fully diluted 8.4%)			160,000	920,000
			3,309,398	5,410,000
Hawthorne Customs & Dispatch Services, LLC	Transportation/			
13% Secured Debt (Maturity — January 31, 2011)	Logistics	900,000	883,503	883,503
Member Units (7) (Fully diluted 27.9%)			375,000	740,000
Warrants (Fully diluted 16.5%)			37,500	390,000
			1,296,003	2,013,503
Hydratec Holdings, LLC	Agricultural Services			
12.5% Secured Debt (Maturity — October 31, 2012)		3,400,000	3,349,977	3,349,977
Prime plus 1% Secured Debt (Maturity — October 31, 2012)		1,595,244	1,581,911	1,581,911
Member Units (Fully diluted 80.6%)			4,100,000	5,330,000
			9,031,888	10,261,888
Jensen Jewelers of Idaho, LLC	Retail Jewelry			
Prime Plus 2% Secured Debt (Maturity — November 14, 2011)		1,044,000	1,033,108	1,045,069
13% current / 6% PIK Secured Debt (Maturity — November 14, 2011)		1,035,280	1,020,201	1,036,516
Member Units (7) (Fully diluted 24.3%)			376,000	290,000
			2,429,309	2,371,585
NAPCO Precast, LLC	Precast Concrete			
18% Secured Debt (Maturity — February 1, 2013)	Manufacturing	5,923,077	5,827,952	5,923,074
Prime Plus 2% Secured Debt (Maturity — February 1, 2013) (8)		3,384,615	3,358,833	3,384,615
Member Units (7) (Fully diluted 35.3%)			2,020,000	5,120,000
			11,206,785	14,427,689
OMi Holdings, Inc.	Manufacturer of			
12% Secured Debt (Maturity — April 1, 2013)	Overhead Cranes	6,342,000	6,293,092	6,293,092
Common Stock (Fully diluted 28.8%)			900,000	310,000
			7,193,092	6,603,092

MAIN STREET CAPITAL CORPORATION
CONSOLIDATED SCHEDULE OF INVESTMENTS
June 30, 2009
(Unaudited)

Portfolio Company/Type of Investment (1) (2)	Industry	Principal (6)	Cost (6)	Fair Value
Control Investments (3)				
Quest Design & Production, LLC	Design and Fabrication			
10% Secured Debt (Maturity — June 30, 2013)	of Custom Display	600,000	465,060	600,000
0% Secured Debt (Maturity — June 30, 2013)	Systems	2,000,000	2,000,000	1,400,000
Warrants (Fully diluted 40.0%)			1,595,858	—
Warrants (Fully diluted 20.0%)			40,000	—
			4,100,918	2,000,000
Universal Scaffolding & Equipment, LLC	Manufacturer of Scaffolding			
Prime plus 1% Secured Debt (Maturity — August 17, 2012) (8)	and Shoring Equipment	841,750	836,066	836,066
13% current / 5% PIK Secured Debt (Maturity — August 17, 2012)		3,377,176	3,331,101	750,000
Member Units (Fully diluted 18.9%)			992,063	—
			5,159,230	1,586,066
Uvalco Supply, LLC	Farm and Ranch Supply			
Member Units (Fully diluted 39.6%)			905,743	1,570,000
Ziegler's NYPD, LLC	Restaurant			
Prime plus 2% Secured Debt (Maturity — October 1, 2013) (8)		600,000	594,734	594,734
13% current / 5% PIK Secured Debt (Maturity — October 1, 2013)		2,772,960	2,737,143	2,737,143
Warrants (Fully diluted 28.6%)			360,000	360,000
			3,691,877	3,691,877
Subtotal Control Investments			60,258,932	63,886,735

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MAIN STREET CAPITAL CORPORATION
CONSOLIDATED SCHEDULE OF INVESTMENTS
June 30, 2009
(Unaudited)

Portfolio Company/Type of Investment (1) (2)	Industry	Principal (6)	Cost (6)	Fair Value
Affiliate Investments (4)				
Advantage Millwork Company, Inc.	Manufacturer/Distributor			
12% Secured Debt (Maturity — February 5, 2012)	of Wood Doors	3,066,667	2,970,656	2,680,000
Warrants (Fully diluted 12.2%)			97,808	—
			3,068,464	2,680,000
American Sensor Technologies, Inc.	Manufacturer of Commercial/			
Prime plus 0.5% Secured Debt (Maturity — May 31, 2010) (8)	Industrial Sensors	3,800,000	3,800,000	3,800,000
Warrants (Fully diluted 19.6%)			49,990	400,000
			3,849,990	4,200,000
Carlton Global Resources, LLC	Processor of			
13% PIK Secured Debt (Maturity — November 15, 2011)	Industrial Minerals	4,791,944	4,655,836	—
Member Units (Fully diluted 8.5%)			400,000	—
			5,055,836	—
California Healthcare Medical Billing, Inc.	Healthcare			
12% Secured Debt (Maturity — October 17, 2013)	Services	1,410,000	1,162,781	1,162,781
Common Stock (Fully diluted 6.0%)			390,000	490,000
Warrants (Fully diluted 12.0%)			240,000	730,000
			1,792,781	2,382,781
Houston Plating & Coatings, LLC	Plating & Industrial			
Prime plus 2% Secured Debt (Maturity — July 18, 2013)	Coating Services	300,000	300,000	300,000
Member Units (7) (Fully diluted 11.1%)			335,000	3,315,000
			635,000	3,615,000
KBK Industries, LLC	Specialty Manufacturer			
14% Secured Debt (Maturity — January 23, 2011)	of Oilfield and	3,937,500	3,819,555	3,819,555
8% Secured Debt (Maturity — March 1, 2010)	Industrial Products	281,250	281,250	281,250
8% Secured Debt (Maturity — March 31, 2010)		450,000	450,000	450,000
Member Units (7) (Fully diluted 14.5%)			187,500	200,000
			4,738,305	4,750,805
Laurus Healthcare, LP	Healthcare Facilities			
13% Secured Debt (Maturity — May 7, 2012)		2,275,000	2,275,000	2,275,000
Warrants (Fully diluted 17.5%)			105,000	3,130,000
			2,380,000	5,405,000
National Trench Safety, LLC	Trench & Traffic			
10% PIK Debt (Maturity — April 16, 2014)	Safety Equipment	425,012	425,012	425,012
Member Units (Fully diluted 11.7%)			1,792,308	2,030,000
			2,217,320	2,455,012
Olympus Building Services, Inc.	Custodial/Facilities			
12% Secured Debt (Maturity — March 27, 2014)	Services	1,890,000	1,713,650	1,713,650
Warrants (Fully diluted 13.5%)			150,000	150,000
			1,863,650	1,863,650
Pulse Systems, LLC	Manufacturer of Components			
Warrants (Fully diluted 7.4%)	for Medical Devices		132,856	450,000
Schneider Sales Management, LLC	Sales Consulting			
13% Secured Debt (Maturity — October 15, 2013)	and Training	1,980,000	1,922,794	1,922,794
Warrants (Fully diluted 12.0%)			45,000	—
			1,967,794	1,922,794

MAIN STREET CAPITAL CORPORATION
CONSOLIDATED SCHEDULE OF INVESTMENTS
June 30, 2009
(Unaudited)

Portfolio Company/Type of Investment (1) (2)	Industry	Principal (6)	Cost (6)	Fair Value
Affiliate Investments (4)				
Vision Interests, Inc.	Manufacturer/			
13% Secured Debt (Maturity — June 5, 2012)	Installer of Commercial	3,760,000	3,599,890	3,599,890
Common Stock (Fully diluted 8.9%)	Signage		372,000	30,000
Warrants (Fully diluted 11.2%)			160,000	40,000
			4,131,890	3,669,890
Walden Smokey Point, Inc.	Specialty Transportation/			
14% current / 4% PIK Secured Debt (Maturity — December 30, 2013)	Logistics	4,897,067	4,811,458	4,811,458
Common Stock (Fully diluted 7.6%)			600,000	600,000
			5,411,458	5,411,458
WorldCall, Inc.	Telecommunication/			
13% Secured Debt (Maturity — October 22, 2009)	Information Services	646,225	639,993	640,000
Common Stock (Fully diluted 9.9%)			296,631	100,000
			936,624	740,000
Subtotal Affiliate Investments			38,181,968	39,546,390

MAIN STREET CAPITAL CORPORATION
CONSOLIDATED SCHEDULE OF INVESTMENTS
June 30, 2009
(Unaudited)

Portfolio Company/Type of Investment (1) (2)	Industry	Principal (6)	Cost (6)	Fair Value
Non-Control/Non-Affiliate Investments(5):				
Audio Messaging Solutions, LLC	Audio Messaging Services			
12% Secured Debt (Maturity — May 8, 2014)		3,444,000	3,189,851	3,189,851
Warrants (Fully diluted 5.0%)			215,040	215,040
			3,404,891	3,404,891
East Teak Fine Hardwoods, Inc.	Hardwood Products			
Common Stock (Fully diluted 3.3%)			130,000	370,000
Hayden Acquisition, LLC	Manufacturer of Utility Structures			
8% Secured Debt (Maturity — August 9, 2009)		1,800,000	1,781,303	420,000
Support Systems Homes, Inc.	Manages Substance Abuse Treatment Centers			
15% Secured Debt (Maturity — August 21, 2018)		226,461	226,461	226,461
Technical Innovations, LLC	Manufacturer of Specialty Cutting Tools and Punches			
7% Secured Debt (Maturity — August 31, 2009)		951,021	949,254	949,254
13.5% Secured Debt (Maturity — January 16, 2015)		3,550,000	3,503,644	3,550,000
			4,452,898	4,499,254
Subtotal Non-Control/Non-Affiliate Investments			9,995,553	8,920,606
Main Street Capital Partners, LLC (Investment Manager)	Asset Management			
100% of Membership Interests			18,000,000	16,730,944
Total Portfolio Investments, June 30, 2009			$ 126,436,453	$ 129,084,675
Idle Funds Investments	Investments in High-Quality Debt Investments, Certificates of Deposit, and Diversified Bond Funds			
Barclays Capital High Yield Bond		$ 2,955,268	$ 2,955,268	$ 2,955,268
Western Refining Term Loan		1,881,368	1,828,090	1,828,090
1.65% Certificate of Deposit (Maturity — October 5, 2009)		2,500,000	2,500,000	2,500,000
1.73% Certificate of Deposit (Maturity — August 22, 2009)		5,000,000	5,000,000	5,000,000
1.50% Certificate of Deposit (Maturity — October 24, 2009)		2,500,000	2,500,000	2,500,000
1.65% Certificate of Deposit (Maturity — November 28, 2009)		1,000,000	1,000,000	1,000,000
			$ 15,783,358	$ 15,783,358

(1) Debt investments are generally income producing. Equity and warrants are non-income producing, unless otherwise noted.

(2) See Note C for summary geographic location of portfolio companies.

(3) Controlled investments are defined by the Investment Company Act of 1940, as amended ("1940 Act") as investments in which more than 25% of the voting securities are owned or where the ability to nominate greater than 50% of the board representation is maintained.

(4) Affiliate investments are defined by the 1940 Act as investments in which between 5% and 25% of the voting securities are owned.

(5) Non-Control/Non-Affiliate investments are defined by the 1940 Act as investments that are neither Control Investments nor Affiliate Investments.

(6) Principal is net of prepayments. Cost is net of prepayments and accumulated unearned income.

(7) Income producing through payment of dividends or distributions.

(8) Subject to contractual minimum interest rates.

MAIN STREET CAPITAL CORPORATION
CONSOLIDATED SCHEDULE OF INVESTMENTS
December 31, 2008

Portfolio Company/Type of Investment (1) (2)	Industry	Principal (6)	Cost (6)	Fair Value
Control Investments (3)				
Café Brazil, LLC	Casual Restaurant			
12% Secured Debt (Maturity — April 20, 2011)	Group	$ 2,750,000	$ 2,728,113	$ 2,750,000
Member Units (7) (Fully diluted 42.3%)			41,837	1,000,000
			2,769,950	3,750,000
CBT Nuggets, LLC	Produces and Sells			
14% Secured Debt (Maturity — June 1, 2011)	IT Certification	1,680,000	1,642,518	1,680,000
10% Secured Debt (Maturity — December 31, 2009)	Training Videos	150,000	150,000	150,000
Member Units (7) (Fully diluted 29.1%)			432,000	1,625,000
Warrants (Fully diluted 10.5%)			72,000	500,000
			2,296,518	3,955,000
Ceres Management, LLC (Lambs)	Aftermarket Automotive			
14% Secured Debt (Maturity — May 31, 2013)	Services Chain	2,400,000	2,372,601	2,372,601
Member Units (Fully diluted 42.0%)			1,200,000	1,300,000
			3,572,601	3,672,601
Condit Exhibits, LLC	Tradeshow Exhibits/			
13% current / 5% PIK Secured Debt (Maturity — July 1, 2013)	Custom Displays	2,308,073	2,273,194	2,273,194
Warrants (Fully diluted 28.1%)			300,000	300,000
			2,573,194	2,573,194
Gulf Manufacturing, LLC	Industrial Metal			
Prime plus 1% Secured Debt (Maturity — August 31, 2012)	Fabrication	1,200,000	1,190,764	1,200,000
13% Secured Debt (Maturity — August 31, 2012)		1,900,000	1,747,777	1,880,000
Member Units (7) (Fully diluted 18.6%)			472,000	1,100,000
Warrants (Fully diluted 8.4%)			160,000	550,000
			3,570,541	4,730,000
Hawthorne Customs & Dispatch Services, LLC	Transportation/			
13% Secured Debt (Maturity — January 31, 2011)	Logistics	1,200,000	1,171,988	1,171,988
Member Units (7) (Fully diluted 27.8%)			375,000	435,000
Warrants (Fully diluted 16.5%)			37,500	230,000
			1,584,488	1,836,988
Hydratec Holdings, LLC	Agricultural Services			
12.5% Secured Debt (Maturity — October 31, 2012)		5,400,000	5,311,329	5,311,329
Prime plus 1% Secured Debt (Maturity — October 31, 2012)		1,595,244	1,579,911	1,579,911
Member Units (Fully diluted 60%)			1,800,000	2,050,000
			8,691,240	8,941,240
Jensen Jewelers of Idaho, LLC	Retail Jewelry			
Prime Plus 2% Secured Debt (Maturity — November 14, 2011)		1,044,000	1,030,957	1,044,000
13% current / 6% PIK Secured Debt (Maturity — November 14, 2011)		1,004,591	986,980	1,004,591
Member Units (7) (Fully diluted 24.3%)			376,000	380,000
			2,393,937	2,428,591
NAPCO Precast, LLC	Precast Concrete			
18% Secured Debt (Maturity — February 1, 2013)	Manufacturing	6,461,538	6,348,011	6,461,538
Prime Plus 2% Secured Debt (Maturity — February 1, 2013) (8)		3,692,308	3,660,945	3,692,308
Member Units (7) (Fully diluted 36.1%)			2,000,000	5,100,000
			12,008,956	15,253,846
OMi Holdings, Inc.	Manufacturer of			
12% Secured Debt (Maturity — April 1, 2013)	Overhead Cranes	6,660,000	6,603,400	6,603,400
Common Stock (Fully diluted 28.8%)			900,000	570,000
			7,503,400	7,173,400

MAIN STREET CAPITAL CORPORATION
CONSOLIDATED SCHEDULE OF INVESTMENTS
December 31, 2008

Portfolio Company/Type of Investment (1) (2)	Industry	Principal (6)	Cost (6)	Fair Value
Control Investments (3)				
Quest Design & Production, LLC	Design and Fabrication			
10% Secured Debt (Maturity — June 30, 2013)	of Custom Display	600,000	465,060	600,000
0% Secured Debt (Maturity — June 30, 2013)	Systems	2,000,000	2,000,000	1,400,000
Warrants (Fully diluted 40.0%)			1,595,858	—
Warrants (Fully diluted 20.0%)			40,000	—
			4,100,918	2,000,000
Universal Scaffolding & Equipment, LLC	Manufacturer of Scaffolding			
Prime plus 1% Secured Debt (Maturity — August 17, 2012) (8)	and Shoring Equipment	881,833	875,072	875,072
13% current / 5% PIK Secured Debt (Maturity — August 17, 2012)		3,362,698	3,311,508	3,160,000
Member Units (Fully diluted 18.4%)			992,063	—
			5,178,643	4,035,072
Uvalco Supply, LLC	Farm and Ranch Supply			
Member Units (Fully diluted 39.6%)			905,743	1,575,000
Ziegler's NYPD, LLC	Casual Restaurant			
Prime plus 2% Secured Debt (Maturity — October 1, 2013) (8)	Group	600,000	594,239	594,239
13% current / 5% PIK Secured Debt (Maturity — October 1, 2013)		2,704,262	2,663,437	2,663,437
Warrants (Fully diluted 28.6%)			360,000	360,000
			3,617,676	3,617,676
Subtotal Control Investments			60,767,805	65,542,608

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MAIN STREET CAPITAL CORPORATION
CONSOLIDATED SCHEDULE OF INVESTMENTS
December 31, 2008

Portfolio Company/Type of Investment (1) (2)	Industry	Principal (6)	Cost (6)	Fair Value
Affiliate Investments (4)				
Advantage Millwork Company, Inc.	Manufacturer/Distributor of Wood Doors			
12% Secured Debt (Maturity — February 5, 2012)		3,066,667	2,955,442	2,955,442
Warrants (Fully diluted 12.2%)			97,808	—
			3,053,250	2,955,442
American Sensor Technologies, Inc.	Manufacturer of Commercial/ Industrial Sensors			
Prime plus 0.5% Secured Debt (Maturity — May 31, 2010) (8)		3,800,000	3,800,000	3,800,000
Warrants (Fully diluted 20.0%)			50,000	250,000
			3,850,000	4,050,000
Carlton Global Resources, LLC	Processor of Industrial Minerals			
13% PIK Secured Debt (Maturity — November 15, 2011)		4,791,944	4,655,836	—
Member Units (Fully diluted 8.5%)			400,000	—
			5,055,836	—
California Healthcare Medical Billing, Inc.	Healthcare Services			
12% Secured Debt (Maturity — October 17, 2013)		1,410,000	1,141,706	1,141,706
Common Stock (Fully diluted 6%)			390,000	390,000
Warrants (Fully diluted 12%)			240,000	240,000
			1,771,706	1,771,706
Houston Plating & Coatings, LLC	Plating & Industrial Coating Services			
Prime plus 2% Secured Debt (Maturity — July 18, 2013)		300,000	300,000	300,000
Member Units (7) (Fully diluted 11.1%)			210,000	2,750,000
			510,000	3,050,000
KBK Industries, LLC	Specialty Manufacturer of Oilfield and Industrial Products			
14% Secured Debt (Maturity — January 23, 2011)		3,937,500	3,787,758	3,937,500
8% Secured Debt (Maturity — March 1, 2010)		468,750	468,750	468,750
8% Secured Debt (Maturity — March 31, 2009)		450,000	450,000	450,000
Member Units (7) (Fully diluted 14.5%)			187,500	775,000
			4,894,008	5,631,250
Laurus Healthcare, LP	Healthcare Facilities			
13% Secured Debt (Maturity — May 7, 2009)		2,275,000	2,259,664	2,275,000
Warrants (Fully diluted 17.5%)			105,000	2,500,000
			2,364,664	4,775,000
National Trench Safety, LLC	Trench & Traffic Safety Equipment			
10% PIK Debt (Maturity — April 16, 2014)		404,256	404,256	404,256
Member Units (Fully diluted 11.7%)			1,792,308	1,792,308
			2,196,564	2,196,564
Pulse Systems, LLC	Manufacturer of Components for Medical Devices			
14% Secured Debt (Maturity — June 1, 2009)		1,831,274	1,819,464	1,831,274
Warrants (Fully diluted 7.4%)			132,856	450,000
			1,952,320	2,281,274
Schneider Sales Management, LLC	Sales Consulting and Training			
13% Secured Debt (Maturity — October 15, 2013)		1,980,000	1,909,972	1,909,972
Warrants (Fully diluted 12.0%)			45,000	45,000
			1,954,972	1,954,972
Vision Interests, Inc.	Manufacturer/ Installer of Commercial Signage			
13% Secured Debt (Maturity — June 5, 2012)		3,760,000	3,579,117	3,579,117
Common Stock (Fully diluted 8.9%)			372,000	420,000
Warrants (Fully diluted 11.2%)			160,000	420,000
			4,111,117	4,419,117

MAIN STREET CAPITAL CORPORATION
CONSOLIDATED SCHEDULE OF INVESTMENTS
December 31, 2008

Portfolio Company/Type of Investment (1) (2)	Industry	Principal (6)	Cost (6)	Fair Value
Affiliate Investments (4)				
Walden Smokey Point, Inc.	Specialty Transportation/ Logistics			
14% current / 4% PIK Secured Debt (Maturity — December 30, 2013)		4,800,533	4,704,533	4,704,533
Common Stock (Fully diluted 7.6%)			600,000	600,000
			5,304,533	5,304,533
WorldCall, Inc.	Telecommunication/ Information Services			
13% Secured Debt (Maturity — October 22, 2009)		646,225	631,199	640,000
Common Stock (Fully diluted 9.9%)			296,631	382,837
			927,830	1,022,837
Subtotal Affiliate Investments			37,946,800	39,412,695

MAIN STREET CAPITAL CORPORATION
CONSOLIDATED SCHEDULE OF INVESTMENTS
December 31, 2008

Portfolio Company/Type of Investment (1) (2)	Industry	Principal (6)	Cost (6)	Fair Value
Non-Control/Non-Affiliate Investments(5):				
East Teak Fine Hardwoods, Inc.				
Common Stock (Fully diluted 3.3%)	Hardwood Products		130,000	490,000
Hayden Acquisition, LLC	Manufacturer of			
8% Secured Debt (Maturity — March 9, 2009)	Utility Structures	1,800,000	1,781,303	500,000
Support Systems Homes, Inc.	Manages Substance			
15% Secured Debt (Maturity — August 21, 2018)	Abuse Treatment Centers	226,589	226,589	226,589
Technical Innovations, LLC	Manufacturer of Specialty			
7% Secured Debt (Maturity — August 31, 2009)	Cutting Tools and Punches	416,364	409,297	409,297
13.5% Secured Debt (Maturity — January 16, 2015)		3,750,000	3,698,216	3,750,000
			4,107,513	4,159,297
Subtotal Non-Control/Non-Affiliate Investments			6,245,405	5,375,886
Main Street Capital Partners, LLC (Investment Manager)	Asset Management			
100% of Membership Interests			18,000,000	16,675,626
Total Portfolio Investments, December 31, 2008			$ 122,960,010	$ 127,006,815
Idle Funds Investments	Investments in High-Quality			
8.3% General Electric Capital Corporate Bond	Debt Investments and			
(Maturity — September 20, 2009)	Diversified Bond Funds	$ 1,218,704	$ 1,218,704	$ 1,218,704
4.50% National City Bank Bond (Maturity — March 15, 2010)		1,000,000	1,000,000	1,000,000
Vanguard High-Yield Corp Fund Admiral Shares		1,000,000	1,000,000	1,086,514
Vanguard Long-Term Investment-Grade Fund Admiral Shares		1,000,000	1,000,000	1,084,577
			$ 4,218,704	$ 4,389,795

(1) Debt investments are generally income producing. Equity and warrants are non-income producing, unless otherwise noted.

(2) See Note C for summary geographic location of portfolio companies.

(3) Controlled investments are defined by the Investment Company Act of 1940, as amended (“1940 Act”), as investments in which more than 25% of the voting securities are owned or where the ability to nominate greater than 50% of the board representation is maintained.

(4) Affiliate investments are defined by the 1940 Act as investments in which between 5% and 25% of the voting securities are owned.

(5) Non-Control/Non-Affiliate investments are defined by the 1940 Act as investments that are neither Control Investments nor Affiliate Investments.

(6) Principal is net of prepayments. Cost is net of prepayments and accumulated unearned income.

(7) Income producing through payment of dividends or distributions.

(8) Subject to contractual minimum interest rates.

MAIN STREET CAPITAL CORPORATION
Notes to Consolidated Financial Statements
(Unaudited)

NOTE A — ORGANIZATION AND BASIS OF PRESENTATION

1. Organization

Main Street Capital Corporation ("MSCC") was formed on March 9, 2007 for the purpose of (i) acquiring 100% of the equity interests of Main Street Mezzanine Fund, LP (the "Fund") and its general partner, Main Street Mezzanine Management, LLC (the "General Partner"), (ii) acquiring 100% of the equity interests of Main Street Capital Partners, LLC (the "Investment Manager"), (iii) raising capital in an initial public offering, which was completed in October 2007 (the "IPO"), and (iv) thereafter operating as an internally managed business development company ("BDC") under the Investment Company Act of 1940, as amended (the "1940 Act"). The transactions discussed above were consummated in October 2007 and are collectively termed the "Formation Transactions." The term "Main Street" refers to the Fund and the General Partner prior to the IPO and to MSCC and its subsidiaries, including the Fund and the General Partner, subsequent to the IPO.

Immediately following the Formation Transactions, Main Street Equity Interests, Inc. ("MSEI") was formed as a wholly owned consolidated subsidiary of MSCC. MSEI has elected for tax purposes to be treated as a taxable entity and is taxed at normal corporate tax rates based on its taxable income.

2. Basis of Presentation

Main Street's financial statements are prepared in accordance with U.S. generally accepted accounting principles ("U.S. GAAP"). For the three and six months ended June 30, 2009 and 2008, the consolidated financial statements of Main Street include the accounts of MSCC, the Fund, MSEI and the General Partner. The Investment Manager is accounted for as a portfolio investment (see Note D). Main Street's results of operations for the three and six months ended June 30, 2009 and 2008, and cash flows for the six months ended June 30, 2009 and 2008, and financial position as of June 30, 2009 and December 31, 2008, are presented on a consolidated basis. The effects of all intercompany transactions between Main Street and its subsidiaries have been eliminated in consolidation. Certain reclassifications have been made to prior period balances to conform with the current financial statement presentation, including the reclassification of MSCC shares of common stock repurchased under Main Street's share repurchase plan, which were formerly classified as treasury stock and are now reflected as a reduction of common stock and additional paid in capital in accordance with Maryland law.

The accompanying unaudited consolidated financial statements of Main Street are presented in conformity with 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 financial statements prepared in accordance with U.S. GAAP are omitted. In the opinion of management, the unaudited consolidated financial results included herein contain all adjustments, consisting solely of normal recurring accruals, considered necessary for the fair presentation of financial statements for the interim periods included herein. The results of operations for the three and six months ended June 30, 2009 are not necessarily indicative of the operating results to be expected for the full year. Also, the unaudited financial statements and notes should be read in conjunction with the audited financial statements and notes thereto for the year 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 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.

Under the investment company rules and regulations pursuant to Article 6 of Regulation S-X and the Audit and Accounting Guide for Investment Companies issued by the American Institute of Certified Public Accountants (the "AICPA Guide"), Main Street is precluded from consolidating portfolio company investments, including those in which it has a controlling interest, unless the portfolio company is another investment company. An exception to this general principle in the AICPA Guide occurs if Main Street owns a controlled operating company that provides all or substantially all of its services directly to Main Street or to an investment company of Main Street. None of the investments made by Main Street qualify for this exception. Therefore, Main Street's portfolio investments are carried on the balance sheet at fair value, as discussed further in Note B, with any adjustments to fair value recognized as "Net Change in Unrealized Appreciation (Depreciation) from Investments" on the Statement of Operations until the investment is disposed of, resulting in any gain or loss on exit being recognized as a "Net Realized Gain (Loss) from Investments."

Portfolio Investment Classification

Main Street classifies its portfolio investments in accordance with the requirements of the 1940 Act. Under the 1940 Act, "Control Investments" are defined as investments in which Main Street owns more than 25% of the voting securities or has rights to maintain greater than 50% of the board representation. Under the 1940 Act, "Affiliate Investments" are defined as investments in which Main Street owns between 5% and 25% of the voting securities. Under the 1940 Act, "Non-Control/Non-Affiliate Investments" are defined as investments that are neither Control investments nor Affiliate investments. The "Investment in affiliated Investment Manager" represents Main Street's investment in a wholly owned investment manager subsidiary that is accounted for as a portfolio investment of Main Street.

NOTE B — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Valuation of Investments

Main Street accounts for its portfolio investments at fair value. As a result, Main Street adopted the provisions of Statement of Financial Accounting Standards ("FAS") No. 157, *Fair Value Measurements* ("FAS 157") in the first quarter of 2008. FAS 157 defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs used to measure fair value and enhances disclosure requirements for fair value measurements. FAS 157 requires Main Street to assume that the portfolio investment is to be sold in the principal market to market participants, or in the absence of a principal market, in the most advantageous market, which may be a hypothetical market. Market participants are defined as buyers and sellers in the principal or most advantageous market that are independent, knowledgeable, and willing and able to transact. With the adoption of this statement, Main Street incorporated the income approach to estimate the fair value of its debt investments principally using a yield-to-maturity model. Prior to the adoption of FAS 157, Main Street reported unearned income as a single line item on the consolidated balance sheets and consolidated schedule of investments. Unearned income is no longer reported as a separate line and is now part of the investment portfolio cost and fair value on the consolidated balance sheets and the consolidated schedule of investments. This change in presentation had no impact on the overall net cost or fair value of Main Street's investment portfolio and had no impact on Main Street's financial position or results of operations.

Main Street's business plan calls for it to invest primarily in illiquid securities issued by private companies. These investments may be subject to restrictions on resale and will generally have no established trading market. As a result, Main Street determines in good faith the fair value of its portfolio investments pursuant to a valuation policy in accordance with FAS 157 and a valuation process approved by its Board of Directors and in accordance with the 1940 Act. Main Street reviews external events, including private mergers, sales and acquisitions involving comparable companies, and includes these events in the valuation process. Main Street's valuation policy is intended to provide a consistent basis for determining the fair value of the portfolio.

For valuation purposes, control investments are composed of equity and debt securities for which Main Street has a controlling interest in the portfolio company or has the ability to nominate a majority of the portfolio company's board of directors. Market quotations are generally not readily available for Main Street's control investments. As a result, Main Street determines the fair value of control investments using a combination of market and income approaches. Under the market approach, Main Street will typically use the enterprise value methodology to determine the fair value of these investments. The enterprise value is the fair value at which an enterprise could be sold in a transaction between two willing parties, other than through a forced or liquidation sale. Typically, private companies are bought and sold based on multiples of earnings before interest, taxes, depreciation and amortization, or EBITDA, cash flows, net income, revenues, or in limited cases, book value. There is no single methodology for estimating enterprise value. For any one portfolio company, enterprise value is generally described as a range of values from which a single estimate of enterprise value is derived. In estimating the enterprise value of a portfolio company, Main Street analyzes various factors, including the portfolio company's historical and projected financial results. Main Street allocates the enterprise value to investments in order of the legal priority of the investments. Main Street will also use the income approach to determine the fair value of these securities, based on projections of the discounted future free cash flows that the portfolio company or the debt security will likely generate. The valuation approaches for Main Street's control investments estimate the value of the investment if it were to sell, or exit, the investment, assuming the highest and best use of the investment by market participants. In addition, these valuation approaches consider the value associated with Main Street's ability to control the capital structure of the portfolio company, as well as the timing of a potential exit.

For valuation purposes, non-control investments are composed of debt and equity securities for which Main Street does not have a controlling interest in the portfolio company, or the ability to nominate a majority of the portfolio company's board of directors. Market quotations for Main Street's non-control investments are not readily available. For Main Street's non-control investments, Main Street uses a combination of market and income approaches to value its equity investments and the income approach to value its debt instruments. For non-control debt investments, Main Street determines the fair value primarily using a yield approach that analyzes the discounted cash flows of interest and principal for the debt security, as set forth in the associated loan agreements, as well as the financial position and credit risk of each of these portfolio investments. Main Street's estimate of the expected repayment date of a debt security is generally the legal maturity date of the instrument, as Main Street generally intends to hold its loans to maturity. The yield analysis considers changes in leverage levels, credit quality, portfolio company performance and other factors. Main Street will use the value determined by the yield analysis as the fair value for that security; however, because of Main Street's general intent to hold its loans to maturity, the fair value will not exceed the face amount of the debt security. A change in the assumptions that Main Street uses to estimate the fair value of its debt securities using the yield analysis could have a material impact on the determination of fair value. If there is deterioration in credit quality or a debt security is in workout status, Main Street may consider other factors in determining the fair value of a debt security, including the value attributable to the debt security from the enterprise value of the portfolio company or the proceeds that would be received in a liquidation analysis.

Due to the inherent uncertainty in the valuation process, Main Street's estimate of fair value may differ materially from the values that would have been used had a ready market for the securities existed. In addition, changes in the market environment, portfolio company performance and other events that may occur over the lives of the investments may cause the gains or losses ultimately realized on these investments to be different than the valuations currently assigned. Main Street determines the fair value of each individual investment and records changes in fair value as unrealized appreciation or depreciation.

Main Street uses a standard investment rating system in connection with its investment oversight, portfolio management/analysis and investment valuation procedures. This system takes into account both quantitative and qualitative factors of the portfolio company and the investments held. Each quarter, Main Street estimates the fair value of each portfolio investment, and the Board of Directors of Main Street oversees, reviews and approves, in good faith, Main Street's fair value estimates consistent with the 1940 Act requirements.

Pursuant to its internal valuation process, Main Street performs valuation procedures on each portfolio company once a quarter. In addition to its internal valuation process, in arriving at estimates of fair value for portfolio companies, Main Street, among other things, consults with a nationally recognized independent advisor. The nationally recognized independent advisor is generally consulted relative to each portfolio investment 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, Main Street may determine that it is not cost-effective, and as a result is not in its stockholders' best interest, to consult with the nationally recognized independent advisor on one or more portfolio companies. Such instances include, but are not limited to, situations where the fair value of Main Street's investment in a portfolio company is determined to be insignificant relative to the total investment portfolio. Main Street consulted with its independent advisor in arriving at Main Street's determination of fair value on a total of 13 portfolio companies for the six months ended June 30, 2009, representing approximately 33% of the total portfolio investments at fair value as of June 30, 2009. Main Street consulted with its advisor relative to Main Street's determination of fair value on 4 and 9 portfolio investments for the quarters ended March 31, 2009 and June 30, 2009, respectively. The Board of Directors of Main Street has the final responsibility for reviewing and approving, in good faith, Main Street's estimate of the fair value for the investments.

Main Street believes its investments as of June 30, 2009 and December 31, 2008 approximate fair value as of those dates based on the market in which Main Street operates and other conditions in existence at those reporting periods.

2. Interest and Dividend Income

Interest and dividend income is recorded on the accrual basis to the extent amounts are expected to be collected. Dividend income is recorded as dividends are declared or at the point an obligation exists for the portfolio company to make a distribution. In accordance with Main Street's valuation policy, accrued interest and dividend income is evaluated periodically for collectability. When a loan or debt security becomes 90 days or more past due, and if Main Street otherwise does not expect the debtor to be able to service all of its debt or other obligations, Main Street will generally place the loan or debt security on non-accrual status and cease recognizing interest income on that loan or debt security until the borrower has demonstrated the ability and intent to pay contractual amounts due. If a loan or debt security's status significantly improves regarding ability to service the debt or other obligations, or if a loan or debt security is fully impaired or written off, it will be removed from non-accrual status.

While not significant to its total portfolio, Main Street holds debt instruments in its portfolio that contain payment-in-kind ("PIK") interest provisions. The PIK interest, computed at the contractual rate specified in each debt agreement, is added to the principal balance of the debt and is recorded as interest income. Thus, the actual collection of this interest may be deferred until the time of debt principal repayment.

As of June 30, 2009, and December 31, 2008, Main Street had one investment on non-accrual status, which comprised approximately 0.4% and 0.5%, respectively, of the core investment portfolio at fair value for the two periods then ended.

3. Fee Income — Structuring and Advisory Services

Main Street may periodically provide services, including structuring and advisory services, to its portfolio companies. For services that are separately identifiable and evidence exists to substantiate fair value, income is recognized as earned, which is generally when the investment or other applicable transaction closes. Fees received in connection with debt financing transactions for services that do not meet these criteria are treated as debt origination fees and are accreted into interest income over the life of the financing.

4. Unearned Income — Debt Origination Fees and Original Issue Discount

Main Street capitalizes upfront debt origination fees received in connection with financings and reflects such fees as unearned income netted against investments. Main Street will also capitalize and offset direct loan origination costs against the origination fees received. The unearned income from the fees, net of direct debt origination costs, is accreted into interest income based on the effective interest method over the life of the financing.

In connection with its debt investments, Main Street sometimes receives nominal cost warrants ("nominal cost equity") that are valued as part of the negotiation process with the particular portfolio company. When Main Street receives nominal cost equity, Main Street allocates its cost basis in its investment between its debt securities and its nominal cost equity at the time of origination. Any resulting discount from recording the debt is reflected as unearned income, which is netted against the investment, and accreted into interest income based on the effective interest method over the life of the debt.

5. Share-Based Compensation

Main Street accounts for its share-based compensation plans using the fair value method, as prescribed by FAS No. 123R, *Share-Based Payment* ("FAS 123R"). Accordingly, for restricted stock awards, Main Street measures the grant date fair value based upon the market price of its common stock on the date of the grant and amortizes that fair value as share-based compensation expense over the requisite service period or vesting term.

6. Income Taxes

MSCC has elected and intends to qualify for the tax treatment applicable to regulated investment companies ("RIC") under Subchapter M of the Internal Revenue Code of 1986, as amended (the "Code"), and, among other things, intends to make the required distributions to its stockholders as specified therein. In order to qualify as a RIC, MSCC is required to timely distribute to its stockholders at least 90% of investment company taxable income, as defined by the Code, each year. Depending on the level of taxable income earned in a tax year, MSCC may choose to carry forward taxable income in excess of current year distributions into the next tax year and pay a 4% excise tax on such income. Any such carryover taxable income must be distributed through a dividend declared prior to filing the final tax return related to the year which generated such taxable income.

MSCC's wholly owned subsidiary, MSEI, is a taxable entity which holds certain portfolio investments of Main Street. MSEI is consolidated with Main Street for U.S. GAAP reporting purposes, and the portfolio investments held by MSEI are included in Main Street's consolidated financial statements. The principal purpose of MSEI is to permit Main Street to hold equity investments in portfolio companies which are "pass through" entities for tax purposes in order to comply with the "source income" requirements contained in the RIC tax provisions. MSEI is not consolidated with Main Street for income tax purposes and may generate income tax expense as a result of its ownership of certain portfolio investments. This income tax expense, if any, is reflected in Main Street's Consolidated Statement of Operations.

MSEI uses the liability method in accounting for income taxes. Deferred tax assets and liabilities are recorded for temporary differences between the tax basis of assets and liabilities and their reported amounts in the financial statements, using statutory tax rates in effect for the year in which the temporary differences are expected to reverse. A valuation allowance is provided against deferred tax assets when it is more likely than not that some portion or all of the deferred tax asset will not be realized.

Taxable income generally differs from net income for financial reporting purposes due to temporary and permanent differences in the recognition of income and expenses. Taxable income generally excludes net unrealized appreciation or depreciation, as investment gains or losses are not included in taxable income until they are realized.

7. Net Realized Gains or Losses from Investments and Net Change in Unrealized Appreciation or Depreciation from Investments

Realized gains or losses are measured by the difference between the net proceeds from the sale or redemption of an investment and the cost basis of the investment, without regard to unrealized appreciation or depreciation previously recognized, and includes investments written-off during the period net of recoveries. Net change in unrealized appreciation or depreciation from investments reflects the net change in the valuation of the investment portfolio pursuant to Main Street's valuation guidelines and the reclassification of any prior period unrealized appreciation or depreciation on exited investments.

8. Concentration of Credit Risks

Main Street places its cash in financial institutions, and, at times, such balances may be in excess of the federally insured limit.

9. Fair Value of Financial Instruments

Fair value estimates are made at discrete points in time based on relevant information. These estimates may be subjective in nature and involve uncertainties and matters of significant judgment and, therefore, cannot be determined with precision. Main Street believes that the carrying amounts of its financial instruments, consisting of cash and cash equivalents, receivables, accounts payable and accrued liabilities approximate the fair values of such items. Idle funds investments consist primarily of short term investments in U.S. government agency securities, investments in high-quality debt investments, certificates of deposit, and diversified bond funds. The fair value determination for these investments primarily consists of Level 1 observable inputs. The SBIC debentures remain a strategic advantage due to their flexible structure, long-term duration, and low fixed interest rates. As of June 30, 2009, had Main Street adopted the provisions of SFAS No. 159, *The Fair Value Option for Financial Assets and Financial Liabilities* ("FAS 159") relating to accounting for debt obligations at their fair value, Main Street estimates the fair value of its SBIC debentures would be approximately $46 million, or $9 million less than the face value of the SBIC debentures. As of December 31, 2008, Main Street estimates the fair value of its SBIC debentures would be approximately $43 million, or $12 million less than the face value of the SBIC debentures.

10. Recently Issued Accounting Standards

In June 2008, the Financial Accounting Standards Board ("FASB") issued EITF 03-6-1, *Determining Whether Instruments Granted in Share-Based Payment Transactions Are Participating Securities* ("EITF 03-6-1"). This FASB Staff Position ("FSP") addresses whether instruments granted in share-based payment transactions are participating securities prior to vesting and, therefore, need to be included in the earnings allocation in computing earnings per share ("EPS"). This FSP is effective for financial statements issued for fiscal years beginning after December 15, 2008, and interim periods within those years. All prior-period EPS data presented will be adjusted retrospectively (including interim financial statements, summaries of earnings, and selected financial data) to conform to the provisions of this FSP. Early application is not permitted. On July 1, 2008, Main Street's Board of Directors approved the issuance of shares of restricted stock to Main Street employees and independent directors as discussed further in Note J. Main Street determined that these shares of restricted stock are participating securities prior to vesting. For the six months ended June 30, 2009, 255,645 shares of non-vested restricted stock have been included in Main Street's basic and diluted EPS computations.

In October 2008, the FASB issued FSP No. 157-3, *Determining the Fair Value of a Financial Asset When the Market for That Asset is Not Active* ("FSP 157-3"). FSP 157-3 provides an illustrative example of how to determine the fair value of a financial asset in an inactive market. The FSP does not change the fair value measurement principles set forth in FAS 157. Since adopting FAS 157 in January 2008, Main Street's practices for determining the fair value of its investment portfolio have been, and continue to be, consistent with the guidance provided in FSP 157-3. Therefore, Main Street's adoption of FSP 157-3 did not affect its practices for determining the fair value of its investment portfolio and did not have a material effect on its financial position or results of operations.

In April 2009, the FASB issued FSP No. FAS 157-4, *Determining Fair Value When the Volume and Level of Activity for the Asset or Liability Have Significantly Decreased and Identifying Transactions That Are Not Orderly* ("FSP 157-4") and FSP No. FAS 107-1 and APB 28-1, *Interim Disclosures About Fair Value of Financial Instruments* ("FSP 107-1"). Both FSPs are effective for reporting periods ending on or after June 15, 2009. Since adopting FAS 157 in January 2008, Main Street's practices for determining fair value and for disclosures about the fair value of its investment portfolio have been, and continue to be, consistent with the guidance provided in FSP 157-4 and FSP 107-1. Therefore, Main Street's adoption of both FSP 157-4 and FSP 107-1 did not affect its practices for determining the fair value of its investment portfolio and did not have a material effect on its financial position or results of operations.

In May 2009, the FASB issued FAS No. 165, *Subsequent Events* ("FAS 165"). FAS 165 establishes general standards of accounting for and disclosure of events that occur after the balance sheet date but before financial statements are issued or are available to be issued. FAS 165 includes a new required disclosure of the date through which an entity has evaluated subsequent events and is effective for interim periods or fiscal years ending after June 15, 2009. Main Street's adoption of FAS 165 did not have a material effect on its financial position or results of operations.

In June 2009, the FASB issued FAS No. 168, *The FASB Accounting Standards Codification TM and the Hierarchy of Generally Accepted Accounting Principles—a replacement of FASB Statement No. 162* ("FAS 168"). The Codification will become the source of authoritative GAAP recognized by the FASB to be applied by nongovernmental entities. Rules and interpretive releases of the SEC under authority of federal securities laws are also sources of authoritative GAAP for SEC registrants. On the effective date of FAS 168, the Codification will supersede all then-existing non-SEC accounting and reporting standards. All other non-grandfathered, non-SEC accounting literature not included in the Codification will become nonauthoritative. FAS 168 is effective for financial statements issued for interim and annual periods ending after September 15, 2009. FAS 168 is only expected to impact Main Street's disclosures by requiring Codification references.

NOTE C — FAIR VALUE HIERARCHY FOR PORTFOLIO AND IDLE FUNDS INVESTMENTS

In connection with valuing portfolio investments, Main Street adopted the provisions of FAS 157 in the first quarter of 2008. FAS 157 defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs used to measure fair value, and enhances disclosure requirements for fair value measurements. Main Street accounts for its portfolio investments at fair value.

Fair Value Hierarchy

In accordance with FAS 157, Main Street has categorized its portfolio investments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical investments (Level 1) and the lowest priority to unobservable inputs (Level 3).

Portfolio investments recorded on Main Street's balance sheet are categorized based on the inputs to the valuation techniques as follows:

Level 1 — Investments whose values are based on unadjusted quoted prices for identical assets in an active market that Main Street has the ability to access (examples include investments in active exchange-traded equity securities and investments in most U.S. government and agency securities).

Level 2 — Investments whose values are based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the investment. Level 2 inputs include the following:

- Quoted prices for similar assets in active markets (for example, investments in restricted stock);
- Quoted prices for identical or similar assets in non-active markets (for example, investments in thinly traded public companies);
- Pricing models whose inputs are observable for substantially the full term of the investment (for example, market interest rate indices); and
- Pricing models whose inputs are derived principally from, or corroborated by, observable market data through correlation or other means for substantially the full term of the investment.

Level 3 — Investments whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. These inputs reflect management's own assumptions about the assumptions a market participant would use in pricing the investment (for example, investments in illiquid securities issued by private companies).

As required by FAS 157, when the inputs used to measure fair value fall within different levels of the hierarchy, the level within which the fair value measurement is categorized is based on the lowest level input that is significant to the fair value measurement in its entirety. For example, a Level 3 fair value measurement may include inputs that are observable (Levels 1 and 2) and unobservable (Level 3). Therefore, gains and losses for such investments categorized within the Level 3 table below may include changes in fair value that are attributable to both observable inputs (Levels 1 and 2) and unobservable inputs (Level 3). Main Street conducts reviews of fair value hierarchy classifications on a quarterly basis. Changes in the observability of valuation inputs may result in a reclassification for certain investments.

As of June 30, 2009 and December 31, 2008, all of Main Street's idle funds investments consisted primarily of investments in high-quality debt investments, certificates of deposit, and diversified bond funds. The fair value determination for these investments primarily consisted of observable inputs. As a result, all of Main Street's idle funds investments were categorized as Level 1 as of June 30, 2009 and December 31, 2008, with a fair value of $15,783,358 and $4,389,795, respectively.

As of June 30, 2009, all of Main Street's portfolio investments consisted of illiquid securities issued by private companies. The fair value determination for these investments primarily consisted of unobservable inputs. As a result, all of Main Street's portfolio investments were categorized as Level 3. The fair value determination of each portfolio investment required one or more of the following unobservable inputs:

- Financial information obtained from each portfolio company, including unaudited statements of operations and balance sheets for the most recent period available as compared to budgeted numbers;
- Current and projected financial condition of the portfolio company;
- Current and projected ability of the portfolio company to service its debt obligations;
- Type and amount of collateral, if any, underlying the investment;
- Current financial ratios (e.g., fixed charge coverage ratio, interest coverage ratio, and net debt/EBITDA ratio) applicable to the investment;
- Current liquidity of the investment and related financial ratios (e.g., current ratio and quick ratio);
- Pending debt or capital restructuring of the portfolio company;
- Projected operating results of the portfolio company;
- Current information regarding any offers to purchase the investment;
- Current ability of the portfolio company to raise any additional financing as needed;
- Changes in the economic environment which may have a material impact on the operating results of the portfolio company;
- Internal occurrences that may have an impact (both positive and negative) on the operating performance of the portfolio company;
- Qualitative assessment of key management;
- Contractual rights, obligations or restrictions associated with the investment; and
- Other factors deemed relevant.

The following table provides a summary of changes in fair value of Main Street's Level 3 portfolio investments for the six months ended June 30, 2009:

Type of Investment	December 31, 2008 Fair Value	Accretion of Unearned Income	Redemptions/ Repayments (1)	New Investments (1)	Net Changes from Unrealized to Realized	Net Unrealized Appreciation (Depreciation)	June 30, 2009 Fair Value
Debt	$ 81,751,043	$ 309,697	$ (6,388,139)	$ 6,797,648	$ (133,856)	$ (2,934,390)	$ 79,402,003
Equity	22,735,146	—	(132,480)	2,596,688	(365,853)	1,303,187	26,136,688
Equity warrants	5,845,000	—	(72,010)	365,040	(428,000)	1,105,010	6,815,040
Investment Manager	16,675,626	—	—	—	—	55,318	16,730,944
	$ 127,006,815	$ 309,697	$ (6,592,629)	$ 9,759,376	$ (927,709)	$ (470,875)	$ 129,084,675

(1) Includes the impact of non-cash conversions

Portfolio Investments

Main Street's portfolio investments principally consist of secured debt, equity warrants and direct equity investments in privately held companies. The debt investments are secured by either a first or second lien on the assets of the portfolio company, generally bear interest at fixed rates, and generally mature between five and seven years from the original investment. In most portfolio companies, Main Street also receives nominally priced equity warrants and/or makes direct equity investments, usually in connection with a debt investment.

As discussed further in Note D, the Investment Manager is a wholly owned subsidiary of MSCC. However, the Investment Manager is accounted for as a portfolio investment of Main Street, since it conducts a significant portion of its investment management activities for entities outside of MSCC and its subsidiaries. To allow for more relevant disclosure of Main Street's "core" investment portfolio, Main Street's investment in the Investment Manager has been excluded from the tables and amounts set forth in this Note C. "Core" portfolio investments, as used herein, refers to all of Main Street's portfolio investments excluding its investment in the Investment Manager.

Investment income, consisting of interest, dividends and fees, can fluctuate dramatically due to various factors, including repayment of a debt investment or sale of an equity interest. Revenue recognition in any given year could be highly concentrated among several portfolio companies. For the six months ended June 30, 2009, Main Street recorded investment income from one portfolio company in excess of 10% of total investment income. The investment income from that portfolio company represented approximately 11% of the total investment income for the period, principally related to interest income from debt investments in such company. For the six months ended June 30, 2008, Main Street recorded investment income from one portfolio company in excess of 10% of total investment income. The investment income from that portfolio company represented approximately 20% of the total investment income for the period, principally related to high levels of dividend income and transaction and structuring fees on the new investment in such company.

As of June 30, 2009, Main Street had debt and equity investments in 33 core portfolio companies with an aggregate fair value of $112,353,731 and a weighted average effective yield on its debt investments of approximately 13.9%. Approximately 82% of Main Street's total core portfolio investments at cost were in the form of debt investments and 91% of such debt investments at cost were secured by first priority liens on the assets of Main Street's portfolio companies as of June 30, 2009. At June 30, 2009, Main Street had equity ownership in approximately 91% of its core portfolio companies and the average fully diluted equity ownership in those portfolio companies was approximately 24%. As of December 31, 2008, Main Street had debt and equity investments in 31 core portfolio companies with an aggregate fair value of $110,331,189 and a weighted average effective yield on its debt investments of approximately 14.0%. The weighted average yields were computed using the effective interest rates for all debt investments at June 30, 2009 and December 31, 2008, including amortization of deferred debt origination fees and accretion of original issue discount but excluding any debt investments on non-accrual status.

Summaries of the composition of Main Street's core investment portfolio at cost and fair value as a percentage of total core portfolio investments are shown in the following table:

Cost:	**June 30, 2009**	**December 31, 2008**
First lien debt	74.3%	76.2%
Equity	12.9%	11.0%
Second lien debt	7.3%	7.4%
Equity warrants	5.5%	5.4%
	100.0%	100.0%

Fair Value:	**June 30, 2009**	**December 31, 2008**
First lien debt	63.7%	67.0%
Equity	18.2%	15.7%
Equity warrants	11.1%	10.2%
Second lien debt	7.0%	7.1%
	100.0%	100.0%

The following table shows the core portfolio composition by geographic region of the United States at cost and fair value as a percentage of total core portfolio investments. The geographic composition is determined by the location of the corporate headquarters of the portfolio company.

Cost:	June 30, 2009	December 31, 2008
Southwest	47.7%	50.2%
West	34.6%	36.3%
Southeast	8.0%	5.1%
Northeast	5.3%	3.7%
Midwest	4.4%	4.7%
	100.0%	100.0%

Fair Value:	June 30, 2009	December 31, 2008
Southwest	55.8%	56.0%
West	29.8%	31.1%
Northeast	5.4%	3.7%
Southeast	4.8%	4.1%
Midwest	4.2%	5.1%
	100.0%	100.0%

Main Street's core portfolio investments are generally in lower middle-market companies conducting business in a variety of industries. Set forth below are tables showing the composition of Main Street's core portfolio investments by industry at cost and fair value as of June 30, 2009 and December 31, 2008:

Cost:	June 30, 2009	December 31, 2008
Industrial equipment	11.4%	12.0%
Precast concrete manufacturing	10.3%	11.3%
Custom wood products	9.0%	9.3%
Agricultural services	8.3%	8.3%
Professional services	7.7%	4.1%
Electronics manufacturing	7.4%	7.6%
Retail	6.5%	6.5%
Transportation/Logistics	6.2%	6.6%
Restaurant	5.8%	6.1%
Mining and minerals	4.7%	4.8%
Manufacturing	4.4%	4.7%
Health care products	4.2%	5.8%
Health care services	4.1%	4.2%
Metal fabrication	3.1%	3.4%
Equipment rental	2.0%	2.1%
Governmental services	1.7%	0.0%
Infrastructure products	1.6%	1.7%
Information services	0.9%	0.9%
Industrial services	0.6%	0.5%
Distribution	0.1%	0.1%
	100.0%	100.0%

Fair Value:	June 30, 2009	December 31, 2008
Precast concrete manufacturing	12.9%	13.7%
Agricultural services	9.1%	8.1%
Professional services	8.3%	5.4%
Industrial equipment	7.3%	10.2%
Health care services	7.1%	6.1%
Electronics manufacturing	7.0%	7.7%
Retail	6.7%	7.0%
Restaurant	6.8%	6.7%
Transportation/Logistics	6.6%	6.5%
Custom wood products	6.3%	6.8%
Metal fabrication	4.8%	4.3%
Health care products	4.4%	5.8%
Manufacturing	4.2%	5.1%
Industrial services	3.2%	2.8%
Equipment rental	2.2%	2.0%
Governmental services	1.7%	0.0%
Information services	0.7%	0.9%
Infrastructure products	0.4%	0.5%
Distribution	0.3%	0.4%
	100.0%	100.0%

At June 30, 2009, Main Street had one investment that was greater than 10% of its total core investment portfolio at fair value. That investment represented approximately 13% of the core portfolio at fair value. At December 31, 2008, Main Street had one investment that was greater than 10% of its total core investment portfolio at fair value. That investment represented approximately 14% of the core portfolio at fair value at December 31, 2008.

NOTE D — WHOLLY OWNED INVESTMENT MANAGER

As part of the Formation Transactions, the Investment Manager became a wholly owned subsidiary of MSCC. However, the Investment Manager is accounted for as a portfolio investment of Main Street, since the Investment Manager is not an investment company and since it conducts a significant portion of its investment management activities for Main Street Capital II, LP ("MSC II"), a separate small business investment company ("SBIC") fund, which is not part of MSCC or one of its subsidiaries. The Investment Manager receives recurring investment management fees from MSC II pursuant to a separate investment advisory agreement, paid quarterly, which currently total $3.3 million per year, and the Investment Manager also receives other consulting or advisory fees from third parties (the "External Services"). The portfolio investment in the Investment Manager is accounted for using fair value accounting, with the fair value determined by Main Street and approved, in good faith, by Main Street's Board of Directors, based on the same valuation methodologies applied to determine the original $18 million valuation. The valuation for the Investment Manager is based on the total estimated present value of the net cash flows received for the External Services, over the estimated dollar averaged life of the related investment advisory or consulting contract, and is also based on comparable public market transactions. The net cash flows utilized in the valuation of the Investment Manager exclude any revenues and expenses from MSCC and its subsidiaries but include the External Services and include an estimated allocation of costs related to providing services to MSC II and other third parties. Any change in fair value of the Investment Manager investment is recognized on Main Street's statement of operations as "Unrealized appreciation (depreciation) in Investment in affiliated Investment Manager," with a corresponding increase (in the case of appreciation) or decrease (in the case of depreciation) to "Investment in affiliated Investment Manager" on Main Street's balance sheet. Main Street believes that the valuation for the Investment Manager will generally decrease over the life of the investment advisory and consulting contracts with MSC II and other third parties, absent obtaining additional recurring cash flows from performing the External Services for other external investment entities or other third parties.

The Investment Manager has elected, for tax purposes, to be treated as a taxable entity and is taxed at normal corporate tax rates based on its taxable income. The taxable income of the Investment Manager may differ from its book income due to temporary book and tax timing differences, as well as permanent differences. The Investment Manager provides for any current taxes payable and deferred tax items in its separate financial statements.

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MSCC has a support services agreement with the Investment Manager that is structured to provide reimbursement to the Investment Manager for any personnel, administrative and other costs it incurs in conducting its operational and investment management activities in excess of the fees received for the External Services. As a wholly owned subsidiary of MSCC, the Investment Manager manages the day-to-day operational and investment activities of MSCC and its subsidiaries, as well as the investment activities of MSC II. The Investment Manager pays personnel and other administrative expenses, except those specifically required to be borne by MSCC, which principally include direct costs that are specific to MSCC's status as a publicly traded entity. The expenses paid by the Investment Manager include the cost of salaries and related benefits, rent, equipment and other administrative costs required for day-to-day operations.

Pursuant to the support services agreement with MSCC, the Investment Manager is reimbursed by MSCC for its excess cash expenses associated with providing investment management and other services to MSCC and its subsidiaries, as well as MSC II and other third parties. Each quarter, as part of the support services agreement, MSCC makes payments to cover all cash expenses incurred by the Investment Manager, less the External Services fees that the Investment Manager receives from MSC II and other third parties pursuant to long-term investment advisory agreements and consulting agreements. For the six months ended June 30, 2009 and 2008, the expenses reimbursed by MSCC to the Investment Manager were $79,938 and $444,738, respectively.

In its separate stand alone financial statements as summarized below, the Investment Manager recognized an $18 million intangible asset related to the investment advisory agreement with MSC II and consistent with Staff Accounting Bulletin No. 54, *Application of "Pushdown" Basis of Accounting in Financial Statements of Subsidiaries Acquired by Purchase* ("SAB 54"). Under SAB 54, push-down accounting is required in "purchase transactions that result in an entity becoming substantially wholly owned." In this case, MSCC acquired 100% of the equity interests in the Investment Manager. Because the $18 million value attributed to MSCC's investment in the Investment Manager was derived from the long-term, recurring management fees under the investment advisory agreement with MSC II, the same methodology used to determine the $18 million valuation of the Investment Manager was utilized to establish the push-down accounting basis for the intangible asset. The intangible asset is being amortized over the estimated economic life of the investment advisory agreement with MSC II. For the six months ended June 30, 2009 and 2008, the Investment Manager recognized $506,263 and $576,879 in amortization expense associated with the intangible asset. Amortization expense is not included in the expenses reimbursed by MSCC to the Investment Manager based upon the support services agreement between the two entities since it is non-cash in nature.

Summarized financial information from the separate financial statements of the Investment Manager is as follows:

	June 30, 2009	December 31, 2008
	(Unaudited)	
ASSETS		
Cash	$ 94,561	$ 20,772
Accounts receivable	119,050	17,990
Accounts receivable — MSCC	—	302,633
Intangible asset (net of accumulated amortization of $1,680,471 and $1,174,207 as of June 30, 2009 and December 31, 2008, respectively)	16,319,529	16,825,793
Deposits and other	80,801	103,392
Total assets	$ 16,613,941	$ 17,270,580
LIABILITIES		
Accounts payable — MSCC	$ 294,229	$ —
Accounts payable and accrued liabilities	144,755	589,360
Total liabilities	438,984	589,360
Equity	16,174,957	16,681,220
Total liabilities and equity	$ 16,613,941	$ 17,270,580

	Three months ended June 30, 2009	Three months ended June 30, 2008	Six months ended June 30, 2009	Six months ended June 30, 2008
	(Unaudited)		(Unaudited)	
Management fee income from MSC II	$ 831,300	$ 831,300	$ 1,662,600	$ 1,662,600
Other management advisory and consulting fees	48,500	—	114,125	—
Total income	879,800	831,300	1,776,725	1,662,600
EXPENSES				
Salaries, benefits and other personnel costs	(707,760)	(833,420)	(1,469,809)	(1,684,922)
Occupancy expense	(97,468)	(41,964)	(176,321)	(87,163)
Professional expenses	(5,079)	(3,869)	(12,632)	(5,199)
Amortization expense — intangible asset	(255,858)	(290,941)	(506,263)	(576,879)
Other	(115,006)	(170,218)	(197,901)	(330,054)
Expense reimbursement from MSCC	45,513	218,171	79,938	444,738
Total net expenses	(1,135,658)	(1,122,241)	(2,282,988)	(2,239,479)
Net income (loss)	$ (255,858)	$ (290,941)	$ (506,263)	$ (576,879)

NOTE E — SBIC DEBENTURES

SBIC debentures payable at June 30, 2009 and December 31, 2008 were $55 million. SBIC debentures provide for interest to be paid semi-annually, with principal due at the applicable 10-year maturity date. The weighted average interest rate as of June 30, 2009 and December 31, 2008 was 5.78%. The first principal maturity due under the existing SBIC debentures is in 2013, and the weighted average duration is approximately 5.9 years. The Fund is subject to regular compliance examinations by the Small Business Administration. There have been no historical findings resulting from these examinations.

NOTE F — INVESTMENT AND TREASURY CREDIT FACILITIES

On October 24, 2008, Main Street entered into a $30 million, three-year investment credit facility (the “Investment Facility”) with Branch Banking and Trust Company (“BB&T”) and Compass Bank, as lenders, and BB&T, as administrative agent for the lenders. The purpose of the Investment Facility is to provide additional liquidity in support of future investment and operational activities. The Investment Facility allows for an increase in the total size of the facility up to $75 million, subject to certain conditions, and has a maturity date of October 24, 2011. Borrowings under the Investment Facility bear interest, subject to Main Street’s election, on a per annum basis equal to (i) the applicable LIBOR rate plus 2.75% or (ii) the applicable base rate plus 0.75%. Main Street will pay unused commitment fees of 0.375% per annum on the average unused lender commitments under the Investment Facility. The Investment Facility is secured by certain assets of MSCC, MSEI and the Investment Manager. The Investment Facility contains certain affirmative and negative covenants, including but not limited to: (i) maintaining a minimum liquidity of not less than 10% of the aggregate principal amount outstanding, (ii) maintaining an interest coverage ratio of at least 2.0 to 1.0, and (iii) maintaining a minimum tangible net worth. At June 30, 2009, Main Street had no borrowings outstanding under the Investment Facility, and Main Street was in compliance with all covenants of the Investment Facility.

On December 31, 2007, Main Street entered into a treasury-based credit facility (the “Treasury Facility”) among Main Street, Wachovia Bank, National Association and BB&T, as administrative agent for the lenders. The purpose of the Treasury Facility was to provide flexibility in the sizing of portfolio investments and to facilitate the growth of Main Street’s investment portfolio. Under the Treasury Facility, the lenders had agreed to extend revolving loans to Main Street in an amount not to exceed $100 million; however, due to the maturation of Main Street’s investment portfolio and the additional flexibility provided by the Investment Facility, Main Street unilaterally reduced the Treasury Facility from $100 million to $50 million during October 2008. The Treasury Facility had a two-year term and bore interest, at Main Street’s option, either (i) at the LIBOR rate or (ii) at a published prime rate of interest, plus 0.25% in each case. The applicable interest rates under the Treasury Facility would have been increased by 0.15% if usage under the Treasury Facility was in excess of 50% of the days within a given calendar quarter. The Treasury Facility required payment of 0.15% per annum in unused commitment fees based on average daily unused balances under the facility. The Treasury Facility was secured by certain securities accounts maintained for Main Street by BB&T and was also guaranteed by Main Street’s wholly-owned Investment Manager. The Treasury Facility contained certain affirmative and negative covenants, including but not limited to: (i) maintaining a cash collateral coverage ratio of at least 1.01 to 1.0, (ii) maintaining an interest coverage ratio of at least 2.0 to 1.0, and (iii) maintaining a minimum tangible net worth. At June 30, 2009, Main Street had no borrowings outstanding under the Treasury Facility, and Main Street was in compliance with all covenants of the Treasury Facility. On July 10, 2009, Main Street unilaterally terminated the Treasury Facility in order to eliminate the unused commitment fees that would have been paid under this facility over its remaining term.

NOTE G — FINANCIAL HIGHLIGHTS

	Six Months Ended June 30,	
Per Share Data:	**2009**	**2008**
Net asset value at beginning of period	$ 12.20	$ 12.85
Net investment income (1)	0.44	0.57
Net realized gains (1) (2)	0.14	0.08
Net change in unrealized depreciation on investments (1) (2)	(0.17)	(0.05)
Income tax (provision) benefit (1) (2)	(0.06)	0.26
Net increase in net assets resulting from operations (1)	0.35	0.86
Net decrease in net assets from dividends to stockholders	(0.75)	(0.69)
Other (3)	—	—
Net asset value at June 30, 2009 and 2008	$ 11.80	$ 13.02
Market value at June 30, 2009 and 2008	$ 13.69	$ 11.82
Shares outstanding at June 30, 2009 and 2008	10,558,632	8,959,718

(1) Based on weighted average number of common shares outstanding for the period.

(2) Net realized gains, net change in unrealized appreciation or depreciation, and income taxes can fluctuate significantly from period to period.

(3) Includes the impact of the different share amounts as a result of calculating certain per share data based on 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.

	Six Months Ended June 30,	
	2009	**2008**
Net assets at end of period	$124,580,685	$116,657,735
Average net assets	114,658,227	115,704,161
Average outstanding debt	55,000,000	55,000,000
Ratio of total expenses, excluding interest expense, to average net assets (1)	1.06%	1.13%
Ratio of total expenses to average net assets (1)	2.69%	2.69%
Ratio of net investment income to average net assets (1)	3.58%	4.40%
Total return based on change in net asset value (2)	2.91%	6.68%

(1) Not annualized.

(2) Total return based on change in net asset value was calculated using the sum of ending net asset value plus distributions to stockholders during the period less equity issuances during the period, as divided by the beginning net asset value.

NOTE H — DIVIDEND, DISTRIBUTIONS AND TAXABLE INCOME

In September 2008, Main Street announced that it would begin making dividend payments on a monthly, as opposed to a quarterly, basis beginning in October 2008. Main Street’s Board of Directors declared and Main Street paid monthly dividends of $0.125 per share for each month beginning January 2009 through June 2009, totaling $6.8 million, or $0.75 per share, to stockholders for the period. During May 2009, Main Street’s Board of Directors declared $1.3 million or $0.125 per share for the July 2009 monthly dividend. For the six months ended June 30, 2009, the Consolidated Statements of Changes in Net Assets reflects dividends declared for the monthly dividends paid from February 2009 through July 2009, totaling $7.0 million, or $0.75 per share, to stockholders for the period. For the six months ended June 30, 2008, Main Street’s Board of Directors declared quarterly dividends of approximately $6.2 million or $0.69 per common share.

The determination of the tax attributes for Main Street's distributions is made annually, based upon its taxable income for the full year and distributions paid for the full year. Therefore, a determination made on an interim basis may not be representative of the actual tax attributes of distributions for a full year. Main Street's estimates that the tax attributes of its distributions year-to-date as of June 30, 2009 consist substantially of ordinary income. There can be no assurance that this estimate is representative of the final tax attributes of Main Street's 2009 distributions to its stockholders. Ordinary dividend distributions from a RIC do not qualify for the 15% maximum tax rate on dividend income from domestic corporations and qualified foreign corporations, except to the extent that the RIC received the income in the form of qualifying dividends from domestic corporations and qualified foreign corporations (which Main Street did not receive during the year-to-date period of 2009).

MSCC has elected to be treated for federal income tax purposes as a RIC. As a RIC, MSCC generally will not pay corporate-level federal income taxes on any net ordinary income or capital gains that MSCC distributes to its stockholders as dividends. MSCC must distribute at least 90% of its investment company taxable income to qualify for pass-through tax treatment and maintain its RIC status. MSCC has distributed and currently intends to distribute sufficient dividends to qualify as a RIC. As part of maintaining RIC status, taxable income (subject to a 4% excise tax) pertaining to a given fiscal year may be distributed up to 12 months subsequent to the end of that fiscal year, provided such dividends are declared prior to the filing of MSCC's applicable federal income tax return.

One of MSCC's wholly owned subsidiaries, MSEI, is a taxable entity which holds certain portfolio investments for Main Street. MSEI is consolidated with Main Street for financial reporting purposes, and the portfolio investments held by MSEI are included in Main Street's consolidated financial statements. The principal purpose of MSEI is to permit Main Street to hold equity investments in portfolio companies which are "pass through" entities for tax purposes in order to comply with the "source income" requirements contained in the RIC tax provisions of the Code. MSEI is not consolidated with Main Street for income tax purposes and may generate income tax expense as a result of its ownership of various portfolio investments. This income tax expense, if any, is reflected in Main Street's Consolidated Statement of Operations.

Listed below is a reconciliation of "Net Increase (Decrease) in Net Assets Resulting from Operations" to taxable income and also to total distributions declared to common stockholders for the six months ended June 30, 2009 and 2008:

	Six Months Ended June 30,	
	2009	2008
	(estimated)	
Net increase in net assets resulting from operations	$ 3,271,339	$ 7,690,732
Share based compensation expense	391,452	—
Net change in unrealized depreciation on investments	1,569,674	461,944
Income tax provision (benefit)	582,887	(2,351,636)
Pre-tax book income of taxable subsidiary, MSEI, not consolidated for tax purposes	(623,926)	(1,073,542)
Book income and tax income differences, including debt origination, structuring fees and realized gains	(75,272)	1,643,899
Taxable income	5,116,154	6,371,397
Taxable income earned in prior year and carried forward for distribution in current year	2,799,963	1,445,059
Taxable income earned in current period and carried forward for distribution	(899,191)	(1,634,251)
Total distributions to common stockholders	$ 7,016,926	$ 6,182,205

NOTE I — DIVIDEND REINVESTMENT PLAN

Main Street's DRIP provides for the reinvestment of dividends on behalf of its stockholders, unless a stockholder has elected to receive dividends in cash. As a result, if Main Street declares a cash dividend, the company's stockholders who have not "opted out" of the DRIP by the dividend record date will have their cash dividend automatically reinvested into additional shares of MSCC common stock. Main Street has the option to satisfy the share requirements of the DRIP through the issuance of shares of common stock or through open market purchases of common stock by the DRIP plan administrator. Newly issued shares will be valued based upon the final closing price of MSCC's common stock on the valuation date determined for each dividend by Main Street's Board of Directors. Shares purchased in the open market to satisfy the DRIP requirements will be valued based upon the average price of the applicable shares purchased by the DRIP plan administrator, before any associated brokerage or other costs. Main Street's DRIP is administered by its transfer agent on behalf of Main Street's record holders and participating brokerage firms. Brokerage firms and other financial intermediaries may decide not to participate in Main Street's DRIP but may provide a similar dividend reinvestment plan.

For the six months ended June 30, 2009, $2.7 million of the total $6.8 million in dividends paid to stockholders represented DRIP participation. During this period, Main Street satisfied the DRIP participation requirements with the purchase of 169,742 shares of common stock in the open market and the issuance of 79,193 new shares based upon the closing price on the day before the payment date. For the six months ended June 30, 2008, $2.4 million of the total $6.2 million distribution to stockholders represented DRIP participation and 174,781 shares of common stock were purchased in the open market to satisfy the DRIP participation requirements. The shares disclosed above relate only to Main Street's DRIP and exclude any activity related to broker-managed dividend reinvestment plans.

NOTE J — SHARE-BASED COMPENSATION

Main Street accounts for its share-based compensation plans using the fair value method, as prescribed by FAS 123R. Accordingly, for restricted stock awards, Main Street measured the grant date fair value based upon the market price of its common stock on the date of the grant and will amortize this fair value to share-based compensation expense over the requisite service period or vesting term.

On July 1, 2008, Main Street's Board of Directors approved the issuance of 245,645 shares of restricted stock to Main Street employees pursuant to the Main Street Capital Corporation 2008 Equity Incentive Plan. These shares will vest over a four-year period from the grant date and will be expensed over the four-year service period starting on the grant date.

On July 1, 2008, a total of 20,000 shares of restricted stock was issued to Main Street's independent directors pursuant to the Main Street Capital Corporation 2008 Non-Employee Director Restricted Stock Plan. One-half of those shares vested immediately on the grant date, and the remaining half vested on the day immediately preceding the June 2009 annual meeting of stockholders. As a result, 50% of those shares were expensed during July 2008, and the remaining 50% were expensed over a one-year service period starting on the grant date and ending in June 2009.

For the six months ended June 30, 2009, Main Street recognized total share-based compensation expense of $391,452 related to the restricted stock issued to Main Street employees and Main Street's independent directors.

As of June 30, 2009, there was $1,988,714 of total unrecognized compensation cost related to Main Street's non-vested restricted shares. This cost is expected to be recognized over a weighted-average period of approximately 3.0 years.

NOTE K — STOCK OFFERING

In June 2009, Main Street completed a public stock offering consisting of the public offering and sale of 1,437,500 shares of common stock, including the underwriters' exercise of the over-allotment option, at a price to the public of $12.10 per share. The offering resulted in total net proceeds of approximately $16.2 million, after deducting underwriters' commissions and offering costs.

NOTE L — EARNINGS PER SHARE

On January 1, 2009, Main Street adopted the provisions of FSP EITF 03-6-1. Based on this new staff position, Main Street included performance-based restricted stock in its calculation of basic and diluted earnings per share when it believes it is probable the performance criteria will be met and the forfeiture provisions have not lapsed.

NOTE M — COMMITMENTS

At June 30, 2009, Main Street had three outstanding commitments to fund unused revolving loans for up to $1,200,000 in total.

NOTE N — SUPPLEMENTAL CASH FLOW DISCLOSURES

Listed below are supplemental cash flow disclosures for the six months ended June 30, 2009 and 2008:

	Six Months Ended June 30,	
	2009	**2008**
Interest paid	$ 1,668,983	$ 1,627,345
Taxes paid	$ 381,533	$ 310,000
Non-cash financing activities:		
Shares issued pursuant to the DRIP	$ 980,576	$ —

NOTE O — RELATED PARTY TRANSACTIONS

We co-invested with MSC II in several existing portfolio investments prior to the IPO, but did not co-invest with MSC II subsequent to the IPO and prior to June 2008. In June 2008, we received exemptive relief from the SEC to allow us to resume co-investing with MSC II in accordance with the terms of such exemptive relief. MSC II is managed by the Investment Manager, and the Investment Manager is wholly owned by MSCC. MSC II is an SBIC fund with similar investment objectives to Main Street and which began its investment operations in January 2006. The co-investments among Main Street and MSC II had all been made at the same time and on the same terms and conditions. The co-investments were also made in accordance with the Investment Manager's conflicts policy and in accordance with the applicable SBIC conflict of interest regulations.

As discussed further in Note D to the accompanying consolidated financial statements, subsequent to the completion of the Formation Transactions, the Investment Manager is a wholly owned portfolio company of Main Street. At June 30, 2009 and December 31, 2008, the Investment Manager had a payable of $294,229 and a receivable of $302,633, respectively, with MSCC related to the funding of cash expenses required to support MSCC's business.

NOTE P — SUBSEQUENT EVENTS

On July 1, 2009, Main Street's Board of Directors approved the issuance of 99,312 shares of restricted stock to Main Street employees pursuant to the Main Street Capital Corporation 2008 Equity Incentive Plan. These shares will vest over a four-year period from the grant date and will be expensed over a four-year service period starting on the grant date.

On July 1, 2009, a total of 8,512 shares of restricted stock was issued to Main Street's independent directors pursuant to the Main Street Capital Corporation 2008 Non-Employee Director Restricted Stock Plan. These shares will vest on the day immediately preceding the next annual meeting at which Main Street stockholders elect directors, provided that these independent directors have been in continuous service as members of the Board through such date. As a result, these shares will be expensed over a one-year service period starting on the grant date.

On July 10, 2009, Main Street unilaterally terminated the Treasury Facility in order to eliminate the unused commitment fees that would have been paid under this facility over its remaining term. Main Street did not intend to renew the Treasury Facility at its maturity date of December 31, 2009 based upon the funding available from its recent follow-on equity offering, funding availability under its separate $30 million, three-year Investment Facility, and additional funding capacity available through participation in the SBIC program.

Main Street has performed an evaluation of subsequent events through August 7, 2009, which is the date the financial statements were issued.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The information in this section contains forward-looking statements that involve risks and uncertainties. Please see "Risk Factors" and "Cautionary Statement Concerning Forward Looking Statements" in our Annual Report on Form 10-K for the year ended December 31, 2008, filed with the SEC on March 13, 2009, for a discussion of the uncertainties, risks and assumptions associated with these statements. You should read the following discussion in conjunction with the consolidated financial statements and related notes and other financial information included in the Annual Report on Form 10-K for the year ended December 31, 2008.

ORGANIZATION

Main Street Capital Corporation ("MSCC") was formed on March 9, 2007 for the purpose of (i) acquiring 100% of the equity interests of Main Street Mezzanine Fund, LP (the "Fund") and its general partner, Main Street Mezzanine Management, LLC (the "General Partner"), (ii) acquiring 100% of the equity interests of Main Street Capital Partners, LLC (the "Investment Manager"), (iii) raising capital in an initial public offering, which was completed in October 2007 (the "IPO"), and (iv) thereafter operating as an internally managed business development company ("BDC") under the Investment Company Act of 1940, as amended (the "1940 Act"). The transactions discussed above were consummated in October 2007 and are collectively termed the "Formation Transactions." Immediately following the Formation Transactions, Main Street Equity Interests, Inc. ("MSEI") was formed as a wholly owned consolidated subsidiary of MSCC. MSEI has elected for tax purposes to be treated as a taxable entity and is taxed at normal corporate tax rates based on its taxable income. Unless otherwise noted or the context otherwise indicates, the terms "we," "us," "our" and "Main Street" refer to MSCC and its subsidiaries, including the Fund, the General Partner and MSEI.

OVERVIEW

We are a principal investment firm focused on providing customized debt and equity financing to lower middle-market companies, which we generally define as companies with annual revenues between $10 million and $100 million that operate in diverse industries. We invest primarily in secured debt instruments, equity investments, warrants and other securities of lower middle-market companies based in the United States. Our principal investment objective is to maximize our portfolio's total return by generating current income from our debt investments and capital appreciation from our equity and equity-related investments, including warrants, convertible securities and other rights to acquire equity securities in a portfolio company. Our investments generally range in size from $2 million to $15 million.

Our investments are generally made through both MSCC and the Fund. Since the IPO, MSCC and the Fund have co-invested in substantially every investment we have made. MSCC and the Fund share the same investment strategies and criteria in the lower middle-market, although they are subject to different regulatory regimes. An investor's return in MSCC will depend, in part, on the Fund's investment returns as the Fund is a wholly owned subsidiary of MSCC.

We seek to fill the current financing gap for lower middle-market businesses, which, historically, have had limited access to financing from commercial banks and other traditional sources. Given the current credit environment, we believe the limited access to financing for lower middle market companies is even more pronounced. The underserved nature of the lower middle market creates the opportunity for us to meet the financing needs of lower middle-market companies while also negotiating favorable transaction terms and equity participations. Our ability to invest across a company's capital structure, from senior secured loans to equity securities, allows us to offer portfolio companies a comprehensive suite of financing solutions, or "one stop" financing. Providing customized, "one stop" financing solutions has become even more relevant to our portfolio companies in the current credit environment. We generally seek to partner directly with entrepreneurs, management teams and business owners in making our investments. Main Street believes that its core investment strategy has a lower correlation to the broader debt and equity markets.

Due to the uncertainties in the current economic environment and our desire to maintain adequate liquidity, we intend to be very selective in our near term portfolio growth. The level of new investment activity, and associated interest and fee income, will directly impact future investment income. In addition, the level of dividends paid by portfolio companies and the portion of our portfolio debt investments on non-accrual status will directly impact future investment income. While we intend to grow our portfolio and our investment income over the long-term, our growth and our operating results may be more limited during depressed economic periods. However, we intend to appropriately manage our cost structure and liquidity position based on applicable economic conditions and our investment outlook. The level of realized gains or losses and unrealized appreciation or depreciation will also fluctuate depending upon portfolio activity and the performance of our individual portfolio companies. The changes in realized gains and losses and unrealized appreciation or depreciation could have a material impact on our operating results.

During 2008, we paid approximately $1.425 per share in dividends. In December 2008, we declared monthly dividends for the first quarter of 2009 totaling $0.375 per share representing a 10.3% increase from the dividends paid in the first quarter of 2008. In March 2009, we declared monthly dividends for the second quarter of 2009 totaling $0.375 per share representing a 7.1% increase from the dividends paid in the second quarter of 2008. In May 2009, we declared monthly dividends for the third quarter of 2009 totaling $0.375 per share representing a 4.2% increase from the dividends paid in the third quarter of 2008. Including the dividends declared for the third quarter of 2009, we will have paid approximately $2.88 per share in cumulative dividends since our October 2007 initial public offering. For tax purposes, the monthly dividend paid in January 2009 was applied against the 2008 taxable income distribution requirements since it was declared and accrued prior to December 31, 2008. Excluding the impact for the tax treatment of the January 2009 dividend, we estimate that we generated undistributed taxable income (or "spillover income") of approximately $4 million, or $0.43 per share, during 2008 that was carried forward toward distributions paid in 2009. For the 2009 calendar year, we estimate that we will pay dividends in the range of $1.50 to $1.65 per share representing an increase of 5.3% to 15.8% over the total dividends per share paid during calendar year 2008. The estimated range for total 2009 dividends is based upon projections of 2009 taxable income, anticipated 2009 portfolio activity, and the $4 million of estimated 2008 spillover income that is utilized to pay dividends during 2009.

During June 2009, Main Street completed a follow-on public stock offering consisting of the sale of 1,437,500 shares of common stock resulting in total net proceeds of approximately $16.2 million, after deducting underwriters' commissions and offering costs.

At June 30, 2009, we had $50.2 million in cash and cash equivalents plus idle funds investments. During October 2008, we closed a $30 million multi-year investment line of credit. Due to our existing cash, cash equivalents, idle fund investments and available leverage, we expect to have sufficient cash resources to support our investment and operational activities for the remainder of 2009 and through most of calendar year 2010. However, this projection will be impacted by, among other things, the pace of new and follow-on investments, debt repayments and investment redemptions, the level of cash flow from operations and cash flow from realized gains, and the level of dividends we pay in cash.

The American Recovery and Reinvestment Act of 2009 enacted in February 2009 (the "2009 Stimulus Bill") contains several provisions applicable to Small Business Investment Company ("SBIC") funds, including the Fund, our wholly owned subsidiary. One of the key SBIC-related provisions included in the 2009 Stimulus Bill increased the maximum amount of combined SBIC leverage (or SBIC leverage cap) to $225 million for affiliated SBIC funds. The prior maximum amount of SBIC leverage available to affiliated SBIC funds was approximately $137 million, as adjusted annually based upon changes in the Consumer Price Index. Due to the increase in the maximum amount of SBIC leverage available, we now have access to incremental SBIC leverage to support our future investment activities. Since the increase in the SBIC leverage cap applies to affiliated SBIC funds, we will allocate such increased borrowing capacity between the Fund and Main Street Capital II, LP ("MSC II"), an independently owned SBIC that is managed by the Investment Manager and therefore deemed to be affiliated for SBIC regulatory purposes. It is currently estimated that at least $65 million of additional SBIC leverage is now accessible by Main Street for future investment activities, subject to the required capitalization of the Fund. Based upon the net proceeds from the June 2009 follow-on equity offering and existing cash and idle funds investments, Main Street estimates that it has the required capitalization to access most of the $65 million in incremental SBIC leverage available under the provisions of the Stimulus Bill.

In our view, the SBIC leverage, including the increased capacity, remains a strategic advantage due to its long-term, flexible structure and a low fixed cost. The SBIC leverage also provides proper matching of duration and cost compared with our portfolio investments. The weighted average duration of our portfolio debt investments is approximately 3.2 years compared to a weighted average duration of 5.9 years for our SBIC leverage. Approximately 86% of portfolio debt investments bear interest at fixed rates which is also appropriately matched by the long-term, low cost fixed rates available through our SBIC leverage. In addition, we believe the embedded value of our SBIC leverage would be significant if we adopted the provisions of Statement of Financial Accounting Standards ("FAS") No. 159, *The Fair Value Option for Financial Assets and Financial Liabilities* ("FAS 159") relating to accounting for debt obligations at their fair value.

CRITICAL ACCOUNTING POLICIES

Basis of Presentation

Our consolidated financial statements are prepared in accordance with U.S. generally accepted accounting principles ("U.S. GAAP"). For the three and six months ended June 30, 2009 and 2008, the consolidated financial statements of Main Street include the accounts of MSCC, the Fund, MSEI and the General Partner. The Investment Manager is accounted for as a portfolio investment. Main Street's results of operations for the three and six months ended June 30, 2009 and 2008, and cash flows for the six months ended June 30, 2009 and 2008, and financial positions as of June 30, 2009 and December 31, 2008 are presented on a consolidated basis. The effects of all intercompany transactions between Main Street and its subsidiaries have been eliminated in consolidation.

The accompanying unaudited consolidated financial statements of Main Street are presented in conformity with 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 financial statements prepared in accordance with U.S. GAAP are omitted. In the opinion of our management, the unaudited consolidated financial results included herein contain all adjustments, consisting solely of normal recurring accruals considered necessary for the fair presentation of financial statements for the interim periods included herein. The results of operations for the three and six months ended June 30, 2009 are not necessarily indicative of the operating results to be expected for the full year. Also, the unaudited financial statements and notes should be read in conjunction with our audited financial statements and notes thereto for the year 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 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.

Under the investment company rules and regulations pursuant to Article 6 of Regulation S-X and the Audit and Accounting Guide for Investment Companies issued by the American Institute of Certified Public Accountants (the "AICPA Guide"), we are precluded from consolidating portfolio company investments, including those in which we have a controlling interest, unless the portfolio company is another investment company. An exception to this general principle in the AICPA Guide occurs if we own a controlled operating company that provides all or substantially all of its services directly to us, or to an investment company of ours. None of the investments made by us qualify for this exception. Therefore, our portfolio investments are carried on the balance sheet at fair value, as discussed further in Note B to our consolidated financial statements, with any adjustments to fair value recognized as "Net Change in Unrealized Appreciation (Depreciation) from Investments" on our Statement of Operations until the investment is disposed of, resulting in any gain or loss on exit being recognized as a "Net Realized Gain (Loss) from Investments."

Portfolio Investment Valuation

The most significant estimate inherent in the preparation of our consolidated financial statements is the valuation of our portfolio investments and the related amounts of unrealized appreciation and depreciation. As of June 30, 2009 and December 31, 2008, approximately 71% and 74%, respectively, of our total assets represented investments in portfolio companies valued at fair value (including the investment in the Investment Manager). We are required to report our investments at fair value. We adopted the provisions of FAS No. 157, *Fair Value Measurements* ("FAS 157") in the first quarter of 2008. FAS 157 defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs used to measure fair value, and enhances disclosure requirements for fair value measurements.

Our business plan calls for us to invest primarily in illiquid securities issued by private companies. These investments may be subject to restrictions on resale and will generally have no established trading market. As a result, we determine in good faith the fair value of our portfolio investments pursuant to a valuation policy in accordance with FAS 157 and a valuation process approved by our Board of Directors and in accordance with the 1940 Act. We review external events, including private mergers, sales and acquisitions involving comparable companies, and include these events in the valuation process. Our valuation policy is intended to provide a consistent basis for determining the fair value of the portfolio.

For valuation purposes, control investments are composed of equity and debt securities for which we have a controlling interest in the portfolio company or have the ability to nominate a majority of the portfolio company's board of directors. Market quotations are generally not readily available for our control investments. As a result, we determine the fair value of control investments using a combination of market and income approaches. Under the market approach, we will typically use the enterprise value methodology to determine the fair value of these investments. The enterprise value is the fair value at which an enterprise could be sold in a transaction between two willing parties, other than through a forced or liquidation sale. Typically, private companies are bought and sold based on multiples of earnings before interest, taxes, depreciation and amortization, or EBITDA, cash flows, net income, revenues, or in limited cases, book value. There is no single methodology for estimating enterprise value. For any one portfolio company, enterprise value is generally described as a range of values from which a single estimate of enterprise value is derived. In estimating the enterprise value of a portfolio company, we analyze various factors, including the portfolio company's historical and projected financial results. We allocate the enterprise value to investments in order of the legal priority of the investments. We will also use the income approach to determine the fair value of these securities, based on projections of the discounted future free cash flows that the portfolio company or the debt security will likely generate. The valuation approaches for our control investments estimate the value of the investment if we were to sell, or exit, the investment, assuming the highest and best use of the investment by market participants. In addition, these valuation approaches consider the value associated with our ability to control the capital structure of the portfolio company, as well as the timing of a potential exit.

For valuation purposes, non-control investments are composed of debt and equity securities for which we do not have a controlling interest in the portfolio company, or the ability to nominate a majority of the portfolio company's board of directors. Market quotations for our non-control investments are not readily available. For our non-control investments, we use a combination of the market and income approaches to value our equity investments and the income approach to value our debt instruments. For non-control debt investments, we determine the fair value primarily using a yield approach that analyzes the discounted cash flows of interest and principal for the debt security, as set forth in the associated loan agreements, as well as the financial position and credit risk of each of these portfolio investments. Our estimate of the expected repayment date of a debt security is generally the legal maturity date of the instrument, as we generally intend to hold our loans to maturity. The yield analysis considers changes in leverage levels, credit quality, portfolio company performance and other factors. We will use the value determined by the yield analysis as the fair value for that security; however, because of our general intent to hold our loans to maturity, the fair value will not exceed the face amount of the debt security. A change in the assumptions that we use to estimate the fair value of our debt securities using the yield analysis could have a material impact on the determination of fair value. If there is deterioration in credit quality or a debt security is in workout status, we may consider other factors in determining the fair value of a debt security, including the value attributable to the debt security from the enterprise value of the portfolio company or the proceeds that would be received in a liquidation analysis.

Due to the inherent uncertainty in the valuation process, our estimate of fair value may differ materially from the values that would have been used had a ready market for the securities existed. In addition, changes in the market environment, portfolio company performance and other events that may occur over the lives of the investments may cause the gains or losses ultimately realized on these investments to be different than the valuations currently assigned. We determine the fair value of each individual investment and record changes in fair value as unrealized appreciation or depreciation.

Revenue Recognition

Interest and Dividend Income

We record interest and dividend income on the accrual basis to the extent amounts are expected to be collected. Dividend income is recorded as dividends are declared or at the point an obligation exists for the portfolio company to make a distribution. In accordance with our valuation policy, we evaluate accrued interest and dividend income periodically for collectability. When a loan or debt security becomes 90 days or more past due, and if we otherwise do not expect the debtor to be able to service all of its debt or other obligations, we will generally place the loan or debt security on non-accrual status and cease recognizing interest income on that loan or debt security until the borrower has demonstrated the ability and intent to pay contractual amounts due. If a loan or debt security's status significantly improves regarding ability to service the debt or other obligations, or if a loan or debt security is fully impaired or written off, we will remove it from non-accrual status.

Fee Income

We may periodically provide services, including structuring and advisory services, to our portfolio companies. For services that are separately identifiable and evidence exists to substantiate fair value, income is recognized as earned, which is generally when the investment or other applicable transaction closes. Fees received in connection with debt financing transactions for services that do not meet these criteria are treated as debt origination fees and are accreted into interest income over the life of the financing.

Payment-in-Kind ("PIK") Interest

While not significant to our total debt investment portfolio, we currently hold several loans in our portfolio that contain PIK interest provisions. The PIK interest, computed at the contractual rate specified in each loan agreement, is added to the principal balance of the loan and recorded as interest income. To maintain regulated investment company ("RIC") tax treatment (as discussed below), this non-cash source of income will need to be paid out to stockholders in the form of distributions, even though we may not have collected the cash. We will stop accruing PIK interest and write off any accrued and uncollected interest when it is determined that PIK interest is no longer collectible.

Share-Based Compensation

We account for our share-based compensation plans using the fair value method, as prescribed by FAS No. 123R, *Share-Based Payment* . Accordingly, for restricted stock awards, we measured the grant date fair value based upon the market price of our common stock on the date of the grant and will amortize this fair value to share-based compensation expense over the requisite service period or vesting term.

Income Taxes

MSCC has elected and intends to qualify for the tax treatment applicable to a RIC under Subchapter M of the Internal Revenue Code of 1986, as amended (the "Code"), and, among other things, intends to make the required distributions to our stockholders as specified therein. As a RIC, we generally will not pay corporate-level federal income taxes on any net ordinary income or capital gains that we distribute to our stockholders as dividends. Depending on the level of taxable income earned in a tax year, we may choose to carry forward taxable income in excess of current year distributions into the next tax year and pay a 4% excise tax on such income. Any such carryover taxable income must be distributed through a dividend declared prior to filing the final tax return related to the year which generated such taxable income.

MSCC's wholly owned subsidiary, MSEI, is a taxable entity which holds certain of our portfolio investments. MSEI is consolidated with Main Street for U.S. GAAP reporting purposes, and the portfolio investments held by MSEI are included in our consolidated financial statements. The principal purpose of MSEI is to permit us to hold equity investments in portfolio companies which are "pass through" entities for tax purposes in order to comply with the "source income" requirements contained in the RIC tax provisions. MSEI is not consolidated with Main Street for income tax purposes and may generate income tax expense as a result of MSEI's ownership of certain portfolio investments. This income tax expense, if any, is reflected in our consolidated statement of operations.

MSEI uses the liability method in accounting for income taxes. Deferred tax assets and liabilities are recorded for temporary differences between the tax basis of assets and liabilities and their reported amounts in the financial statements, using statutory tax rates in effect for the year in which the temporary differences are expected to reverse. A valuation allowance is provided against deferred tax assets when it is more likely than not that some portion or all of the deferred tax asset will not be realized.

PORTFOLIO COMPOSITION

Portfolio investments principally consist of secured debt, equity warrants and direct equity investments in privately held companies. The debt investments are secured by either a first or second lien on the assets of the portfolio company, generally bear interest at fixed rates, and generally mature between five and seven years from the original investment. In most portfolio companies, we also receive nominally priced equity warrants and/or make direct equity investments, usually in connection with a debt investment.

The Investment Manager is a wholly owned subsidiary of MSCC. However, the Investment Manager is accounted for as a portfolio investment of Main Street, since it conducts a significant portion of its investment management activities outside of MSCC and its subsidiaries. To allow for more relevant disclosure of our "core" investment portfolio, our investment in the Investment Manager has been excluded from the tables and amounts set forth below.

Summaries of the composition of our core investment portfolio at cost and fair value as a percentage of total core portfolio investments are shown in the following table:

Cost:	June 30, 2009	December 31, 2008
First lien debt	74.3%	76.2%
Equity	12.9%	11.0%
Second lien debt	7.3%	7.4%
Equity warrants	5.5%	5.4%
	100.0%	100.0%

Fair Value:	June 30, 2009	December 31, 2008
First lien debt	63.7%	67.0%
Equity	18.2%	15.7%
Equity warrants	11.1%	10.2%
Second lien debt	7.0%	7.1%
	100.0%	100.0%

The following table shows the core portfolio composition by geographic region of the United States at cost and fair value as a percentage of total core portfolio investments. The geographic composition is determined by the location of the corporate headquarters of the portfolio company:

Cost:	June 30, 2009	December 31, 2008
Southwest	47.7%	50.2%
West	34.6%	36.3%
Southeast	8.0%	5.1%
Northeast	5.3%	3.7%
Midwest	4.4%	4.7%
	100.0%	100.0%

Fair Value:	June 30, 2009	December 31, 2008
Southwest	55.8%	56.0%
West	29.8%	31.1%
Northeast	5.4%	3.7%
Southeast	4.8%	4.1%
Midwest	4.2%	5.1%
	100.0%	100.0%

Main Street's core portfolio investments are generally in lower middle-market companies conducting business in a variety of industries. Set forth below are tables showing the composition of Main Street's core portfolio by industry at cost and fair value as of June 30, 2009 and December 31, 2008:

Cost:	**June 30, 2009**	**December 31, 2008**
Industrial equipment	11.4%	12.0%
Precast concrete manufacturing	10.3%	11.3%
Custom wood products	9.0%	9.3%
Agricultural services	8.3%	8.3%
Professional services	7.7%	4.1%
Electronics manufacturing	7.4%	7.6%
Retail	6.5%	6.5%
Transportation/Logistics	6.2%	6.6%
Restaurant	5.8%	6.1%
Mining and minerals	4.7%	4.8%
Manufacturing	4.4%	4.7%
Health care products	4.2%	5.8%
Health care services	4.1%	4.2%
Metal fabrication	3.1%	3.4%
Equipment rental	2.0%	2.1%
Governmental services	1.7%	0.0%
Infrastructure products	1.6%	1.7%
Information services	0.9%	0.9%
Industrial services	0.6%	0.5%
Distribution	0.1%	0.1%
	100.0%	100.0%

Fair Value:	**June 30, 2009**	**December 31, 2008**
Precast concrete manufacturing	12.9%	13.7%
Agricultural services	9.1%	8.1%
Professional services	8.3%	5.4%
Industrial equipment	7.3%	10.2%
Health care services	7.1%	6.1%
Electronics manufacturing	7.0%	7.7%
Retail	6.7%	7.0%
Restaurant	6.8%	6.7%
Transportation/Logistics	6.6%	6.5%
Custom wood products	6.3%	6.8%
Metal fabrication	4.8%	4.3%
Health care products	4.4%	5.8%
Manufacturing	4.2%	5.1%
Industrial services	3.2%	2.8%
Equipment rental	2.2%	2.0%
Governmental services	1.7%	0.0%
Information services	0.7%	0.9%
Infrastructure products	0.4%	0.5%
Distribution	0.3%	0.4%
	100.0%	100.0%

Our core portfolio investments carry a number of risks including, but not limited to: (1) investing in lower middle-market companies which may have a limited operating history and financial resources; (2) holding investments that are not publicly traded and which may be subject to legal and other restrictions on resale; and (3) other risks common to investing in below investment grade debt and equity investments in private, smaller companies.

PORTFOLIO ASSET QUALITY

We utilize an internally developed investment rating system for our entire portfolio of investments. Investment Rating 1 represents a portfolio company that is performing in a manner which significantly exceeds expectations and projections. Investment Rating 2 represents a portfolio company that, in general, is performing above expectations. Investment Rating 3 represents a portfolio company that is generally performing in accordance with expectations. Investment Rating 4 represents a portfolio company that is underperforming expectations. Investments with such a rating require increased Main Street monitoring and scrutiny. Investment Rating 5 represents a portfolio company that is significantly underperforming. Investments with such a rating require heightened levels of Main Street monitoring and scrutiny and involve the recognition of significant unrealized depreciation on such investment.

The following table shows the distribution of our core investments on our 1 to 5 investment rating scale at fair value as of June 30, 2009 and December 31, 2008:

	June 30, 2009		December 31, 2008	
Investment Rating	Investments at Fair Value	Percentage of Total Portfolio	Investments at Fair Value	Percentage of Total Portfolio
		(Unaudited) *(dollars in thousands)*		
1	$ 27,368	24.4%	$ 27,523	24.9%
2	21,472	19.0%	23,150	21.0%
3	46,043	41.0%	53,123	48.1%
4	17,051	15.2%	6,035	5.5%
5	420	0.4%	500	0.5%
Totals	$ 112,354	100.0%	$ 110,331	100.0%

Based upon our investment rating system, the weighted average rating of our portfolio as of June 30, 2009 and December 31, 2008, was approximately 2.5 and 2.4, respectively. As of June 30, 2009 and December 31, 2008, we had one investment on non-accrual status. This investment comprised approximately 0.4% and 0.5%, respectively, of the core investment portfolio at fair value for each of the two periods presented above.

In the event that the United States economy remains in a recession, it is likely that the financial results of small- to mid-sized companies, like those in which we invest, could experience deterioration, which could ultimately lead to difficulty in meeting their debt service requirements and an increase in defaults. In addition, the end markets for certain of our portfolio companies' products and services have experienced, and continue to experience, negative economic trends. We are seeing reduced operating results at several portfolio companies due to the general economic difficulties. We expect the trend of reduced operating results to continue throughout 2009. Consequently, we can provide no assurance that the performance of certain of our portfolio companies will not be negatively impacted by these economic or other conditions, which could also have a negative impact on our future results.

Discussion and Analysis of Results of Operations

Comparison of three months ended June 30, 2009 and 2008

	Three Months Ended June 30,		Net Change	
	2009	2008	Amount	%
	(Unaudited) (dollars in millions)			
Total investment income	$ 3.6	$ 4.2	$ (0.6)	-14%
Total expenses	(1.6)	(1.6)	(0.0)	1%
Net investment income	2.0	2.6	(0.6)	-23%
Total net realized gain from investments	0.4	0.1	0.3	330%
Net realized income	2.4	2.7	(0.3)	-10%
Net change in unrealized appreciation (depreciation) from investments	1.8	(0.8)	2.6	NM
Income tax benefit (provision)	(0.5)	2.6	(3.1)	NM
Net increase in net assets resulting from operations	$ 3.7	$ 4.5	$ (0.8)	-17%

	Three Months Ended June 30,		Net Change	
	2009	2008	Amount	%
	(Unaudited) (dollars in millions)			
Net investment income	$ 2.0	$ 2.6	$ (0.6)	-23%
Share-based compensation expense	0.2	—	0.2	NM
Distributable net investment income (a)	2.2	2.6	(0.4)	-16%
Total net realized gain from investments	0.4	0.1	0.3	330%
Distributable net realized income (a)	$ 2.6	$ 2.7	$ (0.1)	-3%

(a) Distributable net investment income and distributable net realized income are net investment income and net realized income, respectively, as determined in accordance with U.S. generally accepted accounting principles, or GAAP, excluding the impact of share-based compensation expense which is non-cash in nature. Main Street believes presenting distributable net investment income and distributable net realized income are useful and appropriate supplemental disclosures for analyzing its financial performance since share-based compensation does not require settlement in cash. However, distributable net investment income and distributable net realized income are non-GAAP measures and should not be considered as a replacement to net investment income, net realized income, and other earnings measures presented in accordance with GAAP. Instead, distributable net investment income and distributable net realized income should be reviewed only in connection with such GAAP measures in analyzing Main Street's financial performance. A reconciliation of net investment income and net realized income in accordance with GAAP to distributable net investment income and distributable net realized income is presented in the table above.

Investment Income

For the three months ended June 30, 2009, total investment income was $3.6 million, a $0.6 million, or 14%, decrease over the $4.2 million of total investment income for the three months ended June 30, 2008. This comparable period decrease was principally attributable to lower dividend income of $0.8 million due to certain portfolio companies retaining their excess cash flow as additional cushion given reduced economic visibility and lower near-term earnings expectations, partially offset by higher interest income of $0.2 million from idle funds investments.

Expenses

For the three months ended June 30, 2009, expenses totaled $1.6 million, a 1% increase over total expenses for the three months ended June 30, 2008. The increase in total expenses was primarily attributable to (i) $0.2 million of share-based compensation expense related to non-cash amortization for restricted share grants made in July 2008, offset by a $0.2 million decrease in general, administrative and other overhead expenses. The reduction in general, administrative and overhead costs primarily related to (i) lower accrued compensation expense given lower investment income levels, (ii) consulting fees received by the affiliated Investment Manager during the second quarter of 2009 and (iii) reduced costs for certain legal and administrative activities based upon developing internal resources to perform such activities.

Distributable Net Investment Income

Distributable net investment income for the three months ended June 30, 2009 was $2.2 million, or a 16% decrease, compared to distributable net investment income of $2.6 million during the three months ended June 30, 2008. The decrease in distributable net investment income was primarily attributable to reduced levels of total investment income, partially offset by lower general, administrative and overhead expenses.

Net Investment Income

Net investment income for the three months ended June 30, 2009 was $2.0 million, or a 23% decrease, compared to net investment income of $2.6 million during the three months ended June 30, 2008. The decrease in net investment income was principally attributable to the decrease in total investment income as discussed above.

Distributable Net Realized Income

For the three months ended June 30, 2009, distributable net realized income was $2.6 million, or a 3% decrease, over the distributable net realized income of $2.7 million during the three months ended June 30, 2008. This decrease in distributable net realized income was due to the lower level of distributable net investment income in the three months ended June 30, 2009, partially offset by an increase in the net realized gain during that period. For the three months ended June 30, 2009, the net realized gain from investments was $0.4 million compared to net realized gains of $0.1 million during the three months ended June 30, 2008. The net realized gain during the three months ended June 30, 2009 principally related to a $0.3 million realized gain related to certain idle funds investments.

Net Realized Income

The lower net investment income in the three months ended June 30, 2009, partially offset by the higher net realized gain during that period, resulted in a $0.3 million, or 10%, decrease in the net realized income for the three months ended June 30, 2009 compared with the corresponding period in 2008.

Net Increase in Net Assets from Operations

During the three months ended June 30, 2009, we recorded a net change in unrealized appreciation in the amount of $1.8 million, or a $2.6 million increase, compared to the $0.8 million net change in unrealized depreciation for the three months ended June 30, 2008. The $1.8 million net change in unrealized appreciation for the three months ended June 30, 2009 was principally attributable to (i) unrealized appreciation on eleven investments in portfolio companies totaling $3.9 million, partially offset by unrealized depreciation on six investments in portfolio companies totaling $1.9 million and (ii) $0.3 million in unrealized depreciation attributable to our investment in the affiliated Investment Manager. For the second quarter of 2009, we also recognized a net income tax provision of $0.5 million principally related to deferred taxes on unrealized appreciation of equity investments held in our taxable subsidiary.

As a result of these events, our net increase in net assets resulting from operations during the three months ended June 30, 2009 was $3.7 million compared to a net increase in net assets resulting from operations of $4.5 million during the three months ended June 30, 2008.

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Comparison of six months ended June 30, 2009 and 2008

	Six Months Ended June 30,		Net Change	
	2009	2008	Amount	%
	(Unaudited) (dollars in millions)			
Total investment income	$ 7.2	$ 8.2	$ (1.0)	-12%
Total expenses	(3.1)	(3.1)	0.0	-1%
Net investment income	4.1	5.1	(1.0)	-19%
Total net realized gain from investments	1.3	0.7	0.6	86%
Net realized income	5.4	5.8	(0.4)	-7%
Net change in unrealized appreciation (depreciation) from investments	(1.5)	(0.5)	(1.0)	NM
Income tax benefit (provision)	(0.6)	2.4	(3.0)	NM
Net increase in net assets resulting from operations	$ 3.3	$ 7.7	$ (4.4)	-57%

	Six Months Ended June 30,		Net Change	
	2009	2008	Amount	%
	(Unaudited) (dollars in millions)			
Net investment income	$ 4.1	$ 5.1	$ (1.0)	-19%
Share-based compensation expense	0.4	—	0.4	NM
Distributable net investment income (a)	4.5	5.1	(0.6)	-12%
Total net realized gain from investments	1.3	0.7	0.6	86%
Distributable net realized income (a)	$ 5.8	$ 5.8	$ 0.0	0%

(a) Distributable net investment income and distributable net realized income are net investment income and net realized income, respectively, as determined in accordance with U.S. generally accepted accounting principles, or GAAP, excluding the impact of share-based compensation expense which is non-cash in nature. Main Street believes presenting distributable net investment income and distributable net realized income are useful and appropriate supplemental disclosures for analyzing its financial performance since share-based compensation does not require settlement in cash. However, distributable net investment income and distributable net realized income are non-GAAP measures and should not be considered as a replacement to net investment income, net realized income, and other earnings measures presented in accordance with GAAP. Instead, distributable net investment income and distributable net realized income should be reviewed only in connection with such GAAP measures in analyzing Main Street's financial performance. A reconciliation of net investment income and net realized income in accordance with GAAP to distributable net investment income and distributable net realized income is presented in the table above.

Investment Income

For the six months ended June 30, 2009, total investment income was $7.2 million, a $1.0 million, or 12%, decrease over the $8.2 million of total investment income for the six months ended June 30, 2008. This comparable period decrease was principally attributable to (i) lower dividend income of $0.8 million due to certain portfolio companies retaining their excess cash flow as additional cushion given reduced economic visibility and lower near-term earnings expectations and (ii) lower fee income of $0.4 million due to slower portfolio growth given the uncertainty in the current economic environment; partially offset by higher interest income of $0.2 million on higher average levels of portfolio debt investments.

Expenses

For the six months ended June 30, 2009, expenses totaled $3.1 million, a 1% decrease over total expenses for the six months ended June 30, 2008. The decrease in total expenses was primarily attributable to a $0.5 million reduction in general, administrative and other overhead expenses. The reduction in general, administrative and overhead costs primarily related to (i) lower accrued compensation expense given lower investment income levels, (ii) consulting fees received by the affiliated Investment Manager during the first six months of 2009 and (iii) reduced costs for certain legal and administrative activities based upon developing internal resources to perform such activities. The decrease in general, administrative and other overhead expenses was partially offset by (i) $0.4 million of share-based compensation expense related to non-cash amortization for restricted share grants made in July 2008, and (ii) $0.1 million in interest expense principally related to unused commitment and other fees from the $30 million investment credit facility entered into on October 24, 2008.

Distributable Net Investment Income

Distributable net investment income for the six months ended June 30, 2009 was $4.5 million, or a 12% decrease, compared to distributable net investment income of $5.1 million during the six months ended June 30, 2008. The decrease in distributable net investment income was primarily attributable to reduced levels of total investment income, partially offset by lower general, administrative and overhead expenses.

Net Investment Income

Net investment income for the six months ended June 30, 2009 was $4.1 million, or a 19% decrease, compared to net investment income of $5.1 million during the six months ended June 30, 2008. The decrease in net investment income was principally attributable to the decrease in total investment income.

Distributable Net Realized Income

For the six months ended June 30, 2009, the net realized gain from investments was $1.3 million, or an 86% increase, over the net realized gain of $0.7 million during the six months ended June 30, 2008. The net realized gain during the six months ended June 30, 2009 principally included a $0.7 million realized gain related to the partial exit of our equity investments in one portfolio company and a $0.5 million realized gain related to certain idle funds investments.

The lower level of distributable net investment income in the six months ended June 30, 2009, offset by the higher net realized gain during that period, resulted in no significant change for distributable net realized income for the six months ended June 30, 2009 compared with the corresponding period in 2008.

Net Realized Income

The lower net investment income in the six months ended June 30, 2009, partially offset by the higher net realized gain during that period, resulted in a $0.4 million, or 7%, decrease in the net realized income for the six months ended June 30, 2009 compared with the corresponding period in 2008.

Net Increase in Net Assets from Operations

During the six months ended June 30, 2009, we recorded a net change in unrealized depreciation in the amount of $1.5 million, or a $1.0 million decrease, compared to the $0.5 million net change in unrealized depreciation for the six months ended June 30, 2008. The $1.5 million net change in unrealized depreciation for the first six months of 2009 was principally attributable to (i) $1.1 million in accounting reversals of net unrealized appreciation attributable to the total net realized gain on the exit of the portfolio equity investments and idle funds investments discussed above, (ii) unrealized depreciation on thirteen investments in portfolio companies totaling $5.5 million, partially offset by unrealized appreciation on ten investments in portfolio companies totaling $5.0 million, and (iii) $0.1 million in unrealized appreciation attributable to our investment in the affiliated Investment Manager based upon an increase in the contractual future cash flows from third party asset management and advisory activities. For the first six months of 2009, we also recognized a net income tax provision of $0.6 million principally related to deferred taxes on unrealized appreciation of equity investments held in our taxable subsidiary.

As a result of these events, our net increase in net assets resulting from operations during the six months ended June 30, 2009 was $3.3 million compared to a net increase in net assets resulting from operations of $7.7 million during the six months ended June 30, 2008.

Liquidity and Capital Resources

Cash Flows

For the six months ended June 30, 2009, we experienced a net decrease in cash and cash equivalents in the amount of $1.0 million. During that period, we generated $3.0 million of cash from our operating activities, primarily from distributable net investment income partially offset by decreases in accounts payable and increases in other assets. We used $13.2 million in net cash from investing activities, principally including the funding of $31.8 million for idle funds investments and the funding of $6.6 million for new portfolio company investments, partially offset by $20.5 million of cash proceeds from the sale of idle funds investments and $4.8 million in cash proceeds from the repayment of debt investments. During the first six months of 2009, $9.2 million in cash was provided by financing activities, which principally consisted of $16.3 million in cash proceeds from a public stock offering, partially offset by $5.8 million in dividends paid to stockholders and $1.6 million in purchases of shares of our common stock as part of our share repurchase program.

For the six months ended June 30, 2008, we experienced a net decrease in cash and cash equivalents in the amount of $1.0 million. During that period, we generated $4.7 million of cash from our operating activities, primarily from distributable net investment income. We also generated $0.4 million in net cash from investing activities, principally including the funding of new investments and several smaller follow-on investments for a total of $30.2 million, offset by proceeds from the maturity of a $24.1 million investment in idle funds investments, $5.7 million in cash proceeds from repayment of debt investments and $0.8 million of cash proceeds from the redemption and sale of equity investments. For the six months ended June 30, 2008, we used $6.2 million in cash for financing activities, which principally consisted of dividends paid to stockholders.

Capital Resources

As of June 30, 2009, we had $50.2 million in cash and cash equivalents plus idle funds investments, and our net assets totaled $124.6 million. In June 2009, we completed a public stock offering consisting of the public offering and sale of 1,437,500 shares of common stock, including the underwriters' exercise of the over-allotment option, at a price to the public of $12.10 per share, resulting in total net proceeds of approximately $16.2 million, after deducting underwriters' commissions and offering costs.

On October 24, 2008, Main Street entered into a $30 million, three-year investment credit facility (the "Investment Facility") with Branch Banking and Trust Company ("BB&T") and Compass Bank, as lenders, and BB&T, as administrative agent for the lenders. The purpose of the Investment Facility is to provide additional liquidity in support of future investment and operational activities. The Investment Facility allows for an increase in the total size of the facility up to $75 million, subject to certain conditions, and has a maturity date of October 24, 2011. Borrowings under the Investment Facility bear interest, subject to Main Street's election, on a per annum basis equal to (i) the applicable LIBOR rate plus 2.75% or (ii) the applicable base rate plus 0.75%. Main Street will pay unused commitment fees of 0.375% per annum on the average unused lender commitments under the Investment Facility. The Investment Facility contains certain affirmative and negative covenants, including but not limited to: (i) maintaining a minimum liquidity of not less than 10% of the aggregate principal amount outstanding, (ii) maintaining an interest coverage ratio of at least 2.0 to 1.0, and (iii) maintaining a minimum tangible net worth. At June 30, 2009, Main Street had no borrowings outstanding under the Investment Facility, and Main Street was in compliance with all covenants of the Investment Facility.

Due to the Fund's status as a licensed SBIC, we have the ability to issue, through the Fund, debentures guaranteed by the Small Business Administration (the "SBA") at favorable interest rates. Under the regulations applicable to SBICs, an SBIC can have outstanding debentures guaranteed by the SBA generally in an amount up to twice its regulatory capital, which effectively equates to the amount of its equity capital. Debentures guaranteed by the SBA have fixed interest rates that approximate prevailing 10-year Treasury Note rates plus a spread and 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. On June 30, 2009, we, through the Fund, had $55 million of outstanding indebtedness guaranteed by the SBA, which carried an average fixed interest rate of approximately 5.8%. The first maturity related to the SBIC debentures does not occur until 2013, and the weighted average duration is 5.9 years as of June 30, 2009.

The 2009 Stimulus Bill contains several provisions applicable to SBIC funds, including the Fund. One of the key SBIC-related provisions included in the 2009 Stimulus Bill increases the maximum amount of combined SBIC leverage (or SBIC leverage cap) to $225 million for affiliated SBIC funds. The prior maximum amount of SBIC leverage available to affiliated SBIC funds was approximately $137 million, as adjusted annually based upon changes in the Consumer Price Index. Due to the increase in the maximum amount of SBIC leverage available, we will now have access to incremental SBIC leverage to support our future investment activities. Since the increase in the SBIC leverage cap applies to affiliated SBIC funds, we will allocate such increased borrowing capacity between the Fund, our wholly owned SBIC subsidiary, and MSC II, an independently owned SBIC that is managed by Main Street and therefore deemed to be affiliated for SBIC regulatory purposes. It is currently estimated that at least $65 million of the additional SBIC leverage from the Stimulus Bill is accessible by Main Street for future investment activities, subject to the required capitalization of the Fund. Based upon the net proceeds from the June 2009 follow-on equity offering and existing cash and idle funds investments, Main Street estimates that it has the required capitalization to access most of the $65 million in incremental SBIC leverage available under the provisions of the Stimulus Bill.

Due to our existing cash and cash equivalents plus idle funds investments and the available borrowing capacity through both the SBIC program and the Investment Facility, we project that we will have sufficient liquidity to fund our investment and operational activities for the remainder of 2009 and through most of calendar year 2010. However, this projection will be impacted by, among other things, the pace of new and follow-on investments, debt repayments and investment redemptions, the level of cash flow from operations and cash flow from realized gains, and the level of dividends we pay in cash. We anticipate that we will continue to fund our investment activities through existing cash and cash equivalents plus idle funds investments and a combination of future debt and additional equity capital.

We intend to generate additional cash from future offerings of securities, future borrowings, repayments or sales of investments, and cash flow from operations, including income earned from investments in our portfolio companies and, to a lesser extent, from the temporary investments of cash in idle funds investments. Our primary uses of funds will be investments in portfolio companies, operating expenses and cash distributions to holders of our common stock.

If our common stock trades below our net asset value per share, we will generally not be able to issue additional common stock at the market price unless our stockholders approve such a sale and our Board of Directors makes certain determinations. A proposal, approved by our stockholders at our June 2009 annual meeting of stockholders, authorizes us to sell shares of our common stock below the then current net asset value per share of our common stock in one or more offerings for a period of one year ending on June 10, 2010. We would need approval of a similar proposal by our stockholders to issue shares below the then current net asset value per share any time after June 10, 2010.

In order to satisfy the Code requirements applicable to a RIC, we intend to distribute to our stockholders substantially all of our taxable income, but we may also elect to periodically spillover certain excess undistributed taxable income from one tax year into the next tax year. In addition, as a BDC, we generally are required to meet a coverage ratio of total assets to total senior securities, which include borrowings and any preferred stock we may issue in the future, of at least 200%. This requirement limits the amount that we may borrow. In January 2008, we received exemptive relief from the SEC that permits us to exclude SBA-guaranteed debt issued by the Fund from our asset coverage ratio, which, in turn, enables us to fund more investments with debt capital.

On December 31, 2007, we entered into a Treasury Secured Revolving Credit Agreement (the “Treasury Facility”) among us, Wachovia Bank, National Association, and Branch Banking and Trust Company (“BB&T”), as administrative agent for the lenders. Under the Treasury Facility, the lenders agreed to extend revolving loans to us in an amount not to exceed $100 million; however, due to the maturation of our investment portfolio and the additional flexibility provided by the Investment Facility, we unilaterally reduced the Treasury Facility from $100 million to $50 million during October 2008. The purpose of the Treasury Facility was to provide us flexibility in the sizing of portfolio investments and to facilitate the growth of our investment portfolio. The Treasury Facility had a two-year term and bore interest, at our option, either (i) at the LIBOR rate or (ii) at a published prime rate of interest, plus 25 basis points in either case. The applicable interest rates under the Treasury Facility would have been increased by 15 basis points if usage under the Treasury Facility was in excess of 50% of the days within a given calendar quarter. The Treasury Facility required payment of 15 basis points per annum in unused commitment fees based on the average daily unused balances under the facility. The Treasury Facility was secured by certain securities accounts maintained by BB&T and was also guaranteed by the Investment Manager. The Treasury Facility contained certain affirmative and negative covenants, including but not limited to: (i) maintaining a cash collateral coverage ratio of at least 1.01 to 1.0, (ii) maintaining an interest coverage ratio of at least 2.0 to 1.0, and (iii) maintaining a minimum tangible net worth. At June 30, 2009, we had no borrowings outstanding under the Treasury Facility, and Main Street was in compliance with all covenants of the Treasury Facility. On July 10, 2009, we unilaterally terminated the Treasury Facility in order to eliminate the unused commitment fees that would have been paid under this facility over its remaining term. We did not intend to renew the Treasury Facility at its maturity date of December 31, 2009 based upon the funding available from our recent public stock offering, funding availability under our separate $30 million, three-year Investment Facility, and the increase in available leverage through the SBIC program as part of the 2009 Stimulus Bill.

Current Market Conditions

The United States economy continues to feel the impact of a multi-year recession. Many banks and others in the financial services industry reported 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 Act of 2008 in October 2008 and the $787 billion 2009 Stimulus Bill. As the recession deepened, unemployment rose and consumer confidence declined, which led to significant reductions in spending by both consumers and businesses.

Although we have been able to secure access to additional liquidity, including our recent public stock offering, the $30 million Investment Facility, and the increase in available leverage through the SBIC program as part of the 2009 Stimulus Bill, the current turmoil in the debt markets and uncertainty in the equity capital markets provides no assurance that debt or equity capital will be available to us in the future on favorable terms, or at all.

The deterioration in consumer confidence and a general reduction in spending by both consumers and businesses has had an adverse effect on a number of the industries in which some of our portfolio companies operate. In the event that the United States economy remains in a recession, the results of some of the lower middle-market companies like those in which we invest, will continue to experience deterioration, which could ultimately lead to difficulty in meeting their debt service requirements and an increase in their defaults. In addition, the end markets for certain of our portfolio companies' products and services have experienced, and continue to experience, negative economic trends. We can provide no assurance that the performance of our portfolio companies will not be negatively impacted by economic or other conditions, which could have a negative impact on our future results.

Recently Issued Accounting Standards

In June 2008, the Financial Accounting Standards Board ("FASB") issued EITF 03-6-1, *Determining Whether Instruments Granted in Share-Based Payment Transactions Are Participating Securities* ("EITF 03-6-1"). This FASB Staff Position ("FSP") addresses whether instruments granted in share-based payment transactions are participating securities prior to vesting and, therefore, need to be included in the earnings allocation in computing earnings per share ("EPS"). This FSP is effective for financial statements issued for fiscal years beginning after December 15, 2008, and interim periods within those years. All prior-period EPS data presented will be adjusted retrospectively (including interim financial statements, summaries of earnings, and selected financial data) to conform to the provisions of this FSP. Early application is not permitted. On July 1, 2008, our Board of Directors approved the issuance of shares of restricted stock to Main Street employees and Main Street's independent directors. We determined that these shares of restricted stock are participating securities prior to vesting. For the six months ended June 30, 2009, 255,645 shares of non-vested restricted stock have been included in our basic and diluted EPS computations.

In October 2008, the FASB issued FSP No. 157-3, *Determining the Fair Value of a Financial Asset When the Market for That Asset is Not Active* ("FSP 157-3"). FSP 157-3 provides an illustrative example of how to determine the fair value of a financial asset in an inactive market. The FSP does not change the fair value measurement principles set forth in FAS 157. Since adopting FAS 157 in January 2008, our practices for determining the fair value of our investment portfolio have been, and continue to be, consistent with the guidance provided in FSP 157-3. Therefore, our adoption of FSP 157-3 did not affect our practices for determining the fair value of our investment portfolio and did not have a material effect on our financial position or results of operations.

In April 2009, the FASB issued FSP No. FAS 157-4, *Determining Fair Value When the Volume and Level of Activity for the Asset or Liability Have Significantly Decreased and Identifying Transactions That Are Not Orderly* ("FSP 157-4") and FSP No. FAS 107-1 and APB 28-1, *Interim Disclosures About Fair Value of Financial Instruments* ("FSP 107-1"). Both FSPs are effective for reporting periods ending on or after June 15, 2009. Since adopting FAS 157 in January 2008, our practices for determining fair value and for disclosures about the fair value of our investment portfolio have been, and continue to be, consistent with the guidance provided in FSP 157-4 and FSP 107-1. Therefore, our adoption of both FSP 157-4 and FSP 107-1 did not affect our practices for determining the fair value of our investment portfolio and did not have a material effect on our financial position or results of operations.

In May 2009, the FASB issued FAS No. 165, *Subsequent Events* ("FAS 165"). FAS 165 establishes general standards of accounting for and disclosure of events that occur after the balance sheet date but before financial statements are issued or are available to be issued. FAS 165 includes a new required disclosure of the date through which an entity has evaluated subsequent events and is effective for interim periods or fiscal years ending after June 15, 2009. Our adoption of FAS 165 did not have a material effect on our financial position or results of operations.

In June 2009, the FASB issued FAS No. 168, *The FASB Accounting Standards Codification TM and the Hierarchy of Generally Accepted Accounting Principles—a replacement of FASB Statement No. 162* ("FAS 168"). The Codification will become the source of authoritative GAAP recognized by the FASB to be applied by nongovernmental entities. Rules and interpretive releases of the SEC under authority of federal securities laws are also sources of authoritative GAAP for SEC registrants. On the effective date of FAS 168, the Codification will supersede all then-existing non-SEC accounting and reporting standards. All other non-grandfathered, non-SEC accounting literature not included in the Codification will become nonauthoritative. FAS 168 is effective for financial statements issued for interim and annual periods ending after September 15, 2009. FAS 168 is only expected to impact our disclosures by requiring Codification references.

Inflation

Inflation has not had a significant effect on our results of operations in any of the reporting periods presented in this report. However, our portfolio companies have and may in the future experience the impacts of inflation on their operating results, including periodic escalations in their costs for raw materials and required energy consumption.

Off-Balance Sheet Arrangements

We may be a party to financial instruments with off-balance sheet risk in the normal course of business to meet the financial needs of our portfolio companies. These instruments include commitments to extend credit and involve, to varying degrees, elements of liquidity and credit risk in excess of the amount recognized in the balance sheet. At June 30, 2009, we had three outstanding commitments to fund unused revolving loans for up to $1,200,000 in total.

Contractual Obligations

As of June 30, 2009, our future fixed commitments for cash payments on contractual obligations for each of the next five years and thereafter are as follows:

	Total	2009	2010	2011	2012	2013	2014 and thereafter
				(Unaudited) *(dollars in thousands)*			
SBIC debentures payable	$ 55,000	$ —	$ —	$ —	$ —	$ 4,000	$ 51,000
Interest due on SBIC debentures	19,919	1,603	3,179	3,179	3,188	3,179	5,591
Total	$ 74,919	$ 1,603	$ 3,179	$ 3,179	$ 3,188	$ 7,179	$ 56,591

MSCC is obligated to make payments under a support services agreement with the Investment Manager. Subsequent to the completion of the Formation Transactions and the IPO, the Investment Manager is reimbursed for its excess cash expenses associated with providing investment management and other services to MSCC and its subsidiaries, as well as MSC II and other third parties. Each quarter, as part of the support services agreement, MSCC makes payments to cover all cash expenses incurred by the Investment Manager, less the recurring management fees that the Investment Manager receives from MSC II pursuant to a long-term investment advisory services agreement and any other fees received from third parties for providing external services.

Related Party Transactions

We co-invested with MSC II in several existing portfolio investments prior to the IPO, but did not co-invest with MSC II subsequent to the IPO and prior to June 2008. In June 2008, we received exemptive relief from the SEC to allow us to resume co-investing with MSC II in accordance with the terms of such exemptive relief. MSC II is managed by the Investment Manager, and the Investment Manager is wholly owned by MSCC. MSC II is an SBIC fund with similar investment objectives to Main Street and which began its investment operations in January 2006. The co-investments among Main Street and MSC II had all been made at the same time and on the same terms and conditions. The co-investments were also made in accordance with the Investment Manager's conflicts policy and in accordance with the applicable SBIC conflict of interest regulations.

As discussed further in Note D to the accompanying consolidated financials statements, subsequent to the completion of the Formation Transactions, the Investment Manager is a wholly owned portfolio company of Main Street. At June 30, 2009 and December 31, 2008, the Investment Manager had a payable of $294,229 and a receivable of $302,633, respectively, with MSCC related to cash expenses required to support MSCC's business.

Recent Developments

On July 1, 2009, our Board of Directors approved the issuance of 99,312 shares of restricted stock to Main Street employees pursuant to the Main Street Capital Corporation 2008 Equity Incentive Plan. These shares will vest over a four-year period from the grant date and will be expensed over a four-year service period starting on the grant date.

On July 1, 2009, a total of 8,512 shares of restricted stock was issued to our independent directors pursuant to the Main Street Capital Corporation 2008 Non-Employee Director Restricted Stock Plan. These shares will vest on the day immediately preceding the next annual meeting at which Main Street stockholders elect directors, provided that these independent directors have been in continuous service as members of the Board through such date. As a result, these shares will be expensed over a one-year service period starting on the grant date.

On July 10, 2009, we unilaterally terminated the Treasury Facility in order to eliminate the unused commitment fees that would have been paid under this facility over its remaining term. We did not intend to renew the Treasury Facility at its maturity date of December 31, 2009 based upon the funding available from our recent follow-on equity offering, funding availability under our separate $30 million, three-year Investment Facility, and additional funding capacity available through participation in the SBIC program.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

We are subject to financial market risks, including changes in interest rates. Changes in interest rates may affect both our cost of funding and our interest income from portfolio investments and idle funds investments. Our risk management systems and procedures are designed to identify and analyze our risk, to set appropriate policies and limits and to continually monitor these risks. Our investment income will be affected by changes in various interest rates, including LIBOR and prime rates, to the extent of any debt investments that include floating interest rates. The significant majority of our debt investments are made with fixed interest rates for the term of the investment. However, as of June 30, 2009, approximately 14% of our debt investment portfolio (at cost) bore interest at floating rates with 68% of those debt investments (at cost) subject to contractual minimum rates. All of our current outstanding indebtedness is subject to fixed interest rates for the 10-year life of such debt. As of June 30, 2009, we had not entered into any interest rate hedging arrangements. At June 30, 2009, based on our applicable levels of floating-rate debt investments, a 1% change in interest rates would not have a material effect on our level of interest income from debt investments.

Item 4. Controls and Procedures

As of the end of the period covered by this report, we carried out an evaluation, under the supervision and with the participation of our management, including our Chairman and Chief Executive Officer, our President and Chief Financial Officer, our Chief Compliance Officer and our Chief Accounting Officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rule 13a-15 of the Securities Exchange Act of 1934). Based on that evaluation, our Chairman and Chief Executive Officer, our President and Chief Financial Officer, our Chief Compliance Officer and our Chief Accounting Officer, have concluded that our current disclosure controls and procedures are effective in timely alerting them of material information relating to us that is required to be disclosed in the reports we file or submit under the Securities Exchange Act of 1934. There have been no changes in our internal controls over financial reporting that occurred during the quarter ended June 30, 2009, that have materially affected, or are reasonable likely to materially affect, our internal control over financial reporting.

PART II — OTHER INFORMATION

Item 1. *Legal Proceedings*

Although we may, from time to time, be involved in litigation arising out of our operations in the normal course of business or otherwise, we are currently not a party to any material pending legal proceedings.

Item 1A. *Risk Factors*

There were no material changes from the risk factors as previously disclosed in our Annual Report on Form 10-K for the year ended December 31, 2008, that we filed with the SEC on March 13, 2009.

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

Sales of Unregistered Securities

During the six months ended June 30, 2009, we issued 79,193 shares of our common stock under our dividend reinvestment plan pursuant to an exemption from the registration requirements of the Securities Act of 1933. The aggregate value for the shares of common stock sold under the dividend reinvestment plan was approximately $1.0 million.

Purchases of Equity Securities

On November 13, 2008, we announced that our Board of Directors authorized our officers, in their discretion and subject to compliance with the 1940 Act and other applicable law, to purchase on the open market or in privately negotiated transactions, an amount up to $5 million of the outstanding shares of our common stock at prices per share not to exceed our last reported net asset value per share. The share repurchase program is authorized to be in effect through the earlier of December 31, 2009 or such time as the approved $5 million repurchase amount has been fully utilized. We can not assure you the extent that we will conduct open market purchases, and to the extent we do conduct open market purchases, we may terminate them at any time. For the six months ended June 30, 2009, we purchased 164,544 shares of our common stock for approximately $1.6 million in the open market pursuant to the program. The following chart summarizes repurchases of our common stock under the program during the first six months of 2009.

Period	Total Number of Shares Purchased	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
January 2009	22,600	$ 10.06	22,600	
February 2009	30,700	9.96	30,700	
March 2009	111,244	9.74	111,244	
April 2009	—	—	—	
May 2009	—	—	—	
June 2009	—	—	—	
Total	164,544	$ 9.83	164,544	$ 3,051,888

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

Our Annual Meeting of Stockholders was held on June 11, 2009, for the purpose of:

- **Proposal No. 1** — Election of directors for a term of one year;
- **Proposal No. 2 —** Approval of a proposal to authorize us, with the approval of our Board of Directors, to sell shares of our common stock during the next twelve months at a price below our then current net asset value per share; and
- **Proposal No. 3 —** Ratification of the appointment of Grant Thornton LLP as our independent registered public accounting firm for the year ending December 31, 2009.

There were no broker non-votes for proposal nos. 1 and 3. All three matters were approved.

All nominees for directors for a one-year term as listed in our 2009 proxy statement were elected by the following vote:

DIRECTOR NOMINEES	FOR	WITHHELD
Michael Appling, Jr.	8,554,897	55,104
Joseph E. Canon	8,552,534	57,467
Arthur L. French	8,545,947	64,054
William D. Gutermuth	8,553,914	56,087
Vincent D. Foster	8,515,077	94,924
Todd A. Reppert	8,546,919	63,082

The proposal to authorize us, with the approval of our Board of Directors, to sell shares of our common stock during the next twelve months at a price below our then current net asset value per share was approved by the following vote:

	FOR	AGAINST	ABSTAIN	BROKER NON-VOTE *
All Stockholders	6,267,741	202,625	34,481	2,105,154
Excluding Affiliates	3,321,094	202,625	34,481	2,105,154

The recommendation to ratify the appointment of Grant Thornton LLP as our independent registered public accounting firm for the year ending December 31, 2009 was approved by the following vote:

FOR	AGAINST	ABSTAIN
8,573,850	21,561	14,588

* Broker non-votes have the effect of voting against this proposal.

Item 6. *Exhibits*

Listed below are the exhibits which are filed as part of this report (according to the number assigned to them in Item 601 of Regulation S-K):

Exhibit Number	Description of Exhibit
10.1	Main Street Capital Corporation 2008 Equity Incentive Plan (revised on May 12, 2009).
10.2	First Amendment dated March 26, 2009 to Credit Agreement dated October 24, 2008 by and between Main Street Capital Corporation and certain of its subsidiaries as guarantors, Branch Banking and Trust Company and Compass Bank.
10.3*†	Amendment to Employment Agreement by and between Main Street Capital Corporation and Todd A. Reppert dated as of July 1, 2009 (previously filed as Exhibit 10.2 to Main Street's Current Report on Form 8-K filed July 1, 2009 (File No. 1-33723).
10.4*†	Amendment to Employment Agreement by and between Main Street Capital Corporation and Rodger A. Stout dated as of July 1, 2009 (previously filed as Exhibit 10.4 to Main Street's Current Report on Form 8-K filed July 1, 2009 (File No. 1-33723).
10.5*†	Amendment to Employment Agreement by and between Main Street Capital Corporation and Curtis L. Hartman dated as of July 1, 2009 (previously filed as Exhibit 10.6 to Main Street's Current Report on Form 8-K filed July 1, 2009 (File No. 1-33723).
10.6*†	Amendment to Employment Agreement by and between Main Street Capital Corporation and Dwayne L. Hyzak dated as of July 1, 2009 (previously filed as Exhibit 10.8 to Main Street's Current Report on Form 8-K filed July 1, 2009 (File No. 1-33723).
10.7*†	Amendment to Employment Agreement by and between Main Street Capital Corporation and David L. Magdol dated as of July 1, 2009 (previously filed as Exhibit 10.10 to Main Street's Current Report on Form 8-K filed July 1, 2009 (File No. 1-33723).
31.1	Certification of Chief Executive Officer Pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934.
31.2	Certification of Chief Financial Officer Pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934.
32.1	Certification of Chief Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350).
32.2	Certification of Chief Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350).

* Exhibit previously filed with the Securities and Exchange Commission, as indicated, and incorporated herein by reference.

† Management contract or compensatory plan or arrangement.

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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.

	Main Street Capital Corporation
Date: August 7, 2009	/s/ Vincent D. Foster Vincent D. Foster Chairman and Chief Executive Officer (principal executive officer)
Date: August 7, 2009	/s/ Todd A. Reppert Todd A. Reppert President and Chief Financial Officer (principal financial officer)
Date: August 7, 2009	/s/ Michael S. Galvan Michael S. Galvan Vice President and Chief Accounting Officer (principal accounting officer)
Date: August 7, 2009	/s/ Rodger A. Stout Rodger A. Stout Senior Vice President-Finance & Administration, Chief Compliance Officer and Treasurer

EXHIBIT INDEX

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† Management contract or compensatory plan or arrangement.

Exhibit 10.1

MAIN STREET CAPITAL CORPORATION

2008 EQUITY INCENTIVE PLAN

1. PURPOSE.

(A) General Purpose. The Plan has been established to advance the interests of Main Street Capital Corporation (the "Company") by providing for the grant of Awards to Participants. At all times during such periods as the Company qualifies or is intended to qualify as a "business development company" under the 1940 Act, the terms of the Plan shall be construed so as to conform to the stock-based compensation requirements applicable to "business development companies" under the 1940 Act. An Award or related transaction will be deemed to be permitted under the 1940 Act if permitted by any exemptive or "no-action" relief granted by the Commission or its staff.

(B) Available Awards. The purpose of the Plan is to provide a means by which eligible recipients of Awards may be given an opportunity to benefit from increases in the value of the Company's Stock through the granting of Restricted Stock, Incentive Stock Options, Non-statutory Stock Options, Dividend Equivalent Rights, Other Stock-Based Awards or Performance Awards.

(C) Eligible Participants. All key Employees and all Employee Directors are eligible to be granted Awards by the Board under the Plan; provided that, no person shall be granted Awards of Restricted Stock unless such person is an Employee of the Company or an Employee of a wholly-owned subsidiary of the Company.

2. DEFINITIONS.

(A) **"1940 Act"** means the Investment Company Act of 1940, as amended, and the rules and regulations promulgated thereunder.

(B) **"Affiliate"** means any corporation or other entity that stands in a relationship to the Company that would result in the Company and such corporation or other entity being treated as one employer under Section 414(b) or Section 414(c) of the Code, except that in determining eligibility for the grant of an Option by reason of service for an Affiliate, Sections 414(b) and 414(c) of the Code shall be applied by substituting "at least 50%" for "at least 80%" under Section 1563(a)(1), (2) and (3) of the Code and Treas. Regs. § 1.414(c)-2. The Company may at any time by amendment provide that different ownership thresholds (consistent with Section 409A) apply. Notwithstanding the foregoing provisions of this definition, except as otherwise determined by the Board, a corporation or other entity shall be treated as an Affiliate only if its employees would be treated as employees of the Company for purposes of the rules promulgated under the Securities Act of 1933, as amended, with respect to the use of Form S-8.

(C) **“Award”** means an award of Restricted Stock, Incentive Stock Options, Non-statutory Stock Options, Dividend Equivalent Rights, Other Stock-Based Awards or Performance Awards granted pursuant to the Plan.

(D) **“Board”** means the Board of Directors of the Company.

(E) **“Cash Award”** means an award denominated in cash.

(F) **“Code”** means the Internal Revenue Code of 1986, as amended and in effect, or any successor statute as from time to time in effect. Any reference to a provision of the Code shall be deemed to include a reference to any applicable guidance (as determined by the Board) with respect to such provision.

(G) **“Commission”** means the Securities and Exchange Commission.

(H) **“Committee”** means a committee of two or more members of the Board appointed by the Board in accordance with Section 3(C).

(I) **“Company”** means Main Street Capital Corporation, a Maryland corporation.

(J) **“Continuous Service”** means the Participant’s uninterrupted service with the Company or an Affiliate, whether as an Employee or Employee Director.

(K) **“Covered Transaction”** means any of (i) a consolidation, merger, stock sale or similar transaction or series of related transactions in which the Company is not the surviving corporation or which results in the acquisition of all or substantially all of the Company’s then outstanding common stock by a single person or entity or by a group of persons and/or entities acting in concert, (ii) a sale or transfer of all or substantially all the Company’s assets, (iii) a dissolution or liquidation of the Company or (iv) following such time as the Company has a class of equity securities listed on a national securities exchange or quoted on an inter-dealer quotation system, a change in the membership of the Board for any reason such that the individuals who, as of the Effective Date, constitute the Board of Directors of the Company (the **“Continuing Directors”**) cease for any reason to constitute at least a majority of the Board (a **“Board Change”**); provided, however, that any individual becoming a director after the Effective Date whose election or nomination for election by the Company’s shareholders was approved by a vote of at least a majority of the Continuing Directors will be considered as though such individual were a Continuing Director, but excluding for this purpose any such individual whose initial assumption of office occurs as a result of either an actual or threatened election contest (as such terms are used in Rule 14a-11 of Regulation 14A promulgated under the Securities Exchange Act of 1934, as amended) or other actual or threatened solicitation of proxies or consents by or on behalf of any person or entity other than the Board. Where a Covered Transaction involves a tender offer that is reasonably expected to be followed by a merger described in clause (i) (as determined by the Board), the Covered Transaction shall be deemed to have occurred upon consummation of the tender offer.

(L) **“Dividend Equivalent Rights”** has the meaning set forth in Section 13.

(M) **“Effective Date”** has the meaning set forth in Section 16.

(N) **“Employee”** means any person employed by the Company or an Affiliate.

(O) **“Employee Director”** means a member of the Board of Directors of the Company who is also an Employee of the Company.

(P) **“Family Member”** means any child, stepchild, grandchild, parent, stepparent, grandparent, spouse, former spouse, sibling, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, including adoptive relationships, any person sharing the Participant’s household (other than a tenant or employee), a trust in which these persons have more than fifty percent of the beneficial interest, a foundation in which these persons (or the Participant) control the management of assets, and any other entity in which these persons (or the Participant) own more than fifty percent of the voting interests.

(Q) **“Incentive Stock Option”** means an Option intended to qualify as an incentive stock option within the meaning of Section 422 of the Code and the regulations promulgated thereunder.

(R) **“Non-Employee Director Plan”** means the 2008 Non-Employee Director Restricted Stock Plan, as from time to time amended and in effect.

(S) **“Non-statutory Stock Option”** means an Option that is not an Incentive Stock Option.

(T) **“Option”** means an Incentive Stock Option or a Non-statutory Stock Option granted pursuant to the Plan.

(U) **“Other Stock-Based Award”** means an Award described in Section 9 of this Plan that is not covered by Section 7 or 8.

(V) **“Participant”** means a person to whom an Award is granted pursuant to the Plan.

(W) **“Performance Award”** means an Award made pursuant to this Plan that is subject to the attainment of one or more performance goals.

(X) **“Performance Goal”** means a standard established by the Committee to determine in whole or in part whether a Qualified Performance Award shall be earned.

(Y) **“Permitted Transferee”** means a Family Member of a Participant to whom an Award has been transferred by gift.

(Z) **“Plan”** means this 2008 Equity Incentive Plan, as from time to time amended and in effect.

(AA) **“Qualified Performance Award”** means a Performance Award made to a Participant who is an Employee that is intended to qualify as qualified performance-based compensation under Section 162(m) of the Code, as described in Section 10(B) of the Plan.

(BB) **"Restricted Stock"** means an Award of Stock for so long as the Stock remains subject to restrictions requiring that it be forfeited to the Company if specified conditions are not satisfied.

(CC) **"Securities Act"** means the Securities Act of 1933, as amended.

(DD) **"Stock"** means the common stock of the Company, par value $.01 per share.

3. ADMINISTRATION.

(A) Administration By Board. The Board shall administer the Plan unless and until it delegates administration to a Committee, as provided in Section 3(C).

(B) Powers of the Board. The Board shall have the power, subject to the express provisions of the Plan and applicable law:

To determine from time to time which of the persons eligible under the Plan shall be granted Awards; when and how each Award shall be granted and documented; what type or combination of types of Awards shall be granted; the provisions of each Award granted, including the time or times when a person shall be permitted to exercise an Award; and the number of shares of Stock with respect to which an Award shall be granted to each such person.

To construe and interpret the Plan and Awards granted under it, and to establish, amend and revoke rules and regulations for its administration. The Board, in the exercise of this power, may correct any defect, omission or inconsistency in the Plan or in any Award documentation, in such manner and to such extent as it shall deem necessary or expedient to make the Plan fully effective.

To amend the Plan or an Award as provided in Section 14.

To terminate or suspend the Plan as provided in Section 15.

Generally, to exercise such powers and to perform such acts as the Board deems necessary or expedient to promote the best interests of the Company and that are not in conflict with the provisions of the Plan.

(C) Delegation to Committee. The Board may delegate the administration of the Plan to a Committee or Committees composed of not less than two members of the Board, each of whom shall be (i) a "Non-Employee Director" for purposes of Exchange Act Section 16 and Rule 16b-3 thereunder, (ii) an "outside director" for purposes of Section 162(m) and the regulations promulgated under the Code, and each of whom shall be, subject to any applicable transitional rules for newly public issuers, "independent" within the meaning of the listing standards of the Nasdaq stock market, and the term **"Committee"** shall apply to any persons to whom such authority has been delegated; provided that a "required majority," as defined in Section 57(o) of the 1940 Act, must approve each issuance of Awards and Dividend Equivalent Rights in accordance with Section 61(a)(3)(A)(iv) of the 1940 Act. If administration is delegated to a Committee, the Committee shall have, in connection with the administration of the Plan, the powers theretofore possessed by the Board, including the power to delegate to a subcommittee any of the administrative powers the Committee is authorized to exercise (and references in this Plan to the Board, other than the Board reference at the end of this sentence and the Board references in the last sentence of this subsection (c), shall thereafter be to the Committee or subcommittee), subject, however, to such resolutions, not inconsistent with the provisions of the Plan, as may be adopted from time to time by the Board. The Board may abolish the Committee at any time and revest in the Board the administration of the Plan, unless such actions are prohibited by the condition of exemptive relief obtained from the Commission.

(D) Effect of the Board's Decision. Determinations, interpretations and constructions made by the Board in good faith shall not be subject to review by any person and shall be final, binding and conclusive on all persons.

4. AWARD AGREEMENTS.

All Awards granted under the Plan will be evidenced by an agreement. The agreement documenting the Award shall contain such terms and conditions as the Board shall deem advisable. Agreements evidencing Awards made to different participants or at different times need not contain similar provisions. In the case of any discrepancy between the terms of the Plan and the terms of any Award agreement, the Plan provisions shall control.

5. SHARES SUBJECT TO THE PLAN; CERTAIN LIMITS.

(A) Share Reserve. The maximum aggregate number of shares of Stock that may be issued under the Plan pursuant to grants of Restricted Stock or Other Stock-Based Awards or the exercise of Options is two million (2,000,000) shares.

(B) Reversion of Shares to the Share Reserve. If any Award shall for any reason expire or otherwise terminate, in whole or in part, the shares of Stock not acquired under such Award shall revert to and again become available for issuance under the Plan.

(C) Type of Shares. The shares of Stock subject to the Plan may be unissued shares or reacquired shares bought on the market or otherwise. No fractional shares of Stock will be delivered under the Plan.

(D) Limits on Individual Grants. The maximum number of shares of Stock for which any Employee or Employee Director may be granted Awards in any calendar year is five hundred thousand (500,000) shares.

(E) Limits on Grants of Restricted Stock. The combined maximum amount of Restricted Stock that may be issued under the Plan and the Non-Employee Director Plan will be 10% of the outstanding shares of Stock on the effective date of the plans plus 10% of the number of shares of Stock issued or delivered by the Company (other than pursuant to compensation plans) during the term of the plans. No one person shall be granted Awards of Restricted Stock relating to more than 25% of the shares available for issuance under this Plan.

(F) No Grants in Contravention of 1940 Act. At all times during such periods as the Company qualifies or is intended to qualify as a "business development company," no Award may be granted under the Plan if the grant of such Award would cause the Company to violate the 1940 Act, including, without limitation, Section 61(a)(3), and, if otherwise approved for grant, shall be void and of no effect.

(G) Limits on Number of Awards. The amount of voting securities that would result from the exercise of all of the Company's outstanding warrants, options, and rights, together with any Restricted Stock issued pursuant to this Plan and the Non-Employee Director Plan, at the time of issuance shall not exceed 25% of the outstanding voting securities of the Company, except that if the amount of voting securities that would result from the exercise of all of the Company's outstanding warrants, options, and rights issued to the Company's directors, officers, and employees, together with any Restricted Stock issued pursuant to this Plan and the Non-Employee Director Plan, would exceed 15% of the outstanding voting securities of the Company, then the total amount of voting securities that would result from the exercise of all outstanding warrants, options, and rights, together with any Restricted Stock issued pursuant to this Plan and the Non-Employee Director Plan, at the time of issuance shall not exceed 20% of the outstanding voting securities of the Company.

(H) Date of Award's Grant: The date on which the "required majority," as defined in Section 57(o) of the 1940 Act, approves the issuance of an Award will be deemed the date on which such Award is granted.

6. ELIGIBILITY.

Only Employees of the Company and Employees of a wholly-owned subsidiary of the Company may be granted Awards. By accepting any Award granted hereunder, the Participant agrees to the terms of the Award and the Plan. Notwithstanding any provision of this Plan to the contrary, awards of an acquired company that are converted, replaced or adjusted in connection with the acquisition may contain terms and conditions that are inconsistent with the terms and conditions specified herein, as determined by the Board.

7. OPTION PROVISIONS.

Each Option shall be evidenced by a written agreement containing such terms and conditions as the Board shall deem appropriate. All Options shall be separately designated Incentive Stock Options or Non-statutory Stock Options at the time of grant, and, if certificates are issued, a separate certificate or certificates shall be issued for shares of Stock purchased on exercise of each type of Option. The provisions of separate Options need not be identical, but, to the extent relevant, each Option shall include (through incorporation by reference or otherwise) the substance of each of the following provisions:

(A) Time and Manner of Exercise. Unless the Board expressly provides otherwise, an Option will not be deemed to have been exercised until the Board receives a notice of exercise (in a form acceptable to the Board) signed by the appropriate person and accompanied by any payment required under the Award. If the Option is exercised by any person other than the Participant, the Board may require satisfactory evidence that the person exercising the Option has the right to do so. No Option shall be exercisable after the expiration of ten (10) years from the date on which it was granted.

(B) Exercise Price of an Option. The exercise price for each Option shall not be less than the closing stock price on the NASDAQ Global Select Market on the date of grant (or the price on such other national securities exchange on which the stock is traded if the stock is not traded on the NASDAQ Global Select Market on date of grant). If the stock is not traded on any national securities exchange on the date of grant, the exercise price will not be less than the net asset value of a share of stock, as determined by the Board in good faith, on the date of grant. If the exercise price as so determined would be less than the "fair market value" of the Stock within the meaning of the regulations under Section 409A of the Code, then the Options shall not be granted. In the case of an Option granted to a 10% Holder and intended to qualify as an Incentive Stock Option, the exercise price will not be less than 110% of the current market value determined as of the date of grant. A **"10% Holder"** is an individual owning stock possessing more than 10% of the total combined voting power of all classes of stock of the Company or its parent or subsidiary corporations. No such Stock Option, once granted, may be repriced other than in accordance with the 1940 Act and the applicable stockholder approval requirements of the NASDAQ Global Select Market, and in a manner that would continue to exclude the option from being subject to Section 409A of the Code.

(C) Consideration. The purchase price for Stock acquired pursuant to an Option shall be paid in full at the time of exercise either (i) in cash, or, if so permitted by the Board and if permitted by the 1940 Act and otherwise legally permissible, (ii) through a broker-assisted exercise program acceptable to the Board, (iii) through a net-settlement, using shares of Stock received in the Option exercise or other shares of Stock owned by the Participant, (iv) by such other means of payment as may be acceptable to the Board, or (v) in any combination of the foregoing permitted forms of payment.

(D) Transferability of an Incentive Stock Option. An Incentive Stock Option shall not be transferable except by will or by the laws of descent and distribution and shall be exercisable during the lifetime of the Participant only by the Participant.

(E) Transferability of a Non-statutory Stock Option. A Non-statutory Stock Option shall be transferable by will or by the laws of descent and distribution, or, to the extent provided by the Board, by gift to a Permitted Transferee, and a Non-statutory Stock Option that is nontransferable except at death shall be exercisable during the lifetime of the Participant only by the Participant.

(F) Limitation on Repurchase Rights. If an Option gives the Company the right to repurchase shares of Common Stock issued pursuant to the Plan upon termination of employment of such Participant, the terms of such repurchase right must comply with the 1940 Act.

(G) Exercisability. The Board may determine the time or times at which an Option will vest or become exercisable and the terms on which an Option requiring exercise will remain exercisable. Notwithstanding the foregoing, vesting shall take place at the rate of at least 20% per year over not more than five years from the date the award is granted, subject to reasonable conditions such as continued employment; provided, however, that options may be subject to such reasonable forfeiture conditions as the Board may choose to impose.

(H) Termination of Continuous Service. Unless the Board expressly provides otherwise, immediately upon the cessation of a Participant's Continuous Service that portion, if any, of any Option held by the Participant or the Participant's Permitted Transferee that is not then exercisable will terminate and the balance will remain exercisable for the lesser of (i) a period of three months or (ii) the period ending on the latest date on which such Option could have been exercised without regard to this Section 6(h), and will thereupon terminate subject to the following provisions (which shall apply unless the Board expressly provides otherwise):

if a Participant's Continuous Service ceases by reason of death, or if a Participant dies following the cessation of his or her Continuous Service but while any portion of any Option then held by the Participant or the Participant's Permitted Transferee is still exercisable, the then exercisable portion, if any, of all Options held by the Participant or the Participant's Permitted Transferee immediately prior to the Participant's death will remain exercisable for the lesser of (A) the one year period ending with the first anniversary of the Participant's death or (B) the period ending on the latest date on which such Option could have been exercised without regard to this Section 6(h)(i), and will thereupon terminate; and

if the Board in its sole discretion determines that the cessation of a Participant's Continuous Service resulted for reasons that cast such discredit on the Participant as to justify immediate termination of his or her Options, all Options then held by the Participant or the Participant's Permitted Transferee will immediately terminate.

8. RESTRICTED STOCK PROVISIONS.

Each grant of Restricted Stock shall be evidenced by a written agreement containing such terms and conditions as the Board shall deem appropriate. The provisions of separate grants of Restricted Stock need not be identical, but, to the extent relevant, each grant shall include (through incorporation by reference or otherwise) the substance of each of the following provisions:

(A) Consideration. To the extent permitted by the 1940 Act, Awards of Restricted Stock may be made in exchange for past services or other lawful consideration.

(B) Transferability of Restricted Stock. Except as the Board otherwise expressly provides, Restricted Stock shall not be transferable other than by will or by the laws of descent and distribution.

(C) Vesting. The Board may determine the time or times at which shares of Restricted Stock will vest.

(D) Termination of Continuous Service. Unless the Board expressly provides otherwise, immediately upon the cessation of a Participant's Continuous Service that portion, if any, of any Restricted Stock held by the Participant or the Participant's Permitted Transferee that is not then vested will thereupon terminate and the unvested shares will be returned to the Company and will be available to be issued as Awards under this Plan.

9. OTHER STOCK-BASED AWARDS.

The Board shall have the authority to determine the Participants who shall receive an Other Stock-Based Award, which shall consist of any right that is (i) not an Award described in Sections 7 or 8 above and (ii) an Award of Shares or an Award denominated or payable in, valued in whole or in part by reference to, or otherwise based on or related to, Shares (including, without limitation, securities convertible into Shares), as deemed by the Board to be consistent with the purposes of the Plan. Subject to the terms of the Plan and any applicable Award agreement, the Board shall determine the terms and conditions of any such Other Stock-Based Award.

10. PERFORMANCE AWARD.

Without limiting the type or number of Awards that may be made under the other provisions of this Plan, an Award may be in the form of a Performance Award. The terms, conditions and limitations applicable to an Award that is a Performance Award shall be determined by the Committee. The Committee shall set performance goals in its discretion which, depending on the extent to which they are met, will determine the value and/or amount of Performance Awards that will be paid out to the Employee and/or the portion that may be exercised.

(A) Non-qualified Performance Awards. Performance Awards granted to Employees that are not intended to qualify as qualified performance based compensation under Section 162(m) of the Code shall be based on achievement of such goals and be subject to such terms, conditions and restrictions as the Committee or its delegate shall determine.

(B) Qualified Performance Awards. Performance Awards granted to Employees under the Plan that are intended to qualify as qualified performance based compensation under Section 162(m) of the Code shall be paid, vested or otherwise deliverable solely on account of the attainment of one or more pre-established, objective Performance Goals established by the Committee prior to the earlier to occur of (x) 90 days after the commencement of the period of service to which the Performance Goal relates or (y) the lapse of 25% of the period of service (as scheduled in good faith at the time the goal is established), and in any event while the outcome is substantially uncertain. A Performance Goal is objective if a third party having knowledge of the relevant facts could determine whether the goal is met. Such a Performance Goal may be based on one or more business criteria that apply to the Employee, one or more business segments, units, or divisions of the Company, or the Company as a whole, and if so desired by the Committee, by comparison with a peer group of companies. A Performance Goal may include one or more of the following:

- Stock price measures (including but not limited to growth measures and total stockholder return);
- Net Investment Income or Net Realized Income per share (actual or targeted growth);
- Economic value added ("EVA");
- Net Investment Income or Net Realized Income measures;

- Dividend and Dividends per share measures;
- Cash flow and liquidity measures;
- Return measures (including but not limited to return on capital employed, return on equity, return on investment and return on assets);
- Operating measures (including but not limited to productivity, efficiency, and scheduling measures);
- Expense targets (including but not limited to finding and development costs and general and administrative expenses);
- Corporate values measures (including but not limited to diversity commitment, and ethics compliance).

Unless otherwise stated, such a Performance Goal need not be based upon an increase or positive result under a particular business criterion and could include, for example, maintaining the status quo or limiting economic losses (measured, in each case, by reference to specific business criteria). In interpreting Plan provisions applicable to Performance Goals and Qualified Performance Awards, it is the intent of the Plan to conform with the standards of Section 162(m) of the Code and Treasury Regulation §1.162-27(e)(2)(i), as to grants to those Employees whose compensation is, or is likely to be, subject to Section 162(m) of the Code, and the Committee in establishing such goals and interpreting the Plan shall be guided by such provisions. Prior to the payment of any compensation based on the achievement of Performance Goals, the Committee must certify in writing that applicable Performance Goals and any of the material terms thereof were, in fact, satisfied. Subject to the foregoing provisions, the terms, conditions and limitations applicable to any Qualified Performance Awards made pursuant to this Plan shall be determined by the Committee.

11. MISCELLANEOUS.

(A) Acceleration. The Board shall have the power to accelerate the time at which an Award or any portion thereof vests or may first be exercised, regardless of the tax or other consequences to the Participant or the Participant's Permitted Transferee resulting from such acceleration.

(B) Stockholder Rights. No Participant or other person shall be deemed to be the holder of, or to have any of the rights of a holder with respect to, any shares of Stock subject to an Option unless and until such Award has been delivered to the Participant or other person upon exercise of the Award. Holders of Restricted Stock shall have all the rights of a holder upon issuance of the Restricted Stock Award including, without limitation, voting rights and the right to receive dividends.

(C) No Employment or Other Service Rights. Nothing in the Plan or any instrument executed or Award granted pursuant thereto shall confer upon any Participant any right to continue in the employment of, or to continue to serve as a director of, the Company or an Affiliate or shall affect the right of the Company or an Affiliate to terminate (i) the employment of the Participant (if the Participant is an Employee) with or without notice and with or without cause or (ii) the service of an Employee Director (if the Participant is an Employee Director) pursuant to the Bylaws of the Company or an Affiliate and any applicable provisions of the corporate law of the state in which the Company or the Affiliate is incorporated. Nothing in the Plan will be construed as giving any person any rights as a stockholder except as to shares of Stock actually issued under the Plan. The loss of existing or potential profit in Awards will not constitute an element of damages in the event of termination of service for any reason, even if the termination is in violation of an obligation of the Company or an Affiliate to the Participant.

(D) Legal Conditions on Delivery of Stock. The Company will not be obligated to deliver any shares of Stock pursuant to the Plan or to remove any restriction from shares of Stock previously delivered under the Plan until: (i) the Company is satisfied that all legal matters in connection with the issuance and delivery of such shares have been addressed and resolved; (ii) if the outstanding Stock is at the time of delivery listed on any stock exchange or national market system, the shares to be delivered have been listed or authorized to be listed on such exchange or system upon official notice of issuance; and (iii) all conditions of the Award have been satisfied or waived. If the sale of Stock has not been registered under the Securities Act, the Company may require, as a condition to the grant or the exercise of the Award, such representations or agreements as counsel for the Company may consider appropriate to avoid violation of the Securities Act. The Company may require that certificates evidencing Stock issued under the Plan bear an appropriate legend reflecting any restriction on transfer applicable to such Stock, and the Company may hold the certificates pending lapse of the applicable restrictions.

(E) Withholding Obligations. Each grant or exercise of an Award granted hereunder shall be subject to the Participant’s having made arrangements satisfactory to the Board for the full and timely satisfaction of all federal, state, local and other tax withholding requirements applicable to such grant, exercise or exchange. The Company or its designated third party administrator shall have the right to deduct applicable taxes from any Award payment and withhold, at the time of delivery or vesting of cash or shares of Stock under this Plan, an appropriate amount of cash or number of shares of Stock or a combination thereof for payment of taxes or other amounts required by law or to take such other action as may be necessary in the opinion of the Company to satisfy all obligations for withholding of such taxes. The Committee may also permit withholding to be satisfied by the transfer to the Company of shares of Stock theretofore owned by the holder of the Award with respect to which withholding is required. If shares of Stock are used to satisfy tax withholding, such shares shall be valued based on the fair market value when the tax withholding is required to be made.

(F) Section 409A. Awards under the Plan are intended either to qualify for an exemption from Section 409A or to comply with the requirements thereof, and shall be construed accordingly.

12. ADJUSTMENTS UPON CHANGES IN STOCK.

(A) Capitalization Adjustments. In the event of a stock dividend, stock split or combination of shares (including a reverse stock split), recapitalization or other change in the Company's capital structure, the Board will make appropriate adjustments to the maximum number of shares specified in Section 5(A) that may be delivered under the Plan, to the maximum per-participant share limit described in Section 5(D) and will also make appropriate adjustments to the number and kind of shares of stock or securities subject to Awards then outstanding or subsequently granted, any exercise prices relating to Awards and any other provision of Awards affected by such change. To the extent consistent with qualification of Incentive Stock Options under Section 422 of the Code, the performance-based compensation rules of Section 162(m), and continued exclusion from or compliance with Section 409A of the Code, where applicable, the Board may also make adjustments of the type described in the preceding sentence to take into account distributions to stockholders other than those provided for in such sentence, or any other event, if the Board determines that adjustments are appropriate to avoid distortion in the operation of the Plan and to preserve the value of Awards granted hereunder; provided, however, that the exercise price of Awards granted under the Plan will not be adjusted unless the Company receives an exemptive order from the Securities and Exchange Commission or written confirmation from the staff of the Securities and Exchange Commission that the Company may do so.

(B) Covered Transaction. Except as otherwise provided in an Award, in the event of a Covered Transaction in which there is an acquiring or surviving entity, the Board may provide for the assumption of some or all outstanding Awards, or for the grant of new awards in substitution therefor, by the acquirer or survivor or an affiliate of the acquirer or survivor, in each case on such terms and subject to such conditions as the Board determines. In the absence of such an assumption or if there is no substitution, except as otherwise provided in the Award, each Award will become fully vested or exercisable prior to the Covered Transaction on a basis that gives the holder of the Award a reasonable opportunity, as determined by the Board, to participate as a stockholder in the Covered Transaction following vesting or exercise, and the Award will terminate upon consummation of the Covered Transaction.

13. DIVIDEND EQUIVALENT RIGHTS.

The Board may provide for the payment of amounts in lieu of cash dividends or other cash distributions (**"Dividend Equivalent Rights"**) with respect to Stock subject to an Award; provided, however, that grants of Dividend Equivalent Rights must be approved by order of the Securities and Exchange Commission. The Board may impose such terms, restrictions and conditions on Dividend Equivalent Rights, including the date such rights will terminate, as it deems appropriate, and may terminate, amend or suspend such Dividend Equivalent Rights at any time without the consent of the Participant or Participants to whom such Dividend Equivalent Rights have been granted, if any.

14. AMENDMENT OF THE PLAN AND AWARDS.

The Board may at any time or times amend the Plan or any outstanding Award for any purpose which may at the time be permitted by law, and may at any time terminate the Plan as to any future grants of Awards; provided, that except as otherwise expressly provided in the Plan the Board may not, without the Participant's consent, alter the terms of an Award so as to affect substantially and adversely the Participant's rights under the Award, unless the Board expressly reserved the right to do so at the time of the grant of the Award. Any amendments to the Plan shall be conditioned upon stockholder approval only to the extent, if any, such approval is required by law (including the Code and applicable stock exchange requirements), as determined by the Board.

15. TERMINATION OR SUSPENSION OF THE PLAN.

(A) Plan Term. The Board may suspend or terminate the Plan at any time. Unless sooner terminated, the Plan shall terminate on the day before the tenth (10th) anniversary of the date the Plan is initially adopted by the Board or approved by the stockholders of the Company, whichever is earlier. No Awards may be granted under the Plan while the Plan is suspended or after it is terminated.

(B) No Impairment of Rights. Suspension or termination of the Plan shall not impair rights and obligations under any Awards granted while the Plan is in effect except with the written consent of the Participant.

16. EFFECTIVE DATE OF PLAN.

The Plan shall become effective upon approval by the stockholders of the Company, which approval shall be within twelve (12) months before or after the date the Plan is adopted by the Board; provided, however, that the Plan shall not be effective with respect to an Award of Restricted Stock or the grant of Dividend Equivalent Rights unless the Company has received an order of the Commission that permits such Award or grant (the **"Effective Date"**).

17. 1940 ACT.

No provision of this Plan is intended to contravene any portion of the 1940 Act, and in the event of any conflict between the provisions of the Plan or any Award and the 1940 Act, the applicable Section of the 1940 Act shall control and all Awards under the Plan shall be so modified. All Participants holding such modified Awards shall be notified of the change to their Awards and such change shall be binding on such Participants.

18. INFORMATION RIGHTS OF PARTICIPANTS.

The Company shall provide to each Participant who acquires Stock pursuant to the Plan, not less frequently than annually, copies of annual financial statements (which need not be audited). The Company shall not be required to provide such statements to key employees whose duties in connection with the Company assure their access to equivalent information.

19. SEVERABILITY.

If any provision of this Plan or any Award is or becomes or is deemed to be invalid, illegal, or unenforceable in any jurisdiction or as to any Participant or Award, or would disqualify this Plan or any Award under any applicable law, such provision shall be construed or deemed amended to conform to the applicable laws, or if it cannot be construed or deemed amended without, in the determination of the Board, materially altering the intent of this Plan or the Award, such provision shall be stricken as to such jurisdiction, Participant or Award and the remainder of this Plan and any such Award shall remain in full force and effect.

20. OTHER COMPENSATION ARRANGEMENTS.

The existence of the Plan or the grant of any Award will not in any way affect the Company's right to award a person bonuses or other compensation in addition to Awards under the Plan.

21. WAIVER OF JURY TRIAL.

By accepting an Award under the Plan, each Participant waives any right to a trial by jury in any action, proceeding or counterclaim concerning any rights under the Plan and any Award, or under any amendment, waiver, consent, instrument, document or other agreement delivered or which in the future may be delivered in connection therewith, and agrees that any such action, proceedings or counterclaim shall be tried before a court and not before a jury. By accepting an Award under the Plan, each Participant certifies that no officer, representative, or attorney of the Company has represented, expressly or otherwise, that the Company would not, in the event of any action, proceeding or counterclaim, seek to enforce the foregoing waivers.

22. LIMITATION ON LIABILITY.

Notwithstanding anything to the contrary in the Plan, neither the Company nor the Board, nor any person acting on behalf of the Company or the Board, shall be liable to any Participant or to the estate or beneficiary of any Participant by reason of any acceleration of income, or any additional tax, asserted by reason of the failure of an Award to satisfy the requirements of Section 422 or Section 409A or by reason of Section 4999 of the Code; provided, that nothing in this Section 22 shall limit the ability of the Board or the Company to provide by express agreement with a Participant for a gross-up payment or other payment in connection with any such tax or additional tax.

23. GOVERNING LAW.

The Plan and all Awards and actions hereunder shall be governed by the laws of the state of Texas, with regard to the choice of law principles of any jurisdiction.

Revised: May 12, 2009

Exhibit 10.2

Execution Version

FIRST AMENDMENT TO CREDIT AGREEMENT

THIS FIRST AMENDMENT TO CREDIT AGREEMENT (this "Amendment") is made as of the 26th day of March, 2009, by and among MAIN STREET CAPITAL CORPORATION, a Maryland corporation, MAIN STREET CAPITAL PARTNERS, LLC, a Delaware limited liability company, MAIN STREET EQUITY INTERESTS, INC., a Delaware corporation, the LENDERS listed on the signature pages hereof and BRANCH BANKING AND TRUST COMPANY, as Administrative Agent.

R E C I T A L S:

The Borrower, the Guarantors, the Administrative Agent and the Lenders have entered into a certain Credit Agreement dated as of October 24, 2008 (referred to herein as the "Credit Agreement"). Capitalized terms used in this Amendment that are not otherwise defined in this Amendment shall have the respective meanings assigned to them in the Credit Agreement.

The Borrower and Guarantors have requested that the Administrative Agent and the Lenders amend certain terms and conditions of the Credit Agreement. The Lenders, the Administrative Agent, the Guarantors and the Borrower desire to so amend the Credit Agreement upon the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the Recitals and the mutual promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Borrower, the Guarantors, the Administrative Agent and the Lenders, intending to be legally bound hereby, agree as follows:

SECTION 1. Recitals. The Recitals are incorporated herein by reference and shall be deemed to be a part of this Amendment.

SECTION 2. Amendments. The Credit Agreement is hereby amended as set forth in this Section 2.

SECTION 2.01. Amendment to Section 1.01. Section 1.01 of the Credit Agreement is hereby amended as follows:

(a) by amending and restating the definition of "Consolidated EBITDA" in its entirety to read as follows:

" "Consolidated EBITDA" means and includes, for the Borrower and the Consolidated Subsidiaries that are Guarantors for any period, an amount equal to the sum of (a) Consolidated Net Investment Income for such period; plus, (b) to the extent such amounts were deducted in computing Consolidated Net Investment Income for such period: (i) Consolidated Interest Expense for such period; (ii) income tax expense for such period, determined on a consolidated basis in accordance with GAAP; and (iii) Depreciation and Amortization for such period, determined on a consolidated basis in accordance with GAAP. Notwithstanding the fact that the SBIC Entities are not Loan Parties, the SBIC Entities shall be included for purposes of calculating Consolidated EBITDA. "

(b) by adding the following new definition in appropriate alphabetical order:

" "Consolidated Net Investment Income" means, for any period, the net investment income of the Borrower and the Consolidated Subsidiaries that are Guarantors set forth or reflected on the consolidated income statement of the Borrower and its Consolidated Subsidiaries for such period prepared in accordance with GAAP. Notwithstanding the fact that the SBIC Entities are not Loan Parties, the SBIC Entities shall be included for purposes of calculating Consolidated Net Investment Income. "; and

(c) by deleting the definition of "Consolidated Net Realized Income" appearing therein.

SECTION 2.02. Amendment to Section 5.27(d). Section 5.27(d) of the Credit Agreement is hereby amended by replacing the defined term "Consolidated Net Realized Income" appearing in the last sentence therein with the defined term "Consolidated Net Investment Income".

SECTION 3. Conditions to Effectiveness. The effectiveness of this Amendment and the obligations of the Lenders hereunder are subject to the following conditions, unless the Required Lenders waive such conditions:

(a) receipt by the Administrative Agent from each of the parties hereto of a duly executed counterpart of this Amendment signed by such party;

(b) the fact that the representations and warranties of the Borrower and Guarantors contained in Section 5 of this Amendment shall be true on and as of the date hereof; and

(c) the Loan Parties shall have paid all fees owing to the Administrative Agent under any fee letter and all other fees and expenses (including, without limitation, reasonable attorney's fees and expenses to the extent invoiced and presented to Borrower) payable to the Administrative Agent arising from or relating to the negotiation, preparation, execution, delivery performance or administration of this Amendment.

SECTION 4. No Other Amendment. Except for the amendments set forth above, the text of the Credit Agreement shall remain unchanged and in full force and effect. This Amendment is not intended to effect, nor shall it be construed as, a novation. The Credit Agreement and this Amendment shall be construed together as a single agreement. Nothing herein contained shall waive, annul, vary or affect any provision, condition, covenant or agreement contained in the Credit Agreement, except as herein amended, nor affect nor impair any rights, powers or remedies under the Credit Agreement as hereby amended. The Lenders and the Administrative Agent do hereby reserve all of their rights and remedies against all parties who may be or may hereafter become secondarily liable for the repayment of the Notes. The Borrower and Guarantors promise and agree to perform all of the requirements, conditions, agreements and obligations under the terms of the Credit Agreement, as heretofore and hereby amended, and the other Loan Documents being hereby ratified and affirmed. The Borrower and Guarantors hereby expressly agree that (i) the Credit Agreement, as amended, and the other Loan Documents are in full force and effect and (ii) the Liens and security interests of the Administrative Agent in the Collateral are in full force and effect.

SECTION 5. Representations and Warranties. The Borrower and the Guarantors hereby represent and warrant to each of the Lenders as follows:

(a) No Default or Event of Default under the Credit Agreement or any other Loan Document has occurred and is continuing on the date hereof.

(b) The Borrower and Guarantors have the power and authority to enter into this Amendment and to do all acts and things as are required or contemplated hereunder to be done, observed and performed by them.

(c) This Amendment has been duly authorized, validly executed and delivered by one or more authorized officers of the Borrower and Guarantors and constitutes the legal, valid and binding obligations of the Borrower and Guarantors enforceable against them in accordance with its terms, provided that such enforceability is subject to general principles of equity and to bankruptcy, insolvency and similar laws affecting the enforcement of creditor's rights generally.

(d) The execution and delivery of this Amendment and the performance by the Borrower and Guarantors hereunder do not and will not require the consent or approval of any regulatory authority or governmental authority or agency having jurisdiction over the Borrower, or any Guarantor, are not in contravention of or in conflict with the articles of incorporation, bylaws or other organizational documents of the Borrower, or any Guarantor that is a corporation, the articles of organization or operating agreement of any Guarantor that is a limited liability company, or the provision of any statute, or any judgment, order or indenture, instrument, agreement or undertaking, to which any Borrower, or any Guarantor is party or by which the assets or properties of the Borrower and Guarantors are or may become bound.

SECTION 6. Counterparts. This Amendment may be executed in multiple counterparts, each of which shall be deemed to be an original and all of which, taken together, shall constitute one and the same agreement.

SECTION 7. Governing Law. This Amendment shall be construed in accordance with and governed by the laws of the State of North Carolina.

SECTION 8. Effective Date. This Amendment shall be effective as of April 1, 2009.

SECTION 9. Loan Document. This Amendment is a Loan Document and is subject to all provisions of the Credit Agreement applicable to Loan Documents, all of which are incorporated in this Amendment by reference the same as if set forth in this Amendment verbatim.

[The remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have executed and delivered, or have caused their respective duly authorized officers or representatives to execute and deliver, this Amendment as of the day and year first above written.

MAIN STREET CAPITAL CORPORATION

By: */s/ Todd A. Reppert*
Name: Todd A. Reppert
Title: President and Chief Financial Officer

[CORPORATE SEAL]

MAIN STREET CAPITAL PARTNERS, LLC

By: */s/ Rodger Stout*
Name: Rodger Stout
Title: Chief Financial & Administrative Officer

[CORPORATE SEAL]

MAIN STREET EQUITY INTERESTS, INC.

By: */s/ Rodger Stout*
Name: Rodger Stout
Title: Vice President and Treasurer

[CORPORATE SEAL]

BRANCH BANKING AND TRUST COMPANY,
as Administrative Agent and as a Lender

By: */s/ Greg Drabik* (SEAL)
Name: Greg Drabik
Title: Vice President

COMPASS BANK, as a Lender

By: */s/ Jason Consoli* (SEAL)
Name: Jason Consoli
Title: Senior Vice President

First Amendment to Credit Agreement

Exhibit 31.1

I, Vincent D. Foster, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarterly period ended June 30, 2009 of Main Street Capital Corporation (the “registrant”);

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 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)) 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 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.

Dated this 7th day of August, 2009.

By: /s/ Vincent D. Foster
Vincent D. Foster
Chairman and Chief Executive Officer

Exhibit 31.2

I, Todd A. Reppert, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarterly period ended June 30, 2009 of Main Street Capital Corporation (the "registrant");

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 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)) 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 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.

Dated this 7th day of August, 2009.

By: /s/ Todd A. Reppert
Todd A. Reppert
President and Chief Financial Officer

Exhibit 32.1

Certification of Chief Executive Officer
Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350)

In connection with the Quarterly Report of Main Street Capital Corporation (the "Registrant") on Form 10-Q for the quarter ended June 30, 2009 (the "Report"), as filed with the Securities and Exchange Commission on the date hereof, I, Vincent D. Foster, the Chairman and Chief Executive Officer of the Registrant, hereby certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that:

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

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

/s/ Vincent D. Foster
Name: Vincent D. Foster
Date: August 7, 2009

Exhibit 32.2

Certification of Chief Financial Officer
Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350)

In connection with the Quarterly Report of Main Street Capital Corporation (the "Registrant") on Form 10-Q for the quarter ended June 30, 2009 (the "Report"), as filed with the Securities and Exchange Commission on the date hereof, I, Todd A. Reppert, the President and Chief Financial Officer of the Registrant, hereby certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that:

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

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

/s/ Todd A. Reppert
Name: Todd A. Reppert
Date: August 7, 2009