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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 September 30, 2019

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 (State or other jurisdiction of incorporation or organization)	**41-2230745** (I.R.S. Employer Identification No.)
1300 Post Oak Boulevard, 8th Floor **Houston, TX** (Address of principal executive offices)	**77056** (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)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol	Name of Each Exchange on Which Registered
Common Stock, par value $0.01 per share	MAIN	New York Stock Exchange

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 every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☐ No ☐

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

Large accelerated filer ☒	Accelerated filer ☐	Non-accelerated filer ☐	Smaller reporting company ☐ Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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 November 7, 2019 was 63,424,793.

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PART I
FINANCIAL INFORMATION

PART II
OTHER INFORMATION

MAIN STREET CAPITAL CORPORATION

Consolidated Balance Sheets

(dollars in thousands, except shares and per share amounts)

	September 30, 2019 (Unaudited)	December 31, 2018
ASSETS		
Investments at fair value:		
Control investments (cost: $762,945 and $750,618 as of September 30, 2019 and December 31, 2018, respectively)	$ 1,024,566	$ 1,004,993
Affiliate investments (cost: $358,086 and $381,307 as of September 30, 2019 and December 31, 2018, respectively)	338,747	359,890
Non-Control/Non-Affiliate investments (cost: $1,237,769 and $1,137,108 as of September 30, 2019 and December 31, 2018, respectively)	1,193,883	1,089,026
Total investments (cost: $2,358,800 and $2,269,033 as of September 30, 2019 and December 31, 2018, respectively)	2,557,196	2,453,909
Cash and cash equivalents	52,281	54,181
Interest receivable and other assets	52,145	39,674
Receivable for securities sold	—	1,201
Deferred financing costs (net of accumulated amortization of $7,267 and $6,562 as of September 30, 2019 and December 31, 2018, respectively)	3,756	4,461
Total assets	$ 2,665,378	$ 2,553,426
LIABILITIES		
Credit facility	$ 150,000	$ 301,000
SBIC debentures (par: $311,800 ($37,000 due within one year) and $345,800 as of September 30, 2019 and December 31, 2018, respectively)	305,768	338,186
5.20% Notes due 2024 (par: $250,000 as of September 30, 2019)	246,257	—
4.50% Notes due 2022 (par: $185,000 as of both September 30, 2019 and December 31, 2018)	183,078	182,622
4.50% Notes due 2019 (par: $175,000 as of both September 30, 2019 and December 31, 2018)	174,880	174,338
Accounts payable and other liabilities	23,072	17,962
Payable for securities purchased	6,875	28,254
Interest payable	12,540	6,041
Dividend payable	12,975	11,948
Deferred tax liability, net	17,878	17,026
Total liabilities	1,133,323	1,077,377
Commitments and contingencies (Note K)		
NET ASSETS		
Common stock, $0.01 par value per share (150,000,000 shares authorized; 63,309,513 and 61,264,861 shares issued and outstanding as of September 30, 2019 and December 31, 2018, respectively)	633	613
Additional paid-in capital	1,481,702	1,409,945
Total undistributed earnings	49,720	65,491
Total net assets	1,532,055	1,476,049
Total liabilities and net assets	$ 2,665,378	$ 2,553,426
NET ASSET VALUE PER SHARE	$ 24.20	$ 24.09

The accompanying notes are an integral part of these consolidated financial statements

MAIN STREET CAPITAL CORPORATION

Consolidated Statements of Operations

(dollars in thousands, except shares and per share amounts)

(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2019	2018	2019	2018
INVESTMENT INCOME:				
Interest, fee and dividend income:				
Control investments	$ 23,173	$ 18,926	$ 70,480	$ 64,756
Affiliate investments	8,009	9,643	25,426	27,230
Non-Control/Non-Affiliate investments	28,886	29,694	86,818	82,089
Total investment income	60,068	58,263	182,724	174,075
EXPENSES:				
Interest	(12,893)	(10,884)	(37,138)	(31,982)
Compensation	(4,322)	(5,798)	(15,907)	(16,962)
General and administrative	(2,920)	(2,951)	(9,282)	(9,023)
Share-based compensation	(2,572)	(2,147)	(7,279)	(6,883)
Expenses allocated to the External Investment Manager	1,651	1,592	5,001	5,336
Total expenses	(21,056)	(20,188)	(64,605)	(59,514)
NET INVESTMENT INCOME	39,012	38,075	118,119	114,561
NET REALIZED GAIN (LOSS):				
Control investments	5,869	—	4,926	4,681
Affiliate investments	1,850	1,898	(602)	1,898
Non-Control/Non-Affiliate investments	(13,595)	7,340	(18,487)	(3,825)
Realized loss on extinguishment of debt	—	—	(5,689)	(2,896)
Total net realized gain (loss)	(5,876)	9,238	(19,852)	(142)
NET UNREALIZED APPRECIATION (DEPRECIATION):				
Control investments	(8,797)	30,285	6,286	33,357
Affiliate investments	1,323	3,135	3,131	16,997
Non-Control/Non-Affiliate investments	4,547	(8,159)	3,737	(3,264)
SBIC debentures	(319)	(53)	4,625	1,296
Total net unrealized appreciation (depreciation)	(3,246)	25,208	17,779	48,386
INCOME TAXES:				
Federal and state income, excise and other taxes	(1,079)	(759)	(2,745)	(793)
Deferred taxes	5,091	(3,022)	254	(3,304)
Income tax benefit (provision)	4,012	(3,781)	(2,491)	(4,097)
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	$ 33,902	$ 68,740	$ 113,555	$ 158,708
NET INVESTMENT INCOME PER SHARE—BASIC AND DILUTED	$ 0.62	$ 0.63	$ 1.88	$ 1.91
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS PER SHARE—BASIC AND DILUTED	$ 0.54	$ 1.13	$ 1.81	$ 2.65
WEIGHTED AVERAGE SHARES OUTSTANDING—BASIC AND DILUTED	63,297,943	60,807,096	62,686,139	59,836,527

The accompanying notes are an integral part of these consolidated financial statements

MAIN STREET CAPITAL CORPORATION

Consolidated Statements of Changes in Net Assets

(dollars in thousands, except shares)

(Unaudited)

	Common Stock				
	Number of Shares	Par Value	Additional Paid-In Capital	Total Undistributed Earnings	Total Net Asset Value
Balances at December 31, 2017	58,660,680	$ 586	$ 1,310,780	$ 69,002	$ 1,380,368
Public offering of common stock, net of offering costs	309,895	4	11,332	—	11,336
Share-based compensation	—	—	2,303	—	2,303
Purchase of vested stock for employee payroll tax withholding	(5,392)	—	(212)	—	(212)
Dividend reinvestment	42,423	—	1,589	—	1,589
Amortization of directors' deferred compensation	—	—	206	—	206
Issuance of restricted stock	124	—	—	—	—
Dividends to stockholders	—	—	—	(33,507)	(33,507)
Net increase resulting from operations	—	—	—	34,517	34,517
Balances at March 31, 2018	59,007,730	$ 590	$ 1,325,998	$ 70,012	$ 1,396,600
Public offering of common stock, net of offering costs	1,122,290	10	42,416	—	42,426
Share-based compensation	—	—	2,432	—	2,432
Purchase of vested stock for employee payroll tax withholding	(104,301)	(1)	(3,864)	—	(3,865)
Dividend reinvestment	126,003	2	4,790	—	4,792
Amortization of directors' deferred compensation	—	—	213	—	213
Issuance of restricted stock, net of forfeited shares	248,850	2	(2)	—	—
Dividends to stockholders	—	—	—	(50,696)	(50,696)
Net increase resulting from operations	—	—	—	55,452	55,452
Balances at June 30, 2018	60,400,572	$ 603	$ 1,371,983	$ 74,768	$ 1,447,354
Public offering of common stock, net of offering costs	475,334	5	18,570	—	18,575
Share-based compensation	—	—	2,147	—	2,147
Purchase of vested stock for employee payroll tax withholding	—	—	—	—	—
Dividend reinvestment	84,699	1	3,342	—	3,343
Amortization of directors' deferred compensation	—	—	215	—	215
Issuance of restricted stock, net of forfeited shares	1,900	1	(1)	—	—
Dividends to stockholders	—	—	—	(34,931)	(34,931)
Net increase resulting from operations	—	—	—	68,739	68,739
Balances at September 30, 2018	60,962,505	$ 610	$ 1,396,256	$ 108,576	$ 1,505,442
Balances at December 31, 2018	61,264,861	$ 613	$ 1,409,945	$ 65,491	$ 1,476,049
Public offering of common stock, net of offering costs	960,684	9	35,376	—	35,385
Share-based compensation	—	—	2,329	—	2,329
Dividend reinvestment	96,189	1	3,595	—	3,596
Amortization of directors' deferred compensation	—	—	216	—	216
Issuance of restricted stock	52,043	1	(1)	—	—
Dividends to stockholders	—	—	70	(36,549)	(36,479)
Net increase resulting from operations	—	—	—	41,401	41,401
Balances at March 31, 2019	62,373,777	$ 624	$ 1,451,530	$ 70,343	$ 1,522,497
Public offering of common stock, net of offering costs	245,989	2	9,416	—	9,418
Share-based compensation	—	—	2,378	—	2,378
Purchase of vested stock for employee payroll tax withholding	(90,404)	(1)	(3,364)	—	(3,365)
Dividend reinvestment	133,128	1	5,392	—	5,393
Amortization of directors' deferred compensation	—	—	216	—	216
Issuance of restricted stock, net of forfeited shares	262,642	3	(3)	—	—
Dividends to stockholders	—	—	114	(53,823)	(53,709)
Net increase resulting from operations	—	—	—	38,254	38,254
Balances at June 30, 2019	62,925,132	$ 629	$ 1,465,679	$ 54,774	$ 1,521,082
Public offering of common stock, net of offering costs	225,864	2	9,398	—	9,400
Share-based compensation	—	—	2,572	—	2,572
Dividend reinvestment	88,052	1	3,747	—	3,748
Amortization of directors' deferred compensation	—	—	217	—	217
Issuance of restricted stock, net of forfeited shares	75,465	1	(1)	—	—
Dividends to stockholders	—	—	90	(38,956)	(38,866)
Net increase resulting from operations	—	—	—	33,902	33,902
Balances at September 30, 2019	63,314,513	$ 633	$ 1,481,702	$ 49,720	$ 1,532,055

The accompanying notes are an integral part of these consolidated financial statements

MAIN STREET CAPITAL CORPORATION

Consolidated Statements of Cash Flows

(dollars in thousands)

(Unaudited)

	Nine Months Ended September 30,	
	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Net increase in net assets resulting from operations	$ 113,555	$ 158,708
Adjustments to reconcile net increase in net assets resulting from operations to net cash provided by (used in) operating activities:		
Investments in portfolio companies	(477,257)	(766,483)
Proceeds from sales and repayments of debt investments in portfolio companies	331,204	480,738
Proceeds from sales and return of capital of equity investments in portfolio companies	32,380	71,010
Net unrealized appreciation	(17,779)	(48,386)
Net realized loss	19,852	142
Accretion of unearned income	(9,131)	(11,253)
Payment-in-kind interest	(3,482)	(1,760)
Cumulative dividends	(1,975)	(1,735)
Share-based compensation expense	7,279	6,883
Amortization of deferred financing costs	2,822	2,482
Deferred tax (benefit) provision	(254)	3,304
Changes in other assets and liabilities:		
Interest receivable and other assets	(9,073)	(1,170)
Interest payable	6,499	1,458
Accounts payable and other liabilities	5,759	(282)
Deferred fees and other	1,495	2,969
Net cash provided by (used in) operating activities	1,894	(103,375)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from public offering of common stock, net of offering costs	54,203	72,337
Proceeds from public offering of 5.20% Notes due 2024	250,000	—
Dividends paid	(115,288)	(108,668)
Proceeds from issuance of SBIC debentures	—	54,000
Repayments of SBIC debentures	(34,000)	(4,000)
Redemption of 6.125% Notes	—	(90,655)
Proceeds from credit facility	310,000	516,000
Repayments on credit facility	(461,000)	(330,000)
Payment of deferred issuance costs and SBIC debenture fees	(4,344)	(2,787)
Purchases of vested stock for employee payroll tax withholding	(3,365)	(4,077)
Net cash provided by (used in) financing activities	(3,794)	102,150
Net decrease in cash and cash equivalents	(1,900)	(1,225)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	54,181	51,528
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$ 52,281	$ 50,303
Supplemental cash flow disclosures:		
Interest paid	$ 27,725	$ 27,948
Taxes paid	$ 2,265	$ 4,725
Operating non-cash activities:		
Right-of-use assets obtained in exchange for operating lease liabilities	$ 5,240	$ —
Non-cash financing activities:		
Shares issued pursuant to the DRIP	$ 12,737	$ 9,723

The accompanying notes are an integral part of these consolidated financial statements

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MAIN STREET CAPITAL CORPORATION

Consolidated Schedule of Investments

September 30, 2019

(dollars in thousands)

(unaudited)

Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
Control Investments(5)						
Access Media Holdings, LLC(10)	July 22, 2015	Private Cable Operator				
			10% PIK Secured Debt (Maturity—July 22, 2020)(14)(19)	$ 23,828	$ 23,828	$ 7,603
			Preferred Member Units (9,481,500 units)(27)		9,375	(284)
			Member Units (45 units)		1	—
					33,204	7,319
ASC Interests, LLC	August 1, 2013	Recreational and Educational Shooting Facility				
			11% Secured Debt (Maturity—July 31, 2020)	1,650	1,635	1,635
			Member Units (1,500 units)		1,500	1,290
					3,135	2,925
Analytical Systems Keco, LLC	August 16, 2019	Manufacturer of Liquid and Gas Analyzers				
			LIBOR Plus 10.00% (Floor 2.00%), Current Coupon 12.50%, Secured Debt (Maturity—August 16, 2024)(9)	5,600	5,229	5,229
			Preferred Member Units (3,200 units)		3,200	3,200
			Warrants (420 equivalent shares; Expiration—August 16, 2029; Strike price—$0.01 per share)		316	316
					8,745	8,745
ATS Workholding, LLC(10)	March 10, 2014	Manufacturer of Machine Cutting Tools and Accessories				
			5% Secured Debt (Maturity—November 16, 2021)	4,919	4,635	4,491
			Preferred Member Units (3,725,862 units)		3,726	1,835
					8,361	6,326
Bond-Coat, Inc.	December 28, 2012	Casing and Tubing Coating Services				
			15% Secured Debt (Maturity—December 28, 2020)	11,596	11,445	11,445
			Common Stock (57,508 shares)		6,350	8,300
					17,795	19,745
Brewer Crane Holdings, LLC	January 9, 2018	Provider of Crane Rental and Operating Services				
			LIBOR Plus 10.00% (Floor 1.00%), Current Coupon 12.10%, Secured Debt (Maturity—January 9, 2023)(9)	9,176	9,108	9,108
			Preferred Member Units (2,950 units)(8)		4,280	4,280
					13,388	13,388

MAIN STREET CAPITAL CORPORATION

Consolidated Schedule of Investments (Continued)

September 30, 2019

(dollars in thousands)

(unaudited)

Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
Bridge Capital Solutions Corporation	April 18, 2012	Financial Services and Cash Flow Solutions Provider				
			13% Secured Debt (Maturity—July 25, 2021)	7,500	6,524	6,524
			Warrants (82 equivalent shares; Expiration—July 25, 2026; Strike price—$0.01 per share)		2,132	3,550
			13% Secured Debt (Mercury Service Group, LLC) (Maturity—July 25, 2021)	1,000	996	996
			Preferred Member Units (Mercury Service Group, LLC) (17,742 units)(8)		1,000	1,000
					10,652	12,070
Café Brazil, LLC	April 20, 2004	Casual Restaurant Group				
			Member Units (1,233 units)(8)		1,742	3,810
California Splendor Holdings LLC	March 30, 2018	Processor of Frozen Fruits				
			LIBOR Plus 8.00% (Floor 1.00%), Current Coupon 10.38%, Secured Debt (Maturity—March 30, 2023)(9)	14,979	14,844	14,844
			LIBOR Plus 10.00% (Floor 1.00%), Current Coupon 12.38%, Secured Debt (Maturity—March 30, 2023)(9)	28,000	27,789	27,789
			Preferred Member Units (7,000 units)(8)		7,178	7,178
			Preferred Member Units (6,157 units)(8)		10,775	7,382
					60,586	57,193
CBT Nuggets, LLC	June 1, 2006	Produces and Sells IT Training Certification Videos				
			Member Units (416 units)(8)		1,300	57,470
Centre Technologies Holdings, LLC	January 4, 2019	Provider of IT Hardware Services and Software Solutions				
			LIBOR Plus 9.00% (Floor 2.00%), Current Coupon 11.13%, Secured Debt (Maturity—January 4, 2024)(9)	12,240	12,131	12,131
			Preferred Member Units (12,696 units)		5,840	5,840
					17,971	17,971
Chamberlin Holding LLC	February 26, 2018	Roofing and Waterproofing Specialty Contractor				
			LIBOR Plus 10.00% (Floor 1.00%), Current Coupon 12.25%, Secured Debt (Maturity—February 26, 2023)(9)	18,875	18,736	18,875
			Member Units (4,347 units)(8)		11,440	23,590
			Member Units (Chamberlin Langfield Real Estate, LLC) (1,047,146 units)(8)		1,047	1,047
					31,223	43,512
Charps, LLC	February 3, 2017	Pipeline Maintenance and Construction				
			15% Secured Debt (Maturity—June 5, 2022)	2,000	2,000	2,000
			Preferred Member Units (1,600 units)(8)		400	5,470
					2,400	7,470

MAIN STREET CAPITAL CORPORATION

Consolidated Schedule of Investments (Continued)

September 30, 2019

(dollars in thousands)

(unaudited)

Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
Clad-Rex Steel, LLC	December 20, 2016	Specialty Manufacturer of Vinyl-Clad Metal				
			LIBOR Plus 9.00% (Floor 1.00%), Current Coupon 11.10%, Secured Debt (Maturity—December 20, 2021) (9)	11,280	11,222	11,280
			Member Units (717 units)(8)		7,280	10,020
			10% Secured Debt (Clad-Rex Steel RE Investor, LLC) (Maturity—December 20, 2036)	1,143	1,132	1,143
			Member Units (Clad-Rex Steel RE Investor, LLC) (800 units)		210	350
					19,844	22,793
CMS Minerals Investments	January 30, 2015	Oil & Gas Exploration & Production				
			Member Units (CMS Minerals II, LLC) (100 units)(8)		2,432	1,946
CompareNetworks Topco, LLC	January 29, 2019	Internet Publishing and Web Search Portals				
			LIBOR Plus 11.00% (Floor 1.00%), Current Coupon 13.13%, Secured Debt (Maturity—January 29, 2024)(9)	8,750	8,666	8,666
			Preferred Member Units (1,975 units)		1,975	3,010
					10,641	11,676
Copper Trail Fund Investments(12) (13)	July 17, 2017	Investment Partnership				
			LP Interests (CTMH, LP) (Fully diluted 38.8%)		872	872
Datacom, LLC	May 30, 2014	Technology and Telecommunications Provider				
			8% Secured Debt (Maturity—May 31, 2021)(14)	1,800	1,800	1,554
			10.50% PIK Secured Debt (Maturity—May 31, 2021)(14)(19)	12,511	12,479	10,064
			Class A Preferred Member Units		1,294	—
			Class B Preferred Member Units (6,453 units)		6,030	—
					21,603	11,618
Digital Products Holdings LLC	April 1, 2018	Designer and Distributor of Consumer Electronics				
			LIBOR Plus 10.00% (Floor 1.00%), Current Coupon 12.13%, Secured Debt (Maturity—April 1, 2023)(9)	19,950	19,797	19,364
			Preferred Member Units (3,857 shares) (8)		9,501	7,670
					29,298	27,034
Direct Marketing Solutions, Inc .	February 13, 2018	Provider of Omni-Channel Direct Marketing Services				
			LIBOR Plus 11.00% (Floor 1.00%), Current Coupon 13.13%, Secured Debt (Maturity—February 13, 2023) (9)	16,832	16,696	16,821
			Preferred Stock (8,400 shares)		8,400	17,880
					25,096	34,701

MAIN STREET CAPITAL CORPORATION

Consolidated Schedule of Investments (Continued)

September 30, 2019

(dollars in thousands)

(unaudited)

Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
Gamber-Johnson Holdings, LLC	June 24, 2016	Manufacturer of Ruggedized Computer Mounting Systems				
			LIBOR Plus 7.00% (Floor 2.00%), Current Coupon 9.10%, Secured Debt (Maturity—June 24, 2021)(9)	19,022	18,938	19,022
			Member Units (8,619 units)(8)		14,844	46,510
					33,782	65,532
Garreco, LLC	July 15, 2013	Manufacturer and Supplier of Dental Products				
			LIBOR Plus 8.00% (Floor 1.00%, Ceiling 1.50%), Current Coupon 9.50%, Secured Debt (Maturity—March 31, 2020)(9)	4,519	4,511	4,511
			Member Units (1,200 units)(8)		1,200	2,500
					5,711	7,011
GRT Rubber Technologies LLC	December 19, 2014	Manufacturer of Engineered Rubber Products				
			LIBOR Plus 7.00%, Current Coupon 9.10%, Secured Debt (Maturity—December 31, 2023)	15,016	15,009	15,016
			Member Units (5,879 units)(8)		13,065	45,970
					28,074	60,986
Guerdon Modular Holdings, Inc .	August 13, 2014	Multi-Family and Commercial Modular Construction Company				
			LIBOR Plus 8.50% (Floor 1.00%), Current Coupon 10.82%, Secured Debt (Maturity—October 1, 2019)(9)(14)	464	464	464
			16% Secured Debt (Maturity—October 1, 2019)(14)	12,588	12,588	8,307
			Preferred Stock (404,998 shares)		1,140	—
			Common Stock (212,033 shares)		2,983	—
			Warrants (6,208,877 equivalent shares; Expiration—April 25, 2028; Strike price—$0.01 per share)		—	—
					17,175	8,771
Gulf Manufacturing, LLC	August 31, 2007	Manufacturer of Specialty Fabricated Industrial Piping Products				
			Member Units (438 units)(8)		2,980	9,750
Gulf Publishing Holdings, LLC	April 29, 2016	Energy Industry Focused Media and Publishing				
			LIBOR Plus 9.50% (Floor 1.00%), Current Coupon 11.60%, Secured Debt (Maturity—September 30, 2020)(9)	320	320	320
			12.5% Secured Debt (Maturity—April 29, 2021)	12,535	12,485	12,485
			Member Units (3,681 units)		3,681	3,850
					16,486	16,655
Harborside Holdings, LLC	March 20, 2017	Real Estate Holding Company				
			Member units (100 units)		6,506	9,560
Harris Preston Fund Investments(12)(13)	October 1, 2017	Investment Partnership				
			LP Interests (2717 MH, L.P.) (Fully diluted 49.3%)		1,735	2,019

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Consolidated Schedule of Investments (Continued)

September 30, 2019

(dollars in thousands)

(unaudited)

Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
Harrison Hydra-Gen, Ltd.	June 4, 2010	Manufacturer of Hydraulic Generators				
			Common Stock (107,456 shares)(8)		718	8,170
IDX Broker, LLC	November 15, 2013	Provider of Marketing and CRM Tools for the Real Estate Industry				
			11.5% Secured Debt (Maturity—November 15, 2020)	13,700	13,647	13,700
			Preferred Member Units (5,607 units)(8)		5,952	14,510
					19,599	28,210
Jensen Jewelers of Idaho, LLC	November 14, 2006	Retail Jewelry Store				
			Prime Plus 6.75% (Floor 2.00%), Current Coupon 12.00%, Secured Debt (Maturity—November 14, 2019)(9)	2,905	2,902	2,905
			Member Units (627 units)(8)		811	7,020
					3,713	9,925
KBK Industries, LLC	January 23, 2006	Manufacturer of Specialty Oilfield and Industrial Products				
			Member Units (325 units)(8)		783	13,320
Kickhaefer Manufacturing Company, LLC	October 31, 2018	Precision Metal Parts Manufacturing				
			11.5% Secured Debt (Maturity—October 31, 2023)	27,200	26,953	26,953
			Member Units (581 units)		12,240	12,240
			9.0% Secured Debt (Maturity—October 31, 2048)	3,985	3,946	3,946
			Member Units (KMC RE Investor, LLC) (800 units)(8)		992	992
					44,131	44,131
Market Force Information, LLC	July 28, 2017	Provider of Customer Experience Management Services				
			LIBOR Plus 7.00% (Floor 1.00%), Current Coupon 9.13%, Secured Debt (Maturity—July 28, 2022)(9)	2,765	2,765	2,765
			LIBOR Plus 11.00% (Floor 1.00%), Current Coupon 13.13%, Secured Debt (Maturity—July 28, 2022)(9)	22,800	22,654	22,654
			Member Units (657,113 units)		14,700	7,050
					40,119	32,469
MH Corbin Holding LLC	August 31, 2015	Manufacturer and Distributor of Traffic Safety Products				
			5% Current / 5% PIK Secured Debt (Maturity—March 31, 2022)(19)	8,777	8,695	8,777
			Preferred Member Units (66,000 shares)		4,400	4,770
			Preferred Member Units (4,000 shares)		6,000	20
					19,095	13,567

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Consolidated Schedule of Investments (Continued)

September 30, 2019

(dollars in thousands)

(unaudited)

Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
Mid-Columbia Lumber Products, LLC	December 18, 2006	Manufacturer of Finger-Jointed Lumber Products				
			10% Secured Debt (Maturity—January 15, 2020)	1,750	1,749	1,749
			12% Secured Debt (Maturity—January 15, 2020)	3,900	3,893	3,893
			Member Units (7,874 units)		3,239	530
			9.5% Secured Debt (Mid-Columbia Real Estate, LLC) (Maturity—May 13, 2025)	712	712	712
			Member Units (Mid-Columbia Real Estate, LLC) (500 units)(8)		790	1,640
					10,383	8,524
MSC Adviser I, LLC(16)	November 22, 2013	Third Party Investment Advisory Services				
			Member Units (Fully diluted 100.0%)(8)		—	70,328
Mystic Logistics Holdings, LLC	August 18, 2014	Logistics and Distribution Services Provider for Large Volume Mailers				
			12% Secured Debt (Maturity—August 15, 2019)(17)	6,400	6,400	6,400
			Common Stock (5,873 shares)(8)		2,720	4,810
					9,120	11,210
NAPCO Precast, LLC	January 31, 2008	Precast Concrete Manufacturing				
			Member Units (2,955 units)(8)		2,975	15,580
NexRev LLC	February 28, 2018	Provider of Energy Efficiency Products & Services				
			11% Secured Debt (Maturity—February 28, 2023)	17,004	16,878	16,878
			Preferred Member Units (86,400,000 units)(8)		6,880	6,880
					23,758	23,758
NRI Clinical Research, LLC	September 8, 2011	Clinical Research Service Provider				
			14% Secured Debt (Maturity—June 8, 2022)	6,510	6,397	6,510
			Warrants (251,723 equivalent units; Expiration—June 8, 2027; Strike price—$0.01 per unit)		252	1,050
			Member Units (1,454,167 units)(8)		765	4,218
					7,414	11,778
NRP Jones, LLC	December 22, 2011	Manufacturer of Hoses, Fittings and Assemblies				
			12% Secured Debt (Maturity—March 20, 2023)	6,376	6,376	6,376
			Member Units (65,962 units)(8)		3,717	5,520
					10,093	11,896
NuStep, LLC	January 31, 2017	Designer, Manufacturer and Distributor of Fitness Equipment				
			12% Secured Debt (Maturity—January 31, 2022)	20,600	20,488	20,488
			Preferred Member Units (406 units)		10,200	10,200
					30,688	30,688
OMi Holdings, Inc.	April 1, 2008	Manufacturer of Overhead Cranes				
			Common Stock (1,500 shares)(8)		1,080	16,950

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Consolidated Schedule of Investments (Continued)

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Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
Pegasus Research Group, LLC	January 6, 2011	Provider of Telemarketing and Data Services				
			Member Units (460 units)		1,290	7,190
PPL RVs, Inc.	June 10, 2010	Recreational Vehicle Dealer				
			LIBOR Plus 7.00% (Floor 0.50%), Current Coupon 9.32%, Secured Debt (Maturity—November 15, 2021)(9)	13,845	13,779	13,779
			Common Stock (1,962 shares)		2,150	8,880
					15,929	22,659
Principle Environmental, LLC (d/b/a TruHorizon Environmental Solutions)	February 1, 2011	Noise Abatement Service Provider				
			13% Secured Debt (Maturity—April 30, 2020)	6,397	6,365	6,396
			Preferred Member Units (19,631 units) (8)		4,600	12,740
			Warrants (1,018 equivalent units; Expiration—January 31, 2021; Strike price—$0.01 per unit)		1,200	1,010
					12,165	20,146
Quality Lease Service, LLC	June 8, 2015	Provider of Rigsite Accommodation Unit Rentals and Related Services				
			Member Units (1,000 units)		10,813	10,580
River Aggregates, LLC	March 30, 2011	Processor of Construction Aggregates				
			Zero Coupon Secured Debt (Maturity—June 30, 2018)(17)	750	750	721
			Member Units (1,150 units)		1,150	4,610
			Member Units (RA Properties, LLC) (1,500 units)		369	3,040
					2,269	8,371
Tedder Industries, LLC	August 31, 2018	Manufacturer of Firearm Holsters and Accessories				
			12% Secured Debt (Maturity—August 31, 2020)	160	160	160
			12% Secured Debt (Maturity—August 31, 2023)	16,400	16,265	16,265
			Preferred Member Units (479 units)		8,136	8,136
					24,561	24,561
The MPI Group, LLC	October 2, 2007	Manufacturer of Custom Hollow Metal Doors, Frames and Accessories				
			9% Secured Debt (Maturity—October 2, 2019)	2,924	2,924	2,736
			Series A Preferred Units (2,500 units)		2,500	10
			Warrants (1,424 equivalent units; Expiration—July 1, 2024; Strike price—$0.01 per unit)		1,096	—
			Member Units (MPI Real Estate Holdings, LLC) (100 units)(8)		2,300	2,480
					8,820	5,226
Trantech Radiator Topco, LLC	May 31, 2019	Transformer Cooling Products and Services				
			12% Secured Debt (Maturity—May 31, 2024)	9,600	9,494	9,494
			Common Stock (615 shares)(8)		4,655	4,655
					14,149	14,149

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Consolidated Schedule of Investments (Continued)

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(dollars in thousands)

(unaudited)

Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
Vision Interests, Inc.	June 5, 2007	Manufacturer / Installer of Commercial Signage				
			13% Secured Debt (Maturity—September 30, 2019)(17)	2,028	2,028	2,028
			Series A Preferred Stock (3,000,000 shares)		3,000	4,090
			Common Stock (1,126,242 shares)		3,706	409
					8,734	6,527
Ziegler's NYPD, LLC	October 1, 2008	Casual Restaurant Group				
			6.5% Secured Debt (Maturity—October 1, 2019)	1,000	1,000	1,000
			12% Secured Debt (Maturity—October 1, 2019)	625	625	625
			14% Secured Debt (Maturity—October 1, 2019)	2,750	2,750	2,750
			Warrants (587 equivalent units; Expiration—October 1, 2019; Strike price—$0.01 per unit)		600	—
			Preferred Member Units (10,072 units)		2,834	1,410
					7,809	5,785
Subtotal Control Investments (66.9% of net assets at fair value)					$ 762,945	$ 1,024,566

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(dollars in thousands)

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Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
Affiliate Investments(6)						
AFG Capital Group, LLC	November 7, 2014	Provider of Rent-to-Own Financing Solutions and Services				
			10% Secured Debt (Maturity—May 25, 2022)	$ 924	$ 924	$ 924
			Preferred Member Units (186 units)		1,200	5,040
					2,124	5,964
American Trailer Rental Group LLC	June 7, 2017	Provider of Short-term Trailer and Container Rental				
			LIBOR Plus 7.25% (Floor 1.00%), Current Coupon 9.58%, Secured Debt (Maturity—June 7, 2022)(9)	27,188	26,990	27,188
			Member Units (Milton Meisler Holdings LLC) (48,555 units)		4,855	8,380
					31,845	35,568
BBB Tank Services, LLC	April 8, 2016	Maintenance, Repair and Construction Services to the Above-Ground Storage Tank Market				
			LIBOR Plus 11.00% (Floor 1.00%), Current Coupon 13.10%, (Maturity—April 8, 2021)(9)	4,800	4,681	4,681
			Preferred Stock (non-voting)(8)		127	127
			Member Units (800,000 units)		800	120
					5,608	4,928
Boccella Precast Products LLC	June 30, 2017	Manufacturer of Precast Hollow Core Concrete				
			LIBOR Plus 12.00% (Floor 1.00%), Current Coupon 14.32%, Secured Debt (Maturity—June 30, 2022)(9)	13,244	13,095	13,244
			Member Units (2,160,000 units)(8)		2,256	5,900
					15,351	19,144
Buca C, LLC	June 30, 2015	Casual Restaurant Group				
			LIBOR Plus 9.25% (Floor 1.00%), Current Coupon 11.33%, Secured Debt (Maturity—June 30, 2020)(9)	19,004	18,970	18,783
			Preferred Member Units (6 units; 6% cumulative)(8)(19)		4,631	4,631
					23,601	23,414
CAI Software LLC	October 10, 2014	Provider of Specialized Enterprise Resource Planning Software				
			12% Secured Debt (Maturity—December 7, 2023)	9,160	9,073	9,160
			Member Units (66,968 units)(8)		751	4,940
					9,824	14,100
Chandler Signs Holdings, LLC(10)	January 4, 2016	Sign Manufacturer				
			12% Secured Debt (Maturity—July 4, 2021)	4,569	4,551	4,569
			Class A Units (1,500,000 units)(8)		1,500	2,130
					6,051	6,699
Charlotte Russe, Inc(11)	May 28, 2013	Fast-Fashion Retailer to Young Women				
			Common Stock (19,041 shares)		3,141	—

MAIN STREET CAPITAL CORPORATION

Consolidated Schedule of Investments (Continued)

September 30, 2019

(dollars in thousands)

(unaudited)

Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
Congruent Credit Opportunities Funds(12)(13)	January 24, 2012	Investment Partnership				
			LP Interests (Congruent Credit Opportunities Fund II, LP) (Fully diluted 19.8%)		5,210	855
			LP Interests (Congruent Credit Opportunities Fund III, LP) (Fully diluted 17.4%)(8)		16,028	16,618
					21,238	17,473
Copper Trail Fund Investments(12)(13)	July 17, 2017	Investment Partnership				
			LP Interests (Copper Trail Energy Fund I, LP) (Fully diluted 12.4%)		1,584	2,273
Dos Rios Partners(12)(13)	April 25, 2013	Investment Partnership				
			LP Interests (Dos Rios Partners, LP) (Fully diluted 20.2%)		5,846	6,936
			LP Interests (Dos Rios Partners—A, LP) (Fully diluted 6.4%)		1,856	2,202
					7,702	9,138
East Teak Fine Hardwoods, Inc .	April 13, 2006	Distributor of Hardwood Products				
			Common Stock (6,250 shares)(8)		480	480
EIG Fund Investments(12)(13)	November 6, 2015	Investment Partnership				
			LP Interests (EIG Global Private Debt Fund—A, L.P.) (Fully diluted 11.1%)(8)		749	701
Freeport Financial Funds(12)(13)	June 13, 2013	Investment Partnership				
			LP Interests (Freeport Financial SBIC Fund LP) (Fully diluted 9.3%)		5,974	5,905
			LP Interests (Freeport First Lien Loan Fund III LP) (Fully diluted 6.0%)(8)		10,555	10,295
					16,529	16,200
Fuse, LLC(11)	June 30, 2019	Cable Networks Operator				
			12% Secured Debt (Maturity—June 28, 2024)	1,939	1,939	1,939
			Common Stock (10,429 shares)		256	256
					2,195	2,195
Harris Preston Fund Investments(12)(13)	August 9, 2017	Investment Partnership				
			LP Interests (HPEP 3, L.P.) (Fully diluted 8.2%)		2,474	2,474
Hawk Ridge Systems, LLC(13)	December 2, 2016	Value-Added Reseller of Engineering Design and Manufacturing Solutions				
			LIBOR Plus 6.00% (Floor 1.00%), Current Coupon 8.10%, Secured Debt (Maturity—December 2, 2021)(9)	600	600	600
			10.0% Secured Debt (Maturity—December 2, 2021)	13,400	13,328	13,400
			Preferred Member Units (226 units)(8)		2,850	7,900
			Preferred Member Units (HRS Services, ULC) (226 units)		150	420
					16,928	22,320

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Consolidated Schedule of Investments (Continued)

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(dollars in thousands)

(unaudited)

Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
Houston Plating and Coatings, LLC	January 8, 2003	Provider of Plating and Industrial Coating Services				
			8% Unsecured Convertible Debt (Maturity—May 1, 2022)	3,000	3,000	4,260
			Member Units (318,462 units)(8)		2,236	10,340
					5,236	14,600
I-45 SLF LLC(12)(13)	October 20, 2015	Investment Partnership				
			Member Units (Fully diluted 20.0%; 24.4% profits interest)(8)		17,000	15,474
L.F. Manufacturing Holdings, LLC(10)	December 23, 2013	Manufacturer of Fiberglass Products				
			Preferred Member Units (non-voting; 14% cumulative)(8)(19)		78	78
			Member Units (2,179,001 units)		2,019	2,050
					2,097	2,128
OnAsset Intelligence, Inc.	April 18, 2011	Provider of Transportation Monitoring / Tracking Products and Services				
			12% PIK Secured Debt (Maturity—June 30, 2021)(19)	6,282	6,282	6,282
			10% PIK Unsecured Debt (Maturity—June 30, 2021)(19)	57	57	57
			Preferred Stock (912 shares)		1,981	—
			Warrants (5,333 equivalent shares; Expiration—April 18, 2021; Strike price—$0.01 per share)		1,919	—
					10,239	6,339
PCI Holding Company, Inc.	December 18, 2012	Manufacturer of Industrial Gas Generating Systems				
			12% Current Secured Debt (Maturity—March 31, 2020)	11,356	11,356	11,356
			Preferred Stock (1,740,000 shares) (non-voting)		1,740	4,350
			Preferred Stock (1,500,000 shares)		3,927	1,550
					17,023	17,256
Rocaceia, LLC (Quality Lease and Rental Holdings, LLC)	January 8, 2013	Provider of Rigsite Accommodation Unit Rentals and Related Services				
			12% Secured Debt (Maturity—January 8, 2018)(14)(15)	30,785	30,281	250
			Preferred Member Units (250 units)		2,500	—
					32,781	250
Salado Stone Holdings, LLC(10)	June 27, 2016	Limestone and Sandstone Dimension Cut Stone Mining Quarries				
			Class A Preferred Units (Salado Acquisition, LLC) (2,000,000 units)		2,000	730
SI East, LLC	August 31, 2018	Rigid Industrial Packaging Manufacturing				
			10.25% Current, Secured Debt (Maturity—August 31, 2023)	32,963	32,670	32,963
			Preferred Member Units (157 units)(8)		6,000	7,340
					38,670	40,303

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Consolidated Schedule of Investments (Continued)

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(dollars in thousands)

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Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
Slick Innovations, LLC	September 13, 2018	Text Message Marketing Platform				
			14% Current, Secured Debt (Maturity—September 13, 2023)	5,920	5,745	5,745
			Member Units (70,000 units)		700	1,080
			Warrants (18,084 equivalent units; Expiration-September 13, 2028; Strike price—$0.01 per unit)		181	290
					6,626	7,115
UniTek Global Services, Inc.(11)	April 15, 2011	Provider of Outsourced Infrastructure Services				
			LIBOR Plus 6.50% (Floor 1.00%), Current Coupon 8.54%, Secured Debt (Maturity—August 20, 2024)(9)	2,970	2,947	2,968
			Preferred Stock (755,401 shares; 20% cumulative)(8)(19)		769	1,889
			Preferred Stock (1,521,122 shares; 19% cumulative)(8)(19)		1,884	2,282
			Preferred Stock (2,281,682 shares; 19% cumulative)(8)(19)		3,497	3,497
			Preferred Stock (4,336,866 shares; 13.50% cumulative)(8)(19)		7,924	4,374
			Common Stock (945,507 shares)		—	—
					17,021	15,010
Universal Wellhead Services Holdings, LLC(10)	October 30, 2014	Provider of Wellhead Equipment, Designs, and Personnel to the Oil & Gas Industry				
			Preferred Member Units (UWS Investments, LLC) (716,949 units; 14% cumulative)(8)(19)		1,032	1,085
			Member Units (UWS Investments, LLC) (4,000,000 units)		4,000	990
					5,032	2,075
Volusion, LLC	January 26, 2015	Provider of Online Software-as-a-Service eCommerce Solutions				
			11.5% Secured Debt (Maturity—January 26, 2020)	20,234	19,952	19,535
			8% Unsecured Convertible Debt (Maturity—November 16, 2023)	409	409	291
			Preferred Member Units (4,876,670 units)		14,000	14,000
			Warrants (1,831,355 equivalent units; Expiration—January 26, 2025; Strike price—$0.01 per unit)		2,576	570
					36,937	34,396
Subtotal Affiliate Investments (22.1% of net assets at fair value)					$ 358,086	$ 338,747

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Consolidated Schedule of Investments (Continued)

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Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
Non-Control/Non-Affiliate Investments(7)						
AAC Holdings, Inc.(11)	June 30, 2017	Substance Abuse Treatment Service Provider				
			LIBOR Plus 11.00% (Floor 1.00%), Current Coupon 13.29%, Secured Debt (Maturity—April 15, 2020)(9)	$ 1,855	$ 1,695	$ 1,855
			LIBOR Plus 12.75% (Floor 1.00%), Current Coupon 15.01%, Secured Debt (Maturity—June 30, 2023)(9)(14)	14,396	14,030	10,714
					15,725	12,569
Adams Publishing Group, LLC(10)	November 19, 2015	Local Newspaper Operator				
			Prime Plus 5.00% (Floor 1.50%), Current Coupon 9.00%, Secured Debt (Maturity—July 3, 2023)(9)	5,000	4,925	5,000
			LIBOR Plus 7.50% (Floor 1.50%), Current Coupon 9.78%, Secured Debt (Maturity—July 3, 2023)(9)	6,638	6,533	6,638
			LIBOR Plus 7.50% (Floor 1.50%), Current Coupon 9.61%, Secured Debt (Maturity—July 3, 2023)(9)	210	210	210
					11,668	11,848
ADS Tactical, Inc.(10)	March 7, 2017	Value-Added Logistics and Supply Chain Provider to the Defense Industry				
			LIBOR Plus 6.25% (Floor 0.75%), Current Coupon 8.29%, Secured Debt (Maturity—July 26, 2023)(9)	19,909	19,762	19,909
Aethon United BR LP(10)	September 8, 2017	Oil & Gas Exploration & Production				
			LIBOR Plus 6.75% (Floor 1.00%), Current Coupon 8.79%, Secured Debt (Maturity—September 8, 2023)(9)	9,750	9,623	9,750
Affordable Care Holding Corp.(10)	May 9, 2019	Dental Service Organization				
			LIBOR Plus 4.75% (Floor 1.00%), Current Coupon 6.84%, Secured Debt (Maturity—October 22, 2022)(9)	14,434	14,142	13,964
Allen Media, LLC.(11)	September 18, 2018	Operator of Cable Television Networks				
			LIBOR Plus 6.50% (Floor 1.00%), Current Coupon 8.60%, Secured Debt (Maturity—August 30, 2023)(9)	16,517	16,117	15,980
Allen Media Broadcasting LLC(10)	July 3, 2019	Operator of Television Broadcasting Networks				
			LIBOR Plus 6.25% (Floor 1.00%), Current Coupon 8.35%, Secured Debt (Maturity—July 3, 2024)(9)	15,000	14,644	14,644
American Nuts, LLC(10)	April 10, 2018	Roaster, Mixer and Packager of Bulk Nuts and Seeds				
			LIBOR Plus 9.50% (Floor 1.00%), Current Coupon 11.82%, Secured Debt (Maturity—April 10, 2023)(9)	12,271	12,101	12,248

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Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
American Teleconferencing Services, Ltd.(11)	May 19, 2016	Provider of Audio Conferencing and Video Collaboration Solutions				
			LIBOR Plus 6.50% (Floor 1.00%), Current Coupon 8.71%, Secured Debt (Maturity—December 8, 2021)(9)	17,405	16,319	10,983
APTIM Corp.(11)	August 17, 2018	Engineering, Construction & Procurement				
			7.75% Secured Debt (Maturity—June 15, 2025)	12,452	10,783	8,841
Arcus Hunting LLC(10)	January 6, 2015	Manufacturer of Bowhunting and Archery Products and Accessories				
			LIBOR Plus 10.00% (Floor 1.00%), Current Coupon 12.32%, Secured Debt (Maturity—January 13, 2020)(9)	16,447	16,435	16,446
Arise Holdings, Inc.(10)	March 12, 2018	Tech-Enabled Business Process Outsourcing				
			Preferred Stock (1,000,000 shares)		1,000	2,498
ASC Ortho Management Company, LLC(10)	August 31, 2018	Provider of Orthopedic Services				
			LIBOR Plus 7.50% (Floor 1.00%), Current Coupon 9.82%, Secured Debt (Maturity—August 31, 2023)(9)	4,572	4,488	4,540
			13.25% PIK Secured Debt (Maturity—December 1, 2023)(19)	1,793	1,758	1,793
					6,246	6,333
ATI Investment Sub, Inc.(11)	July 11, 2016	Manufacturer of Solar Tracking Systems				
			LIBOR Plus 7.25% (Floor 1.00%), Current Coupon 9.31%, Secured Debt (Maturity—June 22, 2021)(9)	3,385	3,353	3,239
ATX Networks Corp.(11)(13)(21)	June 30, 2015	Provider of Radio Frequency Management Equipment				
			LIBOR Plus 6.00% (Floor 1.00%) Current Coupon 8.35% / 1.00% PIK, Current Coupon Plus PIK 9.35% Secured Debt (Maturity—June 11, 2021)(9)(19)	13,688	13,462	12,936
Barfly Ventures, LLC(10)	August 31, 2015	Casual Restaurant Group				
			12% Secured Debt (Maturity—August 31, 2020)	10,185	10,064	9,385
			Options (3 equivalent units)		607	500
			Warrant (2 equivalent unit; Expiration—August 31, 2025; Strike price—$1.00 per unit)		473	290
					11,144	10,175
Berry Aviation, Inc.(10)	July 6, 2018	Charter Airline Services				
			10.50% Current / 1.5% PIK, Secured Debt (Maturity—January 6, 2024)(19)	4,536	4,499	4,536
			Preferred Member Units (Berry Acquisition, LLC) (1,548,387 units; 8% cumulative)(8)(19)		1,671	1,318
					6,170	5,854

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Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
BigName Commerce, LLC(10)	May 11, 2017	Provider of Envelopes and Complimentary Stationery Products				
			LIBOR Plus 7.25% (Floor 1.00%), Current Coupon 9.57%, Secured Debt (Maturity—May 11, 2022)(9)	2,409	2,392	2,377
Binswanger Enterprises, LLC(10)	March 10, 2017	Glass Repair and Installation Service Provider				
			LIBOR Plus 8.50% (Floor 1.00%), Current Coupon 10.10%, Secured Debt (Maturity—March 9, 2022)(9)	13,828	13,646	13,828
			Member Units (1,050,000 units)		1,050	950
					14,696	14,778
Bluestem Brands, Inc.(11)	December 19, 2013	Multi-Channel Retailer of General Merchandise				
			LIBOR Plus 7.50% (Floor 1.00%), Current Coupon 9.65%, Secured Debt (Maturity—November 6, 2020)(9)	10,810	10,744	8,198
Bojangles', Inc.(11)	February 5, 2019	Quick Service Restaurant Group				
			LIBOR Plus 4.75%, Current Coupon 6.79%, Secured Debt (Maturity—January 28, 2026)	10,000	9,815	10,037
			LIBOR Plus 8.50%, Current Coupon 10.54%, Secured Debt (Maturity—January 28, 2027)	5,000	4,905	5,006
					14,720	15,043
Brainworks Software, LLC(10)	August 12, 2014	Advertising Sales and Newspaper Circulation Software				
			4.00% Secured Debt (Maturity—July 22, 2019)(9)(17)	6,733	6,733	6,032
Brightwood Capital Fund Investments(12)(13)	July 21, 2014	Investment Partnership				
			LP Interests (Brightwood Capital Fund III, LP) (Fully diluted 1.6%)(8)		11,160	9,267
			LP Interests (Brightwood Capital Fund IV, LP) (Fully diluted 0.6%)(8)		4,500	4,563
					15,660	13,830
Cadence Aerospace LLC(10)	November 14, 2017	Aerostructure Manufacturing				
			LIBOR Plus 6.50% (Floor 1.00%), Current Coupon 8.54%, Secured Debt (Maturity—November 14, 2023)(9)	19,371	19,225	19,371
California Pizza Kitchen, Inc.(11)	August 29, 2016	Casual Restaurant Group				
			LIBOR Plus 6.00% (Floor 1.00%), Current Coupon 8.53%, Secured Debt (Maturity—August 23, 2022)(9)	14,637	14,531	13,127
Central Security Group, Inc.(11)	December 4, 2017	Security Alarm Monitoring Service Provider				
			LIBOR Plus 5.63% (Floor 1.00%), Current Coupon 7.67%, Secured Debt (Maturity—October 6, 2021)(9)	13,776	13,728	13,362

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Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
Cenveo Corporation(11)	September 4, 2015	Provider of Digital Marketing Agency Services				
			Libor Plus 9.50% (Floor 1.00%), Current Coupon 11.56%, Secured Debt (Maturity—June 7, 2023)(9)	5,674	5,488	5,674
			Common Stock (177,130 shares)		5,309	2,746
					10,797	8,420
Chisholm Energy Holdings, LLC(10)	May 15, 2019	Oil & Gas Exploration & Production				
			LIBOR Plus 6.25% (Floor 1.50%), Current Coupon 8.41%, Secured Debt (Maturity—May 15, 2026)(9)	3,571	3,486	3,486
Clarius BIGS, LLC(10)	September 23, 2014	Prints & Advertising Film Financing				
			15% PIK Secured Debt (Maturity—January 5, 2015)(14)(17)	2,851	2,851	39
Clickbooth.com, LLC(10)	December 5, 2017	Provider of Digital Advertising Performance Marketing Solutions				
			LIBOR Plus 8.50% (Floor 1.00%), Current Coupon 10.82%, Secured Debt (Maturity—December 5, 2022)(9)	2,682	2,641	2,682
Construction Supply Investments, LLC(10)	December 29, 2016	Distribution Platform of Specialty Construction Materials to Professional Concrete and Masonry Contractors				
			LIBOR Plus 6.00% (Floor 1.00%), Current Coupon 8.12%, Secured Debt (Maturity—June 30, 2023)(9)	15,941	15,844	15,941
			Member Units (43,463 units)		4,409	7,210
					20,253	23,151
Corel Corporation(11)(13)(21)	July 24, 2019	Publisher of Desktop and Cloud-based Software				
			LIBOR Plus 5.00% (Floor 1.00%), Current Coupon 7.09%, Secured Debt (Maturity—July 2, 2026)(9)	15,000	14,268	14,569
CTVSH, PLLC(10)	August 3, 2017	Emergency Care and Specialty Service Animal Hospital				
			LIBOR Plus 8.00% (Floor 1.00%), Current Coupon 10.13%, Secured Debt (Maturity—August 3, 2022)(9)	10,249	10,183	10,249
Darr Equipment LP(10)	April 15, 2014	Heavy Equipment Dealer				
			11.5% Current / 1% PIK Secured Debt (Maturity-June 22, 2023)(19)	5,884	5,884	5,884
			Warrants (915,734 equivalent units; Expiration—December 23, 2023; Strike price—$1.50 per unit)		474	300
					6,358	6,184
Digital River, Inc.(11)	February 24, 2015	Provider of Outsourced e-Commerce Solutions and Services				
			LIBOR Plus 6.00% (Floor 1.00%), Current Coupon 8.12%, Secured Debt (Maturity—February 12, 2021)(9)	15,876	15,749	15,837

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Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
DTE Enterprises, LLC(10)	April 13, 2018	Industrial Powertrain Repair and Services				
			LIBOR Plus 7.50% (Floor 1.50%), Current Coupon 9.69%, Secured Debt (Maturity—April 13, 2023)(9)	11,492	11,309	11,481
			Class AA Preferred Member Units (non-voting; 10% cumulative)(8)(19)		838	838
			Class A Preferred Member Units (776,316 units)		776	1,490
					12,923	13,809
Dynamic Communities, LLC(10)	July 17, 2018	Developer of Business Events and Online Community Groups				
			LIBOR Plus 8.00% (Floor 1.00%), Current Coupon 10.10%, Secured Debt (Maturity—July 17, 2023)(9)	5,495	5,405	5,483
EnCap Energy Fund Investments(12)(13)	December 28, 2010	Investment Partnership				
			LP Interests (EnCap Energy Capital Fund VIII, L.P.) (Fully diluted 0.1%)(8)		3,617	1,487
			LP Interests (EnCap Energy Capital Fund VIII Co-Investors, L.P.) (Fully diluted 0.4%)		2,097	795
			LP Interests (EnCap Energy Capital Fund IX, L.P.) (Fully diluted 0.1%)(8)		4,343	3,160
			LP Interests (EnCap Energy Capital Fund X, L.P.) (Fully diluted 0.1%)(8)		8,242	8,815
			LP Interests (EnCap Flatrock Midstream Fund II, L.P.) (Fully diluted 0.8%)(8)		7,238	5,967
			LP Interests (EnCap Flatrock Midstream Fund III, L.P.) (Fully diluted 0.2%)(8)		6,367	6,264
					31,904	26,488
Encino Acquisition Partners Holdings, Inc.(11)	November 16, 2018	Oil & Gas Exploration & Production				
			LIBOR Plus 6.75% (Floor 1.00%), Current Coupon 8.79%, Secured Debt (Maturity—October 29, 2025)(9)	9,000	8,918	5,625
EPIC Y-Grade Services, LP(11)	June 22, 2018	NGL Transportation & Storage				
			LIBOR Plus 5.50%, Current Coupon 7.54%, Secured Debt (Maturity—June 13, 2024)	15,275	15,025	14,836
Evergreen Skills Lux S.á r.l. (d/b/a Skillsoft)(11)(13)	May 5, 2014	Technology-based Performance Support Solutions				
			LIBOR Plus 8.25% (Floor 1.00%), Current Coupon 10.45%, Secured Debt (Maturity—April 28, 2022)(9)	6,999	6,921	2,139
Felix Investments Holdings II(10)	August 9, 2017	Oil & Gas Exploration & Production				
			LIBOR Plus 6.50% (Floor 1.00%), Current Coupon 8.68%, Secured Debt (Maturity—August 9, 2022)(9)	5,000	4,940	5,000

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Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
Flavors Holdings Inc.(11)	October 15, 2014	Global Provider of Flavoring and Sweetening Products				
			LIBOR Plus 5.75% (Floor 1.00%), Current Coupon 7.85%, Secured Debt (Maturity—April 3, 2020)(9)	11,297	11,200	10,534
Fortna, Inc.(10)	July 23, 2019	Process, Physcial Distribution and Logistics Consulting Services				
			LIBOR Plus 5.00%, Current Coupon 7.04%, Secured Debt (Maturity—April 8, 2025)	7,770	7,583	7,583
GeoStabilization International (GSI) (11)	December 31, 2018	Geohazard Engineering Services & Maintenance				
			LIBOR Plus 5.50%, Current Coupon 7.54%, Secured Debt (Maturity—December 19, 2025)	16,418	16,267	16,376
GI KBS Merger Sub LLC(11)	November 10, 2014	Outsourced Janitorial Service Provider				
			LIBOR Plus 4.75% (Floor 1.00%), Current Coupon 6.81%, Secured Debt (Maturity—October 29, 2021)(9)	9,126	9,082	8,989
			LIBOR Plus 8.50% (Floor 1.00%), Current Coupon 10.77%, Secured Debt (Maturity—April 29, 2022)(9)	3,915	3,819	3,807
					12,901	12,796
Good Source Solutions, Inc.(10)	October 23, 2018	Specialized Food Distributor				
			LIBOR Plus 8.32% (Floor 1.00%), Current Coupon 10.36%, Secured Debt (Maturity—June 29, 2023)(9)(23)	5,000	4,959	5,000
GoWireless Holdings, Inc.(11)	December 31, 2017	Provider of Wireless Telecommunications Carrier Services				
			LIBOR Plus 6.50% (Floor 1.00%), Current Coupon 8.54%, Secured Debt (Maturity—December 22, 2024)(9)	18,372	18,207	17,866
Grupo Hima San Pablo, Inc.(11)	March 7, 2013	Tertiary Care Hospitals				
			LIBOR Plus 9.00% (Floor 1.50%), Current Coupon 11.58%, Secured Debt (Maturity—April 30, 2019)(9)(17)	4,504	4,504	3,681
			13.75% Secured Debt (Maturity—October 15, 2018)(17)	2,055	2,040	226
					6,544	3,907
HDC/HW Intermediate Holdings(10)	December 21, 2018	Managed Services and Hosting Provider				
			LIBOR Plus 7.50% (Floor 1.00%), Current Coupon 9.61%, Secured Debt (Maturity—December 21, 2023)(9)	3,382	3,321	3,376
Hoover Group, Inc.(10)(13)	October 21, 2016	Provider of Storage Tanks and Related Products to the Energy and Petrochemical Markets				
			LIBOR Plus 7.25% (Floor 1.00%), Current Coupon 9.38%, Secured Debt (Maturity—January 28, 2021)(9)	16,822	16,341	15,813

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Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
Hunter Defense Technologies, Inc. (10)	March 29, 2018	Provider of Military and Commercial Shelters and Systems				
			LIBOR Plus 7.00% (Floor 1.00%), Current Coupon 9.10%, Secured Debt (Maturity—March 29, 2023)(9)	29,875	29,392	29,875
HW Temps LLC	July 2, 2015	Temporary Staffing Solutions				
			8.00% Secured Debt (Maturity—March 29, 2023)	10,598	10,420	9,307
Hydrofarm Holdings LLC(10)	May 18, 2017	Wholesaler of Horticultural Products				
			LIBOR Plus 10.00%, Current Coupon 3.64% / 8.50% PIK, Current Coupon Plus PIK 12.14% Secured Debt (Maturity—May 12, 2022)(19)	7,481	7,376	6,243
Hyperion Materials & Technologies, Inc.(11)(13)	September 12, 2019	Manufacturer of Cutting and Machine Tools & Speciality Polishing Compounds				
			LIBOR Plus 5.50% (Floor 1.00%), Current Coupon 7.54%, Secured Debt (Maturity—August 28, 2026)(9)	22,500	22,053	22,163
iEnergizer Limited(10)(13)(21)	April 17, 2019	Provider of Business Outsourcing Solutions				
			LIBOR Plus 6.00% (Floor 1.00%), Current Coupon 8.06%, Secured Debt (Maturity—April 17, 2024)(9)	13,725	13,598	13,598
Implus Footcare, LLC(10)	June 1, 2017	Provider of Footwear and Related Accessories				
			LIBOR Plus 6.25% (Floor 1.00%), Current Coupon 8.35%, Secured Debt (Maturity—April 30, 2024)(9)	18,624	18,205	18,379
Independent Pet Partners Intermediate Holdings, LLC(10)	November 20, 2018	Omnichannel Retailer of Specialty Pet Products				
			LIBOR Plus 9.00% (Floor 1.00%), Current Coupon 11.48%, Secured Debt (Maturity—November 19, 2023)(9)	18,847	18,514	18,847
			Member Units (1,558,333 units)		1,558	1,260
					20,072	20,107
Industrial Services Acquisition, LLC(10)	June 17, 2016	Industrial Cleaning Services				
			6% Current / 7% PIK Unsecured Debt (Maturity—December 17, 2022)(19)	5,149	5,075	5,149
			Preferred Member Units (Industrial Services Investments, LLC) (144 units; 10% cumulative)(8)(19)		101	109
			Preferred Member Units (Industrial Services Investments, LLC) (80 units; 20% cumulative)(8)(19)		57	57
			Member Units (Industrial Services Investments, LLC) (900 units)		900	580
					6,133	5,895

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Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
Inn of the Mountain Gods Resort and Casino(11)	October 30, 2013	Hotel & Casino Owner & Operator				
			9.25% Secured Debt (Maturity—November 30, 2020)	7,762	7,539	7,704
Interface Security Systems, L.L.C(10)	August 7, 2019	Commercial Security & Alarm Services				
			LIBOR Plus 7.00% (Floor 1.75%), Current Coupon 9.04%, Secured Debt (Maturity—August 7, 2023)(9)	7,500	7,355	7,355
Intermedia Holdings, Inc.(11)	August 3, 2018	Unified Communications as a Service				
			LIBOR Plus 6.00% (Floor 1.00%), Current Coupon 8.04%, Secured Debt (Maturity—July 19, 2025)(9)	16,472	16,372	16,499
Invincible Boat Company, LLC.(10)	August 28, 2019	Manufacturer of Sport Fishing Boats				
			LIBOR Plus 6.50% (Floor 1.00%), Current Coupon 8.61%, Secured Debt (Maturity—August 28, 2025)(9)	9,500	9,396	9,396
Isagenix International, LLC(11)	June 21, 2018	Direct Marketer of Health & Wellness Products				
			LIBOR Plus 5.75% (Floor 1.00%), Current Coupon 7.85%, Secured Debt (Maturity—June 14, 2025)(9)	6,025	5,972	4,654
JAB Wireless, Inc.(10)	May 2, 2018	Fixed Wireless Broadband Provider				
			LIBOR Plus 8.00% (Floor 1.00%), Current Coupon 10.03%, Secured Debt (Maturity—May 2, 2023)(9)	14,775	14,662	14,775
Jackmont Hospitality, Inc.(10)	May 26, 2015	Franchisee of Casual Dining Restaurants				
			LIBOR Plus 6.75% (Floor 1.00%), Current Coupon 8.79%, Secured Debt (Maturity—May 26, 2021)(9)	4,086	4,080	4,086
Joerns Healthcare, LLC(11)	April 3, 2013	Manufacturer and Distributor of Health Care Equipment & Supplies				
			LIBOR Plus 6.00% (Floor 1.00%), Current Coupon 8.79% Secured Debt (Maturity—August 21, 2024)(9)	4,016	3,938	3,938
			Common Stock (472,579 shares)		4,429	4,429
					8,367	8,367
Kemp Technologies Inc.(10)	June 27, 2019	Provider of Application Delivery Controllers				
			LIBOR Plus 6.25% (Floor 1.00%), Current Coupon 8.58%, Secured Debt (Maturity—March 29, 2024)(9)	7,500	7,357	7,357
Kore Wireless Group Inc.(11)	December 31, 2018	Mission Critical Software Platform				
			LIBOR Plus 5.50%, Current Coupon 7.60%, Secured Debt (Maturity—December 20, 2024)	19,334	19,234	19,213

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Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
Larchmont Resources, LLC(11)	August 13, 2013	Oil & Gas Exploration & Production				
			LIBOR Plus 7.00% (Floor 1.00%), Current Coupon 9.14%, Secured Debt (Maturity—August 7, 2020)(9)	2,145	2,145	1,995
			Member Units (Larchmont Intermediate Holdco, LLC) (2,828 units)		353	707
					2,498	2,702
Laredo Energy VI, LP(10)	January 15, 2019	Oil & Gas Exploration & Production				
			LIBOR Plus 10.50% (Floor 2.00%) PIK, Current Coupon 12.76% PIK, Secured Debt (Maturity—November 19, 2021)(9)(19)	10,785	10,588	10,785
Lightbox Holdings, L.P.(11)	May 23, 2019	Provider of Commercial Real Estate Software				
			LIBOR Plus 5.00%, Current Coupon 7.05%, Secured Debt (Maturity—May 9, 2026)	15,000	14,783	14,850
LKCM Headwater Investments I, L.P.(12)(13)	January 25, 2013	Investment Partnership				
			LP Interests (Fully diluted 2.3%)(8)		1,746	3,622
LL Management, Inc.(10)	May 2, 2019	Medical Transportation Service Provider				
			LIBOR Plus 6.50% (Floor 1.00%), Current Coupon 8.56%, Secured Debt (Maturity—September 25, 2023)(9)	13,784	13,647	13,647
Logix Acquisition Company, LLC(10)	June 24, 2016	Competitive Local Exchange Carrier				
			LIBOR Plus 5.75% (Floor 1.00%), Current Coupon 7.79%, Secured Debt (Maturity—December 22, 2024)(9)	18,478	18,289	18,478
Looking Glass Investments, LLC(12) (13)	July 1, 2015	Specialty Consumer Finance				
			Member Units (2.5 units)		125	45
			Member Units (LGI Predictive Analytics LLC) (190,712 units)(8)		49	21
					174	66
LSF9 Atlantis Holdings, LLC(11)	May 17, 2017	Provider of Wireless Telecommunications Carrier Services				
			LIBOR Plus 6.00% (Floor 1.00%), Current Coupon 8.04%, Secured Debt (Maturity—May 1, 2023)(9)	9,521	9,517	8,892
Lulu's Fashion Lounge, LLC(10)	August 31, 2017	Fast Fashion E-Commerce Retailer				
			LIBOR Plus 9.00% (Floor 1.00%), Current Coupon 11.04%, Secured Debt (Maturity—August 28, 2022)(9)	11,591	11,300	11,359

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Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
Lynx FBO Operating LLC(10)	September 30, 2019	Fixed Based Operator in the General Aviation Industry				
			LIBOR Plus 5.75% (Floor 1.00%), Current Coupon 7.86%, Secured Debt (Maturity—September 30, 2024)(9)	13,750	13,438	13,438
			Member Units (3,704 units)		500	500
					13,938	13,938
Mac Lean-Fogg Company(10)	April 22, 2019	Manufacturer and Supplier for Auto and Power Markets				
			LIBOR Plus 5.00%, Current Coupon 7.04%, Secured Debt (Maturity—December 22, 2025)	16,732	16,608	16,608
			Preferred Stock (1,516 shares; 4.50% Cash/ 9.25% PIK cumulative)(8)(19)		1,759	1,759
					18,367	18,367
MHVC Acquisition Corp.(11)	May 8, 2017	Provider of differentiated information solutions, systems engineering, and analytics				
			LIBOR Plus 5.25% (Floor 1.00%), Current Coupon 7.30%, Secured Debt (Maturity—April 29, 2024)(9)	20,002	19,901	19,852
Mills Fleet Farm Group, LLC(10)	October 24, 2018	Omnichannel Retailer of Work, Farm and Lifestyle Merchandise				
			LIBOR Plus 6.25% (Floor 1.00%), Current Coupon 8.29% /0.75% PIK, Current Coupon Plus PIK 9.04%, Secured Debt (Maturity—October 24, 2024)(9)(19)	14,925	14,589	14,680
NBG Acquisition Inc(11)	April 28, 2017	Wholesaler of Home Décor Products				
			LIBOR Plus 5.50% (Floor 1.00%), Current Coupon 7.60%, Secured Debt (Maturity—April 26, 2024)(9)	4,236	4,187	3,807
New Media Holdings II LLC(11)(13)	June 10, 2014	Local Newspaper Operator				
			LIBOR Plus 6.25% (Floor 1.00%), Current Coupon 8.29%, Secured Debt (Maturity—July 14, 2022)(9)	17,981	17,767	18,034
NNE Partners, LLC(10)	March 2, 2017	Oil & Gas Exploration & Production				
			LIBOR Plus 8.00%, Current Coupon 10.14%, Secured Debt (Maturity—March 2, 2022)	20,417	20,288	20,417
North American Lifting Holdings, Inc.(11)	February 26, 2015	Crane Service Provider				
			LIBOR Plus 4.50% (Floor 1.00%), Current Coupon 6.60%, Secured Debt (Maturity—November 27, 2020)(9)	7,624	7,266	6,989
Novetta Solutions, LLC(11)	June 21, 2017	Provider of Advanced Analytics Solutions for Defense Agencies				
			LIBOR Plus 5.00% (Floor 1.00%), Current Coupon 7.05%, Secured Debt (Maturity—October 17, 2022)(9)	21,115	20,697	20,725

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Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
NTM Acquisition Corp.(11)	July 12, 2016	Provider of B2B Travel Information Content				
			LIBOR Plus 6.25% (Floor 1.00%), Current Coupon 8.29%, Secured Debt (Maturity—June 7, 2022)(9)	4,236	4,231	4,172
Ospemifene Royalty Sub LLC (QuatRx)(10)	July 8, 2013	Estrogen-Deficiency Drug Manufacturer and Distributor				
			11.5% Secured Debt (Maturity—November 15, 2026)(14)	4,896	4,896	598
PaySimple, Inc.(10)	September 9, 2019	Leading technology services commerce platform				
			LIBOR Plus 5.50% (Floor 1.00%), Current Coupon 7.55%, Secured Debt (Maturity—August 23, 2025)(9)	12,600	12,351	12,351
Permian Holdco 2, Inc.(11)	February 12, 2013	Storage Tank Manufacturer				
			14% PIK Unsecured Debt (Maturity—October 15, 2021)(19)	440	440	325
			18% PIK Unsecured Debt (Maturity—June 30, 2022)(19)	305	305	305
			Preferred Stock (Permian Holdco 1, Inc.) (154,558 units)		799	330
					1,544	960
Point.360(10)	July 8, 2015	Fully Integrated Provider of Digital Media Services				
			Warrants (65,463 equivalent shares; Expiration—July 7, 2020; Strike price —$0.75 per share)		69	—
			Common Stock (163,658 shares)		273	—
					342	—
PricewaterhouseCoopers Public Sector LLP(11)	May 24, 2018	Provider of Consulting Services to Governments				
			LIBOR Plus 7.50%, Current Coupon 9.54%, Secured Debt (Maturity—May 1, 2026)	9,000	8,964	8,888
PT Network, LLC(10)	November 1, 2013	Provider of Outpatient Physical Therapy and Sports Medicine Services				
			LIBOR Plus 5.50% (Floor 1.00%), Current Coupon 7.80% /2.00% PIK, Current Coupon Plus PIK 9.80%, Secured Debt (Maturity—November 30, 2023)(9)(19)	8,447	8,447	8,277
Research Now Group, Inc. and Survey Sampling International, LLC(11)	December 31, 2017	Provider of Outsourced Online Surveying				
			LIBOR Plus 5.50% (Floor 1.00%), Current Coupon 7.75%, Secured Debt (Maturity—December 20, 2024)(9)	18,161	17,614	18,249

MAIN STREET CAPITAL CORPORATION

Consolidated Schedule of Investments (Continued)

September 30, 2019

(dollars in thousands)

(unaudited)

Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
RM Bidder, LLC(10)	November 12, 2015	Scripted and Unscripted TV and Digital Programming Provider				
			Warrants (327,532 equivalent units; Expiration—October 20, 2025; Strike price—$14.28 per unit)		425	—
			Member Units (2,779 units)		46	11
					471	11
SAFETY Investment Holdings, LLC	April 29, 2016	Provider of Intelligent Driver Record Monitoring Software and Services				
			Member Units (2,000,000 units)		2,000	2,380
Salient Partners L.P.(11)	June 25, 2015	Provider of Asset Management Services				
			LIBOR Plus 6.00% (Floor 1.00%), Current Coupon 8.04%, Secured Debt (Maturity—June 9, 2021)(9)	6,675	6,654	6,675
SMART Modular Technologies, Inc. (10)(13)	August 18, 2017	Provider of Specialty Memory Solutions				
			LIBOR Plus 6.25% (Floor 1.00%), Current Coupon 8.43%, Secured Debt (Maturity—August 9, 2022)(9)	19,000	18,833	19,190
Staples Canada ULC(10)(13)(21)	September 14, 2017	Office Supplies Retailer				
			LIBOR Plus 7.00% (Floor 1.00%), Current Coupon 8.97%, Secured Debt (Maturity—September 12, 2023)(9)(22)	14,843	14,630	13,573
TE Holdings, LLC(11)	December 5, 2013	Oil & Gas Exploration & Production				
			Member Units (97,048 units)		970	—
Tectonic Financial, Inc.	May 15, 2017	Financial Services Organization				
			Common Stock (400,000 shares)(8)		2,000	2,620
TeleGuam Holdings, LLC(11)	June 26, 2013	Cable and Telecom Services Provider				
			LIBOR Plus 8.50% (Floor 1.00%), Current Coupon 10.54%, Secured Debt (Maturity—April 12, 2024)(9)	7,750	7,634	7,798
TGP Holdings III LLC(11)	September 30, 2017	Outdoor Cooking & Accessories				
			LIBOR Plus 8.50% (Floor 1.00%), Current Coupon 10.54%, Secured Debt (Maturity—September 25, 2025)(9)	5,500	5,438	5,170
The Pasha Group(11)	February 2, 2018	Diversified Logistics and Transportation Provided				
			LIBOR Plus 7.50% (Floor 1.00%), Current Coupon 9.58%, Secured Debt (Maturity—January 26, 2023)(9)	9,961	9,748	10,036
TMC Merger Sub Corp.(11)	December 22, 2016	Refractory & Maintenance Services Provider				
			LIBOR Plus 6.75% (Floor 1.00%), Current Coupon 8.81%, Secured Debt (Maturity—October 31, 2022)(9)(24)	15,742	15,595	15,604

MAIN STREET CAPITAL CORPORATION

Consolidated Schedule of Investments (Continued)

September 30, 2019

(dollars in thousands)

(unaudited)

Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
TOMS Shoes, LLC(11)	November 13, 2014	Global Designer, Distributor, and Retailer of Casual Footwear				
			LIBOR Plus 5.50% (Floor 1.00%), Current Coupon 7.76%, Secured Debt (Maturity—October 30, 2020)(9)	4,775	4,667	3,055
U.S. TelePacific Corp.(11)	September 14, 2016	Provider of Communications and Managed Services				
			LIBOR Plus 5.00% (Floor 1.00%), Current Coupon 7.10%, Secured Debt (Maturity—May 2, 2023)(9)	17,088	16,870	16,670
VIP Cinema Holdings, Inc.(11)	March 9, 2017	Supplier of Luxury Seating to the Cinema Industry				
			LIBOR Plus 6.00% (Floor 1.00%), Current Coupon 8.04%, Secured Debt (Maturity—March 1, 2023)(9)	10,206	10,172	8,036
Vistar Media, Inc.(10)	February 17, 2017	Operator of Digital Out-of-Home Advertising Platform				
			LIBOR Plus 8.00% (Floor 1.00%), Current Coupon 10.09%, Secured Debt (Maturity—April 3, 2023)(9)	5,764	5,555	5,731
			Preferred Stock (70,207 shares)(19)		767	1,210
			Warrants (69,675 equivalent shares; Expiration—April 3, 2029; Strike price—$10.92 per share)		—	1,220
					6,322	8,161
Wireless Vision Holdings, LLC(10)	September 29, 2017	Provider of Wireless Telecommunications Carrier Services				
			LIBOR Plus 9.91% (Floor 1.00%), Current Coupon 11.69% /1.00% PIK, Current Coupon Plus PIK 12.69%, Secured Debt (Maturity—September 29, 2022)(9)(19)(28)	7,308	7,183	7,290
			LIBOR Plus 8.91% (Floor 1.00%), Current Coupon 10.96% /1.00% PIK, Current Coupon Plus PIK 11.96%, Secured Debt (Maturity—September 29, 2022)(9)(19)(28)	6,351	6,275	6,351
					13,458	13,641
YS Garments, LLC(11)	August 22, 2018	Designer and Provider of Branded Activewear				
			LIBOR Plus 6.00% (Floor 1.00%), Current Coupon 7.95% Secured Debt (Maturity—August 9, 2024)(9)	14,625	14,500	14,552
Zilliant Incorporated	June 15, 2012	Price Optimization and Margin Management Solutions				
			Preferred Stock (186,777 shares)		154	260
			Warrants (952,500 equivalent shares; Expiration—June 15, 2022; Strike price—$0.001 per share)		1,071	1,190
					1,225	1,450
Subtotal Non-Control/Non-Affiliate Investments (77.9% of net assets at fair value)					$1,237,769	$ 1,193,883
Total Portfolio Investments, September 30, 2019					$2,358,800	$ 2,557,196

(1) All investments are Lower Middle Market portfolio investments, unless otherwise noted. See Note B for a description of Lower Middle Market portfolio investments. All of the Company's investments, unless otherwise noted, are encumbered either as security for the Company's Credit Facility or in support of the SBA-guaranteed debentures issued by the Funds.

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

MAIN STREET CAPITAL CORPORATION

Consolidated Schedule of Investments (Continued)

September 30, 2019

(dollars in thousands)

(unaudited)

(3) See Note C and Schedule 12-14 for a summary of geographic location of portfolio companies.

(4) Principal is net of repayments. Cost is net of repayments and accumulated unearned income.

(5) Control 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.

(6) Affiliate investments are defined by the 1940 Act as investments in which between 5% and 25% (inclusive) of the voting securities are owned and the investments are not classified as Control investments.

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

(8) Income producing through dividends or distributions.

(9) Index based floating interest rate is subject to contractual minimum interest rate. A majority of the variable rate loans in the Company's investment portfolio bear interest at a rate that may be determined by reference to either LIBOR or an alternate Base Rate (commonly based on the Federal Funds Rate or the Prime Rate), which typically resets semi-annually, quarterly, or monthly at the borrower's option. The borrower may also elect to have multiple interest reset periods for each loan. For each such loan, the Company has provided the weighted average annual stated interest rate in effect at September 30, 2019. As noted in this schedule, 66% of the loans (based on the par amount) contain LIBOR floors which range between 0.50% and 2.00%, with a weighted-average LIBOR floor of approximately 1.05%.

(10) Private Loan portfolio investment. See Note B for a description of Private Loan portfolio investments.

(11) Middle Market portfolio investment. See Note B for a description of Middle Market portfolio investments.

(12) Other Portfolio investment. See Note B for a description of Other Portfolio investments.

(13) Investment is not a qualifying asset as defined under Section 55(a) of the 1940 Act. Qualifying assets must represent at least 70% of total assets at the time of acquisition of any additional non-qualifying assets.

(14) Non-accrual and non-income producing investment.

(15) Portfolio company is in a bankruptcy process and, as such, the maturity date of our debt investment in this portfolio company will not be finally determined until such process is complete. As noted in footnote(14), our debt investment in this portfolio company is on non-accrual status.

(16) External Investment Manager. Investment is not encumbered as security for the Company's Credit Facility or in support of the SBA-guaranteed debentures issued by the Funds.

(17) Maturity date is under on-going negotiations with the portfolio company and other lenders, if applicable.

(18) Investment fair value was determined using significant unobservable inputs, unless otherwise noted. See Note C for further discussion.

(19) PIK interest income and cumulative dividend income represent income not paid currently in cash.

(20) All portfolio company headquarters are based in the United States, unless otherwise noted.

(21) Portfolio company headquarters are located outside of the United States.

(22) In connection with the Company's debt investment in Staples Canada ULC and in an attempt to mitigate any potential adverse change in foreign exchange rates during the term of the Company's investment, the Company maintains a forward foreign currency contract with Cadence Bank to lend $18.0 million Canadian Dollars and receive $13.7 million U.S. Dollars with a settlement date of September 14, 2020. The unrealized appreciation on the forward foreign currency contract is $0.1 million as of September 30, 2019.

(23) The Company has entered into an intercreditor agreement that entitles the Company to the "last out" tranche of the first lien secured loans, whereby the "first out" tranche will receive priority as to the "last out" tranche with respect to payments of principal, interest, and any other amounts due thereunder. Therefore, the Company receives a higher interest rate than the contractual stated interest rate of LIBOR plus 6.00% (Floor 1.00%) per the Credit Facility and the Consolidated Schedule of Investments above reflects such higher rate.

(24) The Company has entered into an intercreditor agreement that entitles the Company to the "first out" tranche of the first lien secured loans, whereby the "first out" tranche will receive priority as to the "last out" tranche with respect to payments of principal, interest, and any other amounts due thereunder. Therefore, the Company receives a lower interest rate than the contractual stated interest rate of LIBOR plus 7.14% (Floor 1.00%) per the Credit Facility and the Consolidated Schedule of Investments above reflects such lower rate.

(25) All of the Company's portfolio investments are generally subject to restrictions on resale as "restricted securities."

(26) Investment date represents the date of initial investment in the portfolio company.

(27) Investment has an unfunded commitment as of September 30, 2019 (see Note K). The fair value of the investment includes the impact of the fair value of any unfunded commitments

(28) The Company has entered into an intercreditor agreement that entitles the Company to the "last out" tranche of the first lien secured loans, whereby the "first out" tranche will receive priority as to the "last out" tranche with respect to payments of principal, interest, and any other amounts due thereunder. Therefore, the Company receives a higher interest rate than the contractual stated interest rate of LIBOR plus 8.50% (Floor 1.00%) per the Credit Facility and the Consolidated Schedule of Investments above reflects such higher rate.

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Consolidated Schedule of Investments

December 31, 2018

(dollars in thousands)

(unaudited)

Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
Control Investments(5)						
Access Media Holdings, LLC(10)	July 22, 2015	Private Cable Operator				
			10% PIK Secured Debt (Maturity—July 22, 2020)(14)(19)	$ 23,828	$ 23,828	$ 8,558
			Preferred Member Units (9,481,500 units)(27)		9,375	(284)
			Member Units (45 units)		1	—
					33,204	8,274
ASC Interests, LLC	August 1, 2013	Recreational and Educational Shooting Facility				
			11% Secured Debt (Maturity—July 31, 2020)	1,650	1,622	1,622
			Member Units (1,500 units)		1,500	1,370
					3,122	2,992
ATS Workholding, LLC(10)	March 10, 2014	Manufacturer of Machine Cutting Tools and Accessories				
			5% Secured Debt (Maturity—November 16, 2021)	4,877	4,507	4,390
			Preferred Member Units (3,725,862 units)		3,726	3,726
					8,233	8,116
Bond-Coat, Inc.	December 28, 2012	Casing and Tubing Coating Services				
			12% Secured Debt (Maturity—December 28, 2020)	11,596	11,367	11,596
			Common Stock (57,508 shares)		6,350	9,370
					17,717	20,966
Brewer Crane Holdings, LLC	January 9, 2018	Provider of Crane Rental and Operating Services				
			LIBOR Plus 10.00% (Floor 1.00%), Current Coupon 12.35%, Secured Debt (Maturity—January 9, 2023)(9)	9,548	9,467	9,467
			Preferred Member Units (2,950 units) (8)		4,280	4,280
					13,747	13,747
Café Brazil, LLC	April 20, 2004	Casual Restaurant Group				
			Member Units (1,233 units)(8)		1,742	4,780
California Splendor Holdings LLC	March 30, 2018	Processor of Frozen Fruits				
			LIBOR Plus 8.00% (Floor 1.00%), Current Coupon 10.50%, Secured Debt (Maturity—March 30, 2023)(9)	11,091	10,928	10,928
			LIBOR Plus 10.00% (Floor 1.00%), Current Coupon 12.50%, Secured Debt (Maturity—March 30, 2023)(9)	28,000	27,755	27,755
			Preferred Member Units (6,157 units) (8)		10,775	9,745
					49,458	48,428
CBT Nuggets, LLC	June 1, 2006	Produces and Sells IT Training Certification Videos				
			Member Units (416 units)(8)		1,300	61,610

MAIN STREET CAPITAL CORPORATION

Consolidated Schedule of Investments (Continued)

December 31, 2018

(dollars in thousands)

(unaudited)

Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
Chamberlin Holding LLC	February 26, 2018	Roofing and Waterproofing Specialty Contractor				
			LIBOR Plus 10.00% (Floor 1.00%), Current Coupon 12.75%, Secured Debt (Maturity—February 26, 2023) (9)	20,203	20,028	20,028
			Member Units (4,347 units)(8)		11,440	18,940
			Member Units (Chamberlin Langfield Real Estate, LLC) (732,160 units)		732	732
					32,200	39,700
Charps, LLC	February 3, 2017	Pipeline Maintenance and Construction				
			12% Secured Debt (Maturity—February 3, 2022)	11,900	11,805	11,888
			Preferred Member Units (1,600 units) (8)		400	2,270
					12,205	14,158
Clad-Rex Steel, LLC	December 20, 2016	Specialty Manufacturer of Vinyl-Clad Metal				
			LIBOR Plus 9.00% (Floor 1.00%), Current Coupon 11.35%, Secured Debt (Maturity—December 20, 2021) (9)	12,080	12,001	12,080
			Member Units (717 units)(8)		7,280	10,610
			10% Secured Debt (Clad-Rex Steel RE Investor, LLC) (Maturity—December 20, 2036)	1,161	1,150	1,161
			Member Units (Clad-Rex Steel RE Investor, LLC) (800 units)		210	350
					20,641	24,201
CMS Minerals Investments	January 30, 2015	Oil & Gas Exploration & Production				
			Member Units (CMS Minerals II, LLC) (100 units)(8)		2,707	2,580
Copper Trail Fund Investments(12) (13)	July 17, 2017	Investment Partnership				
			LP Interests (CTMH, LP) (Fully diluted 38.8%)		872	872
			LP Interests (Copper Trail Energy Fund I, LP) (Fully diluted 30.1%)(8)		3,495	4,170
					4,367	5,042
Datacom, LLC	May 30, 2014	Technology and Telecommunications Provider				
			8% Secured Debt (Maturity—May 30, 2019)(14)	1,800	1,800	1,690
			10.50% PIK Secured Debt (Maturity—May 30, 2019)(14)(19)	12,511	12,479	9,786
			Class A Preferred Member Units		1,294	—
			Class B Preferred Member Units (6,453 units)		6,030	—
					21,603	11,476
Digital Products Holdings LLC	April 1, 2018	Designer and Distributor of Consumer Electronics				
			LIBOR Plus 10.00% (Floor 1.00%), Current Coupon 12.38%, Secured Debt (Maturity—April 1, 2023)(9)	25,740	25,511	25,511
			Preferred Member Units (3,451 shares) (8)		8,466	8,466
					33,977	33,977

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Consolidated Schedule of Investments (Continued)

December 31, 2018

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(unaudited)

Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
Direct Marketing Solutions, Inc .	February 13, 2018	Provider of Omni-Channel Direct Marketing Services				
			LIBOR Plus 11.00% (Floor 1.00%), Current Coupon 13.38%, Secured Debt (Maturity—February 13, 2023) (9)	18,017	17,848	17,848
			Preferred Stock (8,400 shares)		8,400	14,900
					26,248	32,748
Gamber-Johnson Holdings, LLC	June 24, 2016	Manufacturer of Ruggedized Computer Mounting Systems				
			LIBOR Plus 7.50% (Floor 2.00%), Current Coupon 9.85%, Secured Debt (Maturity—June 24, 2021)(9)	21,486	21,356	21,486
			Member Units (8,619 units)(8)		14,844	45,460
					36,200	66,946
Garreco, LLC	July 15, 2013	Manufacturer and Supplier of Dental Products				
			LIBOR Plus 8.00% (Floor 1.00%, Ceiling 1.50%), Current Coupon 9.50%, Secured Debt (Maturity—March 31, 2020)(9)	5,121	5,099	5,099
			Member Units (1,200 units)		1,200	2,590
					6,299	7,689
GRT Rubber Technologies LLC	December 19, 2014	Manufacturer of Engineered Rubber Products				
			LIBOR Plus 7.00%, Current Coupon 9.35%, Secured Debt (Maturity—December 31, 2023)(9)	9,740	9,716	9,740
			Member Units (5,879 units)(8)		13,065	39,060
					22,781	48,800
Guerdon Modular Holdings, Inc .	August 13, 2014	Multi-Family and Commercial Modular Construction Company				
			13% Secured Debt (Maturity—March 1, 2019)	12,588	12,572	12,002
			Preferred Stock (404,998 shares)		1,140	—
			Common Stock (212,033 shares)		2,983	—
			Warrants (6,208,877 equivalent shares; Expiration—April 25, 2028; Strike price—$0.01 per unit)		—	—
					16,695	12,002
Gulf Manufacturing, LLC	August 31, 2007	Manufacturer of Specialty Fabricated Industrial Piping Products				
			Member Units (438 units)(8)		2,980	11,690
Gulf Publishing Holdings, LLC	April 29, 2016	Energy Industry Focused Media and Publishing				
			12.5% Secured Debt (Maturity—April 29, 2021)	12,666	12,594	12,594
			Member Units (3,681 units)		3,681	4,120
					16,275	16,714
Harborside Holdings, LLC	March 20, 2017	Real Estate Holding Company				
			Member units (100 units)		6,306	9,500

MAIN STREET CAPITAL CORPORATION

Consolidated Schedule of Investments (Continued)

December 31, 2018

(dollars in thousands)

(unaudited)

Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
Harris Preston Fund Investments(12)(13)	October 1, 2017	Investment Partnership				
			LP Interests (2717 MH, L.P.) (Fully diluted 49.3%)		1,040	1,133
Harrison Hydra-Gen, Ltd.	June 4, 2010	Manufacturer of Hydraulic Generators				
			Common Stock (107,456 shares)(8)		718	8,070
HW Temps LLC	July 2, 2015	Temporary Staffing Solutions				
			LIBOR Plus 13.00% (Floor 1.00%), Current Coupon 15.35%, Secured Debt (Maturity July 2, 2020)(9)	9,976	9,938	9,938
			Preferred Member Units (3,200 units)(8)		3,942	3,942
					13,880	13,880
IDX Broker, LLC	November 15, 2013	Provider of Marketing and CRM Tools for the Real Estate Industry				
			11.5% Secured Debt (Maturity—November 15, 2020)	14,350	14,262	14,350
			Preferred Member Units (5,607 units)(8)		5,952	13,520
					20,214	27,870
Jensen Jewelers of Idaho, LLC	November 14, 2006	Retail Jewelry Store				
			Prime Plus 6.75% (Floor 2.00%), Current Coupon 12.00%, Secured Debt (Maturity—November 14, 2019)(9)	3,355	3,337	3,355
			Member Units (627 units)(8)		811	5,090
					4,148	8,445
KBK Industries, LLC	January 23, 2006	Manufacturer of Specialty Oilfield and Industrial Products				
			Member Units (325 units)(8)		783	8,610
Kickhaefer Manufacturing Company, LLC	October 31, 2018	Precision Metal Parts Manufacturing				
			11.5% Secured Debt (Maturity—October 31, 2020)	1,064	1,045	1,045
			11.5% Secured Debt (Maturity—October 31, 2023)	28,000	27,730	27,730
			Member Units (581 units)		12,240	12,240
			9.0% Secured Debt (Maturity—October 31, 2048)	4,006	3,970	3,970
			Member Units (KMC RE Investor, LLC) (800 units)		992	992
					45,977	45,977
Lamb Ventures, LLC	May 30, 2008	Aftermarket Automotive Services Chain				
			11% Secured Debt (Maturity—July 1, 2022)	8,339	8,306	8,339
			Preferred Stock (non-voting)		400	400
			Member Units (742 units)		5,273	7,440
			9.5% Secured Debt (Lamb's Real Estate Investment I, LLC) (Maturity—March 31, 2027)	432	428	432
			Member Units (Lamb's Real Estate Investment I, LLC) (1,000 units)(8)		625	630
					15,032	17,241

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Consolidated Schedule of Investments (Continued)

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Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
Market Force Information, LLC	July 28, 2017	Provider of Customer Experience Management Services				
			LIBOR Plus 7.00% (Floor 1.00%), Current Coupon 9.74%, Secured Debt (Maturity—July 28, 2022)(9)	200	200	200
			LIBOR Plus 11.00% (Floor 1.00%), Current Coupon 13.74%, Secured Debt (Maturity—July 28, 2022)(9)	22,800	22,624	22,624
			Member Units (657,113 units)		14,700	13,100
					37,524	35,924
MH Corbin Holding LLC	August 31, 2015	Manufacturer and Distributor of Traffic Safety Products				
			10% Current / 3% PIK Secured Debt (Maturity—August 31, 2020)(14)(19)	12,263	12,121	11,733
			Preferred Member Units (4,000 shares)		6,000	1,000
					18,121	12,733
Mid-Columbia Lumber Products, LLC	December 18, 2006	Manufacturer of Finger-Jointed Lumber Products				
			10% Secured Debt (Maturity—January 15, 2020)	1,750	1,746	1,746
			12% Secured Debt (Maturity—January 15, 2020)	3,900	3,880	3,880
			Member Units (7,874 units)		3,001	3,860
			9.5% Secured Debt (Mid-Columbia Real Estate, LLC) (Maturity—May 13, 2025)	746	746	746
			Member Units (Mid-Columbia Real Estate, LLC) (500 units)(8)		790	1,470
					10,163	11,702
MSC Adviser I, LLC(16)	November 22, 2013	Third Party Investment Advisory Services				
			Member Units (Fully diluted 100.0%) (8)		—	65,748
Mystic Logistics Holdings, LLC	August 18, 2014	Logistics and Distribution Services Provider for Large Volume Mailers				
			12% Secured Debt (Maturity—August 15, 2019)	7,536	7,506	7,506
			Common Stock (5,873 shares)		2,720	210
					10,226	7,716
NAPCO Precast, LLC	January 31, 2008	Precast Concrete Manufacturing				
			LIBOR Plus 8.50%, Current Coupon 11.24%, Secured Debt (Maturity—May 31, 2019)	11,475	11,464	11,475
			Member Units (2,955 units)(8)		2,975	13,990
					14,439	25,465
NexRev LLC	February 28, 2018	Provider of Energy Efficiency Products & Services				
			11% Secured Debt (Maturity—February 28, 2023)	17,440	17,288	17,288
			Preferred Member Units (86,400,000 units)(8)		6,880	7,890
					24,168	25,178

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(dollars in thousands)

(unaudited)

Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
NRI Clinical Research, LLC	September 8, 2011	Clinical Research Service Provider				
			14% Secured Debt (Maturity—June 8, 2022)	6,685	6,545	6,685
			Warrants (251,723 equivalent units; Expiration—June 8, 2027; Strike price —$0.01 per unit)		252	660
			Member Units (1,454,167 units)		765	2,478
					7,562	9,823
NRP Jones, LLC	December 22, 2011	Manufacturer of Hoses, Fittings and Assemblies				
			12% Secured Debt (Maturity— March 20, 2023)	6,376	6,376	6,376
			Member Units (65,962 units)		3,717	5,960
					10,093	12,336
NuStep, LLC	January 31, 2017	Designer, Manufacturer and Distributor of Fitness Equipment				
			12% Secured Debt (Maturity— January 31, 2022)	20,600	20,458	20,458
			Preferred Member Units (406 units)		10,200	10,200
					30,658	30,658
OMi Holdings, Inc.	April 1, 2008	Manufacturer of Overhead Cranes				
			Common Stock (1,500 shares)(8)		1,080	16,020
Pegasus Research Group, LLC	January 6, 2011	Provider of Telemarketing and Data Services				
			Member Units (460 units)		1,290	7,680
PPL RVs, Inc.	June 10, 2010	Recreational Vehicle Dealer				
			LIBOR Plus 7.00% (Floor 0.50%), Current Coupon 9.40%, Secured Debt (Maturity—November 15, 2021)(9)	15,100	15,006	15,100
			Common Stock (1,962 shares)(8)		2,150	10,380
					17,156	25,480
Principle Environmental, LLC (d/b/a TruHorizon Environmental Solutions)	February 1, 2011	Noise Abatement Service Provider				
			13% Secured Debt (Maturity—April 30, 2020)	7,477	7,398	7,477
			Preferred Member Units (19,631 units) (8)		4,600	13,090
			Warrants (1,018 equivalent units; Expiration—January 31, 2021; Strike price—$0.01 per unit)		1,200	780
					13,198	21,347
Quality Lease Service, LLC	June 8, 2015	Provider of Rigsite Accommodation Unit Rentals and Related Services				
			Zero Coupon Secured Debt (Maturity— June 8, 2021)	7,341	7,341	6,450
			Member Units (1,000 units)		4,043	3,809
					11,384	10,259

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Consolidated Schedule of Investments (Continued)

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(dollars in thousands)

(unaudited)

Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
River Aggregates, LLC	March 30, 2011	Processor of Construction Aggregates				
			Zero Coupon Secured Debt (Maturity—June 30, 2018)(17)	750	750	722
			Member Units (1,150 units)		1,150	4,610
			Member Units (RA Properties, LLC) (1,500 units)		369	2,930
					2,269	8,262
Tedder Industries, LLC	August 31, 2018	Manufacturer of Firearm Holsters and Accessories				
			12% Secured Debt (Maturity—August 31, 2020)	480	480	480
			12% Secured Debt (Maturity—August 31, 2023)	16,400	16,246	16,246
			Preferred Member Units (440 units)		7,476	7,476
					24,202	24,202
The MPI Group, LLC	October 2, 2007	Manufacturer of Custom Hollow Metal Doors, Frames and Accessories				
			9% Secured Debt (Maturity—October 2, 2019)	2,924	2,924	2,582
			Series A Preferred Units (2,500 units)		2,500	440
			Warrants (1,424 equivalent units; Expiration—July 1, 2024; Strike price—$0.01 per unit)		1,096	—
			Member Units (MPI Real Estate Holdings, LLC) (100 units)(8)		2,300	2,479
					8,820	5,501
Vision Interests, Inc.	June 5, 2007	Manufacturer / Installer of Commercial Signage				
			13% Secured Debt (Maturity—December 23, 2018)(17)	2,153	2,153	2,153
			Series A Preferred Stock (3,000,000 shares)		3,000	3,740
			Common Stock (1,126,242 shares)		3,706	280
					8,859	6,173
Ziegler's NYPD, LLC	October 1, 2008	Casual Restaurant Group				
			6.5% Secured Debt (Maturity—October 1, 2019)	1,000	998	1,000
			12% Secured Debt (Maturity—October 1, 2019)	425	425	425
			14% Secured Debt (Maturity—October 1, 2019)	2,750	2,750	2,750
			Warrants (587 equivalent units; Expiration—October 1, 2019; Strike price—$0.01 per unit)		600	—
			Preferred Member Units (10,072 units)		2,834	1,249
					7,607	5,424
Subtotal Control Investments (68.1% of net assets at fair value)					$ 750,618	$ 1,004,993

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Consolidated Schedule of Investments (Continued)

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(dollars in thousands)

(unaudited)

Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
Affiliate Investments(6)						
AFG Capital Group, LLC	November 7, 2014	Provider of Rent-to-Own Financing Solutions and Services				
			Warrants (42 equivalent units; Expiration—November 7, 2024; Strike price—$0.01 per unit)		$ 259	$ 950
			Preferred Member Units (186 units)(8)		1,200	3,980
					1,459	4,930
Barfly Ventures, LLC(10)	August 31, 2015	Casual Restaurant Group				
			12% Secured Debt (Maturity—August 31, 2020)	10,185	10,039	10,018
			Options (3 equivalent units)		607	940
			Warrant (1 equivalent unit; Expiration—August 31, 2025; Strike price—$1.00 per unit)		473	410
					11,119	11,368
BBB Tank Services, LLC	April 8, 2016	Maintenance, Repair and Construction Services to the Above-Ground Storage Tank Market				
			LIBOR Plus 11.00% (Floor 1.00%), Current Coupon 13.35%, (Maturity—April 8, 2021)(9)	4,000	3,833	3,833
			Preferred Stock (non-voting)		113	113
			Member Units (800,000 units)		800	230
					4,746	4,176
Boccella Precast Products LLC	June 30, 2017	Manufacturer of Precast Hollow Core Concrete				
			LIBOR Plus 10.00% (Floor 1.00%), Current Coupon 12.40%, Secured Debt (Maturity—June 30, 2022)(9)	15,724	15,512	15,724
			Member Units (2,160,000 units)(8)		2,160	5,080
					17,672	20,804
Boss Industries, LLC	July 1, 2014	Manufacturer and Distributor of Air, Power and Other Industrial Equipment				
			Preferred Member Units (2,242 units)(8)		2,246	6,176
Bridge Capital Solutions Corporation	April 18, 2012	Financial Services and Cash Flow Solutions Provider				
			13% Secured Debt (Maturity—July 25, 2021)	7,500	6,221	6,221
			Warrants (82 equivalent shares; Expiration—July 25, 2026; Strike price—$0.01 per share)		2,132	4,020
			13% Secured Debt (Mercury Service Group, LLC) (Maturity—July 25, 2021)	1,000	994	1,000
			Preferred Member Units (Mercury Service Group, LLC) (17,742 units)(8)		1,000	1,000
					10,347	12,241

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(unaudited)

Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
Buca C, LLC	June 30, 2015	Casual Restaurant Group				
			LIBOR Plus 9.25% (Floor 1.00%), Current Coupon 11.63%, Secured Debt (Maturity—June 30, 2020)(9)	19,104	19,038	19,038
			Preferred Member Units (6 units; 6% cumulative)(8)(19)		4,431	4,431
					23,469	23,469
CAI Software LLC	October 10, 2014	Provider of Specialized Enterprise Resource Planning Software				
			12% Secured Debt (Maturity—December 7, 2023)	10,880	10,763	10,880
			Member Units (66,968 units)(8)		751	2,717
					11,514	13,597
Chandler Signs Holdings, LLC(10)	January 4, 2016	Sign Manufacturer				
			12% Current / 1% PIK Secured Deb (Maturity—July 4, 2021)(19)	4,546	4,522	4,546
			Class A Units (1,500,000 units)(8)		1,500	2,120
					6,022	6,666
Charlotte Russe, Inc(11)	May 28, 2013	Fast-Fashion Retailer to Young Women				
			8.50% Secured Debt (Maturity—February 2, 2023)	7,932	7,932	3,930
			Common Stock (19,041 shares)		3,141	—
					11,073	3,930
Condit Exhibits, LLC	July 1, 2008	Tradeshow Exhibits / Custom Displays Provider				
			Member Units (3,936 units)(8)		100	1,950
Congruent Credit Opportunities Funds(12)(13)	January 24, 2012	Investment Partnership				
			LP Interests (Congruent Credit Opportunities Fund II, LP) (Fully diluted 19.8%)		5,210	855
			LP Interests (Congruent Credit Opportunities Fund III, LP) (Fully diluted 17.4%)(8)		16,959	17,468
					22,169	18,323
Dos Rios Partners(12)(13)	April 25, 2013	Investment Partnership				
			LP Interests (Dos Rios Partners, LP) (Fully diluted 20.2%)		5,846	7,153
			LP Interests (Dos Rios Partners—A, LP) (Fully diluted 6.4%)		1,856	2,271
					7,702	9,424
East Teak Fine Hardwoods, Inc .	April 13, 2006	Distributor of Hardwood Products				
			Common Stock (6,250 shares)(8)		480	560
EIG Fund Investments(12)(13)	November 6, 2015	Investment Partnership				
			LP Interests (EIG Global Private Debt Fund—A, L.P.) (Fully diluted 11.1%)(8)		553	505
Freeport Financial Funds(12)(13)	June 13, 2013	Investment Partnership				
			LP Interests (Freeport Financial SBIC Fund LP) (Fully diluted 9.3%)(8)		5,974	5,399
			LP Interests (Freeport First Lien Loan Fund III LP) (Fully diluted 6.0%)(8)		11,155	10,980
					17,129	16,379

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Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
Harris Preston Fund Investments(12)(13)	August 9, 2017	Investment Partnership				
			LP Interests (HPEP 3, L.P.) (Fully diluted 8.2%)		1,733	1,733
Hawk Ridge Systems, LLC(13)	December 2, 2016	Value-Added Reseller of Engineering Design and Manufacturing Solutions				
			10.5% Secured Debt (Maturity—December 2, 2021)	14,300	14,201	14,300
			Preferred Member Units (226 units)(8)		2,850	7,260
			Preferred Member Units (HRS Services, ULC) (226 units)		150	380
					17,201	21,940
Houston Plating and Coatings, LLC	January 8, 2003	Provider of Plating and Industrial Coating Services				
			8% Unsecured Convertible Debt (Maturity—May 1, 2022)	3,000	3,000	3,720
			Member Units (318,462 units)(8)		2,236	8,330
					5,236	12,050
I-45 SLF LLC(12)(13)	October 20, 2015	Investment Partnership				
			Member Units (Fully diluted 20.0%; 24.4% profits interest)(8)		16,200	15,627
L.F. Manufacturing Holdings, LLC(10)	December 23, 2013	Manufacturer of Fiberglass Products				
			Member Units (2,179,001 units)		2,019	2,060
Meisler Operating LLC	June 7, 2017	Provider of Short-term Trailer and Container Rental				
			LIBOR Plus 8.50% (Floor 1.00%), Current Coupon 10.90%, Secured Debt (Maturity—June 7, 2022)(9)	20,480	20,312	20,312
			Member Units (Milton Meisler Holdings LLC) (48,555 units)		4,855	5,780
					25,167	26,092
OnAsset Intelligence, Inc.	April 18, 2011	Provider of Transportation Monitoring / Tracking Products and Services				
			12% PIK Secured Debt (Maturity—June 30, 2021)(19)	5,743	5,743	5,743
			10% PIK Unsecured Debt (Maturity—June 30, 2021)(19)	53	53	53
			Preferred Stock (912 shares)		1,981	—
			Warrants (5,333 equivalent shares; Expiration—April 18, 2021; Strike price—$0.01 per share)		1,919	—
					9,696	5,796
PCI Holding Company, Inc.	December 18, 2012	Manufacturer of Industrial Gas Generating Systems				
			12% Current / 3% PIK Secured Debt (Maturity—March 31, 2019)(19)	11,919	11,908	11,908
			Preferred Stock (1,740,000 shares) (non-voting)		1,740	3,480
			Preferred Stock (1,500,000 shares)		3,927	340
					17,575	15,728

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(dollars in thousands)

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Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
Rocaceia, LLC (Quality Lease and Rental Holdings, LLC)	January 8, 2013	Provider of Rigsite Accommodation Unit Rentals and Related Services				
			12% Secured Debt (Maturity—January 8, 2018)(14)(15)	30,785	30,281	250
			Preferred Member Units (250 units)		2,500	—
					32,781	250
Salado Stone Holdings, LLC(10)	June 27, 2016	Limestone and Sandstone Dimension Cut Stone Mining Quarries				
			Class A Preferred Units (Salado Acquisition, LLC) (2,000,000 units) (8)		2,000	1,040
SI East, LLC	August 31, 2018	Rigid Industrial Packaging Manufacturing				
			10.25% Current, Secured Debt (Maturity—August 31, 2023)	35,250	34,885	34,885
			Preferred Member Units (157 units)		6,000	6,000
					40,885	40,885
Slick Innovations, LLC	September 13, 2018	Text Message Marketing Platform				
			14% Current, Secured Debt (Maturity—September 13, 2023)	7,200	6,959	6,959
			Member Units (70,000 units)		700	700
			Warrants (18,084 equivalent units; Expiration—September 13, 2028; Strike price—$0.01 per unit)		181	181
					7,840	7,840
UniTek Global Services, Inc.(11)	April 15, 2011	Provider of Outsourced Infrastructure Services				
			LIBOR Plus 5.50% (Floor 1.00%), Current Coupon 8.01%, Secured Debt (Maturity—August 20, 2024)(9)	2,993	2,969	2,969
			Preferred Stock (1,521,122 shares; 19% cumulative)(8)(19)		1,637	1,637
			Preferred Stock (2,281,682 shares; 19% cumulative)(8)(19)		3,038	3,038
			Preferred Stock (4,336,866 shares; 13.5% cumulative)(8)(19)		7,413	7,413
			Common Stock (945,507 shares)		—	1,420
					15,057	16,477
Universal Wellhead Services Holdings, LLC(10)	October 30, 2014	Provider of Wellhead Equipment, Designs, and Personnel to the Oil & Gas Industry				
			Preferred Member Units (UWS Investments, LLC) (716,949 units; 14% cumulative)(8)(19)		837	950
			Member Units (UWS Investments, LLC) (4,000,000 units)		4,000	2,330
					4,837	3,280

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Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
Volusion, LLC	January 26, 2015	Provider of Online Software-as-a-Service eCommerce Solutions				
			11.5% Secured Debt (Maturity—January 26, 2020)	19,272	18,407	18,407
			8% Unsecured Convertible Debt (Maturity—November 16, 2023)	297	297	297
			Preferred Member Units (4,876,670 units)		14,000	14,000
			Warrants (1,831,355 equivalent units; Expiration—January 26, 2025; Strike price—$0.01 per unit)		2,576	1,890
					35,280	34,594
Subtotal Affiliate Investments (24.4% of net assets at fair value)					$ 381,307	$ 359,890

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Consolidated Schedule of Investments (Continued)

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Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
Non-Control/Non-Affiliate Investments(7)						
AAC Holdings, Inc.(11)	June 30, 2017	Substance Abuse Treatment Service Provider				
			LIBOR Plus 6.75% (Floor 1.00%), Current Coupon 9.28%, Secured Debt (Maturity—June 30, 2023)(9)	$ 14,500	$ 14,245	$ 14,246
Adams Publishing Group, LLC(10)	November 19, 2015	Local Newspaper Operator				
			Prime Plus 4.00% (Floor 1.00%), Current Coupon 9.50%, Secured Debt (Maturity—July 3, 2023)(9)	4,250	4,160	4,160
			LIBOR Plus 7.00% (Floor 1.00%), Current Coupon 9.93%, Secured Debt (Maturity—July 3, 2023)(9)	8,108	7,956	7,956
					12,116	12,116
ADS Tactical, Inc.(10)	March 7, 2017	Value-Added Logistics and Supply Chain Provider to the Defense Industry				
			LIBOR Plus 6.25% (Floor 0.75%), Current Coupon 8.77%, Secured Debt (Maturity—July 26, 2023)(9)	16,416	16,263	15,306
Aethon United BR LP(10)	September 8, 2017	Oil & Gas Exploration & Production				
			LIBOR Plus 6.75% (Floor 1.00%), Current Coupon 9.14%, Secured Debt (Maturity—September 8, 2023)(9)	4,063	4,011	3,817
Allen Media, LLC.(11)	September 18, 2018	Operator of Cable Television Networks				
			LIBOR Plus 6.50% (Floor 1.00%), Current Coupon 9.21%, Secured Debt (Maturity—August 30, 2023)(9)	17,143	16,670	16,800
Allflex Holdings III Inc.(11)	July 18, 2013	Manufacturer of Livestock Identification Products				
			LIBOR Plus 7.00% (Floor 1.00%), Current Coupon 9.48%, Secured Debt (Maturity—July 19, 2021)(9)	13,120	13,077	13,013
American Nuts, LLC(10)	April 10, 2018	Roaster, Mixer and Packager of Bulk Nuts and Seeds				
			LIBOR Plus 8.50% (Floor 1.00%) PIK, 9.50% PIK Secured Debt, (Maturity —April 10, 2023)(9)(19)	1,127	1,115	1,115
			LIBOR Plus 8.50% (Floor 1.00%), Current Coupon 10.90%, Secured Debt (Maturity—April 10, 2023)(9)	11,194	11,000	10,475
					12,115	11,590
American Scaffold Holdings, Inc.(10)	June 14, 2016	Marine Scaffolding Service Provider				
			LIBOR Plus 6.50% (Floor 1.00%), Current Coupon 9.30%, Secured Debt (Maturity—March 31, 2022)(9)	6,656	6,592	6,623

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Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
American Teleconferencing Services, Ltd.(11)	May 19, 2016	Provider of Audio Conferencing and Video Collaboration Solutions				
			LIBOR Plus 6.50% (Floor 1.00%), Current Coupon 9.09%, Secured Debt (Maturity—December 8, 2021)(9)	15,940	15,186	13,310
Apex Linen Service, Inc .	October 30, 2015	Industrial Launderers				
			LIBOR Plus 9.00% (Floor 1.00%), Current Coupon 11.35%, Secured Debt (Maturity—October 30, 2022) (9)	2,400	2,400	2,400
			16% Secured Debt (Maturity—October 30, 2022)	14,416	14,357	14,357
					16,757	16,757
APTIM Corp.(11)	August 17, 2018	Engineering, Construction & Procurement				
			7.75% Secured Debt (Maturity—June 15, 2025)	12,452	10,633	9,464
Arcus Hunting LLC(10)	January 6, 2015	Manufacturer of Bowhunting and Archery Products and Accessories				
			LIBOR Plus 7.00% (Floor 1.00%), Current Coupon 9.40%, Secured Debt (Maturity—November 13, 2019)(9)	15,394	15,351	15,394
Arise Holdings, Inc.(10)	March 12, 2018	Tech-Enabled Business Process Outsourcing				
			Preferred Stock (1,000,000 shares)		1,000	1,704
ASC Ortho Management Company, LLC(10)	August 31, 2018	Provider of Orthopedic Services				
			LIBOR Plus 7.50% (Floor 1.00%), Current Coupon 9.90%, Secured Debt (Maturity—August 31, 2023)(9)	4,660	4,559	4,559
			13.25% PIK Secured Debt (Maturity—December 1, 2023)(19)	1,624	1,587	1,587
					6,146	6,146
ATI Investment Sub, Inc.(11)	July 11, 2016	Manufacturer of Solar Tracking Systems				
			LIBOR Plus 7.25% (Floor 1.00%), Current Coupon 9.76%, Secured Debt (Maturity—June 22, 2021)(9)	4,385	4,346	3,943
ATX Networks Corp.(11)(13)(21)	June 30, 2015	Provider of Radio Frequency Management Equipment				
			LIBOR Plus 6.00% (Floor 1.00%), Current Coupon 8.39% / 1.00% PIK, Current Coupon Plus PIK 9.39%, Secured Debt (Maturity—June 11, 2021)(9)(19)	14,121	13,844	13,415
Berry Aviation, Inc.(10)	July 6, 2018	Charter Airline Services				
			10.50% Current / 1.5% PIK, Secured Debt (Maturity—January 6, 2024)(19)	4,485	4,443	4,443
			Preferred Member Units (Berry Acquisition, LLC) (1,548,387 units; 8% cumulative)(8)(19)		1,609	1,609
					6,052	6,052

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Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
BigName Commerce, LLC(10)	May 11, 2017	Provider of Envelopes and Complimentary Stationery Products				
			LIBOR Plus 7.25% (Floor 1.00%), Current Coupon 9.65%, Secured Debt (Maturity—May 11, 2022)(9)	2,462	2,440	2,369
Binswanger Enterprises, LLC(10)	March 10, 2017	Glass Repair and Installation Service Provider				
			LIBOR Plus 8.00% (Floor 1.00%), Current Coupon 10.74%, Secured Debt (Maturity—March 9, 2022)(9)	14,368	14,169	13,743
			Member Units (1,050,000 units)		1,050	1,330
					15,219	15,073
Bluestem Brands, Inc.(11)	December 19, 2013	Multi-Channel Retailer of General Merchandise				
			LIBOR Plus 7.50% (Floor 1.00%), Current Coupon 10.02%, Secured Debt (Maturity—November 6, 2020)(9)	11,375	11,262	7,356
Brainworks Software, LLC(10)	August 12, 2014	Advertising Sales and Newspaper Circulation Software				
			Prime Plus 9.25% (Floor 3.25%), Current Coupon 14.70%, Secured Debt (Maturity—July 22, 2019)(9)	6,733	6,723	6,590
Brightwood Capital Fund Investments(12)(13)	July 21, 2014	Investment Partnership				
			LP Interests (Brightwood Capital Fund III, LP) (Fully diluted 1.6%)(8)		12,000	10,264
			LP Interests (Brightwood Capital Fund IV, LP) (Fully diluted 0.6%)(8)		2,000	2,063
					14,000	12,327
Cadence Aerospace LLC(10)	November 14, 2017	Aerostructure Manufacturing				
			LIBOR Plus 6.50% (Floor 1.00%), Current Coupon 9.06%, Secured Debt (Maturity—November 14, 2023)(9)	19,470	19,301	18,244
California Pizza Kitchen, Inc.(11)	August 29, 2016	Casual Restaurant Group				
			LIBOR Plus 6.00% (Floor 1.00%), Current Coupon 8.53%, Secured Debt (Maturity—August 23, 2022)(9)	12,739	12,707	12,389
Central Security Group, Inc.(11)	December 4, 2017	Security Alarm Monitoring Service Provider				
			LIBOR Plus 5.63% (Floor 1.00%), Current Coupon 8.15%, Secured Debt (Maturity—October 6, 2021)(9)	13,884	13,821	13,867
Cenveo Corporation(11)	September 4, 2015	Provider of Digital Marketing Agency Services				
			Libor Plus 9.00% (Floor 1.00%), Current Coupon 11.54%, Secured Debt (Maturity—June 7, 2023)(9)	6,370	6,128	6,048
			Common Stock (177,130 shares)		5,309	2,746
					11,437	8,794

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Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
Clarius BIGS, LLC(10)	September 23, 2014	Prints & Advertising Film Financing				
			15% PIK Secured Debt (Maturity—January 5, 2015)(14)(17)	2,908	2,908	44
Clickbooth.com, LLC(10)	December 5, 2017	Provider of Digital Advertising Performance Marketing Solutions				
			LIBOR Plus 8.50% (Floor 1.00%), Current Coupon 10.90%, Secured Debt (Maturity—December 5, 2022)(9)	2,925	2,876	2,750
Construction Supply Investments, LLC(10)	December 29, 2016	Distribution Platform of Specialty Construction Materials to Professional Concrete and Masonry Contractors				
			LIBOR Plus 6.00% (Floor 1.00%), Current Coupon 8.62%, Secured Debt (Maturity—June 30, 2023)(9)	15,423	15,355	15,384
			Member Units (42,207 units)		4,221	4,290
					19,576	19,674
CTVSH, PLLC(10)	August 3, 2017	Emergency Care and Specialty Service Animal Hospital				
			LIBOR Plus 8.00% (Floor 1.00%), Current Coupon 10.74%, Secured Debt (Maturity—August 3, 2022)(9)	11,250	11,163	10,939
Darr Equipment LP(10)	April 15, 2014	Heavy Equipment Dealer				
			11.5% Current / 1% PIK Secured Debt (Maturity—June 22, 2023)(19)	5,839	5,839	5,723
			Warrants (915,734 equivalent units; Expiration—December 23, 2023; Strike price—$1.50 per unit)		474	60
					6,313	5,783
Digital River, Inc.(11)	February 24, 2015	Provider of Outsourced e-Commerce Solutions and Services				
			LIBOR Plus 6.00% (Floor 1.00%), Current Coupon 8.78%, Secured Debt (Maturity—February 12, 2021)(9)	10,146	10,074	10,044
DTE Enterprises, LLC(10)	April 13, 2018	Industrial Powertrain Repair and Services				
			LIBOR Plus 7.50% (Floor 1.50%), Current Coupon 10.12%, Secured Debt (Maturity—April 13, 2023)(9)	12,492	12,260	11,580
			Class AA Preferred Member Units (non-voting; 10% cumulative)(8)(19)		778	778
			Class A Preferred Member Units (776,316 units)(8)		776	1,300
					13,814	13,658
Dynamic Communities, LLC(10)	July 17, 2018	Developer of Business Events and Online Community Groups				
			LIBOR Plus 8.00% (Floor 1.00%), Current Coupon 10.80%, Secured Debt (Maturity—July 17, 2023)(9)	5,600	5,495	5,495

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Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
Elite SEM INC.(10)	August 31, 2018	Provider of Digital Marketing Agency Services				
			LIBOR Plus 8.50% (Floor 1.00%), Current Coupon 11.27%, Secured Debt (Maturity—February 1, 2022)(9)(23)	6,875	6,750	6,750
EnCap Energy Fund Investments(12)(13)	December 28, 2010	Investment Partnership				
			LP Interests (EnCap Energy Capital Fund VIII, L.P.) (Fully diluted 0.1%)(8)		3,661	2,003
			LP Interests (EnCap Energy Capital Fund VIII Co-Investors, L.P.) (Fully diluted 0.4%)(8)		2,103	1,153
			LP Interests (EnCap Energy Capital Fund IX, L.P.) (Fully diluted 0.1%)(8)		4,430	3,784
			LP Interests (EnCap Energy Capital Fund X, L.P.) (Fully diluted 0.1%)(8)		7,629	7,692
			LP Interests (EnCap Flatrock Midstream Fund II, L.P.) (Fully diluted 0.8%)(8)		5,881	4,538
			LP Interests (EnCap Flatrock Midstream Fund III, L.P.) (Fully diluted 0.2%)(8)		5,423	5,051
					29,127	24,221
Encino Acquisition Partners Holdings, Inc.(11)	November 16, 2018	Oil & Gas Exploration & Production				
			LIBOR Plus 6.75% (Floor 1.00%), Current Coupon 9.27%, Secured Debt (Maturity—October 29, 2025)(9)	9,000	8,911	8,595
EPIC Y-Grade Services, LP(11)	June 22, 2018	NGL Transportation & Storage				
			LIBOR Plus 5.50%, Current Coupon 8.02%, Secured Debt (Maturity—June 13, 2024)	17,500	17,175	16,625
Evergreen Skills Lux S.á r.l. (d/b/a Skillsoft)(11)(13)	May 5, 2014	Technology-based Performance Support Solutions				
			LIBOR Plus 8.25% (Floor 1.00%), Current Coupon 10.77%, Secured Debt (Maturity—April 28, 2022)(9)	6,999	6,901	3,931
Extreme Reach, Inc.(11)	March 31, 2015	Integrated TV and Video Advertising Platform				
			LIBOR Plus 6.25% (Floor 1.00%), Current Coupon 8.78%, Secured Debt (Maturity—February 7, 2020)(9)	16,460	16,451	16,371
Felix Investments Holdings II(10)	August 9, 2017	Oil & Gas Exploration & Production				
			LIBOR Plus 6.50% (Floor 1.00%), Current Coupon 9.10%, Secured Debt (Maturity—August 9, 2022)(9)	3,333	3,279	3,141
Flavors Holdings Inc.(11)	October 15, 2014	Global Provider of Flavoring and Sweetening Products				
			LIBOR Plus 5.75% (Floor 1.00%), Current Coupon 8.55%, Secured Debt (Maturity—April 3, 2020)(9)	12,295	12,044	11,434

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GeoStabilization International (GSI) (11)	December 31, 2018	Geohazard Engineering Services & Maintenance				
			LIBOR Plus 5.50%, Current Coupon 8.09%, Secured Debt (Maturity—December 19, 2025)	16,500	16,335	16,418
GI KBS Merger Sub LLC(11)	November 10, 2014	Outsourced Janitorial Service Provider				
			LIBOR Plus 4.75% (Floor 1.00%), Current Coupon 7.43%, Secured Debt (Maturity—October 29, 2021)(9)	9,195	9,139	9,207
			LIBOR Plus 8.50% (Floor 1.00%), Current Coupon 11.02%, Secured Debt (Maturity—April 29, 2022)(9)	3,915	3,797	3,949
					12,936	13,156
Good Source Solutions, Inc.(10)	October 23, 2018	Specialized Food Distributor				
			LIBOR Plus 8.34% (Floor 1.00%), Current Coupon 11.14%, Secured Debt (Maturity—June 29, 2023)(9)(23)	5,000	4,952	4,952
GoWireless Holdings, Inc.(11)	December 31, 2017	Provider of Wireless Telecommunications Carrier Services				
			LIBOR Plus 6.50% (Floor 1.00%), Current Coupon 9.02%, Secured Debt (Maturity—December 22, 2024)(9)	17,325	17,170	16,856
Grupo Hima San Pablo, Inc.(11)	March 7, 2013	Tertiary Care Hospitals				
			LIBOR Plus 7.00% (Floor 1.50%), Current Coupon 9.52%, Secured Debt (Maturity—January 31, 2019)(9)	4,688	4,688	3,629
			13.75% Secured Debt (Maturity—October 15, 2018)(17)	2,055	2,040	226
					6,728	3,855
HDC/HW Intermediate Holdings(10)	December 21, 2018	Managed Services and Hosting Provider				
			LIBOR Plus 7.50% (Floor 1.00%), Current Coupon 10.29%, Secured Debt (Maturity—December 21, 2023)(9)	3,201	3,132	3,132
Hoover Group, Inc.(10)(13)	October 21, 2016	Provider of Storage Tanks and Related Products to the Energy and Petrochemical Markets				
			LIBOR Plus 6.00%, Current Coupon 8.71%, Secured Debt (Maturity—January 28, 2020)	5,250	4,803	4,771
			LIBOR Plus 7.25% (Floor 1.00%), Current Coupon 9.90%, Secured Debt (Maturity—January 28, 2021)(9)	9,395	9,053	8,831
					13,856	13,602
Hunter Defense Technologies, Inc. (10)	March 29, 2018	Provider of Military and Commercial Shelters and Systems				
			LIBOR Plus 7.00% (Floor 1.00%), Current Coupon 9.80%, Secured Debt (Maturity—March 29, 2023)(9)	16,080	15,757	15,077

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Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
Hydrofarm Holdings LLC(10)	May 18, 2017	Wholesaler of Horticultural Products				
			LIBOR Plus 10.00%, Current Coupon 3.69% / 8.61% PIK, Current Coupon Plus PIK 12.30% Secured Debt (Maturity—May 12, 2022)(19)	7,235	7,139	5,660
iEnergizer Limited(11)(13)(21)	May 8, 2013	Provider of Business Outsourcing Solutions				
			LIBOR Plus 6.00% (Floor 1.25%), Current Coupon 8.53%, Secured Debt (Maturity—May 1, 2019)(9)	14,100	14,052	14,117
Implus Footcare, LLC(10)	June 1, 2017	Provider of Footwear and Related Accessories				
			LIBOR Plus 6.75% (Floor 1.00%), Current Coupon 9.55%, Secured Debt (Maturity—April 30, 2021)(9)	18,819	18,629	18,390
Independent Pet Partners Intermediate Holdings, LLC(10)	November 20, 2018	Omnichannel Retailer of Specialty Pet Products				
			LIBOR Plus 9.00% (Floor 1.00%), Current Coupon 11.90%, Secured Debt (Maturity—November 19, 2023) (9)	2,078	2,037	2,037
			Member Units (1,558,333 units)		1,558	1,558
					3,595	3,595
Industrial Services Acquisition, LLC(10)	June 17, 2016	Industrial Cleaning Services				
			6% Current / 7% PIK Unsecured Debt (Maturity—December 17, 2022)(19)	4,885	4,822	4,470
			Preferred Member Units (Industrial Services Investments, LLC) (144 units; 10% cumulative)(8)(19)		94	94
			Member Units (Industrial Services Investments, LLC) (900 units)		900	210
					5,816	4,774
Inn of the Mountain Gods Resort and Casino(11)	October 30, 2013	Hotel & Casino Owner & Operator				
			9.25% Secured Debt (Maturity—November 30, 2020)	7,832	7,479	7,480
Intermedia Holdings, Inc.(11)	August 3, 2018	Unified Communications as a Service				
			LIBOR Plus 6.00% (Floor 1.00%), Current Coupon 8.52%, Secured Debt (Maturity—July 19, 2025)(9)	11,571	11,461	11,557
irth Solutions, LLC	December 29, 2010	Provider of Damage Prevention Information Technology Services				
			Member Units (27,893 units)		1,441	2,830
Isagenix International, LLC(11)	June 21, 2018	Direct Marketer of Health & Wellness Products				
			LIBOR Plus 5.75% (Floor 1.00%), Current Coupon 8.55%, Secured Debt (Maturity—June 14, 2025)(9)	6,268	6,208	6,095
JAB Wireless, Inc.(10)	May 2, 2018	Fixed Wireless Broadband Provider				
			LIBOR Plus 8.00% (Floor 1.00%), Current Coupon 10.39%, Secured Debt (Maturity—May 2, 2023)(9)	14,888	14,754	13,987

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Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
Jacent Strategic Merchandising, LLC(10)	September 16, 2015	General Merchandise Distribution				
			LIBOR Plus 7.50% (Floor 1.00%), Current Coupon 10.27%, Secured Debt (Maturity—September 16, 2020)(9)	10,740	10,705	10,740
Jackmont Hospitality, Inc.(10)	May 26, 2015	Franchisee of Casual Dining Restaurants				
			LIBOR Plus 6.75% (Floor 1.00%), Current Coupon 9.26%, Secured Debt (Maturity—May 26, 2021)(9)	4,165	4,157	4,165
Jacuzzi Brands LLC(11)	June 30, 2017	Manufacturer of Bath and Spa Products				
			LIBOR Plus 7.00% (Floor 1.00%), Current Coupon 9.52%, Secured Debt (Maturity—June 28, 2023)(9)	3,850	3,788	3,831
Joerns Healthcare, LLC(11)	April 3, 2013	Manufacturer and Distributor of Health Care Equipment & Supplies				
			LIBOR Plus 6.00% (Floor 1.00%), Current Coupon 8.71% Secured Debt (Maturity—May 9, 2020)(9)	13,387	13,335	11,998
Kore Wireless Group Inc.(11)	December 31, 2018	Mission Critical Software Platform				
			LIBOR Plus 5.50%, Current Coupon 8.29%, Secured Debt (Maturity—December 20, 2024)	6,667	6,600	6,631
Larchmont Resources, LLC(11)	August 13, 2013	Oil & Gas Exploration & Production				
			LIBOR Plus 9.00% (Floor 1.00%) PIK, 11.77% PIK Secured Debt, (Maturity—August 7, 2020)(9)(19)	2,312	2,312	2,266
			Member Units (Larchmont Intermediate Holdco, LLC) (2,828 units)		353	707
					2,665	2,973
LKCM Headwater Investments I, L.P.(12)(13)	January 25, 2013	Investment Partnership				
			LP Interests (Fully diluted 2.3%)(8)		1,780	3,501
Logix Acquisition Company, LLC(10)	June 24, 2016	Competitive Local Exchange Carrier				
			LIBOR Plus 5.75% (Floor 1.00%), Current Coupon 8.27%, Secured Debt (Maturity—December 22, 2024)(9)	12,927	12,725	12,797
Looking Glass Investments, LLC(12)(13)	July 1, 2015	Specialty Consumer Finance				
			Member Units (2.5 units)		125	57
			Member Units (LGI Predictive Analytics LLC) (190,712 units)(8)		49	33
					174	90
LSF9 Atlantis Holdings, LLC(11)	May 17, 2017	Provider of Wireless Telecommunications Carrier Services				
			LIBOR Plus 6.00% (Floor 1.00%), Current Coupon 8.38%, Secured Debt (Maturity—May 1, 2023)(9)	9,710	9,694	9,269

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Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
Lulu's Fashion Lounge, LLC(10)	August 31, 2017	Fast Fashion E-Commerce Retailer				
			LIBOR Plus 7.00% (Floor 1.00%), Current Coupon 9.52%, Secured Debt (Maturity—August 28, 2022)(9)	12,358	12,060	11,987
MHVC Acquisition Corp.(11)	May 8, 2017	Provider of differentiated information solutions, systems engineering, and analytics				
			LIBOR Plus 5.25% (Floor 1.00%), Current Coupon 8.06%, Secured Debt (Maturity—April 29, 2024)(9)	15,475	15,442	15,088
Mills Fleet Farm Group, LLC(10)	October 24, 2018	Omnichannel Retailer of Work, Farm and Lifestyle Merchandise				
			LIBOR Plus 6.25% (Floor 1.00%), Current Coupon 8.77%, Secured Debt (Maturity—October 24, 2024)(9)	15,000	14,707	15,000
Mobileum(10)	October 23, 2018	Provider of big data analytics to telecom service providers				
			LIBOR Plus 10.25% (Floor 0.75%), Current Coupon 13.06%, Secured Debt (Maturity—May 1, 2022)(9)	7,500	7,429	7,429
NBG Acquisition Inc(11)	April 28, 2017	Wholesaler of Home Décor Products				
			LIBOR Plus 5.50% (Floor 1.00%), Current Coupon 8.09%, Secured Debt (Maturity—April 26, 2024)(9)	4,292	4,235	4,184
New Era Technology, Inc.(10)	June 30, 2018	Managed Services and Hosting Provider				
			LIBOR Plus 6.50% (Floor 1.00%), Current Coupon 8.99%, Secured Debt (Maturity—June 22, 2023)(9)	7,654	7,526	7,616
New Media Holdings II LLC(11)(13)	June 10, 2014	Local Newspaper Operator				
			LIBOR Plus 6.25% (Floor 1.00%), Current Coupon 8.77%, Secured Debt (Maturity—July 14, 2022)(9)	21,125	20,797	20,967
NNE Partners, LLC(10)	March 2, 2017	Oil & Gas Exploration & Production				
			LIBOR Plus 8.00%, Current Coupon 10.74%, Secured Debt (Maturity—March 2, 2022)	20,417	20,260	19,572
North American Lifting Holdings, Inc.(11)	February 26, 2015	Crane Service Provider				
			LIBOR Plus 4.50% (Floor 1.00%), Current Coupon 7.30%, Secured Debt (Maturity—November 27, 2020)(9)	7,664	7,093	6,997
Novetta Solutions, LLC(11)	June 21, 2017	Provider of Advanced Analytics Solutions for Defense Agencies				
			LIBOR Plus 5.00% (Floor 1.00%), Current Coupon 7.53%, Secured Debt (Maturity—October 17, 2022)(9)	15,478	15,091	15,091

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Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
NTM Acquisition Corp.(11)	July 12, 2016	Provider of B2B Travel Information Content				
			LIBOR Plus 6.25% (Floor 1.00%), Current Coupon 8.96%, Secured Debt (Maturity—June 7, 2022)(9)	4,419	4,396	4,375
Ospemifene Royalty Sub LLC (QuatRx)(10)	July 8, 2013	Estrogen-Deficiency Drug Manufacturer and Distributor				
			11.5% Secured Debt (Maturity—November 15, 2026)(14)	4,975	4,975	937
Permian Holdco 2, Inc.(11)	February 12, 2013	Storage Tank Manufacturer				
			14% PIK Unsecured Debt (Maturity—October 15, 2021)(19)	396	396	396
			Preferred Stock (Permian Holdco 1, Inc.) (154,558 units)		799	920
					1,195	1,316
Pernix Therapeutics Holdings, Inc. (10)	August 18, 2014	Pharmaceutical Royalty				
			12% Secured Debt (Maturity—August 1, 2020)	3,031	3,031	2,037
Pier 1 Imports, Inc.(11)	February 20, 2018	Decorative Home Furnishings Retailer				
			LIBOR Plus 3.50% (Floor 1.00%), Current Coupon 6.38%, Secured Debt (Maturity—April 30, 2021)(9)	9,736	9,152	6,998
Point.360(10)	July 8, 2015	Fully Integrated Provider of Digital Media Services				
			Warrants (65,463 equivalent shares; Expiration—July 7, 2020; Strike price —$0.75 per share)		69	—
			Common Stock (163,658 shares)		273	5
					342	5
PricewaterhouseCoopers Public Sector LLP(11)	May 24, 2018	Provider of Consulting Services to Governments				
			LIBOR Plus 7.50%, Current Coupon 9.74%, Secured Debt (Maturity—May 1, 2026)	8,000	7,962	8,040
Prowler Acquisition Corp.(11)	February 11, 2014	Specialty Distributor to the Energy Sector				
			LIBOR Plus 4.50% (Floor 1.00%), Current Coupon 7.30%, Secured Debt (Maturity—January 28, 2020)(9)	20,028	19,122	19,727
PT Network, LLC(10)	November 1, 2013	Provider of Outpatient Physical Therapy and Sports Medicine Services				
			LIBOR Plus 5.50% (Floor 1.00%), Current Coupon 7.99%, Secured Debt (Maturity—November 30, 2021)(9)	8,732	8,732	8,619

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Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
Research Now Group, Inc. and Survey Sampling International, LLC(11)	December 31, 2017	Provider of Outsourced Online Surveying				
			LIBOR Plus 5.50% (Floor 1.00%), Current Coupon 8.02%, Secured Debt (Maturity—December 20, 2024)(9)	15,360	14,757	15,110
Resolute Industrial, LLC(10)	July 26, 2017	HVAC Equipment Rental and Remanufacturing				
			Member Units (601 units)		750	920
RM Bidder, LLC(10)	November 12, 2015	Scripted and Unscripted TV and Digital Programming Provider				
			Warrants (327,532 equivalent units; Expiration—October 20, 2025; Strike price—$14.28 per unit)		425	—
			Member Units (2,779 units)		46	11
					471	11
SAFETY Investment Holdings, LLC	April 29, 2016	Provider of Intelligent Driver Record Monitoring Software and Services				
			Member Units (2,000,000 units)		2,000	1,820
Salient Partners L.P.(11)	June 25, 2015	Provider of Asset Management Services				
			LIBOR Plus 5.75% (Floor 1.00%), Current Coupon 8.27%, Secured Debt (Maturity—June 9, 2021)(9)	7,313	7,280	7,280
SiTV, LLC(11)	September 26, 2017	Cable Networks Operator				
			10.375% Secured Debt (Maturity—July 1, 2019)	10,429	7,196	3,911
SMART Modular Technologies, Inc. (10)(13)	August 18, 2017	Provider of Specialty Memory Solutions				
			LIBOR Plus 6.25% (Floor 1.00%), Current Coupon 8.86%, Secured Debt (Maturity—August 9, 2022)(9)	19,000	18,793	19,095
Sorenson Communications, Inc.(11)	June 7, 2016	Manufacturer of Communication Products for Hearing Impaired				
			LIBOR Plus 5.75% (Floor 2.25%), Current Coupon 8.56%, Secured Debt (Maturity—April 30, 2020)(9)	13,097	13,059	13,048
Staples Canada ULC(10)(13)(21)	September 14, 2017	Office Supplies Retailer				
			LIBOR Plus 7.00% (Floor 1.00%), Current Coupon 9.26%, Secured Debt (Maturity—September 12, 2023)(9)(22)	16,867	16,589	14,026
STL Parent Corp.(10)	December 14, 2018	Manufacturer and Servicer of Tank and Hopper Railcars				
			LIBOR Plus 7.00%, Current Coupon 9.52%, Secured Debt (Maturity—December 5, 2022)	15,000	14,475	14,475
Strike, LLC(11)	December 12, 2016	Pipeline Construction and Maintenance Services				
			LIBOR Plus 8.00% (Floor 1.00%), Current Coupon 10.59%, Secured Debt (Maturity—November 30, 2022)(9)	9,000	8,797	9,011

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Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
TE Holdings, LLC(11)	December 5, 2013	Oil & Gas Exploration & Production				
			Member Units (97,048 units)		970	66
Tectonic Holdings, LLC	May 15, 2017	Financial Services Organization				
			Member Units (200,000 units)(8)		2,000	2,420
TeleGuam Holdings, LLC(11)	June 26, 2013	Cable and Telecom Services Provider				
			LIBOR Plus 8.50% (Floor 1.00%), Current Coupon 11.02%, Secured Debt (Maturity—April 12, 2024)(9)	7,750	7,620	7,798
TGP Holdings III LLC(11)	September 30, 2017	Outdoor Cooking & Accessories				
			LIBOR Plus 8.50% (Floor 1.00%), Current Coupon 11.30%, Secured Debt (Maturity—September 25, 2025)(9)	5,500	5,433	5,335
The Pasha Group(11)	February 2, 2018	Diversified Logistics and Transportation Provided				
			LIBOR Plus 7.50% (Floor 1.00%), Current Coupon 10.06%, Secured Debt (Maturity—January 26, 2023)(9)	10,938	10,655	11,006
TMC Merger Sub Corp.(11)	December 22, 2016	Refractory & Maintenance Services Provider				
			LIBOR Plus 6.75% (Floor 1.00%), Current Coupon 9.31%, Secured Debt (Maturity—October 31, 2022)(9)(24)	17,207	17,014	17,121
TOMS Shoes, LLC(11)	November 13, 2014	Global Designer, Distributor, and Retailer of Casual Footwear				
			LIBOR Plus 5.50% (Floor 1.00%), Current Coupon 8.30%, Secured Debt (Maturity—October 30, 2020)(9)	4,813	4,635	3,798
Turning Point Brands, Inc.(10)(13)	February 17, 2017	Marketer/Distributor of Tobacco Products				
			LIBOR Plus 7.00%, Current Coupon 9.46%, Secured Debt (Maturity—March 7, 2024)	8,500	8,424	8,585
TVG-I-E CMN ACQUISITION, LLC(10)	November 3, 2016	Organic Lead Generation for Online Postsecondary Schools				
			LIBOR Plus 6.00% (Floor 1.00%), Current Coupon 8.52%, Secured Debt (Maturity—November 3, 2021)(9)	19,503	19,191	19,454
U.S. TelePacific Corp.(11)	September 14, 2016	Provider of Communications and Managed Services				
			LIBOR Plus 5.00% (Floor 1.00%), Current Coupon 7.80%, Secured Debt (Maturity—May 2, 2023)(9)	18,491	18,344	17,363
VIP Cinema Holdings, Inc.(11)	March 9, 2017	Supplier of Luxury Seating to the Cinema Industry				
			LIBOR Plus 6.00% (Floor 1.00%), Current Coupon 8.53%, Secured Debt (Maturity—March 1, 2023)(9)	10,494	10,451	10,304

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Portfolio Company(1)(20)	Investment Date(26)	Business Description	Type of Investment(2)(3)(25)	Principal(4)	Cost(4)	Fair Value(18)
Vistar Media, Inc.(10)	February 17, 2017	Operator of Digital Out-of-Home Advertising Platform				
			LIBOR Plus 10.00% (Floor 1.00%), Current Coupon 12.74%, Secured Debt (Maturity—February 16, 2022) (9)	3,263	3,048	2,987
			Warrants (70,207 equivalent shares; Expiration—February 17, 2027; Strike price—$0.01 per share)		331	790
					3,379	3,777
Wireless Vision Holdings, LLC(10)	September 29, 2017	Provider of Wireless Telecommunications Carrier Services				
			LIBOR Plus 8.91% (Floor 1.00%), Current Coupon 11.41%, Secured Debt (Maturity—September 29, 2022) (9)(28)	14,279	14,055	13,414
YS Garments, LLC(11)	August 22, 2018	Designer and Provider of Branded Activewear				
			LIBOR Plus 6.00% (Floor 1.00%), Current Coupon 8.42% Secured Debt (Maturity—August 9, 2024)(9)	14,906	14,764	14,756
Zilliant Incorporated	June 15, 2012	Price Optimization and Margin Management Solutions				
			Preferred Stock (186,777 shares)		154	260
			Warrants (952,500 equivalent shares; Expiration—June 15, 2022; Strike price—$0.001 per share)		1,071	1,189
					1,225	1,449
Subtotal Non-Control/Non-Affiliate Investments (73.8% of net assets at fair value)					$1,137,108	$ 1,089,026
Total Portfolio Investments, December 31, 2018					$2,269,033	$ 2,453,909

(1) All investments are Lower Middle Market portfolio investments, unless otherwise noted. See Note B for a description of Lower Middle Market portfolio investments. All of the Company's investments, unless otherwise noted, are encumbered either as security for the Company's Credit Agreement or in support of the SBA-guaranteed debentures issued by the Funds.

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

(3) See Note C and Schedule 12-14 for a summary of geographic location of portfolio companies.

(4) Principal is net of repayments. Cost is net of repayments and accumulated unearned income.

(5) Control 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.

(6) Affiliate investments are defined by the 1940 Act as investments in which between 5% and 25% (inclusive) of the voting securities are owned and the investments are not classified as Control investments.

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

(8) Income producing through dividends or distributions.

(9) Index based floating interest rate is subject to contractual minimum interest rate. A majority of the variable rate loans in the Company's investment portfolio bear interest at a rate that may be determined by reference to either LIBOR or an alternate Base Rate (commonly based on the Federal Funds Rate or the Prime Rate), which typically resets semi-annually, quarterly, or monthly at the borrower's option. The borrower may also elect to have multiple interest reset periods for each loan. For each such loan, the Company has provided the weighted average annual stated interest rate in effect at December 31, 2018. As noted in this schedule, 64% of the loans (based on the par amount) contain LIBOR floors which range between 0.50% and 2.00%, with a weighted-average LIBOR floor of approximately 1.03%.

(10) Private Loan portfolio investment. See Note B for a description of Private Loan portfolio investments.

(11) Middle Market portfolio investment. See Note B for a description of Middle Market portfolio investments.

(12) Other Portfolio investment. See Note B for a description of Other Portfolio investments.

(13) Investment is not a qualifying asset as defined under Section 55(a) of the 1940 Act. Qualifying assets must represent at least 70% of total assets at the time of acquisition of any additional non-qualifying assets.

MAIN STREET CAPITAL CORPORATION

Consolidated Schedule of Investments (Continued)

December 31, 2018

(dollars in thousands)

(unaudited)

(14) Non-accrual and non-income producing investment.

(15) Portfolio company is in a bankruptcy process and, as such, the maturity date of our debt investment in this portfolio company will not be finally determined until such process is complete. As noted in footnote (14), our debt investment in this portfolio company is on non-accrual status.

(16) External Investment Manager. Investment is not encumbered as security for the Company's Credit Agreement or in support of the SBA-guaranteed debentures issued by the Funds.

(17) Maturity date is under on-going negotiations with the portfolio company and other lenders, if applicable.

(18) Investment fair value was determined using significant unobservable inputs, unless otherwise noted. See Note C for further discussion.

(19) PIK interest income and cumulative dividend income represent income not paid currently in cash.

(20) All portfolio company headquarters are based in the United States, unless otherwise noted.

(21) Portfolio company headquarters are located outside of the United States.

(22) In connection with the Company's debt investment in Staples Canada ULC in an attempt to mitigate any potential adverse change in foreign exchange rates during the term of the Company's investment, the Company maintains a forward foreign currency contract with Cadence Bank to lend $20.4 million Canadian Dollars and receive $15.7 million U.S. Dollars with a settlement date of September 12, 2019. The unrealized appreciation on the forward foreign currency contract is $0.6 million as of December 31, 2018.

(23) The Company has entered into an intercreditor agreement that entitles the Company to the "last out" tranche of the first lien secured loans, whereby the "first out" tranche will receive priority as to the "last out" tranche with respect to payments of principal, interest, and any other amounts due thereunder. Therefore, the Company receives a higher interest rate than the contractual stated interest rate of LIBOR plus 6.00% (Floor 1.00%) per the Credit Agreement and the Consolidated Schedule of Investments above reflects such higher rate.

(24) The Company has entered into an intercreditor agreement that entitles the Company to the "first out" tranche of the first lien secured loans, whereby the "first out" tranche will receive priority as to the "last out" tranche with respect to payments of principal, interest, and any other amounts due thereunder. Therefore, the Company receives a lower interest rate than the contractual stated interest rate of LIBOR plus 6.64% (Floor 1.00%) per the Credit Agreement and the Consolidated Schedule of Investments above reflects such lower rate.

(25) All of the Company's portfolio investments are generally subject to restrictions on resale as "restricted securities."

(26) Investment date represents the date of initial investment in the portfolio company.

(27) Investment has an unfunded commitment as of December 31, 2018 (see Note K). The fair value of the investment includes the impact of the fair value of any unfunded commitments

(28) The Company has entered into an intercreditor agreement that entitles the Company to the "last out" tranche of the first lien secured loans, whereby the "first out" tranche will receive priority as to the "last out" tranche with respect to payments of principal, interest, and any other amounts due thereunder. Therefore, the Company receives a higher interest rate than the contractual stated interest rate of LIBOR plus 8.50% (Floor 1.00%) per the Credit Agreement and the Consolidated Schedule of Investments above reflects such higher rate.

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements

(Unaudited)

NOTE A—ORGANIZATION AND BASIS OF PRESENTATION

1. Organization

Main Street Capital Corporation ("MSCC") is a principal investment firm primarily focused on providing customized debt and equity financing to lower middle market ("LMM") companies and debt capital to middle market ("Middle Market") companies. The portfolio investments of MSCC and its consolidated subsidiaries are typically made to support management buyouts, recapitalizations, growth financings, refinancings and acquisitions of companies that operate in a variety of industry sectors. MSCC seeks to partner with entrepreneurs, business owners and management teams and generally provides "one stop" financing alternatives within its LMM portfolio. MSCC and its consolidated subsidiaries invest primarily in secured debt investments, equity investments, warrants and other securities of LMM companies based in the United States and in secured debt investments of Middle Market companies generally headquartered in the United States.

MSCC was formed in March 2007 to operate as an internally managed business development company ("BDC") under the Investment Company Act of 1940, as amended (the "1940 Act"). MSCC wholly owns several investment funds, including Main Street Mezzanine Fund, LP ("MSMF"), Main Street Capital II, LP ("MSC II") and Main Street Capital III, LP ("MSC III" and, collectively with MSMF and MSC II, the "Funds"), and each of their general partners. The Funds are each licensed as a Small Business Investment Company ("SBIC") by the United States Small Business Administration ("SBA"). Because MSCC is internally managed, all of the executive officers and other employees are employed by MSCC. Therefore, MSCC does not pay any external investment advisory fees, but instead directly incurs the operating costs associated with employing investment and portfolio management professionals.

MSC Adviser I, LLC (the "External Investment Manager") was formed in November 2013 as a wholly owned subsidiary of MSCC to provide investment management and other services to parties other than MSCC and its subsidiaries or their portfolio companies ("External Parties") and receives fee income for such services. MSCC has been granted no-action relief by the Securities and Exchange Commission ("SEC") to allow the External Investment Manager to register as a registered investment adviser under the Investment Advisers Act of 1940, as amended. Since the External Investment Manager conducts all of its investment management activities for External Parties, it is accounted for as a portfolio investment of MSCC and is not included as a consolidated subsidiary of MSCC in MSCC's consolidated financial statements.

MSCC has elected to be treated for U.S. federal income tax purposes as a regulated investment company ("RIC") under Subchapter M of the Internal Revenue Code of 1986, as amended (the "Code"). As a result, MSCC generally will not pay corporate-level U.S. federal income taxes on any net ordinary taxable income or capital gains that it distributes to its stockholders.

MSCC has certain direct and indirect wholly owned subsidiaries that have elected to be taxable entities (the "Taxable Subsidiaries"). The primary purpose of the Taxable Subsidiaries is to permit MSCC to hold equity investments in portfolio companies which are "pass-through" entities for tax purposes.

Unless otherwise noted or the context otherwise indicates, the terms "we," "us," "our," the "Company" and "Main Street" refer to MSCC and its consolidated subsidiaries, which include the Funds and the Taxable Subsidiaries.

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

2. Basis of Presentation

Main Street's consolidated financial statements are prepared in accordance with generally accepted accounting principles in the United States of America ("U.S. GAAP"). The Company is an investment company following accounting and reporting guidance in Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 946, *Financial Services—Investment Companies* ("ASC 946"). For each of the periods presented herein, Main Street's consolidated financial statements include the accounts of MSCC and its consolidated subsidiaries. The Investment Portfolio, as used herein, refers to all of Main Street's investments in LMM portfolio companies, investments in Middle Market portfolio companies, Private Loan portfolio investments, Other Portfolio investments and the investment in the External Investment Manager (see Note C—Fair Value Hierarchy for Investments and Debentures—Portfolio Composition—Investment Portfolio Composition for additional discussion of Main Street's Investment Portfolio and definitions for the terms Private Loan and Other Portfolio). Main Street's results of operations for the three and nine months ended September 30, 2019 and 2018, cash flows for the nine months ended September 30, 2019 and 2018, and financial position as of September 30, 2019 and December 31, 2018, are presented on a consolidated basis. The effects of all intercompany transactions between Main Street and its consolidated 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 Articles 6, 10 and 12 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 nine months ended September 30, 2019 and 2018 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, 2018. 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 ASC 946, Main Street is precluded from consolidating other entities in which Main Street has equity investments, including those in which it has a controlling interest, unless the other entity is another investment company. An exception to this general principle in ASC 946 occurs if Main Street holds a controlling interest in an operating company that provides all or substantially all of its services directly to Main Street or to its portfolio companies. Accordingly, as noted above, MSCC's consolidated financial statements include the financial position and operating results for the Funds and the Taxable Subsidiaries. Main Street has determined that all of its portfolio investments do not qualify for this exception, including the investment in the External Investment Manager. Therefore, Main Street's Investment Portfolio is carried on the consolidated balance sheet at fair value, as discussed further in Note B.1., with any adjustments to fair value recognized as "Net Unrealized Appreciation (Depreciation)" on the consolidated statements of operations until the investment is realized, usually upon exit, resulting in any gain or loss being recognized as a "Net Realized Gain (Loss)."

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

Portfolio Investment Classification

Main Street classifies its Investment Portfolio in accordance with the requirements of the 1940 Act. Under the 1940 Act, (a) "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, (b) "Affiliate Investments" are defined as investments in which Main Street owns between 5% and 25% (inclusive) of the voting securities and does not have rights to maintain greater than 50% of the board representation, and (c) "Non-Control/Non-Affiliate Investments" are defined as investments that are neither Control Investments nor Affiliate Investments.

NOTE B—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Valuation of the Investment Portfolio

Main Street accounts for its Investment Portfolio at fair value. As a result, Main Street follows the provisions of ASC 820, *Fair Value Measurements and Disclosures* ("ASC 820"). ASC 820 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. ASC 820 requires Main Street to assume that the portfolio investment is to be sold in the principal market to independent market participants, which may be a hypothetical market. Market participants are defined as buyers and sellers in the principal market that are independent, knowledgeable and willing and able to transact.

Main Street's portfolio strategy calls for it to invest primarily in illiquid debt and equity securities issued by privately held, LMM companies and more liquid debt securities issued by Middle Market companies that are generally larger in size than the LMM companies. Main Street categorizes some of its investments in LMM companies and Middle Market companies as Private Loan portfolio investments, which are primarily debt securities in privately held companies that have been originated through strategic relationships with other investment funds on a collaborative basis, and are often referred to in the debt markets as "club deals." Private Loan investments are typically similar in size, structure, terms and conditions to investments Main Street holds in its LMM portfolio and Middle Market portfolio. Main Street's portfolio also includes Other Portfolio investments, which primarily consist of investments that are not consistent with the typical profiles for its LMM portfolio investments, Middle Market portfolio investments or Private Loan portfolio investments, including investments which may be managed by third parties. Main Street's portfolio investments may be subject to restrictions on resale.

LMM investments and Other Portfolio investments generally have no established trading market while Middle Market securities generally have established markets that are not active. Private Loan investments may include investments which have no established trading market or have established markets that are not active. Main Street determines in good faith the fair value of its Investment Portfolio pursuant to a valuation policy in accordance with ASC 820 and a valuation process approved by its Board of Directors and in accordance with the 1940 Act. Main Street's valuation policies and processes are intended to provide a consistent basis for determining the fair value of Main Street's Investment Portfolio.

For LMM portfolio investments, Main Street generally reviews external events, including private mergers, sales and acquisitions involving comparable companies, and includes these events in the valuation process by using an enterprise value waterfall methodology ("Waterfall") for its LMM equity investments and an income approach using a yield-to-maturity model ("Yield-to-Maturity") for its LMM debt investments. For Middle Market portfolio investments, Main Street primarily uses quoted prices in the valuation process. Main Street determines the appropriateness of the use of third-party broker quotes, if any, in determining fair value based on its understanding of the level of actual transactions used by the broker to develop the quote and whether the quote was an indicative price or binding offer, the depth and consistency of broker quotes and the correlation of changes in broker quotes with underlying performance of the portfolio company and other market indices. For Middle Market and Private Loan portfolio investments in debt securities for which it has determined that third-party quotes or other independent pricing are not available or appropriate, Main Street generally estimates the fair value based on the assumptions that it believes hypothetical market participants would use to value the investment in a current hypothetical sale using the Yield-to-Maturity valuation method. For its Other Portfolio equity investments, Main Street generally calculates the fair value of the investment primarily based on the net asset value ("NAV") of the fund and adjusts the fair value for other factors deemed relevant that would affect the fair value of the investment. All of the valuation approaches for Main Street's portfolio investments estimate the value of the investment as if Main Street were to sell, or exit, the investment as of the measurement date.

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, "control" portfolio investments are composed of debt and equity securities in companies for which Main Street has a controlling interest in the equity ownership of the portfolio company or the ability to nominate a majority of the portfolio company's board of directors. For valuation purposes, "non-control" portfolio investments are generally composed of debt and equity securities in companies for which Main Street does not have a controlling interest in the equity ownership of the portfolio company or the ability to nominate a majority of the portfolio company's board of directors.

Under the Waterfall valuation method, Main Street estimates the enterprise value of a portfolio company using a combination of market and income approaches or other appropriate valuation methods, such as considering recent transactions in the equity securities of the portfolio company or third-party valuations of the portfolio company, and then performs a waterfall calculation by allocating the enterprise value over the portfolio company's securities in order of their preference relative to one another. 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, privately held companies are bought and sold based on multiples of earnings before interest, taxes, depreciation and amortization ("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. Due to SEC deadlines for Main Street's quarterly and annual financial reporting, the operating results of a portfolio company used in the current period valuation are generally the results from the period ended three months prior to such valuation date and may include unaudited, projected, budgeted or pro forma financial information and may require adjustments for non-recurring items or to normalize the operating results that may require significant judgment in determining. In addition, projecting future financial results requires significant judgment regarding future growth assumptions. In evaluating the operating results, Main Street also analyzes the impact of exposure to litigation, loss of customers or other contingencies. After determining the appropriate enterprise value, Main Street allocates the enterprise value to

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

investments in order of the legal priority of the various components of the portfolio company's capital structure. In applying the Waterfall valuation method, Main Street assumes the loans are paid off at the principal amount in a change in control transaction and are not assumed by the buyer, which Main Street believes is consistent with its past transaction history and standard industry practices.

Under the Yield-to-Maturity valuation method, Main Street also uses the income approach to determine the fair value of debt securities based on projections of the discounted future free cash flows that the debt security will likely generate, including analyzing the discounted cash flows of interest and principal amounts for the debt security, as set forth in the associated loan agreements, as well as the financial position and credit risk of the portfolio company. Main Street's estimate of the expected repayment date of its debt securities is generally the maturity date of the instrument, as Main Street generally intends to hold its loans and debt securities to maturity. The Yield-to-Maturity analysis also considers changes in leverage levels, credit quality, portfolio company performance and other factors. Main Street will generally use the value determined by the Yield-to-Maturity 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 principal amount of the debt security valued using the Yield-to-Maturity valuation method. A change in the assumptions that Main Street uses to estimate the fair value of its debt securities using the Yield-to-Maturity valuation method could have a material impact on the determination of fair value. If there is deterioration in credit quality or if a debt security is in workout status, Main Street may consider other factors in determining the fair value of the debt security, including the value attributable to the debt security from the enterprise value of the portfolio company or the proceeds that would most likely be received in a liquidation analysis.

Under the NAV valuation method, for an investment in an investment fund that does not have a readily determinable fair value, Main Street measures the fair value of the investment predominately based on the NAV of the investment fund as of the measurement date and adjusts the investment's fair value for factors known to Main Street that would affect that fund's NAV, including, but not limited to, fair values for individual investments held by the fund if Main Street holds the same investment or for a publicly traded investment. In addition, in determining the fair value of the investment, Main Street considers whether adjustments to the NAV are necessary in certain circumstances, based on the analysis of any restrictions on redemption of Main Street's investment as of the measurement date, recent actual sales or redemptions of interests in the investment fund, and expected future cash flows available to equity holders, including the rate of return on those cash flows compared to an implied market return on equity required by market participants, or other uncertainties surrounding Main Street's ability to realize the full NAV of its interests in the investment fund.

Pursuant to its internal valuation process and the requirements under the 1940 Act, Main Street performs valuation procedures on each of its portfolio investments quarterly. In addition to its internal valuation process, in arriving at estimates of fair value for its investments in its LMM portfolio companies, Main Street, among other things, consults with a nationally recognized independent financial advisory services firm. The nationally recognized independent financial advisory services firm analyzes and provides observations, recommendations and an assurance certification regarding the Company's determinations of the fair value of its LMM portfolio company investments. The nationally recognized independent financial advisory services firm is generally consulted relative to Main Street's investments in each LMM portfolio company at least once every calendar year, and for Main Street's investments in new LMM 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 financial advisory services firm on its investments in one or more LMM portfolio companies. Such instances include, but are not limited to, situations where the fair value of Main Street's investment in a LMM portfolio company is determined to be insignificant relative to the total Investment Portfolio. Main Street consulted with and received an assurance certification from its independent financial advisory services firm in arriving at Main Street's determination of fair value on its investments in a total of 40 LMM portfolio companies for the nine months ended September 30, 2019, representing approximately 66% of the total LMM portfolio at fair value as of September 30, 2019, and on a total of 40 LMM portfolio companies for the nine months ended September 30, 2018, representing approximately 62% of the total LMM portfolio at fair value as of September 30, 2018. Excluding its investments in LMM portfolio companies that, as of September 30, 2019 and 2018, as applicable, had not been in the Investment Portfolio for at least twelve months subsequent to the initial investment or whose primary purpose is to own real estate for which a third-party appraisal is obtained on at least an annual basis, the percentage of the LMM portfolio reviewed and certified by its independent financial advisory services firm for the nine months ended September 30, 2019 and 2018 was 69% and 73% of the total LMM portfolio at fair value as of September 30, 2019 and 2018, respectively.

For valuation purposes, all of Main Street's Middle Market portfolio investments are non-control investments. To the extent sufficient observable inputs are available to determine fair value, Main Street uses observable inputs to determine the fair value of these investments through obtaining third-party quotes or other independent pricing. For Middle Market portfolio investments for which it has determined that third-party quotes or other independent pricing are not available or appropriate, Main Street generally estimates the fair value based on the assumptions that it believes hypothetical market participants would use to value such Middle Market debt investments in a current hypothetical sale using the Yield-to-Maturity valuation method and such Middle Market equity investments in a current hypothetical sale using the Waterfall valuation method. Because the vast majority of the Middle Market portfolio investments are typically valued using third-party quotes or other independent pricing services (including 90% and 94% of the Middle Market portfolio investments as of September 30, 2019 and December 31, 2018, respectively), Main Street generally does not consult with any financial advisory services firms in connection with determining the fair value of its Middle Market investments.

For valuation purposes, all of Main Street's Private Loan portfolio investments are non-control investments. For Private Loan portfolio investments for which it has determined that third-party quotes or other independent pricing are not available or appropriate, Main Street generally estimates the fair value based on the assumptions that it believes hypothetical market participants would use to value such Private Loan debt investments in a current hypothetical sale using the Yield-to-Maturity valuation method and such Private Loan equity investments in a current hypothetical sale using the Waterfall valuation method.

In addition to its internal valuation process, in arriving at estimates of fair value for its investments in its Private Loan portfolio companies, Main Street, among other things, consults with a nationally recognized independent financial advisory services firm. The nationally recognized independent financial advisory services firm analyzes and provides observations and recommendations and an assurance certification regarding the Company's determinations of the fair value of its Private Loan portfolio company investments. The nationally recognized independent financial advisory services firm is generally consulted relative to Main Street's investments in each Private Loan portfolio company at least once every calendar year, and for Main Street's investments in new Private Loan 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 financial advisory services firm on its investments in one or more Private Loan portfolio companies. Such instances include, but are not limited to, situations where the fair value of Main Street's investment in a Private Loan portfolio company is determined to be insignificant relative to the total Investment Portfolio. Main Street consulted with and received an assurance certification from its independent financial advisory services firm in arriving at its determination of fair value on its investments in a total of 27 Private Loan portfolio companies for the nine months ended September 30, 2019, representing approximately 51% of the total Private Loan portfolio at fair value as of September 30, 2019, and on a total of 17 Private Loan portfolio companies for the nine months ended September 30, 2018, representing approximately 43% of the total Private Loan portfolio at fair value as of September 30, 2018. Excluding its investments in Private Loan portfolio companies that, as of September 30, 2019 and 2018, as applicable, had not been in the Investment Portfolio for at least twelve months subsequent to the initial investment and its investments in Private Loan portfolio companies that were not reviewed because the investment is valued based upon third-party quotes or other independent pricing, the percentage of the Private Loan portfolio reviewed and certified by its independent financial advisory services firm for the nine months ended September 30, 2019 and 2018 was 78% and 67% of the total Private Loan portfolio at fair value as of September 30, 2019 and 2018, respectively.

For valuation purposes, all of Main Street's Other Portfolio investments are non-control investments. Main Street's Other Portfolio investments comprised 4.3% and 4.4% of Main Street's Investment Portfolio at fair value as of September 30, 2019 and December 31, 2018, respectively. Similar to the LMM investment portfolio, market quotations for Other Portfolio equity investments are generally not readily available. For its Other Portfolio equity investments, Main Street generally determines the fair value of these investments using the NAV valuation method.

For valuation purposes, Main Street's investment in the External Investment Manager is a control investment. Market quotations are not readily available for this investment, and as a result, Main Street determines the fair value of the External Investment Manager using the Waterfall valuation method under the market approach. In estimating the enterprise value, Main Street analyzes various factors, including the entity's historical and projected financial results, as well as its size, marketability and performance relative to the population of market comparables. This valuation approach estimates the value of the investment as if Main Street were to sell, or exit, the investment. In addition, Main Street considers its ability to control the capital structure of the company, as well as the timing of a potential exit, in connection with determining the fair value of the External Investment Manager.

Due to the inherent uncertainty in the valuation process, Main Street's determination of fair value for its Investment Portfolio may differ materially from the values that would have been determined 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 materially 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 an internally developed portfolio investment rating system in connection with its investment oversight, portfolio management and analysis and investment valuation procedures for its LMM portfolio companies. This system takes into account both quantitative and qualitative factors of the LMM portfolio company and the investments held therein.

The Board of Directors of Main Street has the final responsibility for overseeing, reviewing and approving, in good faith, Main Street's determination of the fair value for its Investment Portfolio, as well as its valuation procedures, consistent with 1940 Act requirements. Main Street believes its Investment Portfolio as of September 30, 2019 and December 31, 2018 approximates fair value as of those dates based on the markets in which Main Street operates and other conditions in existence on those reporting dates.

2. Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results may differ from these estimates under different conditions or assumptions. Additionally, as explained in Note B.1., the consolidated financial statements include investments in the Investment Portfolio whose values have been estimated by Main Street with the oversight, review and approval by Main Street's Board of Directors in the absence of readily ascertainable market values. Because of the inherent uncertainty of the Investment Portfolio valuations, those estimated values may differ materially from the values that would have been determined had a ready market for the securities existed.

3. Cash and Cash Equivalents

Cash and cash equivalents consist of cash and highly liquid investments with an original maturity of three months or less at the date of purchase. Cash and cash equivalents are carried at cost, which approximates fair value.

At September 30, 2019, cash balances totaling $48.0 million exceeded Federal Deposit Insurance Corporation insurance protection levels, subjecting the Company to risk related to the uninsured balance. All of the Company's cash deposits are held at large established high credit quality financial institutions and management believes that the risk of loss associated with any uninsured balances is remote.

4. Interest, Dividend and Fee Income

Main Street records 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 by the portfolio company or at the point an obligation exists for the portfolio company to make a distribution. In accordance with Main Street's valuation policies, Main Street evaluates accrued interest and dividend income 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 the debtor's ability to service the debt or other obligations, or if a loan or debt security is sold or written off, Main Street removes it from non-accrual status.

As of September 30, 2019, Main Street's total Investment Portfolio had seven investments on non-accrual status, which comprised approximately 1.6% of its fair value and 4.4% of its cost. As of

December 31, 2018, Main Street's total Investment Portfolio had six investments on non-accrual status, which comprised approximately 1.3% of its fair value and 3.9% of its cost.

Main Street holds certain debt and preferred equity instruments in its Investment Portfolio that contain payment-in-kind ("PIK") interest and cumulative dividend provisions. The PIK interest, computed at the contractual rate specified in each debt agreement, is periodically 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. Cumulative dividends are recorded as dividend income, and any dividends in arrears are added to the balance of the preferred equity investment. The actual collection of these dividends in arrears may be deferred until such time as the preferred equity is redeemed or sold. To maintain RIC tax treatment (as discussed in Note B.9. below), these non-cash sources of income may need to be paid out to stockholders in the form of distributions, even though Main Street may not have collected the PIK interest and cumulative dividends in cash. Main Street stops accruing PIK interest and cumulative dividends and writes off any accrued and uncollected interest and dividends in arrears when it determines that such PIK interest and dividends in arrears are no longer collectible. For the three months ended September 30, 2019 and 2018, (i) approximately 1.6% and 1.4%, respectively, of Main Street's total investment income was attributable to PIK interest income not paid currently in cash and (ii) approximately 1.0% and 1.1%, respectively, of Main Street's total investment income was attributable to cumulative dividend income not paid currently in cash. For the nine months ended September 30, 2019 and 2018, (i) approximately 1.9% and 1.0%, respectively, of Main Street's total investment income was attributable to PIK interest income not paid currently in cash and (ii) approximately 1.1% and 1.0%, respectively, of Main Street's total investment income was attributable to cumulative dividend income not paid currently in cash.

Main Street may periodically provide services, including structuring and advisory services, to its portfolio companies or other third parties. For services that are separately identifiable and evidence exists to substantiate fair value, fee 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 deferred and accreted into income over the life of the financing.

A presentation of total investment income Main Street received from its Investment Portfolio in each of the periods presented is as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2019	2018	2019	2018
	(dollars in thousands)			
Interest, fee and dividend income:				
Interest income	$ 46,192	$ 46,351	$ 140,732	$ 130,229
Dividend income	12,492	8,510	37,751	36,021
Fee income	1,384	3,402	4,241	7,825
Total interest, fee and dividend income	$ 60,068	$ 58,263	$ 182,724	$ 174,075

5. Deferred Financing Costs

Deferred financing costs include commitment fees and other costs related to Main Street's multi-year revolving credit facility (the "Credit Facility") and its unsecured notes, as well as the commitment fees and leverage fees (approximately 3.4% of the total commitment and draw amounts, as applicable) on the SBIC debentures which are not accounted for under the fair value option under ASC 825 (as discussed further in Note B.11.). See further discussion of Main Street's debt in Note E. Deferred financing costs in connection with the Credit Facility are capitalized as an asset. Deferred financing costs in connection with all other debt arrangements not using the fair value option are a direct deduction from the related debt liability.

6. Equity Offering Costs

The Company's offering costs are charged against the proceeds from equity offerings when the proceeds are received.

7. Unearned Income—Debt Origination Fees and Original Issue Discount and Discounts / Premiums to Par Value

Main Street capitalizes debt origination fees received in connection with financings and reflects such fees as unearned income netted against the applicable debt investments. The unearned income from the fees is accreted into income based on the effective interest method over the life of the financing.

In connection with its portfolio debt investments, Main Street sometimes receives nominal cost warrants or warrants with an exercise price below the fair value of the underlying equity (together, "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 security and its nominal cost equity at the time of origination based on amounts negotiated with the particular portfolio company. The allocated amounts are based upon the fair value of the nominal cost equity, which is then used to determine the allocation of cost to the debt security. Any discount recorded on a debt investment resulting from this allocation is reflected as unearned income, which is netted against the applicable debt investment, and accreted into interest income based on the effective interest method over the life of the debt investment. The actual collection of this interest is deferred until the time of debt principal repayment.

Main Street may also purchase debt securities at a discount or at a premium to the par value of the debt security. In the case of a purchase at a discount, Main Street records the investment at the par value of the debt security net of the discount, and the discount is accreted into interest income based on the effective interest method over the life of the debt investment. In the case of a purchase at a premium, Main Street records the investment at the par value of the debt security plus the premium, and the premium is amortized as a reduction to interest income based on the effective interest method over the life of the debt investment.

To maintain RIC tax treatment (as discussed in Note B.9. below), these non-cash sources of income may need to be paid out to stockholders in the form of distributions, even though Main Street may not have collected the interest income. For the three months ended September 30, 2019 and 2018, approximately 2.6% and 3.1%, respectively, of Main Street's total investment income was attributable to interest income from the accretion of discounts associated with debt investments, net of any premium reduction. For the nine months ended September 30, 2019 and 2018, approximately 2.6% and 3.0%, respectively, of Main Street's total investment income was attributable to interest income from the accretion of discounts associated with debt investments, net of any premium reduction.

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

8. Share-Based Compensation

Main Street accounts for its share-based compensation plans using the fair value method, as prescribed by ASC 718, *Compensation—Stock Compensation.* 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 the fair value of the awards as share-based compensation expense over the requisite service period, which is generally the vesting term.

Main Street has also adopted Accounting Standards Update ("ASU") 2016-09, *Compensation—Stock Compensation: Improvements to Employee Share-Based Payment Accounting*, which requires that all excess tax benefits and tax deficiencies (including tax benefits of dividends on share-based payment awards) be recognized as income tax expense or benefit in the income statement and not delay recognition of a tax benefit until the tax benefit is realized through a reduction to taxes payable. Accordingly, the tax effects of exercised or vested awards are treated as discrete items in the reporting period in which they occur. Additionally, Main Street has elected to account for forfeitures as they occur.

9. Income Taxes

MSCC has elected to be treated for U.S. federal income tax purposes as a RIC. MSCC's taxable income includes the taxable income generated by MSCC and certain of its subsidiaries, including the Funds, which are treated as disregarded entities for tax purposes. As a RIC, MSCC generally will not pay corporate-level U.S. federal income taxes on any net ordinary taxable income or capital gains that MSCC distributes to its stockholders. MSCC must generally distribute at least 90% of its "investment company taxable income" (which is generally its net ordinary taxable income and realized net short-term capital gains in excess of realized net long-term capital losses) and 90% of its tax-exempt income to maintain its RIC status (pass-through tax treatment for amounts distributed). As part of maintaining RIC status, undistributed taxable income (subject to a 4% non-deductible U.S. federal 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 on or prior to the later of (i) the filing of the U.S. federal income tax return for the applicable fiscal year or (ii) the fifteenth day of the ninth month following the close of the year in which such taxable income was generated.

The Taxable Subsidiaries primarily hold certain portfolio investments for Main Street. The Taxable Subsidiaries permit Main Street to hold equity investments in portfolio companies which are "pass-through" entities for tax purposes and to continue to comply with the "source-of-income" requirements contained in the RIC tax provisions of the Code. The Taxable Subsidiaries are consolidated with Main Street for U.S. GAAP financial reporting purposes, and the portfolio investments held by the Taxable Subsidiaries are included in Main Street's consolidated financial statements as portfolio investments and recorded at fair value. The Taxable Subsidiaries are not consolidated with MSCC for income tax purposes and may generate income tax expense, or benefit, and tax assets and liabilities, as a result of their ownership of certain portfolio investments. The taxable income, or loss, of the Taxable Subsidiaries may differ from their book income, or loss, due to temporary book and tax timing differences and permanent differences. The Taxable Subsidiaries are each taxed at their normal corporate tax rates based on their taxable income. The income tax expense, or benefit, if any, and the related tax assets and liabilities, of the Taxable Subsidiaries are reflected in Main Street's consolidated financial statements.

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

The External Investment Manager is an indirect wholly owned subsidiary of MSCC owned through a Taxable Subsidiary and is a disregarded entity for tax purposes. The External Investment Manager has entered into a tax sharing agreement with its Taxable Subsidiary owner. Since the External Investment Manager is accounted for as a portfolio investment of MSCC and is not included as a consolidated subsidiary of MSCC in MSCC's consolidated financial statements, and as a result of the tax sharing agreement with its Taxable Subsidiary owner, for its stand-alone financial reporting purposes the External Investment Manager is treated as if it is taxed at normal corporate tax rates based on its taxable income and, as a result of its activities, may generate income tax expense or benefit. The income tax expense, or benefit, if any, and the related tax assets and liabilities, of the External Investment Manager are reflected in the External Investment Manager's separate financial statements.

In December 2017, the "Tax Cuts and Jobs Act" legislation was enacted. The Tax Cuts and Jobs Act includes significant changes to the U.S. corporate tax system, including a U.S. federal corporate income tax rate reduction from 35% to 21% and other changes. ASC 740, *Income Taxes,* requires the effects of changes in tax rates and laws on deferred tax balances to be recognized in the period in which the legislation was enacted. As such, Main Street has accounted for the tax effects as a result of the enactment of the Tax Cuts and Jobs Act beginning with the period ended December 31, 2017.

The Taxable Subsidiaries and the External Investment Manager use 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 consolidated 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, if necessary, 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.

10. Net Realized Gains or Losses and Net Unrealized Appreciation or Depreciation

Realized gains or losses are measured by the difference between the net proceeds from the sale or redemption of an investment or a financial instrument and the cost basis of the investment or financial instrument, without regard to unrealized appreciation or depreciation previously recognized, and includes investments written-off during the period net of recoveries and realized gains or losses from in-kind redemptions. Net unrealized appreciation or depreciation reflects the net change in the fair value of the Investment Portfolio and financial instruments and the reclassification of any prior period unrealized appreciation or depreciation on exited investments and financial instruments to realized gains or losses.

11. 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, payables and other liabilities approximate the fair values of such items due to the short-term nature of these instruments.

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

As part of Main Street's acquisition of the majority of the equity interests of MSC II in January 2010 (the "MSC II Acquisition"), Main Street elected the fair value option under ASC 825, *Financial Instruments* ("ASC 825"), relating to accounting for debt obligations at their fair value, for the MSC II SBIC debentures acquired as part of the acquisition accounting related to the MSC II Acquisition and values those obligations as discussed further in Note C. In order to provide for a more consistent basis of presentation, Main Street has continued to elect the fair value option for SBIC debentures issued by MSC II subsequent to the MSC II Acquisition. When the fair value option is elected for a given SBIC debenture, the deferred loan costs associated with the debenture are fully expensed in the current period to "Net Unrealized Appreciation (Depreciation)—SBIC debentures" as part of the fair value adjustment. Interest incurred in connection with SBIC debentures which are valued at fair value is included in interest expense.

12. Earnings per Share

Basic and diluted per share calculations are computed utilizing the weighted-average number of shares of common stock outstanding for the period. In accordance with ASC 260, *Earnings Per Share*, the unvested shares of restricted stock awarded pursuant to Main Street's equity compensation plans are participating securities and, therefore, are included in the basic earnings per share calculation. As a result, for all periods presented, there is no difference between diluted earnings per share and basic earnings per share amounts.

13. Recently Issued or Adopted Accounting Standards

In May 2014, the FASB issued ASU 2014-09,*Revenue from Contracts with Customers (Topic 606).* ASU 2014-09 supersedes the revenue recognition requirements under ASC 605, *Revenue Recognition*, and most industry-specific guidance throughout the Industry Topics of the ASC. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services. Under the guidance, an entity is required to perform the following five steps: (1) identify the contract(s) with a customer; (2) identify the performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to the performance obligations in the contract; and (5) recognize revenue when (or as) the entity satisfies a performance obligation. The guidance significantly enhances comparability of revenue recognition practices across entities, industries, jurisdictions and capital markets. Additionally, the guidance requires improved disclosures as to the nature, amount, timing and uncertainty of revenue that is recognized. In March 2016, the FASB issued ASU 2016-08, *Revenue from Contracts with Customers (Topic 606): Principal versus Agent Considerations (Reporting Revenue Gross versus Net),* which clarified the implementation guidance on principal versus agent considerations. In April 2016, the FASB issued ASU 2016-10*Revenue from Contracts with Customers (Topic 606): Identifying Performance Obligations and Licensing,* which clarified the implementation guidance regarding performance obligations and licensing arrangements. In May 2016, the FASB issued ASU No. 2016-12, *Revenue from Contracts with Customers (Topic 606)—Narrow-Scope Improvements and Practical Expedients*, which clarified guidance on assessing collectability, presenting sales tax, measuring noncash consideration, and certain transition matters. In December 2016, the FASB issued ASU No. 2016-20, *Revenue from Contracts with Customers (Topic 606)—Technical Corrections and Improvements*, which provided disclosure relief, and clarified the scope and application of the new revenue standard and related cost guidance. The guidance was effective for the annual reporting period beginning after December 15, 2017, including interim periods within that reporting period. Substantially all of Main Street's income is outside the scope of ASU 2014-09. For those income items that are within the scope (primarily fee income), Main Street has similar performance obligations as compared with deliverables and separate units of account previously identified. As a result, Main Street's timing of its income recognition remains the same and the adoption of the standard was not material.

In February 2016, the FASB issued ASU 2016-02,*Leases*, which amended the FASB Accounting Standards Codification and created ASC 842,*Leases ("ASC 842"),* to require lessees to recognize on the balance sheet a right-of-use asset, representing its right to use the underlying asset for the lease term, and a lease liability for all leases with terms greater than 12 months, utilizing a modified retrospective transition approach, which includes a number of optional practical expedients that entities may elect to apply. The guidance in ASC 842 also requires qualitative and quantitative disclosures designed to assess the amount, timing and uncertainty of cash flows arising from leases. Main Street adopted ASC 842 effective January 1, 2019. Under ASC 842, Main Street evaluates leases to determine if the leases are considered financing or operating leases. Main Street currently has one operating lease for office space for which it has recorded a right-of-use asset and lease liability for the operating lease obligation. Non-lease components (maintenance, property tax, insurance and parking) are not included in the lease cost. The lease expense is presented as a single lease cost that is amortized on a straight-line basis over the life of the lease.

In August 2016, the FASB issued ASU 2016-15,*Statement of Cash Flows (Topic 230)*, which is intended to reduce the existing diversity in practice in how certain cash receipts and cash payments are presented and classified in the statement of cash flows. The guidance was effective for annual periods beginning after December 15, 2017, and interim periods therein. Main Street adopted ASU 2016-15 effective January 1, 2018. The impact of the adoption of this accounting standard on Main Street's consolidated financial statements was not material.

In August 2018, the FASB issued ASU 2018-13,*Fair Value Measurement (Topic 820)*, which is intended to improve fair value and defined benefit disclosure requirements by removing disclosures that are not cost-beneficial, clarifying disclosures' specific requirements, and adding relevant disclosure requirements. The amendments take effect for all organizations for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019. Early adoption is permitted. Main Street elected to early adopt ASU 2018-13 during the year ended December 31, 2018. No significant changes to the fair value disclosures were necessary in the notes to the consolidated financial statements in order to comply with ASU 2018-13.

In August 2018, the SEC adopted rules (the "SEC Release") amending certain disclosure requirements intended to eliminate redundant, duplicative, overlapping, outdated or superseded, in light of other SEC disclosure requirements, U.S. GAAP requirements or changes in the information environment. In part, the SEC Release requires an investment company to present distributable earnings in total on the consolidated balance sheet and consolidated statement of changes in net assets, rather than showing the three components of distributable earnings as previously shown. Main Street adopted this part of the SEC Release during the year ended December 31, 2018. The impact of the adoption of these rules on Main Street's consolidated financial statements was not material. Additionally, the SEC Release requires disclosure of changes in net assets within a registrant's Form 10-Q filing on a quarter-to-date and year-to-date basis for both the current year and prior year comparative periods. Main Street adopted the new requirement to present changes in net assets in interim financial statements within Form 10-Q filings effective January 1, 2019. The adoption of these rules did not have a material impact on the consolidated financial statements.

From time to time, new accounting pronouncements are issued by the FASB or other standards setting bodies that are adopted by Main Street as of the specified effective date. Main Street believes that the impact of recently issued standards and any that are not yet effective will not have a material impact on its consolidated financial statements upon adoption.

NOTE C—FAIR VALUE HIERARCHY FOR INVESTMENTS AND DEBENTURES—PORTFOLIO COMPOSITION

ASC 820 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 investments at fair value.

Fair Value Hierarchy

In accordance with ASC 820, Main Street has categorized its 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).

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 (for example, investments in illiquid securities issued by privately held companies). These inputs reflect management's own assumptions about the assumptions a market participant would use in pricing the investment.

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

As required by ASC 820, 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, unrealized appreciation and depreciation related to such investments categorized within the Level 3 tables below may include changes in fair value that are attributable to both observable inputs (Levels 1 and 2) and unobservable inputs (Level 3).

As of September 30, 2019 and December 31, 2018, all of Main Street's LMM portfolio investments consisted of illiquid securities issued by privately held companies. As a result, the fair value determination for all of Main Street's LMM portfolio investments primarily consisted of unobservable inputs. As a result, all of Main Street's LMM portfolio investments were categorized as Level 3 as of September 30, 2019 and December 31, 2018.

As of September 30, 2019 and December 31, 2018, Main Street's Middle Market portfolio investments consisted primarily of investments in secured and unsecured debt investments and independently rated debt investments. The fair value determination for these investments consisted of a combination of observable inputs in non-active markets for which sufficient observable inputs were not available to determine the fair value of these investments and unobservable inputs. As a result, all of Main Street's Middle Market portfolio investments were categorized as Level 3 as of September 30, 2019 and December 31, 2018.

As of September 30, 2019 and December 31, 2018, Main Street's Private Loan portfolio investments primarily consisted of investments in interest-bearing secured debt investments. The fair value determination for these investments consisted of a combination of observable inputs in non-active markets for which sufficient observable inputs were not available to determine the fair value of these investments and unobservable inputs. As a result, all of Main Street's Private Loan portfolio investments were categorized as Level 3 as of September 30, 2019 and December 31, 2018.

As of September 30, 2019 and December 31, 2018, Main Street's Other Portfolio investments consisted of illiquid securities issued by privately held companies. The fair value determination for these investments primarily consisted of unobservable inputs. As a result, all of Main Street's Other Portfolio investments were categorized as Level 3 as of September 30, 2019 and December 31, 2018.

The fair value determination of each portfolio investment categorized as Level 3 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 use of significant unobservable inputs creates uncertainty in the measurement of fair value as of the reporting date. The significant unobservable inputs used in the fair value measurement of Main Street's LMM equity securities, which are generally valued through an average of the discounted cash flow technique and the market comparable/enterprise value technique (unless one of these approaches is determined to not be appropriate), are (i) EBITDA multiples and (ii) the weighted-average cost of capital ("WACC"). Significant increases (decreases) in EBITDA multiple inputs in isolation would result in a significantly higher (lower) fair value measurement. On the contrary, significant increases (decreases) in WACC inputs in isolation would result in a significantly lower (higher) fair value measurement. The significant unobservable inputs used in the fair value measurement of Main Street's LMM, Middle Market and Private Loan securities are (i) risk adjusted discount rates used in the Yield-to-Maturity valuation technique (see "Note B.1.—Valuation of the Investment Portfolio") and (ii) the percentage of expected principal recovery. Significant increases (decreases) in any of these discount rates in isolation would result in a significantly lower (higher) fair value measurement. Significant increases (decreases) in any of these expected principal recovery percentages in isolation would result in a significantly higher (lower) fair value measurement. However, due to the nature of certain investments, fair value measurements may be based on other criteria, such as third-party appraisals of collateral and fair values as determined by independent third parties, which are not presented in the tables below.

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

The following tables provide a summary of the significant unobservable inputs used to fair value Main Street's Level 3 portfolio investments as of September 30, 2019 and December 31, 2018:

Type of Investment	Fair Value as of September 30, 2019 (in thousands)	Valuation Technique	Significant Unobservable Inputs	Range(3)	Weighted Average(3)	Median(3)
Equity investments	$ 813,539	Discounted cash flow	WACC	9.4% - 20.0%	13.7%	14.3%
		Market comparable / Enterprise Value	EBITDA multiple(1)	4.7x - 8.3x(2)	7.2x	6.3x
Debt investments	$ 1,156,579	Discounted cash flow	Risk adjusted discount factor	5.8% - 17.5%(2)	10.9%	10.7%
			Expected principal recovery percentage	1.4% - 100.0%	99.2%	100.0%
Debt investments	$ 587,078	Market approach	Third-party quote	30.6 - 101.0	95.5	97.8
Total Level 3 investments	$ 2,557,196					

(1) EBITDA may include proforma adjustments and/or other addbacks based on specific circumstances related to each investment.

(2) Range excludes outliers that are greater than one standard deviation from the mean. Including these outliers, the range for EBITDA multiple is 3.5x - 15.0x and the range for risk adjusted discount factor is 4.5% - 43.0%.

(3) Does not include investments for which the valuation technique does not include the use of the applicable fair value input.

Type of Investment	Fair Value as of December 31, 2018 (in thousands)	Valuation Technique	Significant Unobservable Inputs	Range(3)	Weighted Average(3)	Median(3)
Equity investments	$ 767,156	Discounted cash flow	WACC	9.9% - 20.7%	13.7%	14.3%
		Market comparable / Enterprise Value	EBITDA multiple(1)	4.7x - 8.0x(2)	7.0x	6.0x
Debt investments	$ 1,039,453	Discounted cash flow	Risk adjusted discount factor	8.5% - 17.0%(2)	12.2%	12.0%
			Expected principal recovery percentage	1.5% - 100.0%	99.3%	100.0%
Debt investments	$ 647,300	Market approach	Third-party quote	37.5 - 101.0	96.0	98.3
Total Level 3 investments	$ 2,453,909					

(1) EBITDA may include proforma adjustments and/or other addbacks based on specific circumstances related to each investment.

(2) Range excludes outliers that are greater than one standard deviation from the mean. Including these outliers, the range for EBITDA multiple is 3.9x - 15.0x and the range for risk adjusted discount factor is 5.3% - 30.3%.

(3) Does not include investments for which the valuation technique does not include the use of the applicable fair value input.

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

The following tables provide a summary of changes in fair value of Main Street's Level 3 portfolio investments for the nine month periods ended September 30, 2019 and 2018 (amounts in thousands):

Type of Investment	Fair Value as of December 31, 2018	Transfers Into Level 3 Hierarchy	Redemptions/ Repayments	New Investments	Net Changes from Unrealized to Realized	Net Unrealized Appreciation (Depreciation)	Other(1)	Fair Value as of September 30, 2019
Debt	$ 1,686,753	$ —	$ (360,335)	$ 426,068	$ 31,019	$ (19,559)	$ (20,289)	$ 1,743,657
Equity	$ 755,710	$ —	$ (20,338)	$ 33,705	$ (13,834)	$ 25,899	$ 22,096	$ 803,238
Equity Warrant	$ 11,446	$ —	$ 1,217	$ 316	$ (1,090)	$ 219	$ (1,807)	$ 10,301
	$ 2,453,909	$ —	$ (379,456)	$ 460,089	$ 16,095	$ 6,559	$ —	$ 2,557,196

(1) Includes the impact of non-cash conversions. These transactions represent non-cash investing activities. See additional cash flow information at the consolidated statements of cash flows.

Type of Investment	Fair Value as of December 31, 2017	Transfers Into Level 3 Hierarchy	Redemptions/ Repayments	New Investments	Net Changes from Unrealized to Realized	Net Unrealized Appreciation (Depreciation)	Other(1)	Fair Value as of September 30, 2018
Debt	$ 1,518,297	$ —	$ (512,532)	$ 656,376	$ 33,724	$ (7,737)	$ (8,450)	$ 1,679,678
Equity	641,493	—	(40,920)	92,855	(34,943)	69,034	8,450	735,969
Equity Warrant	11,515	—	(280)	181	(1,120)	930	—	11,226
	$ 2,171,305	$ —	$ (553,732)	$ 749,412	$ (2,339)	$ 62,227	$ —	$ 2,426,873

(1) Includes the impact of non-cash conversions. These transactions represent non-cash investing activities. See additional cash flow information at the consolidated statements of cash flows.

As of September 30, 2019 and December 31, 2018, the fair value determination for the SBIC debentures recorded at fair value primarily consisted of unobservable inputs. As a result, the SBIC debentures which are recorded at fair value were categorized as Level 3. Main Street determines the fair value of these instruments primarily using a Yield-to-Maturity approach that analyzes the discounted cash flows of interest and principal for each SBIC debenture recorded at fair value based on estimated market interest rates for debt instruments of similar structure, terms and maturity. Main Street's estimate of the expected repayment date of principal for each SBIC debenture recorded at fair value is the legal maturity date of the instrument. The significant unobservable inputs used in the fair value measurement of Main Street's SBIC debentures recorded at fair value are the estimated market interest rates used to fair value each debenture using the yield valuation technique described above. Significant increases (decreases) in the estimated market interest rates in isolation would result in a significantly lower (higher) fair value measurement.

The following tables provide a summary of the significant unobservable inputs used to fair value Main Street's Level 3 SBIC debentures as of September 30, 2019 and December 31, 2018 (amounts in thousands):

Type of Instrument	Fair Value as of September 30, 2019	Valuation Technique	Significant Unobservable Inputs	Range	Weighted Average
SBIC debentures	$ 21,752	Discounted cash flow	Estimated market interest rates	4.0% - 4.0%	4.0%

Type of Instrument	Fair Value as of December 31, 2018	Valuation Technique	Significant Unobservable Inputs	Range	Weighted Average
SBIC debentures	$ 44,688	Discounted cash flow	Estimated market interest rates	5.5% - 5.8%	5.6%

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

The following tables provide a summary of changes for the Level 3 SBIC debentures recorded at fair value for the nine month periods ended September 30, 2019 and 2018 (amounts in thousands):

Type of Instrument	Fair Value as of December 31, 2018	Repayments	Net Realized Loss	New SBIC Debentures	Net Unrealized (Appreciation) Depreciation	Fair Value as of September 30, 2019
SBIC debentures at fair value	$ 44,688	$ (24,000)	$ 5,689	$ —	$ (4,625)	$ 21,752

Type of Instrument	Fair Value as of December 31, 2017	Repayments	Net Realized Loss	New SBIC Debentures	Net Unrealized (Appreciation) Depreciation	Fair Value as of September 30, 2018
SBIC debentures at fair value	$ 48,608	$ (4,000)	$ 1,374	$ —	$ (1,296)	$ 44,686

At September 30, 2019 and December 31, 2018, Main Street's investments and SBIC debentures at fair value were categorized as follows in the fair value hierarchy for ASC 820 purposes:

		Fair Value Measurements (in thousands)		
At September 30, 2019	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
LMM portfolio investments	$ 1,199,634	$ —	$ —	$ 1,199,634
Middle Market portfolio investments	548,710	—	—	548,710
Private Loan portfolio investments	627,892	—	—	627,892
Other Portfolio investments	110,632	—	—	110,632
External Investment Manager	70,328	—	—	70,328
Total investments	$ 2,557,196	$ —	$ —	$ 2,557,196
SBIC debentures at fair value	$ 21,752	$ —	$ —	$ 21,752

At December 31, 2018	Fair Value	Fair Value Measurements (in thousands) Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
LMM portfolio investments	$ 1,195,035	$ —	$ —	$ 1,195,035
Middle Market portfolio investments	576,929	—	—	576,929
Private Loan portfolio investments	507,892	—	—	507,892
Other Portfolio investments	108,305	—	—	108,305
External Investment Manager	65,748	—	—	65,748
Total investments	$ 2,453,909	$ —	$ —	$ 2,453,909
SBIC debentures at fair value	$ 44,688	$ —	$ —	$ 44,688

Investment Portfolio Composition

Main Street's LMM portfolio investments primarily consist of secured debt, equity warrants and direct equity investments in privately held, LMM companies based in the United States. Main Street's LMM portfolio companies generally have annual revenues between $10 million and $150 million, and its LMM investments generally range in size from $5 million to $50 million. The LMM debt investments are typically secured by either a first or second priority lien on the assets of the portfolio company, can include either fixed or floating rate terms and generally have a term of between five and seven years from the original investment date. In most LMM portfolio investments, Main Street receives nominally priced equity warrants and/or makes direct equity investments in connection with a debt investment.

Main Street's Middle Market portfolio investments primarily consist of direct investments in or secondary purchases of interest-bearing debt securities in privately held companies based in the United States that are generally larger in size than the companies included in Main Street's LMM portfolio. Main Street's Middle Market portfolio companies generally have annual revenues between $150 million and $1.5 billion, and its Middle Market investments generally range in size from $3 million to $20 million. Main Street's Middle Market portfolio debt investments are generally secured by either a first or second priority lien on the assets of the portfolio company and typically have a term of between three and seven years from the original investment date.

Main Street's private loan ("Private Loan") portfolio investments are primarily debt securities in privately held companies which have been originated through strategic relationships with other investment funds on a collaborative basis, and are often referred to in the debt markets as "club deals." Private Loan investments are typically similar in size, structure, terms and conditions to investments Main Street holds in its LMM portfolio and Middle Market portfolio. Main Street's Private Loan portfolio debt investments are generally secured by either a first or second priority lien on the assets of the portfolio company and typically have a term of between three and seven years from the original investment date.

Main Street's other portfolio ("Other Portfolio") investments primarily consist of investments which are not consistent with the typical profiles for LMM, Middle Market and Private Loan portfolio investments, including investments which may be managed by third parties. In the Other Portfolio,

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Main Street may incur indirect fees and expenses in connection with investments managed by third parties, such as investments in other investment companies or private funds. For Other Portfolio investments, Main Street generally receives distributions related to the assets held by the portfolio company. Those assets are typically expected to be liquidated over a five to ten year period.

Main Street's external asset management business is conducted through its External Investment Manager. The External Investment Manager earns management fees based on the assets of the funds under management and may earn incentive fees, or a carried interest, based on the performance of the funds managed. Main Street entered into an agreement with the External Investment Manager to share employees in connection with its asset management business generally, and specifically for its relationship with HMS Income Fund, Inc. ("HMS Income"). Through this agreement, Main Street shares employees with the External Investment Manager, including their related infrastructure, business relationships, management expertise and capital raising capabilities. Main Street allocates the related expenses to the External Investment Manager pursuant to the sharing agreement. Main Street's total expenses for the three months ended September 30, 2019 and 2018 are net of expenses allocated to the External Investment Manager of $1.7 million and $1.6 million, respectively. Main Street's total expenses for the nine months ended September 30, 2019 and 2018 are net of expenses allocated to the External Investment Manager of $5.0 million and $5.3 million, respectively.

Investment income, consisting of interest, dividends and fees, can fluctuate dramatically due to various factors, including the level of new investment activity, repayments of debt investments or sales of equity interests. Investment income in any given year could also be highly concentrated among several portfolio companies. For the three and nine months ended September 30, 2019 and 2018, Main Street did not record investment income from any single portfolio company in excess of 10% of total investment income.

The following tables provide a summary of Main Street's investments in the LMM, Middle Market and Private Loan portfolios as of September 30, 2019 and December 31, 2018 (this information excludes the Other Portfolio investments and the External Investment Manager which are discussed further below):

	As of September 30, 2019		
	LMM(a)	Middle Market	Private Loan
		(dollars in millions)	
Number of portfolio companies	68	52	62
Fair value	$ 1,199.6	$ 548.7	$ 627.9
Cost	$ 987.7	$ 589.4	$ 662.3
% of portfolio at cost—debt	66.3%	95.0%	93.7%
% of portfolio at cost—equity	33.7%	5.0%	6.3%
% of debt investments at cost secured by first priority lien	98.1%	89.8%	94.4%
Weighted-average annual effective yield(b)	12.0%	8.9%	9.8%
Average EBITDA(c)	$ 4.9	$ 93.5	$ 56.3

(a) At September 30, 2019, Main Street had equity ownership in approximately 99% of its LMM portfolio companies, and the average fully diluted equity ownership in those portfolio companies was approximately 41%.

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(b) The weighted-average annual effective yields were computed using the effective interest rates for all debt investments at cost as of September 30, 2019, including amortization of deferred debt origination fees and accretion of original issue discount but excluding fees payable upon repayment of the debt instruments and any debt investments on non-accrual status. The weighted-average annual effective yield is higher than what an investor in shares of Main Street's common stock will realize on its investment because it does not reflect Main Street's expenses or any sales load paid by an investor.

(c) The average EBITDA is calculated using a simple average for the LMM portfolio and a weighted-average for the Middle Market and Private Loan portfolios. These calculations exclude certain portfolio companies, including two LMM portfolio companies, two Middle Market portfolio companies and three Private Loan portfolio companies, as EBITDA is not a meaningful valuation metric for Main Street's investments in these portfolio companies, and those portfolio companies whose primary purpose is to own real estate.

	As of December 31, 2018		
	LMM(a)	Middle Market	Private Loan
		(dollars in millions)	
Number of portfolio companies	69	56	59
Fair value	$ 1,195.0	$ 576.9	$ 507.9
Cost	$ 990.9	$ 608.8	$ 553.3
% of portfolio at cost—debt	68.7%	96.3%	93.0%
% of portfolio at cost—equity	31.3%	3.7%	7.0%
% of debt investments at cost secured by first priority lien	98.5%	87.9%	92.0%
Weighted-average annual effective yield(b)	12.3%	9.6%	10.4%
Average EBITDA(c)	$ 4.7	$ 99.1	$ 46.1

(a) At December 31, 2018, Main Street had equity ownership in approximately 99% of its LMM portfolio companies, and the average fully diluted equity ownership in those portfolio companies was approximately 40%.

(b) The weighted-average annual effective yields were computed using the effective interest rates for all debt investments at cost as of December 31, 2018, including amortization of deferred debt origination fees and accretion of original issue discount but excluding fees payable upon repayment of the debt instruments and any debt investments on non-accrual status. The weighted-average annual effective yield is higher than what an investor in shares of Main Street's common stock will realize on its investment because it does not reflect Main Street's expenses or any sales load paid by an investor.

(c) The average EBITDA is calculated using a simple average for the LMM portfolio and a weighted-average for the Middle Market and Private Loan portfolios. These calculations exclude certain portfolio companies, including two LMM portfolio companies, one Middle Market portfolio company and four Private Loan portfolio companies, as EBITDA is not a meaningful valuation metric for Main Street's investments in these portfolio companies, and those portfolio companies whose primary purpose is to own real estate.

As of September 30, 2019, Main Street had Other Portfolio investments in eleven companies, collectively totaling approximately $110.6 million in fair value and approximately $119.4 million in cost

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basis and which comprised approximately 4.3% of Main Street's Investment Portfolio at fair value. As of December 31, 2018, Main Street had Other Portfolio investments in eleven companies, collectively totaling approximately $108.3 million in fair value and approximately $116.0 million in cost basis and which comprised approximately 4.4% of Main Street's Investment Portfolio at fair value.

As discussed further in Note A.1., Main Street holds an investment in the External Investment Manager, a wholly owned subsidiary that is treated as a portfolio investment. As of September 30, 2019, there was no cost basis in this investment and the investment had a fair value of approximately $70.3 million, which comprised approximately 2.8% of Main Street's Investment Portfolio at fair value. As of December 31, 2018, there was no cost basis in this investment and the investment had a fair value of approximately $65.7 million, which comprised approximately 2.7% of Main Street's Investment Portfolio at fair value.

The following tables summarize the composition of Main Street's total combined LMM portfolio investments, Middle Market portfolio investments and Private Loan portfolio investments at cost and fair value by type of investment as a percentage of the total combined LMM portfolio investments, Middle Market portfolio investments and Private Loan portfolio investments, as of September 30, 2019 and December 31, 2018 (this information excludes the Other Portfolio investments and the External Investment Manager).

Cost:	September 30, 2019	December 31, 2018
First lien debt	77.3%	77.1%
Equity	17.4%	16.6%
Second lien debt	4.3%	5.3%
Equity warrants	0.6%	0.6%
Other	0.4%	0.4%
	100.0%	100.0%

Fair Value:	September 30, 2019	December 31, 2018
First lien debt	69.4%	69.0%
Equity	26.2%	25.5%
Second lien debt	3.6%	4.6%
Equity warrants	0.4%	0.5%
Other	0.4%	0.4%
	100.0%	100.0%

The following tables summarize the composition of Main Street's total combined LMM portfolio investments, Middle Market portfolio investments and Private Loan portfolio investments by geographic region of the United States and other countries at cost and fair value as a percentage of the total combined LMM portfolio investments, Middle Market portfolio investments and Private Loan portfolio investments, as of September 30, 2019 and December 31, 2018 (this information excludes the Other

Portfolio investments and the External Investment Manager). The geographic composition is determined by the location of the corporate headquarters of the portfolio company.

Cost:	September 30, 2019	December 31, 2018
Southwest	24.8%	26.7%
West	24.5%	27.2%
Midwest	20.4%	19.4%
Northeast	15.4%	14.3%
Southeast	12.7%	10.0%
Canada	1.3%	1.4%
Other Non-United States	0.9%	1.0%
	100.0%	100.0%

Fair Value:	September 30, 2019	December 31, 2018
Southwest	26.5%	28.4%
West	25.4%	28.2%
Midwest	20.0%	18.9%
Northeast	14.7%	13.4%
Southeast	11.4%	8.9%
Canada	1.1%	1.2%
Other Non-United States	0.9%	1.0%
	100.0%	100.0%

Main Street's LMM portfolio investments, Middle Market portfolio investments and Private Loan portfolio investments are in companies conducting business in a variety of industries. The following tables summarize the composition of Main Street's total combined LMM portfolio investments, Middle Market portfolio investments and Private Loan portfolio investments by industry at cost and fair value

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as of September 30, 2019 and December 31, 2018 (this information excludes the Other Portfolio investments and the External Investment Manager).

Cost:	September 30, 2019	December 31, 2018
Machinery	8.0%	6.5%
Media	6.7%	6.5%
Construction & Engineering	5.6%	7.5%
Energy Equipment & Services	5.4%	6.4%
Aerospace & Defense	4.9%	3.8%
Commercial Services & Supplies	4.5%	4.9%
IT Services	4.4%	3.8%
Internet Software & Services	4.2%	4.1%
Diversified Telecommunication Services	4.1%	4.8%
Leisure Equipment & Products	4.1%	3.9%
Health Care Providers & Services	3.9%	2.8%
Hotels, Restaurants & Leisure	3.9%	3.3%
Oil, Gas & Consumable Fuels	3.8%	3.0%
Electronic Equipment, Instruments & Components	3.6%	3.5%
Food Products	3.5%	3.8%
Specialty Retail	3.2%	4.2%
Communications Equipment	3.2%	2.5%
Software	2.5%	2.6%
Professional Services	2.4%	2.6%
Computers & Peripherals	2.3%	2.6%
Containers & Packaging	1.7%	1.9%
Construction Materials	1.7%	1.8%
Building Products	1.6%	1.6%
Road & Rail	1.4%	1.8%
Distributors	1.1%	1.7%
Transportation Infrastructure	1.1%	0.5%
Internet & Catalog Retail	1.0%	1.1%
Other(1)	6.2%	6.5%
	100.0%	100.0%

(1) Includes various industries with each industry individually less than 1.0% of the total combined LMM portfolio investments, Middle Market portfolio investments and Private Loan portfolio investments at each date.

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Notes to Consolidated Financial Statements (Continued)

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Fair Value:	September 30, 2019	December 31, 2018
Machinery	10.2%	8.8%
Construction & Engineering	6.1%	7.9%
Media	5.9%	5.4%
Energy Equipment & Services	4.9%	5.7%
IT Services	4.6%	3.9%
Aerospace & Defense	4.6%	3.5%
Internet Software & Services	4.0%	3.8%
Commercial Services & Supplies	4.0%	4.4%
Leisure Equipment & Products	3.8%	3.7%
Health Care Providers & Services	3.7%	2.7%
Hotels, Restaurants & Leisure	3.6%	3.2%
Computers & Peripherals	3.6%	3.8%
Specialty Retail	3.4%	4.2%
Diversified Telecommunication Services	3.4%	4.0%
Oil, Gas & Consumable Fuels	3.3%	2.7%
Food Products	3.0%	3.5%
Software	2.9%	2.9%
Electronic Equipment, Instruments & Components	2.8%	2.8%
Communications Equipment	2.7%	2.2%
Diversified Consumer Services	2.5%	2.9%
Construction Materials	2.1%	2.1%
Professional Services	1.9%	2.4%
Containers & Packaging	1.7%	1.8%
Road & Rail	1.5%	1.8%
Building Products	1.5%	1.6%
Distributors	1.0%	1.5%
Transportation Infrastructure	1.0%	0.5%
Other(1)	6.3%	6.3%
	100.0%	100.0%

(1) Includes various industries with each industry individually less than 1.0% of the total combined LMM portfolio investments, Middle Market portfolio investments and Private Loan portfolio investments at each date.

At September 30, 2019 and December 31, 2018, Main Street had no portfolio investment that was greater than 10% of the Investment Portfolio at fair value.

Unconsolidated Significant Subsidiaries

In accordance with Rules 3-09 and 4-08(g) of Regulation S-X, Main Street must determine which of its unconsolidated controlled portfolio companies, if any, are considered "significant subsidiaries." In evaluating these unconsolidated controlled portfolio companies, there are three tests utilized to determine if any of Main Street's Control Investments (as defined in Note A, including those unconsolidated portfolio companies defined as Control Investments in which Main Street does not own greater than 50% of the voting securities) are considered significant subsidiaries: the investment test, the asset test and the income test. The income test is measured by dividing the absolute value of the combined total of total investment income, net realized gain (loss) and net unrealized appreciation (depreciation) from each Control Investment for the period being tested by the absolute value of Main Street's pre-tax income for the same period. Rule 3-09 of Regulation S-X, as interpreted by the SEC, requires Main Street to include separate audited financial statements of an unconsolidated majority-owned subsidiary (Control Investments in which Main Street owns greater than 50% of the voting securities) in an annual report if any of the three tests exceed 20% of Main Street's total investments at fair value, total assets or total income, respectively. Rule 4-08(g) of Regulation S-X requires summarized financial information of a Control Investment in an annual report if any of the three tests exceeds 10% of Main Street's annual total amounts and Rule 10-01(b)(1) of Regulation S-X requires summarized financial information in a quarterly report if any of the three tests exceeds 20% of Main Street's year-to-date total amounts.

As of September 30, 2019 and December 31, 2018, Main Street had no single investment that represented greater than 20% of its total Investment Portfolio at fair value and no single investment whose total assets represented greater than 20% of its total assets. After performing the income test for the nine months ended September 30, 2019 and 2018, Main Street determined that no single Control Investment had income that represented greater than 20% of Main Street's total income, except for the External Investment Manager. As such, the External Investment Manager was considered a significant subsidiary. The summarized financial information for the External Investment Manager is included in Note D.

NOTE D—EXTERNAL INVESTMENT MANAGER

As discussed further in Note A.1., the External Investment Manager provides investment management and other services to External Parties. The External Investment Manager is accounted for as a portfolio investment of MSCC since the External Investment Manager conducts all of its investment management activities for External Parties.

During May 2012, Main Street entered into an investment sub-advisory agreement with HMS Adviser, LP ("HMS Adviser"), which is the investment advisor to HMS Income, a non-listed BDC, to provide certain investment advisory services to HMS Adviser. In December 2013, after obtaining required no-action relief from the SEC to allow it to own a registered investment adviser, Main Street assigned the sub-advisory agreement to the External Investment Manager since the fees received from such arrangement could otherwise have negative consequences on MSCC's ability to meet the source-of-income requirement necessary for it to maintain its RIC tax treatment. Under the investment sub-advisory agreement, the External Investment Manager is entitled to 50% of the base management fee and the incentive fees earned by HMS Adviser under its advisory agreement with HMS Income. The External Investment Manager agreed to waive the historical incentive fees otherwise earned through December 31, 2018. During the three months ended September 30, 2019, the External Investment Manager earned $2.9 million in fee income, which consisted of $2.7 million of base management fees and $0.2 million in incentive fees, compared to $3.0 million in base management fees for the comparable period in 2018 under the sub-advisory agreement with HMS Adviser. During the nine months ended September 30, 2019, the External Investment Manager earned $10.0 million in fee income, which consisted of $8.4 million of base management fees and $1.6 million in incentive fees compared to $8.7 million of base management fees for the comparable period in 2018 under the sub-advisory agreement with HMS Adviser.

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The investment in the External 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. Main Street determines the fair value of the External Investment Manager using the Waterfall valuation method under the market approach (see further discussion in Note B.1.). Any change in fair value of the investment in the External Investment Manager is recognized on Main Street's consolidated statements of operations in "Net Unrealized Appreciation (Depreciation)—Control investments."

The External Investment Manager is an indirect wholly owned subsidiary of MSCC owned through a Taxable Subsidiary and is a disregarded entity for tax purposes. The External Investment Manager has entered into a tax sharing agreement with its Taxable Subsidiary owner. Since the External Investment Manager is accounted for as a portfolio investment of MSCC and is not included as a consolidated subsidiary of MSCC in MSCC's consolidated financial statements, and as a result of the tax sharing agreement with its Taxable Subsidiary owner, for financial reporting purposes the External Investment Manager is treated as if it is taxed at normal corporate tax rates based on its taxable income and, as a result of its activities, may generate income tax expense or benefit. Main Street owns the External Investment Manager through the Taxable Subsidiary to allow MSCC to continue to comply with the "source-of-income" requirements contained in the RIC tax provisions of the Code. The taxable income, or loss, of the External Investment Manager may differ from its book income, or loss, due to temporary book and tax timing differences and permanent differences. As a result of the above described financial reporting and tax treatment, the External Investment Manager provides for any income tax expense, or benefit, and any tax assets or liabilities in its separate financial statements.

Main Street shares employees with the External Investment Manager and allocates costs related to such shared employees to the External Investment Manager generally based on a combination of the direct time spent, new investment origination activity and assets under management, depending on the nature of the expense. For the three months ended September 30, 2019 and 2018, Main Street allocated $1.7 million and $1.6 million of total expenses, respectively, to the External Investment Manager. For the nine months ended September 30, 2019 and 2018, Main Street allocated $5.0 million and $5.3 million of total expenses, respectively, to the External Investment Manager. The total contribution of the External Investment Manager to Main Street's net investment income consists of the combination of the expenses allocated to the External Investment Manager and the dividend income received from the External Investment Manager. For the three months ended September 30, 2019 and 2018, the total contribution to Main Street's net investment income was $2.6 million and $2.7 million, respectively. For the nine months ended September 30, 2019 and 2018, the total contribution to Main Street's net investment income was $8.9 million and $8.0 million, respectively.

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Summarized financial information from the separate financial statements of the External Investment Manager as of September 30, 2019 and December 31, 2018 and for the three and nine months ended September 30, 2019 and 2018 is as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2019	2018	2019	2018
	(dollars in thousands)			
Management fee income	$ 2,750	$ 2,972	$ 8,427	$ 8,667
Incentive fees	178	—	1,552	—
Total revenues	2,928	2,972	9,979	8,667
Expenses allocated from MSCC or its subsidiaries:				
Salaries, share-based compensation and other personnel costs	(1,118)	(974)	(3,294)	(3,386)
Other G&A expenses	(533)	(618)	(1,707)	(1,950)
Total allocated expenses	(1,651)	(1,592)	(5,001)	(5,336)
Pre-tax income	1,277	1,380	4,978	3,331
Tax expense	(286)	(308)	(1,106)	(670)
Net income	$ 991	$ 1,072	$ 3,872	$ 2,661

	As of September 30, 2019	As of December 31, 2018
	(dollars in thousands)	
Cash	$ —	$ —
Accounts receivable—HMS Income	2,955	2,947
Total assets	$ 2,955	$ 2,947
Accounts payable to MSCC and its subsidiaries	$ 1,964	$ 1,786
Dividend payable to MSCC and its subsidiaries	991	1,161
Equity	—	—
Total liabilities and equity	$ 2,955	$ 2,947

NOTE E—DEBT

SBIC Debentures

Under existing SBA regulations, SBA approved SBICs under common control have the ability to issue debentures guaranteed by the SBA up to a regulatory maximum amount of $350.0 million. Main Street, through the funds, has an effective maximum amount of $347.0 million as a result of certain voluntary prepayments of SBIC debentures under historical commitments from the SBA. SBIC debentures payable were $311.8 million and $345.8 million at September 30, 2019 and December 31, 2018, respectively. SBIC debentures provide for interest to be paid semiannually, with principal due at the applicable 10-year maturity date of each debenture. During the nine months ended September 30,

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2019, Main Street received a $25.0 million commitment from the SBA in order to issue new SBIC debentures in the future and opportunistically prepaid $34.0 million of existing SBIC debentures that were scheduled to mature over the next year as part of an effort to manage the maturity dates of the oldest SBIC debentures. As a result of this prepayment, Main Street recognized a realized loss of $5.7 million due primarily to the previously recognized gain recorded as a result of recording the MSC II debentures at fair value on the date of the acquisition of the majority interests of MSC II. The effect of the realized loss is substantially offset by the reversal of all previously recognized unrealized depreciation due to fair value adjustments since the date of the acquisition. Main Street expects to issue new SBIC debentures under the SBIC program in the future in an amount up to the regulatory maximum amount for affiliated SBIC funds. The weighted-average annual interest rate on the SBIC debentures was 3.6% and 3.7% as of September 30, 2019 and December 31, 2018, respectively. The first principal maturity due under the existing SBIC debentures is in 2020, and the weighted-average remaining duration as of September 30, 2019 was approximately 5.4 years. For each of the three months ended September 30, 2019 and 2018, Main Street recognized interest expense, including the amortization of upfront leverage and other miscellaneous fees, attributable to the SBIC debentures of $3.2 million. For the nine months ended September 30, 2019 and 2018, Main Street recognized interest expense, including the amortization of upfront leverage and other miscellaneous fees, attributable to the SBIC debentures of $9.7 million and $9.3 million, respectively. In accordance with SBA regulations, the Funds are precluded from incurring additional non-SBIC debt without the prior approval of the SBA.

As of September 30, 2019, the recorded value of the SBIC debentures was $305.8 million, which consisted of (i) $21.8 million recorded at fair value, or $0.2 million less than the $22.0 million par value of the SBIC debentures issued by MSC II, (ii) $139.8 million par value of SBIC debentures outstanding issued by MSMF, with a recorded value of $138.4 million that was net of unamortized debt issuance costs of $1.4 million and (iii) $150.0 million par value of SBIC debentures issued by MSC III with a recorded value of $145.6 million that was net of unamortized debt issuance costs of $4.4 million. As of September 30, 2019, if Main Street had adopted the fair value option under ASC 825 for all of its SBIC debentures, Main Street estimates the fair value of its SBIC debentures would be approximately $302.0 million, or $9.8 million less than the $311.8 million face value of the SBIC debentures.

Credit Facility

Main Street maintains the Credit Facility to provide additional liquidity to support its investment and operational activities. The Credit Facility includes total commitments of $705.0 million from a diversified group of 17 lenders. The Credit Facility matures in September 2023 and contains an accordion feature which allows Main Street to increase the total commitments under the facility to up to $800.0 million from new and existing lenders on the same terms and conditions as the existing commitments.

Borrowings under the Credit Facility bear interest, subject to Main Street's election and resetting on a monthly basis on the first of each month, on a per annum basis at a rate equal to the applicable LIBOR rate (2.0% as of September 30, 2019) plus (i) 1.875% (or the applicable base rate (Prime Rate of 5.0% as of September 30, 2019) plus 0.875%) as long as Main Street meets certain agreed upon excess collateral and maximum leverage requirements or (ii) 2.0% (or the applicable base rate plus 1.0%) otherwise. Main Street pays unused commitment fees of 0.25% per annum on the unused lender commitments under the Credit Facility. The Credit Facility is secured by a first lien on the assets of MSCC and its subsidiaries, excluding the equity ownership or assets of the Funds and the External

Investment Manager. The Credit Facility contains certain affirmative and negative covenants, including but not limited to: (i) maintaining a minimum availability of at least 10% of the borrowing base, (ii) maintaining an interest coverage ratio of at least 2.0 to 1.0, (iii) maintaining an asset coverage ratio (tangible net worth to Credit Facility borrowings) of at least 1.5 to 1.0 and (iv) maintaining a minimum tangible net worth. The Credit Facility is provided on a revolving basis through its final maturity date in September 2023, and contains two, one-year extension options which could extend the final maturity by up to two years, subject to certain conditions, including lender approval.

At September 30, 2019, Main Street had $150.0 million in borrowings outstanding under the Credit Facility. As of September 30, 2019, if Main Street had adopted the fair value option under ASC 825 for its Credit Facility, Main Street estimates its fair value would approximate its recorded value. Main Street recognized interest expense related to the Credit Facility, including unused commitment fees and amortization of deferred issuance costs, of $1.9 million and $3.3 million for the three months ended September 30, 2019 and 2018, respectively, and $8.3 million and $8.1 million for the nine months ended September 30, 2019 and 2018, respectively. As of September 30, 2019, the interest rate on the Credit Facility was 4.0% (based on the LIBOR rate of 2.1% as of the most recent reset date of September 1, 2019 plus 1.875%). The average interest rate was 4.1% and 4.3% for the three and nine months ended September 30, 2019, respectively. As of September 30, 2019, Main Street was in compliance with all financial covenants of the Credit Facility.

6.125% Notes

In April 2013, Main Street issued $92.0 million, including the underwriters full exercise of their option to purchase additional principal amounts to cover over-allotments, in aggregate principal amount of 6.125% Notes due 2023 (the "6.125% Notes"). The 6.125% Notes bore interest at a rate of 6.125% per year payable quarterly on January 1, April 1, July 1 and October 1 of each year. The total net proceeds to Main Street from the 6.125% Notes, after underwriting discounts and estimated offering expenses payable, were approximately $89.0 million. On April 2, 2018, Main Street redeemed the entire principal amount of the issued and outstanding 6.125% Notes effective April 1, 2018 (the "Redemption Date"). The 6.125% Notes were redeemed at par value, plus the accrued and unpaid interest thereon from January 1, 2018, through, but excluding, the Redemption Date. As part of the redemption, Main Street recognized a realized loss on extinguishment of debt of $1.5 million in the second quarter of 2018 related to the write-off of the related unamortized deferred financing costs. Main Street recognized interest expense related to the 6.125% Notes, including amortization of unamortized deferred issuance costs, of $1.5 million for the nine months ended September 30, 2018.

4.50% Notes due 2019

In November 2014, Main Street issued $175.0 million in aggregate principal amount of 4.50% unsecured notes due 2019 (the "4.50% Notes due 2019") at an issue price of 99.53%. The 4.50% Notes due 2019 are unsecured obligations and rank pari passu with Main Street's current and future unsecured indebtedness; senior to any of its future indebtedness that expressly provides it is subordinated to the 4.50% Notes due 2019; effectively subordinated to all of its existing and future secured indebtedness, to the extent of the value of the assets securing such indebtedness, including borrowings under its Credit Facility; and structurally subordinated to all existing and future indebtedness and other obligations of any of its subsidiaries, including without limitation, the indebtedness of the Funds. The 4.50% Notes due 2019 mature on December 1, 2019, and may be redeemed in whole or in part at any time at Main Street's option subject to certain make-whole provisions. The 4.50% Notes due 2019 bear interest at a rate of 4.50% per year payable semiannually on June 1 and December 1 of each year. The total net proceeds from the 4.50% Notes due 2019, resulting from the issue price and after underwriting discounts and estimated offering expenses payable, were approximately $171.2 million. Main Street may from time to time repurchase the 4.50% Notes due 2019 in accordance with the 1940 Act and the rules promulgated thereunder. As of September 30, 2019, the outstanding balance of the 4.50% Notes due 2019 was $175.0 million and the recorded value of $174.9 million was net of unamortized debt issuance costs of $0.1 million. As of September 30, 2019, if Main Street had adopted the fair value option under ASC 825 for the 4.50% Notes due 2019, Main Street estimates its fair value would be approximately $175.5 million. Main Street recognized interest expense related to the 4.50% Notes due 2019, including amortization of unamortized deferred issuance costs, of $2.1 million for each of the three months ended September 30, 2019 and 2018, and $6.4 million for each of the nine months ended September 30, 2019 and 2018.

The indenture governing the 4.50% Notes due 2019 (the "4.50% Notes due 2019 Indenture") contains certain covenants, including covenants requiring Main Street's compliance with (regardless of whether Main Street is subject to) the asset coverage requirements set forth in Section 18(a)(1)(A) as modified by Section 61(a)(1) of the 1940 Act, as well as covenants requiring Main Street to provide financial information to the holders of the 4.50% Notes due 2019 and the Trustee if Main Street ceases to be subject to the reporting requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). These covenants are subject to limitations and exceptions that are described in the 4.50% Notes due 2019 Indenture. As of September 30, 2019, Main Street was in compliance with these covenants.

4.50% Notes due 2022

In November 2017, Main Street issued $185.0 million in aggregate principal amount of 4.50% unsecured notes due 2022 (the "4.50% Notes due 2022") at an issue price of 99.16%. The 4.50% Notes due 2022 are unsecured obligations and rank pari passu with Main Street's current and future unsecured indebtedness; senior to any of its future indebtedness that expressly provides it is subordinated to the 4.50% Notes due 2022; effectively subordinated to all of its existing and future secured indebtedness, to the extent of the value of the assets securing such indebtedness, including borrowings under its Credit Facility; and structurally subordinated to all existing and future indebtedness and other obligations of any of its subsidiaries, including without limitation, the indebtedness of the Funds. The 4.50% Notes due 2022 mature on December 1, 2022, and may be redeemed in whole or in part at any time at Main Street's option subject to certain make-whole provisions. The 4.50% Notes due 2022 bear interest at a rate of 4.50% per year payable semiannually on June 1 and December 1 of each year. The total net proceeds from the 4.50% Notes due 2022, resulting from the issue price and after underwriting discounts and estimated offering expenses payable, were approximately $182.2 million. Main Street may from time to time repurchase the 4.50% Notes due 2022 in accordance with the 1940 Act and the rules promulgated thereunder. As of September 30, 2019, the outstanding balance of the 4.50% Notes due 2022 was $185.0 million and the recorded value of $183.1 million was net of unamortized debt issuance costs of $1.9 million. As of September 30, 2019, if Main Street had adopted the fair value option under ASC 825 for the 4.50% Notes due 2022, Main Street estimates its fair value would be approximately $191.6 million. Main Street recognized interest expense related to the 4.50% Notes due 2022, including amortization of unamortized deferred issuance costs, of $2.2 million and $6.7 million for the three and nine months ended September 30, 2019 and 2018, respectively.

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

The indenture governing the 4.50% Notes due 2022 (the "4.50% Notes due 2022 Indenture") contains certain covenants, including covenants requiring Main Street's compliance with (regardless of whether Main Street is subject to) the asset coverage requirements set forth in Section 18(a)(1)(A) as modified by Section 61(a)(1) of the 1940 Act, as well as covenants requiring Main Street to provide financial information to the holders of the 4.50% Notes due 2022 and the Trustee if Main Street ceases to be subject to the reporting requirements of the Exchange Act. These covenants are subject to limitations and exceptions that are described in the 4.50% Notes due 2022 Indenture. As of September 30, 2019, Main Street was in compliance with these covenants.

5.20% Notes

In April 2019, Main Street issued $250.0 million in aggregate principal amount of 5.20% unsecured notes due 2024 (the "5.20% Notes") at an issue price of 99.125%. The 5.20% Notes are unsecured obligations and rank pari passu with Main Street's current and future unsecured indebtedness; senior to any of its future indebtedness that expressly provides it is subordinated to the 5.20% Notes; effectively subordinated to all of its existing and future secured indebtedness, to the extent of the value of the assets securing such indebtedness, including borrowings under its Credit Facility; and structurally subordinated to all existing and future indebtedness and other obligations of any of its subsidiaries, including without limitation, the indebtedness of the Funds. The 5.20% Notes mature on May 1, 2024, and may be redeemed in whole or in part at any time at Main Street's option subject to certain make-whole provisions. The 5.20% Notes bear interest at a rate of 5.20% per year payable semiannually on May 1 and November 1 of each year. The total net proceeds from the 5.20% Notes, resulting from the issue price and after underwriting discounts and estimated offering expenses payable, were approximately $245.8 million. Main Street may from time to time repurchase the 5.20% Notes in accordance with the 1940 Act and the rules promulgated thereunder. As of September 30, 2019, the outstanding balance of the 5.20% Notes was $250.0 million and the recorded value of $246.3 million was net of unamortized debt issuance costs of $3.7 million. As of September 30, 2019, if Main Street had adopted the fair value option under ASC 825 for the 5.20% Notes, Main Street estimates its fair value would be approximately $268.1 million. Main Street recognized interest expense related to the 5.20% Notes, including amortization of unamortized deferred issuance costs, of $3.5 million for the three months ended September 30, 2019 and $6.1 million for the nine months ended September 30, 2019.

The indenture governing the 5.20% Notes (the "5.20% Notes Indenture") contains certain covenants, including covenants requiring Main Street's compliance with (regardless of whether Main Street is subject to) the asset coverage requirements set forth in Section 18(a)(1)(A) as modified by Section 61(a)(1) of the 1940 Act, as well as covenants requiring Main Street to provide financial information to the holders of the 5.20% Notes and the Trustee if Main Street ceases to be subject to the reporting requirements of the Exchange Act. These covenants are subject to limitations and exceptions that are described in the 5.20% Notes Indenture. As of September 30, 2019, Main Street was in compliance with these covenants.

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MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

NOTE F—FINANCIAL HIGHLIGHTS

	Nine Months Ended September 30, 2019	Nine Months Ended September 30, 2018
Per Share Data:		
NAV at the beginning of the period	$ 24.09	$ 23.53
Net investment income(1)	1.88	1.91
Net realized loss(1)(2)	(0.32)	—
Net unrealized appreciation(1)(2)	0.28	0.81
Income tax provision(1)(2)	(0.03)	(0.07)
Net increase in net assets resulting from operations(1)	1.81	2.65
Dividends paid from net investment income	(2.05)	(1.80)
Distributions from capital gains	—	(0.19)
Total dividends paid	(2.05)	(1.99)
Impact of the net change in monthly dividends declared prior to the end of the period and paid in the subsequent period	(0.01)	(0.01)
Accretive effect of stock offerings (issuing shares above NAV per share)	0.31	0.44
Accretive effect of DRIP issuance (issuing shares above NAV per share)	0.08	0.06
Other(3)	(0.03)	0.01
NAV at the end of the period	$ 24.20	$ 24.69
Market value at the end of the period	$ 43.21	$ 38.50
Shares outstanding at the end of the period	63,314,513	60,962,505

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

(2) Net realized gains or losses, net 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

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certain per share data based on the shares outstanding as of a period end or transaction date.

	Nine Months Ended September 30, 2019	Nine Months Ended September 30, 2018
	(dollars in thousands)	
NAV at end of period	$ 1,532,055	$ 1,505,442
Average NAV	$ 1,512,921	$ 1,432,441
Average outstanding debt	$ 1,033,400	$ 927,962
Ratio of total expenses, including income tax expense, to average NAV(1)(2)	4.43%	4.44%
Ratio of operating expenses to average NAV(2)(3)	4.27%	4.15%
Ratio of operating expenses, excluding interest expense, to average NAV(2)(3)	1.82%	1.92%
Ratio of net investment income to average NAV(2)	7.81%	8.00%
Portfolio turnover ratio(2)	14.44%	23.12%
Total investment return(2)(4)	34.48%	2.05%
Total return based on change in NAV(2)(5)	7.69%	11.50%

(1) Total expenses are the sum of operating expenses and net income tax provision/benefit. Net income tax provision/benefit includes the accrual of net deferred tax provision/benefit relating to the net unrealized appreciation/depreciation on portfolio investments held in Taxable Subsidiaries and due to the change in the loss carryforwards, which are non-cash in nature and may vary significantly from period to period. Main Street is required to include net deferred tax provision/benefit in calculating its total expenses even though these net deferred taxes are not currently payable/receivable.

(2) Not annualized.

(3) Unless otherwise noted, operating expenses include interest, compensation, general and administrative and share-based compensation expenses, net of expenses allocated to the External Investment Manager.

(4) Total investment return is based on the purchase of stock at the current market price on the first day and a sale at the current market price on the last day of each period reported on the table and assumes reinvestment of dividends at prices obtained by Main Street's dividend reinvestment plan during the period. The return does not reflect any sales load that may be paid by an investor.

(5) Total return is based on change in net asset value was calculated using the sum of ending net asset value plus dividends to stockholders and other non-operating changes during the period, as divided by the beginning net asset value. Non-operating changes include any items that affect net asset value other than the net increase in net assets resulting from operations, such as the effects of stock offerings, shares issued under the DRIP and equity incentive plans and other miscellaneous items.

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

NOTE G—DIVIDENDS, DISTRIBUTIONS AND TAXABLE INCOME

Main Street paid regular monthly dividends of $0.205 per share for each month of July through September 2019, totaling $38.9 million, or $0.615 per share, for the three months ended September 30, 2019, and $112.5 million, or $1.80 per share, for the nine months ended September 30, 2019 compared to regular monthly dividends of approximately $34.5 million, or $0.57 per share, for the three months ended September 30, 2018, and $101.8 million, or $1.71 per share, for the nine months ended September 30, 2018. The third quarter 2019 regular monthly dividends represent a 7.9% increase from the regular monthly dividends paid for the third quarter of 2018. Additionally, Main Street paid a $0.25 per share semi-annual supplemental dividend, totaling $15.8 million, in June 2019 compared to $16.6 million, or $0.275 per share, paid in June 2018 resulting in total dividends paid of $2.05 and $1.985 per share for the nine months ended September 30, 2019 and September 30, 2018, respectively.

MSCC has elected to be treated for U.S. federal income tax purposes as a RIC. MSCC's taxable income includes the taxable income generated by MSCC and certain of its subsidiaries, including the Funds, which are treated as disregarded entities for tax purposes. As a RIC, MSCC generally will not pay corporate-level U.S. federal income taxes on any net ordinary taxable income or capital gains that MSCC distributes to its stockholders. MSCC must generally distribute at least 90% of its "investment company taxable income" (which is generally its net ordinary taxable income and realized net short-term capital gains in excess of realized net long-term capital losses) and 90% of its tax-exempt income to maintain its RIC status (pass-through tax treatment for amounts distributed). As part of maintaining RIC status, undistributed taxable income (subject to a 4% non-deductible U.S. federal 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 on or prior to the later of (i) filing of the U.S. federal income tax return for the applicable fiscal year or (ii) the fifteenth day of the ninth month following the close of the year in which such taxable income was generated.

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. Ordinary dividend distributions from a RIC do not qualify for the 20% maximum tax rate (plus a 3.8% Medicare surtax, if applicable) 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. The tax attributes for distributions will generally include both ordinary income and qualified dividends, but may also include either one or both of capital gains and return of capital.

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

Listed below is a reconciliation of "Net increase in net assets resulting from operations" to taxable income and to total distributions declared to common stockholders for the nine months ended September 30, 2019 and 2018.

	Nine months ended September 30,	
	2019	2018
	(estimated, dollars in thousands)	
Net increase in net assets resulting from operations	$ 113,555	$ 158,708
Book-tax difference from share-based compensation expense	(1,690)	(3,686)
Net unrealized appreciation	(17,779)	(48,386)
Income tax provision	2,491	4,097
Pre-tax book (income) loss not consolidated for tax purposes	(21,117)	1,049
Book income and tax income differences, including debt origination, structuring fees, dividends, realized gains and changes in estimates	47,866	21,493
Estimated taxable income(1)	123,326	133,275
Taxable income earned in prior year and carried forward for distribution in current year	41,489	42,357
Taxable income earned prior to period end and carried forward for distribution next period	(48,462)	(68,387)
Dividend payable as of period end and paid in the following period	12,975	11,889
Total distributions accrued or paid to common stockholders	$ 129,328	$ 119,134

(1) Main Street's taxable income for each period is an estimate and will not be finally determined until the company files its tax return for each year. Therefore, the final taxable income, and the taxable income earned in each period and carried forward for distribution in the following period, may be different than this estimate.

The Taxable Subsidiaries primarily hold certain portfolio investments for Main Street. The Taxable Subsidiaries permit Main Street to hold equity investments in portfolio companies which are "pass-through" entities for tax purposes and to continue to comply with the "source-of-income" requirements contained in the RIC tax provisions of the Code. The Taxable Subsidiaries are consolidated with Main Street for U.S. GAAP financial reporting purposes, and the portfolio investments held by the Taxable Subsidiaries are included in Main Street's consolidated financial statements as portfolio investments and recorded at fair value. The Taxable Subsidiaries are not consolidated with MSCC for income tax purposes and may generate income tax expense, or benefit, and tax assets and liabilities, as a result of their ownership of certain portfolio investments. The taxable income, or loss, of the Taxable Subsidiaries may differ from their book income, or loss, due to temporary book and tax timing differences and permanent differences. The Taxable Subsidiaries are each taxed at their normal corporate tax rates based on their taxable income. The income tax expense, or benefit, if any, and the related tax assets and liabilities, of the Taxable Subsidiaries are reflected in Main Street's consolidated financial statements.

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

The income tax provision (benefit) for Main Street is generally composed of (i) deferred tax expense (benefit), which is primarily the result of the net activity relating to the portfolio investments held in the Taxable Subsidiaries, including changes in loss carryforwards, changes in net unrealized appreciation or depreciation and other temporary book tax differences, and (ii) current tax expense, which is primarily the result of current U.S. federal income and state taxes and excise taxes on Main Street's estimated undistributed taxable income. For the three months ended September 30, 2019, Main Street recognized a net income tax benefit of $4.0 million, principally consisting of a deferred tax benefit of $5.1 million partially offset by a $1.1 million current tax expense, which is primarily related to a $0.7 million provision for current U.S. federal income and state taxes and a $0.4 million accrual for excise taxes. For the nine months ended September 30, 2019, Main Street recognized a net income tax provision of $2.5 million, principally consisting of a $2.7 million current tax expense primarily related to a $2.0 million provision for current U.S. federal income and state taxes and a $0.7 million accrual for excise taxes, partially offset by a deferred tax benefit of $0.3 million. For the three months ended September 30, 2018, Main Street recognized a net income tax provision of $3.8 million, principally consisting of a deferred tax provision of $3.0 million and a $0.8 million current tax expense, which is primarily related to a $0.5 million accrual for excise taxes and $0.3 million provision for current U.S. federal income and state taxes. For the nine months ended September 30, 2018, Main Street recognized a net income tax provision of $4.1 million, principally consisting of a deferred tax provision of $3.3 million and a $0.8 million current tax expense, which is primarily related to a $1.0 million accrual for excise taxes, partially offset by a $0.2 million benefit for current U.S. federal income and state taxes.

The net deferred tax liability at September 30, 2019 was $17.9 million compared to $17.0 million at December 31, 2018, primarily related to changes in net unrealized appreciation or depreciation, changes in loss carryforwards, and other temporary book-tax differences relating to portfolio investments held by the Taxable Subsidiaries. At September 30, 2019, for U.S. federal income tax purposes, the Taxable Subsidiaries had a net operating loss carryforward from prior years which, if unused, will expire in various taxable years from 2028 through 2037. Under the Tax Cuts and Jobs Act, any net operating losses generated in 2018 and future periods will have an indefinite carryforward. The timing and manner in which Main Street will utilize any loss carryforwards generated before December 31, 2018 may be limited in the future under the provisions of the Code. Additionally, as a result of the Tax Cuts and Jobs Act, our Taxable Subsidiaries have interest expense limitation carryforwards which have an indefinite carryforward.

NOTE H—COMMON STOCK

Main Street maintains a program with certain selling agents through which it can sell shares of its common stock by means of at-the-market offerings from time to time (the "ATM Program"). During the nine months ended September 30, 2019, Main Street sold 1,423,042 shares of its common stock at a weighted-average price of $38.41 per share and raised $54.7 million of gross proceeds under the ATM Program. Net proceeds were $53.8 million after commissions to the selling agents on shares sold and offering costs. As of September 30, 2019, sales transactions representing 5,000 shares had not settled and are not included in shares issued and outstanding on the face of the consolidated balance sheet but are included in the weighted-average shares outstanding in the consolidated statement of operations and in the shares used to calculate net asset value per share. As of September 30, 2019, 9,183,295 shares remained available for sale under the ATM Program.

During the year ended December 31, 2018, Main Street sold 2,060,019 shares of its common stock at a weighted-average price of $38.48 per share and raised $79.3 million of gross proceeds under the ATM Program. Net proceeds were $78.0 million after commissions to the selling agents on shares sold and offering costs.

NOTE I—DIVIDEND REINVESTMENT PLAN ("DRIP")

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, its 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. The share requirements of the DRIP may be satisfied 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, 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 their clients.

For the nine months ended September 30, 2019, $12.7 million of the total $128.3 million in dividends paid to stockholders represented DRIP participation. During this period, the DRIP participation requirements were satisfied with the issuance of 317,369 newly issued shares. For the nine months ended September 30, 2018, $9.7 million of the total $118.4 million in dividends paid to stockholders represented DRIP participation. During this period, the DRIP participation requirements were satisfied with the issuance of 253,125 newly issued shares. 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 ASC 718, *Compensation—Stock Compensation*. 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 amortizes the fair value of the awards as share-based compensation expense over the requisite service period, which is generally the vesting term.

Main Street's Board of Directors approves the issuance of shares of restricted stock to Main Street employees pursuant to the Main Street Capital Corporation 2015 Equity and Incentive Plan (the "Equity and Incentive Plan"). These shares generally vest over a three-year period from the grant date. The fair value is expensed over the service period, starting on the grant date. The following table summarizes the restricted stock issuances approved by Main Street's Board of Directors under the

Equity and Incentive Plan, net of shares forfeited, if any, and the remaining shares of restricted stock available for issuance as of September 30, 2019.

Restricted stock authorized under the plan	3,000,000
Less net restricted stock granted during:	
Year ended December 31, 2015	(900)
Year ended December 31, 2016	(260,514)
Year ended December 31, 2017	(223,812)
Year ended December 31, 2018	(243,779)
Nine months ended September 30, 2019	(384,049)
Restricted stock available for issuance as of September 30, 2019	1,886,946

As of September 30, 2019, the following table summarizes the restricted stock issued to Main Street's non-employee directors and the remaining shares of restricted stock available for issuance pursuant to the Main Street Capital Corporation 2015 Non-Employee Director Restricted Stock Plan. These shares are granted upon appointment or election to the board and vest on the day immediately preceding the annual meeting of stockholders following the respective grant date and are expensed over such service period.

Restricted stock authorized under the plan	300,000
Less net restricted stock granted during:	
Year ended December 31, 2015	(6,806)
Year ended December 31, 2016	(6,748)
Year ended December 31, 2017	(5,948)
Year ended December 31, 2018	(6,376)
Nine months ended September 30, 2019	(6,008)
Restricted stock available for issuance as of September 30, 2019	268,114

For the three months ended September 30, 2019 and 2018, Main Street recognized total share-based compensation expense of $2.6 million and $2.1 million, respectively, related to the restricted stock issued to Main Street employees and non-employee directors. For the nine months ended September 30, 2019 and 2018, Main Street recognized total share-based compensation expense of $7.3 million and $6.9 million, respectively, related to the restricted stock issued to Main Street employees and non-employee directors.

As of September 30, 2019, there was $18.6 million of total unrecognized compensation expense related to Main Street's non-vested restricted shares. This compensation expense is expected to be recognized over a remaining weighted-average period of approximately 2.3 years as of September 30, 2019.

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

NOTE K—COMMITMENTS AND CONTINGENCIES

At September 30, 2019, Main Street had the following outstanding commitments (in thousands):

	Amount
Investments with equity capital commitments that have not yet funded:	
Congruent Credit Opportunities Funds	
Congruent Credit Opportunities Fund II, LP	$ 8,488
Congruent Credit Opportunities Fund III, LP	8,117
	$ 16,605
Encap Energy Fund Investments	
EnCap Energy Capital Fund VIII, L.P.	$ 220
EnCap Energy Capital Fund IX, L.P.	339
EnCap Energy Capital Fund X, L.P.	1,846
EnCap Flatrock Midstream Fund II, L.P.	4,827
EnCap Flatrock Midstream Fund III, L.P.	1,110
	$ 8,342
EIG Fund Investments	$ 4,619
Brightwood Capital Fund Investments	
Brightwood Capital Fund III, LP	$ 3,000
Brightwood Capital Fund IV, LP	500
	$ 3,500
Freeport Fund Investments	
Freeport Financial SBIC Fund LP	$ 1,375
Freeport First Lien Loan Fund III LP	1,945
	$ 3,320
Harris Preston Fund Investments	
HPEP 3, L.P.	$ 2,526
LKCM Headwater Investments I, L.P.	$ 2,500
Dos Rios Partners	
Dos Rios Partners, LP	$ 1,594
Dos Rios Partners—A, LP	506
	$ 2,100
Construction Supply Investments, LLC	$ 952
Access Media Holdings, LLC	$ 284
Total equity commitments	$ 44,748

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Notes to Consolidated Financial Statements (Continued)

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	Amount
Investments with commitments to fund revolving loans that have not been fully drawn or term loans with additional commitments not yet funded:	
Independent Pet Partners Intermediate Holdings, LLC	$ 12,236
SI East, LLC	7,500
Hunter Defense Technologies, Inc.	6,460
Fortna, Inc.	4,392
PaySimple, Inc.	4,067
GRT Rubber Technologies LLC	3,099
NNE Partners, LLC	3,000
Centre Technologies Holdings, LLC	2,400
Boccella Precast Products LLC	2,000
Lynx FBO Operating LLC	1,875
Chamberlin Holding LLC	1,600
Direct Marketing Solutions, Inc.	1,600
Trantech Radiator Topco, LLC	1,600
Meisler Operating LLC	1,600
Chisholm Energy Holdings, LLC	1,429
Hawk Ridge Systems, LLC	1,400
Gamber-Johnson Holdings, LLC	1,200
LL Management, Inc.(Lab Logistics)	1,182
Invincible Boat Company, LLC.	1,080
Tedder Industries, LLC	1,040
NRI Clinical Research, LLC	1,000
CompareNetworks Topco, LLC	1,000
Analytical Systems Keco, LLC	800
CTVSH, PLLC	800
HW Temps LLC	800
Adams Publishing Group, LLC	775
ASC Ortho Management Company, LLC	750
DTE Enterprises RLOC	750
Mac Lean-Fogg Company	729
PT Network, LLC	658
Wireless Vision Holdings, LLC	592
Jensen Jewelers of Idaho, LLC	500
HDC/HW Intermediate Holdings	444
Barfly Ventures, LLC	368
American Nuts, LLC	281
Laredo Energy VI, LP	250
Dynamic Communities, LLC	250
Arcus Hunting LLC	240
Total loan commitments	$ 71,747
Total commitments	$ 116,495

Main Street will fund its unfunded commitments from the same sources it uses to fund its investment commitments that are funded at the time they are made (which are typically through existing cash and cash equivalents and borrowings under the Credit Facility). Main Street follows a process to manage its liquidity and ensure that it has available capital to fund its unfunded commitments as necessary. The Company had total unrealized depreciation of $0.3 million on the outstanding unfunded commitments as of September 30, 2019.

Effective January 1, 2019, ASC 842 required that a lessee evaluate its leases to determine whether they should be classified as operating or financing leases. Main Street identified one operating lease for its office space. The lease commenced May 15, 2017 and expires January 31, 2028. It contains two five-year extension options for a final expiration date of January 31, 2038.

As Main Street classified this lease as an operating lease prior to implementation, ASC 842-10-65-1 indicates that a right-of-use asset and lease liability should be recorded based on the effective date. Main Street adopted ASC 842 effective January 1, 2019 and recorded a right-of-use asset and a lease liability as of that date. After this date, Main Street has recorded lease expense on a straight-line basis, consistent with the accounting treatment for lease expense prior to the adoption of ASC 842.

Total lease expense incurred by Main Street for each of the three months ended September 30, 2019 and 2018 was $0.2 million. Total lease expense incurred by Main Street for each of the nine months ended September 30, 2019 and 2018 was $0.5 million. As of September 30, 2019, the asset related to the operating lease was $4.9 million and the lease liability was $5.7 million. As of September 30, 2019, the remaining lease term was 8.3 years and the discount rate was 4.2%.

The following table shows future minimum payments under Main Street's operating lease as of September 30, 2019 (in thousands):

For the Years Ended December 31,	Amount
2019	$ 188
2020	762
2021	776
2022	790
2023	804
Thereafter	3,428
Total	$ 6,748

Main Street may, from time to time, be involved in litigation arising out of its operations in the normal course of business or otherwise. Furthermore, third parties may try to impose liability on Main Street in connection with the activities of its portfolio companies. While the outcome of any current legal proceedings cannot at this time be predicted with certainty, Main Street does not expect any current matters will materially affect its financial condition or results of operations; however, there can be no assurance whether any pending legal proceedings will have a material adverse effect on Main Street's financial condition or results of operations in any future reporting period.

NOTE L—RELATED PARTY TRANSACTIONS

As discussed further in Note D, the External Investment Manager is treated as a wholly owned portfolio company of MSCC and is included as part of Main Street's Investment Portfolio. At September 30, 2019, Main Street had a receivable of approximately $3.0 million due from the External Investment Manager which included (i) approximately $2.0 million related primarily to operating expenses incurred by MSCC or its subsidiaries as required to support the External Investment Manager's business and amounts due from the External Investment Manager to Main Street under a tax sharing agreement (see further discussion in Note D) and (ii) approximately $1.0 million of dividends declared but not paid by the External Investment Manager.

In November 2015, Main Street's Board of Directors approved and adopted the Main Street Capital Corporation Deferred Compensation Plan (the "2015 Deferred Compensation Plan"). The 2015 Deferred Compensation Plan became effective on January 1, 2016 and replaced the Deferred Compensation Plan for Non-Employee Directors previously adopted by the Board of Directors in June 2013 (the "2013 Deferred Compensation Plan"). Under the 2015 Deferred Compensation Plan, non-employee directors and certain key employees may defer receipt of some or all of their cash compensation and directors' fees, subject to certain limitations. Individuals participating in the 2015 Deferred Compensation Plan receive distributions of their respective balances based on predetermined payout schedules or other events as defined by the plan and are also able to direct investments made on their behalf among investment alternatives permitted from time to time under the plan, including phantom Main Street stock units. As of September 30, 2019, $7.8 million of compensation and directors' fees had been deferred under the 2015 Deferred Compensation Plan (including amounts previously deferred under the 2013 Deferred Compensation Plan). Of this amount, $4.2 million was deferred into phantom Main Street stock units, representing 119,064 shares of Main Street's common stock. Including phantom stock units issued through dividend reinvestment and net of any shares distributed, the phantom stock units outstanding as of September 30, 2019 represented 147,994 shares of Main Street's common stock. Any amounts deferred under the plan represented by phantom Main Street stock units will not be issued or included as outstanding on the consolidated statements of changes in net assets until such shares are actually distributed to the participant in accordance with the plan, but the related phantom stock units are included in weighted-average shares outstanding with the related dollar amount of the deferral included in total expenses in Main Street's consolidated statements of operations as earned. The amounts related to additional phantom stock units are included in the statement of changes in net assets as an increase to dividends to stockholders offset by a corresponding increase to additional paid-in capital.

NOTE M—SUBSEQUENT EVENTS

In October 2019, Main Street declared a semi-annual supplemental cash dividend of $0.24 per share payable in December 2019. This supplemental cash dividend is in addition to the previously announced regular monthly cash dividends that Main Street declared for the fourth quarter of 2019 of $0.205 per share for each of October, November and December 2019.

During November 2019, Main Street declared regular monthly dividends of $0.205 per share for each month of January, February and March of 2020. These regular monthly dividends equal a total of $0.615 per share for the first quarter of 2020 and represent a 5.1% increase from the regular monthly dividends declared for the first quarter of 2019. Including the semi-annual supplemental dividend declared payable for December 2019 and the regular monthly dividends declared for the fourth quarter of 2019 and first quarter of 2020, Main Street will have paid $27.755 per share in cumulative dividends since its October 2007 initial public offering.

In November 2019, Main Street led a new portfolio investment to facilitate the recapitalization of J&J Services, Inc. ("J&J"), a leading provider of roll-off dumpster and portable toilet rental services. Main Street, along with its co-investors, partnered with the J&J's founders and senior management team to facilitate the recapitalization and provide growth capital, with Main Street funding $24.8 million in a combination of first-lien, senior secured term debt and a direct equity investment. Founded in 2000, and headquartered in Nashville, Tennessee, J&J is a second-generation family-owned business providing roll-off dumpster and portable toilet rental services to an expansive base of residential, commercial, and demolition customers.

Schedule 12-14

MAIN STREET CAPITAL CORPORATION

Consolidated Schedule of Investments In and Advances to Affiliates
September 30, 2019
(dollars in thousands)
(unaudited)

Company	Investment(1)(10)(11)	Geography	Amount of Realized Gain/ (Loss)	Amount of Unrealized Gain/ (Loss)	Amount of Interest, Fees or Dividends Credited to Income(2)	December 31, 2018 Fair Value	Gross Additions(3)	Gross Reductions(4)	September 30, 2019 Fair Value
Majority-owned investments									
Analytical Systems Keco, LLC	LIBOR Plus 10.00% (Floor 2.00%)	(8)	$ —	$ —	$ 259	$ —	$ 5,229	$ —	$ 5,229
	Preferred Member Units	(8)	—	—	—	—	3,200	—	3,200
	Warrants	(8)	—	—	—	—	316	—	316
Café Brazil, LLC	Member Units	(8)	—	(970)	193	4,780	—	970	3,810
California Splendor Holdings LLC	LIBOR Plus 8.00% (Floor 1.00%)	(9)	—	—	922	10,928	15,667	11,751	14,844
	LIBOR Plus 10.00% (Floor 1.00%)	(9)	—	—	2,715	27,755	34	—	27,789
	Preferred Member Units	(9)	—	—	178	—	7,178	—	7,178
	Preferred Member Units	(9)	—	(2,363)	188	9,745	—	2,363	7,382
Clad-Rex Steel, LLC	LIBOR Plus 9.00% (Floor 1.00%)	(5)	—	(21)	1,049	12,080	21	821	11,280
	Member Units	(5)	—	(590)	217	10,610	—	590	10,020
	10% Secured Debt	(5)	—	—	87	1,161	—	18	1,143
	Member Units	(5)	—	—	—	350	—	—	350
CMS Minerals Investments	Member Units	(9)	—	(359)	41	2,580	—	634	1,946
CompareNetworks Topco, LLC	LIBOR Plus 11.00% (Floor 1.00%)	(9)	—	—	982	—	8,916	250	8,666
	Preferred Member Units	(9)	—	1,035	2	—	3,010	—	3,010
Direct Marketing Solutions, Inc.	LIBOR Plus 11.00% (Floor 1.00%)	(9)	—	125	1,834	17,848	158	1,185	16,821
	Preferred Stock	(9)	—	2,980	—	14,900	2,980	—	17,880
Gamber-Johnson Holdings, LLC	LIBOR Plus 7.00% (Floor 2.00%)	(5)	—	(46)	1,553	21,486	46	2,510	19,022
	Member Units	(5)	—	1,050	2,666	45,460	1,050	—	46,510
GRT Rubber Technologies LLC	LIBOR Plus 7.00%	(8)	—	(17)	881	9,740	5,293	17	15,016
	Member Units	(8)	—	6,910	8,728	39,060	6,910	—	45,970
Guerdon Modular Holdings, Inc.	16% Secured Debt	(9)	—	(3,711)	424	12,002	16	3,711	8,307
	LIBOR Plus 8.50% (Floor 1.00%)	(9)	—	—	9	—	464	—	464
	Preferred Stock	(9)	—	—	—	—	—	—	—
	Common Stock	(9)	(6)	—	—	—	6	6	—
	Warrants	(9)	—	—	—	—	—	—	—
Harborside Holdings, LLC	Member Units	(8)	—	(140)	—	9,500	200	140	9,560
IDX Broker, LLC	11.5% Secured Debt	(9)	—	(35)	1,259	14,350	35	685	13,700
	Preferred Member Units	(9)	—	990	276	13,520	990	—	14,510
Jensen Jewelers of Idaho, LLC	Prime Plus 6.75% (Floor 2.00%)	(9)	—	(15)	302	3,355	15	465	2,905
	Member Units	(9)	—	1,930	245	5,090	1,930	—	7,020
Kickhaefer Manufacturing Company, LLC	11.5% Secured Debt	(5)	—	—	2,460	28,775	42	1,864	26,953
	Member Units	(5)	—	—	—	12,240	—	—	12,240
	9.0% Secured Debt	(5)	—	—	267	3,970	—	24	3,946
	Member Units	(5)	—	—	94	992	—	—	992
Lamb Ventures, LLC	LIBOR Plus 5.75%	(8)	—	(2)	10	—	402	402	—
	11% Secured Debt	(8)	—	(32)	608	8,339	3,532	11,871	—
	Preferred Equity	(8)	—	—	—	400	—	400	—
	Member Units	(8)	6,007	(2,167)	394	7,440	—	7,440	—
	9.5% Secured Debt	(8)	—	(4)	24	432	4	436	—
	Member Units	(8)	(139)	(5)	74	630	—	630	—
Market Force Information, LLC	LIBOR Plus 7.00% (Floor 1.00%)	(9)	—	—	72	200	2,765	200	2,765
	LIBOR Plus 11.00% (Floor 1.00%)	(9)	—	—	2,365	22,624	30	—	22,654
	Member Units	(9)	—	(6,050)	—	13,100	—	6,050	7,050
MH Corbin Holding LLC	5% Current / 5% PIK Secured Debt	(5)	—	470	1,213	11,733	1,444	4,400	8,777
	Preferred Member Units	(5)	—	(980)	—	1,000	—	980	20
	Preferred Member Units	(5)	—	370	—	—	4,770	—	4,770
Mid-Columbia Lumber Products, LLC	10% Secured Debt	(9)	—	—	135	1,746	3	—	1,749
	12% Secured Debt	(9)	—	—	369	3,880	13	—	3,893
	Member Units	(9)	—	(3,568)	5	3,860	238	3,568	530
	9.5% Secured Debt	(9)	—	—	52	746	—	34	712
	Member Units	(9)	—	170	53	1,470	170	—	1,640
MSC Adviser I, LLC	Member Units	(8)	—	4,580	3,872	65,748	4,580	—	70,328
Mystic Logistics Holdings, LLC	12% Secured Debt	(6)	—	—	681	7,506	30	1,136	6,400
	Common Stock	(6)	—	4,600	124	210	4,600	—	4,810
PPL RVs, Inc.	LIBOR Plus 7.00% (Floor 0.50%)	(8)	—	(94)	1,094	15,100	28	1,349	13,779
	Common Stock	(8)	—	(1,500)	—	10,380	—	1,500	8,880

Company	Investment(1)(10)(11)	Geography	Amount of Realized Gain/ (Loss)	Amount of Unrealized Gain/ (Loss)	Amount of Interest, Fees or Dividends Credited to Income(2)	December 31, 2018 Fair Value	Gross Additions(3)	Gross Reductions(4)	September 30, 2019 Fair Value
Principle Environmental, LLC (d/b.a TruHorizon Environmental Solutions)	13% Secured Debt	(8)	—	(48)	709	7,477	48	1,129	6,396
	Preferred Member Units	(8)	—	(350)	1,878	13,090	—	350	12,740
	Warrants	(8)	—	230	—	780	230	—	1,010
Quality Lease Service, LLC	Zero Coupon Secured Debt	(7)	(741)	891	—	6,450	891	7,341	—
	Member Units	(7)	—	—	—	3,809	6,771	—	10,580
The MPI Group, LLC	9% Secured Debt	(7)	—	154	200	2,582	154	—	2,736
	Series A Preferred Units	(7)	(8)	(430)	—	440	8	438	10
	Warrants	(7)	—	—	—	—	—	—	—
	Member Units	(7)	—	—	98	2,479	1	—	2,480
Trantech Radiator Topco, LLC	12% Secured Debt	(7)	—	—	680	—	10,294	800	9,494
	Common Stock	(7)	—	—	39	—	4,655	—	4,655
Vision Interests, Inc.	13% Secured Debt	(9)	—	—	204	2,153	—	125	2,028
	Series A Preferred Stock	(9)	—	350	—	3,740	350	—	4,090
	Common Stock	(9)	—	129	—	280	129	—	409
Ziegler's NYPD, LLC	6.5% Secured Debt	(8)	—	(2)	51	1,000	2	2	1,000
	12% Secured Debt	(8)	—	—	46	425	200	—	625
	14% Secured Debt	(8)	—	—	292	2,750	—	—	2,750
	Warrants	(8)	—	—	—	—	—	—	—
	Preferred Member Units	(8)	—	161	—	1,249	161	—	1,410
Other controlled investments									
Access Media Holdings, LLC	10% PIK Secured Debt	(5)	—	(955)	38	8,558	—	955	7,603
	Preferred Member Units	(5)	—	—	—	(284)	—	—	(284)
	Member Units	(5)	—	—	—	—	—	—	—
ASC Interests, LLC	11% Secured Debt	(8)	—	—	150	1,622	13	—	1,635
	Member Units	(8)	—	(80)	—	1,370	—	80	1,290
ATS Workholding, LLC	5% Secured Debt	(9)	—	(26)	270	4,390	194	93	4,491
	Preferred Member Units	(9)	—	(1,891)	—	3,726	—	1,891	1,835
Bond-Coat, Inc.	15% Secured Debt	(8)	—	(229)	1,343	11,596	78	229	11,445
	Common Stock	(8)	—	(1,070)	—	9,370	—	1,070	8,300
Brewer Crane Holdings, LLC	LIBOR Plus 10.00% (Floor 1.00%)	(9)	—	—	889	9,467	13	372	9,108
	Preferred Member Units	(9)	—	—	90	4,280	—	—	4,280
Bridge Capital Solutions Corporation	13% Secured Debt	(6)	—	—	1,043	6,221	303	—	6,524
	Warrants	(6)	—	(470)	—	4,020	—	470	3,550
	13% Secured Debt	(6)	—	(6)	100	1,000	2	6	996
	Preferred Member Units	(6)	—	—	75	1,000	—	—	1,000
CBT Nuggets, LLC	Member Units	(9)	—	(4,140)	300	61,610	—	4,140	57,470
Centre Technologies Holdings, LLC	LIBOR Plus 9.00% (Floor 2.00%)	(8)	—	—	1,222	—	12,131	—	12,131
	Preferred Member Units	(8)	—	—	90	—	5,840	—	5,840
Chamberlin Holding LLC	LIBOR Plus 10.00% (Floor 1.00%)	(8)	—	140	1,898	20,028	174	1,327	18,875
	Member Units	(8)	—	4,650	1,449	18,940	4,650	—	23,590
	Member Units	(8)	—	—	28	732	315	—	1,047
Charps, LLC	11.50% Secured Debt	(5)	—	(83)	675	11,888	1,695	13,583	—
	15% Secured Debt	(5)	—	—	98	—	2,000	—	2,000
	Preferred Member Units	(5)	—	3,200	461	2,270	3,200	—	5,470
Copper Trail Fund Investments	LP Interests (CTMH, LP)	(9)	—	—	5	872	—	—	872
Datacom, LLC	8% Secured Debt	(8)	—	(137)	—	1,690	—	136	1,554
	10.50% PIK Secured Debt	(8)	—	278	—	9,786	278	—	10,064
	Class A Preferred Member Units	(8)	—	—	—	—	—	—	—
	Class B Preferred Member Units	(8)	—	—	—	—	—	—	—
Digital Products Holdings LLC	LIBOR Plus 10.00% (Floor 1.00%)	(5)	—	(433)	2,335	25,511	76	6,223	19,364
	Preferred Member Units	(5)	—	(1,831)	150	8,466	1,035	1,831	7,670
Garreco, LLC	LIBOR Plus 8.00% (Floor 1.00%, Ceiling 1.50%)	(8)	—	—	358	5,099	15	603	4,511
	Member Units	(8)	—	(90)	28	2,590	—	90	2,500
Gulf Manufacturing, LLC	Member Units	(8)	—	(1,940)	671	11,690	—	1,940	9,750
Gulf Publishing Holdings, LLC	LIBOR Plus 9.50% (Floor 1.00%)	(8)	—	—	16	—	320	—	320
	12.5% Secured Debt	(8)	—	—	1,212	12,594	21	130	12,485
	Member Units	(8)	—	(270)	—	4,120	—	270	3,850
Harris Preston Fund Investments	LP Interests (2717 MH, L.P.)	(8)	—	191	—	1,133	1,386	500	2,019
Harrison Hydra-Gen, Ltd.	Common Stock	(8)	—	100	247	8,070	100	—	8,170
KBK Industries, LLC	Member Units	(5)	—	4,710	1,344	8,610	4,710	—	13,320
NAPCO Precast, LLC	LIBOR Plus 8.50%	(8)	—	(11)	123	11,475	11	11,486	—
	Member Units	(8)	—	1,590	2,657	13,990	1,590	—	15,580
NexRev LLC	11% Secured Debt	(8)	—	—	1,462	17,288	26	436	16,878
	Preferred Member Units	(8)	—	(1,010)	175	7,890	—	1,010	6,880

Company	Investment(1)(10)(11)	Geography	Amount of Realized Gain/ (Loss)	Amount of Unrealized Gain/ (Loss)	Amount of Interest, Fees or Dividends Credited to Income(2)	December 31, 2018 Fair Value	Gross Additions(3)	Gross Reductions(4)	September 30, 2019 Fair Value
NRI Clinical Research, LLC	LIBOR Plus 6.50% (Floor 1.50%)	(9)	—	—	10	—	200	200	—
	14% Secured Debt	(9)	—	(27)	733	6,685	27	202	6,510
	Warrants	(9)	—	390	—	660	390	—	1,050
	Member Units	(9)	—	1,740	32	2,478	1,740	—	4,218
NRP Jones, LLC	12% Secured Debt	(5)	—	—	580	6,376	—	—	6,376
	Member Units	(5)	—	(440)	173	5,960	—	440	5,520
NuStep, LLC	12% Secured Debt	(5)	—	—	1,908	20,458	30	—	20,488
	Preferred Member Units	(5)	—	—	—	10,200	—	—	10,200
OMi Holdings, Inc.	Common Stock	(8)	—	930	1,440	16,020	930	—	16,950
Pegasus Research Group, LLC	Member Units	(8)	—	(490)	—	7,680	—	490	7,190
River Aggregates, LLC	Zero Coupon Secured Debt	(8)	—	—	—	722	—	1	721
	Member Units	(8)	—	—	—	4,610	—	—	4,610
	Member Units	(8)	—	110	—	2,930	110	—	3,040
Tedder Industries, LLC	12%, Secured Debt	(9)	—	—	51	480	720	1,040	160
	12%, Secured Debt	(9)	—	—	1,511	16,246	19	—	16,265
	Preferred Member Units	(9)	—	—	—	7,476	660	—	8,136
Other									
Amounts related to investments transferred to or from other 1940 Act classification during the period			(187)	260	(133)	5,809	—	—	—
Total Control investments			$ 4,926	$ 6,286	$ 70,480	$ 1,004,993	$ 155,211	$ 129,829	$ 1,024,566
Affiliate Investments									
AFG Capital Group, LLC	Warrants	(8)	$ 781	$ (691)	$ —	$ 950	$ —	$ 950	$ —
	10% Secured Debt	(8)	—	—	43	—	1,040	116	924
	Preferred Member Units	(8)	—	1,060	(40)	3,980	1,060	—	5,040
American Trailer Rental Group LLC	LIBOR Plus 7.25% (Floor 1.00%)	(5)	—	199	1,990	20,312	8,728	1,852	27,188
	Member Units	(5)	—	2,600	—	5,780	2,600	—	8,380
BBB Tank Services, LLC	LIBOR Plus 11% (Floor 1.00%)	(8)	—	—	507	3,833	848	—	4,681
	Preferred Member Units	(8)	—	—	14	113	14	—	127
	Member Units	(8)	—	(110)	—	230	—	110	120
Boccella Precast Products LLC	LIBOR Plus 12% (Floor 1.00%)	(6)	—	(63)	1,696	15,724	463	2,943	13,244
	Member Units	(6)	—	724	215	5,080	820	—	5,900
Boss Industries, LLC	Preferred Member Units	(5)	3,771	(3,930)	611	6,176	—	6,176	—
Buca C, LLC	LIBOR Plus 9.25% (Floor 1.00%)	(7)	—	(187)	1,711	19,038	32	287	18,783
	Preferred Member Units	(7)	—	—	200	4,431	200	—	4,631
CAI Software LLC	12% Secured Debt	(6)	—	(30)	969	10,880	30	1,750	9,160
	Member Units	(6)	—	2,223	20	2,717	2,223	—	4,940
Chandler Signs Holdings, LLC	12% Secured Debt	(8)	—	(6)	444	4,546	29	6	4,569
	Class A Units	(8)	—	10	16	2,120	10	—	2,130
Charlotte Russe, Inc	8.50% Secured Debt	(9)	(7,012)	4,003	—	3,930	4,003	7,933	—
	Common Stock	(9)	—	—	—	—	—	—	—
Condit Exhibits, LLC	Member Units	(9)	1,850	(1,850)	132	1,950	—	1,950	—
Congruent Credit Opportunities Funds	LP Interests (Fund II)	(8)	—	—	—	855	—	—	855
	LP Interests (Fund III)	(8)	—	81	949	17,468	81	931	16,618
Copper Trail Fund Investments	LP Interests (Copper Trail Energy Fund I, LP)	(9)	—	14	11	4,170	14	1,911	2,273
Dos Rios Partners	LP Interests (Dos Rios Partners, LP)	(8)	—	(217)	—	7,153	—	217	6,936
	LP Interests (Dos Rios Partners—A, LP)	(8)	—	(69)	—	2,271	—	69	2,202
East Teak Fine Hardwoods, Inc.	Common Stock	(7)	—	(80)	12	560	—	80	480
EIG Fund Investments	LP Interests (EIG Global Private Debt fund—A, L.P.)	(8)	8	—	84	505	253	57	701
Freeport Financial Funds	LP Interests (Freeport Financial SBIC Fund LP)	(5)	—	506	—	5,399	506	—	5,905
	LP Interests (Freeport First Lien Loan Fund III LP)	(5)	—	(85)	809	10,980	799	1,484	10,295
Fuse, LLC	12% Secured Debt	(9)	—	—	59	—	1,939	—	1,939
	Common Stock	(9)	—	—	—	—	256	—	256
Harris Preston Fund Investments	LP Interests (HPEP 3, L.P.)	(8)	—	—	—	1,733	741	—	2,474
Hawk Ridge Systems, LLC	LIBOR Plus 6.00% (Floor 1.00%)	(9)	—	—	13	—	600	—	600
	10.0% Secured Debt	(9)	—	(27)	1,076	14,300	27	927	13,400
	Preferred Member Units	(9)	—	640	262	7,260	640	—	7,900
	Preferred Member Units	(9)	—	40	—	380	40	—	420
Houston Plating and Coatings, LLC	8% Unsecured Convertible Debt	(8)	—	540	182	3,720	540	—	4,260
	Member Units	(8)	—	2,010	400	8,330	2,010	—	10,340
I-45 SLF LLC	Member Units	(8)	—	(953)	2,515	15,627	800	953	15,474

Company	Investment(1)(10)(11)	Geography	Amount of Realized Gain/ (Loss)	Amount of Unrealized Gain/ (Loss)	Amount of Interest, Fees or Dividends Credited to Income(2)	December 31, 2018 Fair Value	Gross Additions(3)	Gross Reductions(4)	September 30, 2019 Fair Value
L.F. Manufacturing Holdings, LLC	Preferred Member Units	(8)	—	—	8	—	78	—	78
	Member Units	(8)	—	(10)	—	2,060	—	10	2,050
OnAsset Intelligence, Inc.	12% PIK Secured Debt	(8)	—	—	537	5,743	539	—	6,282
	10% PIK Secured Debt	(8)	—	—	4	53	4	—	57
	Preferred Stock	(8)	—	—	—	—	—	—	—
	Warrants	(8)	—	—	—	—	—	—	—
PCI Holding Company, Inc.	12% Current Secured Debt	(9)	—	—	1,140	11,908	98	650	11,356
	Preferred Stock	(9)	—	1,210	—	340	1,210	—	1,550
	Preferred Stock	(9)	—	870	—	3,480	870	—	4,350
Rocaceia, LLC (Quality Lease and Rental Holdings, LLC)	12% Secured Debt	(8)	—	—	—	250	—	—	250
	Preferred Member Units	(8)	—	—	—	—	—	—	—
Salado Stone Holdings, LLC	Class A Preferred Units	(8)	—	(310)	—	1,040	—	310	730
SI East, LLC	10.25% Current, Secured Debt	(7)	—	293	2,800	34,885	365	2,287	32,963
	Preferred Member Units	(7)	—	1,340	273	6,000	1,340	—	7,340
Slick Innovations, LLC	14% Current, Secured Debt	(6)	—	—	760	6,959	66	1,280	5,745
	Warrants	(6)	—	109	—	181	109	—	290
	Member Units	(6)	—	380	—	700	380	—	1,080
UniTek Global Services, Inc.	LIBOR Plus 6.50% (Floor 1.00%)	(6)	—	22	194	2,969	22	23	2,968
	Preferred Stock	(6)	—	(3,550)	512	7,413	511	3,550	4,374
	Preferred Stock	(6)	—	398	247	1,637	645	—	2,282
	Preferred Stock	(6)	—	1,118	14	—	1,889	—	1,889
	Preferred Stock	(6)	—	—	459	3,038	459	—	3,497
	Common Stock	(6)	—	(1,420)	—	1,420	—	1,420	—
Universal Wellhead Services Holdings, LLC	Preferred Member Units	(8)	—	(60)	195	950	195	60	1,085
	Member Units	(8)	—	(1,340)	—	2,330	—	1,340	990
Volusion, LLC	11.5% Secured Debt	(8)	—	(418)	2,330	18,407	1,546	418	19,535
	8% Unsecured Convertible Debt	(8)	—	(118)	23	297	112	118	291
	Preferred Member Units	(8)	—	—	—	14,000	—	—	14,000
	Warrants	(8)	—	(1,320)	—	1,890	—	1,320	570
Other									
Amounts related to investments transferred to or from other 1940 Act classification during the period			—	(415)	1,030	19,439	—	—	—
Total Affiliate investments			$ (602)	$ 3,131	$ 25,426	$ 359,890	$ 41,784	$ 43,488	$ 338,747

(1) The principal amount, the ownership detail for equity investments and if the investment is income producing is included in the consolidated schedule of investments.

(2) Represents the total amount of interest, fees and dividends credited to income for the portion of the period for which an investment was included in Control or Affiliate categories, respectively. For investments transferred between Control and Affiliate categories during the period, any income or investment balances related to the time period it was in the category other than the one shown at period end is included in "Amounts from investments transferred from other 1940 Act classifications during the period."

(3) Gross additions include increases in the cost basis of investments resulting from new portfolio investments, follow-on investments and accrued PIK interest, and the exchange of one or more existing securities for one or more new securities. Gross additions also include net increases in unrealized appreciation or net decreases in net unrealized depreciation as well as the movement of an existing portfolio company into this category and out of a different category.

(4) Gross reductions include decreases in the cost basis of investments resulting from principal repayments or sales and the exchange of one or more existing securities for one or more new securities. Gross reductions also include net increases in net unrealized depreciation or net decreases in unrealized appreciation as well as the movement of an existing portfolio company out of this category and into a different category.

(5) Portfolio company located in the Midwest region as determined by location of the corporate headquarters. The fair value as of September 30, 2019 for control investments located in this region was $243,750. This represented 15.9% of net assets as of September 30, 2019. The fair value as of September 30, 2019 for affiliate investments located in this region was $51,768. This represented 3.4% of net assets as of September 30, 2019.

(6) Portfolio company located in the Northeast region as determined by location of the corporate headquarters. The fair value as of September 30, 2019 for control investments located in this region was $23,280. This represented 1.5% of net assets as of September 30, 2019. The fair value as of September 30, 2019 for affiliate investments located in this region was $55,369. This represented 3.6% of net assets as of September 30, 2019.

(7) Portfolio company located in the Southeast region as determined by location of the corporate headquarters. The fair value as of September 30, 2019 for control investments located in this region was $29,955. This represented 2.0% of net assets as of September 30, 2019. The fair value as of September 30, 2019 for affiliate investments located in this region was $64,197. This represented 4.2% of net assets as of September 30, 2019.

(8) Portfolio company located in the Southwest region as determined by location of the corporate headquarters. The fair value as of September 30, 2019 for control investments located in this region was $413,244. This represented 27.0% of net assets as of September 30, 2019. The fair value as of September 30, 2019 for affiliate investments located in this region was $123,369. This represented 8.1% of net assets as of September 30, 2019.

(9) Portfolio company located in the West region as determined by location of the corporate headquarters. The fair value as of September 30, 2019 for control investments located in this region was $314,337. This represented 20.5% of net assets as of September 30, 2019. The fair value as of September 30, 2019 for affiliate investments located in this region was $44,044. This represented 2.9% of net assets as of September 30, 2019.

(10) All of the Company's portfolio investments are generally subject to restrictions on resale as "restricted securities," unless otherwise noted.

(11) This schedule should be read in conjunction with the consolidated schedule of investments and notes to the consolidated financial statements. Supplemental information can be located within the schedule of investments including end of period interest rate, preferred dividend rate, maturity date, investments not paid currently in cash and investments whose value was determined using significant unobservable inputs.

(12) Investment has an unfunded commitment as of September 30, 2019 (see Note K). The fair value of the investment includes the impact of the fair value of any unfunded commitments.

Schedule 12-14

MAIN STREET CAPITAL CORPORATION

Consolidated Schedule of Investments In and Advances to Affiliates
September 30, 2018
(dollars in thousands)
(unaudited)

Company	Investment(1)(10)(11)	Geography	Amount of Realized Gain/ (Loss)	Amount of Unrealized Gain/ (Loss)	Amount of Interest, Fees or Dividends Credited to Income(2)	December 31, 2017 Fair Value	Gross Additions(3)	Gross Reductions(4)	September 30, 2018 Fair Value
Majority-owned investments									
Café Brazil, LLC	Member Units	(8)	$ —	$ (120)	$ 222	$ 4,900	$ —	$ 120	$ 4,780
California Splendor Holdings LLC	LIBOR Plus 8.00% (Floor 1.00%)	(9)	—	—	702	—	18,318	3,500	14,818
	LIBOR Plus 10.00% (Floor 1.00%)	(9)	—	—	2,084	—	27,744	—	27,744
	Preferred Member Units	(9)	—	—	115	—	12,500	1,725	10,775
Clad-Rex Steel, LLC	LIBOR Plus 9.50% (Floor 1.00%)	(5)	—	(24)	1,148	13,280	24	824	12,480
	Member Units	(5)	—	880	400	9,500	880	—	10,380
	10% Secured Debt	(5)	—	—	88	1,183	—	16	1,167
	Member Units	(5)	—	—	—	280	—	—	280
CMS Minerals Investments	Member Units	(9)	—	748	83	2,392	748	549	2,591
Direct Marketing Solutions, Inc.	LIBOR Plus 11.00% (Floor 1.00%)	(9)	—	—	1,872	—	18,621	548	18,073
	Preferred Stock	(9)	—	3,380	—	—	11,780	—	11,780
Gamber-Johnson Holdings, LLC	LIBOR Plus 9.00% (Floor 2.00%)	(5)	—	(40)	1,997	23,400	40	914	22,526
	Member Units	(5)	—	16,750	1,436	23,370	16,750	—	40,120
GRT Rubber Technologies LLC	LIBOR Plus 9.00% (Floor 1.00%)	(8)	—	(23)	916	11,603	23	1,525	10,101
	Member Units	(8)	—	10,070	979	21,970	10,070	—	32,040
Harborside Holdings, LLC	Member Units	(8)	—	—	—	9,400	100	—	9,500
Harris Preston Fund Investments	LP Interests (2717 MH, L.P.)	(8)	—	93	—	536	597	—	1,133
Hydratec, Inc.	Common Stock	(9)	7,922	(7,905)	332	15,000	—	15,000	—
IDX Broker, LLC	11.5% Secured Debt	(9)	—	(35)	1,330	15,250	35	785	14,500
	Preferred Member Units	(9)	—	810	206	11,660	810	—	12,470
Jensen Jewelers of Idaho, LLC	Prime Plus 6.75% (Floor 2.00%)	(9)	—	(15)	338	3,955	15	465	3,505
	Member Units	(9)	—	(10)	190	5,100	—	10	5,090
Lamb Ventures, LLC	11% Secured Debt	(8)	—	(16)	739	9,942	215	1,818	8,339
	Preferred Equity	(8)	—	—	—	400	—	—	400
	Member Units	(8)	—	(60)	—	6,790	—	60	6,730
	9.5% Secured Debt	(8)	—	—	31	432	—	—	432
	Member Units	(8)	—	110	20	520	110	—	630
Mid-Columbia Lumber Products, LLC	10% Secured Debt	(9)	—	—	136	1,390	355	—	1,745
	12% Secured Debt	(9)	—	—	367	3,863	12	—	3,875
	Member Units	(9)	—	1,689	5	1,575	2,285	—	3,860
	9.5% Secured Debt	(9)	—	—	56	791	—	34	757
	Member Units	(9)	—	180	39	1,290	180	—	1,470
MSC Adviser I, LLC	Member Units	(8)	—	28,380	2,661	41,768	28,380	—	70,148
Mystic Logistics Holdings, LLC	12% Secured Debt	(6)	—	—	726	7,696	32	232	7,496
	Common Stock	(6)	—	(6,110)	—	6,820	—	6,110	710
NexRev LLC	11% Secured Debt	(8)	—	—	1,346	—	17,281	—	17,281
	Preferred Member Units	(8)	—	1,010	40	—	7,890	—	7,890
NRP Jones, LLC	12% Secured Debt	(5)	—	—	580	6,376	—	—	6,376
	Member Units	(5)	—	2,120	—	3,250	2,120	—	5,370
PPL RVs, Inc.	LIBOR Plus 7.00% (Floor 0.50%)	(8)	—	(28)	1,118	16,100	28	1,028	15,100
	Common Stock	(8)	—	(660)	53	12,440	—	660	11,780
Principle Environmental, LLC (d/b.a TruHorizon Environmental Solutions)	13% Secured Debt	(8)	—	(37)	775	7,477	37	37	7,477
	Preferred Member Units	(8)	—	1,600	1,282	11,490	1,600	—	13,090
	Warrants	(8)	—	130	—	650	130	—	780
Quality Lease Service, LLC	Zero Coupon Secured Debt	(7)	—	(500)	—	6,950	—	500	6,450
	Member Units	(7)	—	(1,668)	—	4,938	1,100	1,668	4,370
Tedder Industries, LLC	12%, Secured Debt	(9)	—	—	501	—	16,240	—	16,240
	Member Units	(9)	—	—	—	—	7,476	—	7,476
The MPI Group, LLC	9% Secured Debt	(7)	—	(1,301)	201	2,410	1	1,301	1,110
	Series A Preferred Units	(7)	—	—	—	—	—	—	—
	Warrants	(7)	—	—	—	—	—	—	—
	Member Units	(7)	—	90	92	2,389	91	—	2,480
Uvalco Supply, LLC	9% Secured Debt	(8)	—	—	7	348	—	348	—
	Member Units	(8)	301	(301)	898	3,880	—	3,880	—

Company	Investment(1)(10)(11)	Geography	Amount of Realized Gain/ (Loss)	Amount of Unrealized Gain/ (Loss)	Amount of Interest, Fees or Dividends Credited to Income(2)	December 31, 2017 Fair Value	Gross Additions(3)	Gross Reductions(4)	September 30, 2018 Fair Value
Vision Interests, Inc.	13% Secured Debt	(9)	—	—	284	2,797	13	499	2,311
	Series A Preferred Stock	(9)	—	280	—	3,000	740	—	3,740
	Common Stock	(9)	—	740	—	—	280	—	280
Ziegler's NYPD, LLC	6.5% Secured Debt	(8)	—	2	51	996	4	—	1,000
	12% Secured Debt	(8)	—	—	34	300	125	—	425
	14% Secured Debt	(8)	—	—	292	2,750	—	—	2,750
	Warrants	(8)	—	—	—	—	—	—	—
	Preferred Member Units	(8)	—	(1,150)	—	3,220	—	1,149	2,071
Other controlled investments									
Access Media Holdings, LLC	10% PIK Secured Debt	(5)	—	(2,030)	13	17,150	—	2,030	15,120
	Preferred Member Units(12)	(5)	—	(1,517)	—	—	1,030	1,517	(487)
	Member Units	(5)	—	—	—	—	—	—	—
ASC Interests, LLC	11% Secured Debt	(8)	—	—	148	1,795	—	178	1,617
	Member Units	(8)	—	(160)	—	1,530	—	160	1,370
ATS Workholding, LLC	5% Secured Debt	(9)	—	—	245	3,249	1,125	—	4,374
	Preferred Member Units	(9)	—	—	—	3,726	—	—	3,726
Bond-Coat, Inc.	12% Secured Debt	(8)	—	253	1,102	11,596	—	—	11,596
	Common Stock	(8)	—	—	—	9,370	—	—	9,370
Brewer Crane Holdings, LLC	LIBOR Plus 10.00% (Floor 1.00%)	(9)	—	—	969	—	9,834	248	9,586
	Preferred Member Units	(9)	—	—	87	—	4,280	—	4,280
CBT Nuggets, LLC	Member Units	(9)	—	(27,470)	11,395	89,560	—	27,470	62,090
Chamberlin Holding LLC	LIBOR Plus 10.00% (Floor 1.00%)	(8)	—	—	1,956	—	21,405	—	21,405
	Member Units	(8)	—	6,350	1,367	—	17,790	—	17,790
Charps, LLC	LIBOR Plus 7.00% (Floor 1.00%)	(5)	—	—	—	—	1,587	—	1,587
	12% Secured Debt	(5)	—	—	1,587	18,225	58	2,500	15,783
	Preferred Member Units	(5)	—	400	—	650	400	—	1,050
Copper Trail Fund Investments	LP Interests (CTMH, LP)	(9)	—	—	10	—	872	—	872
	LP Interests (Copper Trail Energy Fund I, LP)	(9)	—	229	57	2,500	999	—	3,499
Datacom, LLC	8% Secured Debt	(8)	—	(110)	33	1,575	225	110	1,690
	10.50% PIK Secured Debt	(8)	—	(718)	330	11,110	168	718	10,560
	Class A Preferred Member Units	(8)	—	(843)	—	730	113	843	—
	Class B Preferred Member Units	(8)	—	—	—	—	—	—	—
Digital Products Holdings LLC	LIBOR Plus 10.00% (Floor 1.00%)	(5)	—	—	1,886	—	26,158	330	25,828
	Preferred Member Units	(5)	—	—	100	—	8,800	334	8,466
Garreco, LLC	LIBOR Plus 10.00% (Floor 1.00%)	(8)	—	—	497	5,443	13	121	5,335
	Member Units	(8)	—	—	—	1,940	—	—	1,940
Guerdon Modular Holdings, Inc.	13% Secured Debt	(9)	—	(570)	871	10,632	2,316	970	11,978
	Preferred Stock	(9)	—	—	—	—	—	—	—
	Common Stock	(9)	—	—	—	—	—	—	—
	Warrants	(9)	—	—	—	—	—	—	—
Gulf Manufacturing, LLC	Member Units	(8)	—	1,630	1,227	10,060	1,630	—	11,690
Gulf Publishing Holdings, LLC	LIBOR Plus 9.50% (Floor 1.00%)	(8)	—	—	9	80	160	80	160
	12.5% Secured Debt	(8)	—	—	1,223	12,703	19	134	12,588
	Member Units	(8)	—	(270)	—	4,840	—	270	4,570
Harrison Hydra-Gen, Ltd.	Common Stock	(8)	—	3,990	120	3,580	3,990	—	7,570
HW Temps LLC	LIBOR Plus 11.00% (Floor 1.00%)	(6)	—	—	1,035	9,918	14	—	9,932
	Preferred Member Units	(6)	—	2	135	3,940	2	—	3,942
KBK Industries, LLC	10% Secured Debt	(5)	—	(3)	9	375	3	378	—
	12.5% Secured Debt	(5)	—	(33)	546	5,900	33	5,933	—
	Member Units	(5)	—	2,680	756	4,420	2,680	—	7,100
Marine Shelters Holdings, LLC	12% PIK Secured Debt	(8)	(3,361)	3,078	—	—	3,361	3,361	—
	Preferred Member Units	(8)	(5,352)	5,352	—	—	5,352	5,352	—
Market Force Information, LLC	LIBOR Plus 11.00% (Floor 1.00%)	(9)	—	—	16	—	680	280	400
	LIBOR Plus 11.00% (Floor 1.00%)	(9)	—	—	2,322	23,143	32	560	22,615
	Member Units	(9)	—	(450)	—	14,700	—	450	14,250
MH Corbin Holding LLC	10% Secured Debt	(5)	—	—	1,044	12,526	—	527	11,999
	Preferred Member Units	(5)	—	(1,500)	105	6,000	—	1,500	4,500
NAPCO Precast, LLC	LIBOR Plus 8.50%	(8)	—	(18)	946	11,475	18	18	11,475
	Member Units	(8)	—	1,610	1,024	11,670	1,610	—	13,280
NRI Clinical Research, LLC	14% Secured Debt	(9)	—	152	726	4,265	3,035	400	6,900
	Warrants	(9)	—	—	—	500	—	—	500
	Member Units	(9)	—	—	—	2,500	—	—	2,500
NuStep, LLC	12% Secured Debt	(5)	—	—	1,907	20,420	28	—	20,448
	Preferred Member Units	(5)	—	—	—	10,200	—	—	10,200
OMi Holdings, Inc.	Common Stock	(8)	—	1,370	1,128	14,110	1,370	—	15,480
Pegasus Research Group, LLC	Member Units	(8)	—	(2,060)	—	10,310	—	2,060	8,250

Company	Investment(1)(10)(11)	Geography	Amount of Realized Gain/ (Loss)	Amount of Unrealized Gain/ (Loss)	Amount of Interest, Fees or Dividends Credited to Income(2)	December 31, 2017 Fair Value	Gross Additions(3)	Gross Reductions(4)	September 30, 2018 Fair Value
River Aggregates, LLC	Zero Coupon Secured Debt	(8)	—	(28)	43	707	43	28	722
	Member Units	(8)	—	—	—	4,610	—	—	4,610
	Member Units	(8)	—	171	—	2,559	171	—	2,730
SoftTouch Medical Holdings LLC	LIBOR Plus 9.00% (Floor 1.00%)	(7)	—	(30)	120	7,140	30	7,170	—
	Member Units	(7)	5,171	(5,159)	865	10,089	—	10,089	—
Other									
Amounts related to investments transferred to or from other 1940 Act classification during the period			—	—	25	(10,632)	—	—	—
Total Control investments			$ 4,681	$ 33,357	$ 64,756	$ 750,706	$ 327,214	$ 121,424	$ 967,128
Affiliate Investments									
AFG Capital Group, LLC	Warrants	(8)	$ —	$ 80	$ —	$ 860	$ 80	$ —	$ 940
	Preferred Member Units	(8)	—	350	30	3,590	350	—	3,940
Barfly Ventures, LLC	12% Secured Debt	(5)	—	(4)	859	8,715	1,097	4	9,808
	Options	(5)	—	(190)	—	920	—	190	730
	Warrants	(5)	—	(110)	—	520	—	110	410
BBB Tank Services, LLC	LIBOR Plus 10% (Floor 1.00%)	(8)	—	—	63	778	417	562	633
	17% Secured Debt	(8)	—	—	511	3,876	22	—	3,898
	Member Units	(8)	—	(30)	—	500	—	30	470
Boccella Precast Products LLC	LIBOR Plus 8% (Floor 1.00%)	(6)	—	(29)	1,442	16,400	2,188	2,304	16,284
	Member Units	(6)	—	1,520	510	3,440	1,520	—	4,960
Boss Industries, LLC	Preferred Member Units	(5)	—	1,777	495	3,930	1,900	—	5,830
Bridge Capital Solutions Corporation	13% Secured Debt	(6)	—	—	1,011	5,884	246	—	6,130
	Warrants	(6)	—	500	—	3,520	500	—	4,020
	13% Secured Debt	(6)	—	(1)	100	1,000	1	1	1,000
	Preferred Member Units	(6)	—	—	83	1,000	—	—	1,000
Buca C, LLC	LIBOR Plus 9.25% (Floor 1.00%)	(7)	—	—	1,708	20,193	34	900	19,327
	Preferred Member Units	(7)	—	5	188	4,172	193	—	4,365
CAI Software LLC	12% Secured Debt	(6)	—	(11)	367	4,083	11	811	3,283
	Member Units	(6)	—	(610)	20	3,230	—	610	2,620
Chandler Signs Holdings, LLC	12% Secured Debt/1.00% PIK	(8)	—	(6)	451	4,500	40	6	4,534
	Class A Units	(8)	—	(390)	45	2,650	—	390	2,260
Charlotte Russe, Inc	8.50% Secured Debt	(9)	—	7,779	458	7,807	16,658	17,400	7,065
	Common Stock	(9)	—	—	—	—	3,141	—	3,141
Condit Exhibits, LLC	Member Units	(9)	—	—	104	1,950	—	—	1,950
Congruent Credit Opportunities Funds	LP Interests (Fund II)	(8)	—	(140)	—	1,515	—	660	855
	LP Interests (Fund III)	(8)	—	(10)	1,486	18,632	4,014	1,465	21,181
Dos Rios Partners	LP Interests (Dos Rios Partners, LP)	(8)	—	241	—	7,165	241	150	7,256
	LP Interests (Dos Rios Partners—A, LP)	(8)	—	462	—	1,889	462	47	2,304
East Teak Fine Hardwoods, Inc.	Common Stock	(7)	—	(70)	30	630	—	70	560
EIG Fund Investments	LP Interests (EIG Global Private Debt fund—A, L.P.)	(8)	—	—	37	1,055	416	1,030	441
Freeport Financial Funds	LP Interests (Freeport Financial SBIC Fund LP)	(5)	—	247	102	5,614	247	—	5,861
	LP Interests (Freeport First Lien Loan Fund III LP)	(5)	—	(123)	660	8,506	—	123	8,383
Gault Financial, LLC (RMB Capital, LLC)	8% Secured Debt	(7)	—	228	734	11,532	228	450	11,310
	Warrants	(7)	—	—	—	—	—	—	—
Harris Preston Fund Investments	LP Interests (HPEP 3, L.P.)	(8)	—	—	—	943	790	—	1,733
Hawk Ridge Systems, LLC	10.5% Secured Debt	(9)	—	(20)	1,168	14,300	20	20	14,300
	Preferred Member Units	(9)	—	3,210	352	3,800	3,210	—	7,010
	Preferred Member Units	(9)	—	170	—	200	170	—	370
Houston Plating and Coatings, LLC	8% Unsecured Convertible Debt	(8)	—	280	182	3,200	280	—	3,480
	Member Units	(8)	—	1,293	177	6,140	1,350	—	7,490
I-45 SLF LLC	Member Units	(8)	—	(219)	2,154	16,841	—	219	16,622
L.F. Manufacturing Holdings, LLC	Member Units	(8)	—	60	—	2,000	60	—	2,060
Meisler Operating LLC	LIBOR Plus 8.50% (Floor 1.00%)	(5)	—	—	1,646	16,633	3,989	320	20,302
	Member Units	(5)	—	525	—	3,390	2,181	—	5,571
OnAsset Intelligence, Inc.	12% PIK Secured Debt	(8)	—	—	477	5,094	478	—	5,572
	10% PIK Secured Debt	(8)	—	—	4	48	3	—	51
	Preferred Stock	(8)	—	—	—	—	—	—	—
	Warrants	(8)	—	—	—	—	—	—	—
OPI International Ltd.	Common Stock	(8)	—	—	—	—	—	—	—

Company	Investment(1)(10)(11)	Geography	Amount of Realized Gain/ (Loss)	Amount of Unrealized Gain/ (Loss)	Amount of Interest, Fees or Dividends Credited to Income(2)	December 31, 2017 Fair Value	Gross Additions(3)	Gross Reductions(4)	September 30, 2018 Fair Value
PCI Holding Company, Inc.	12% Current/3% PIK Secured Debt	(9)	—	—	1,639	12,593	513	976	12,130
	Preferred Stock	(9)	—	(890)	—	890	—	890	—
	Preferred Stock	(9)	—	570	—	2,610	570	—	3,180
Rocaceia, LLC (Quality Lease and Rental Holdings, LLC)	12% Secured Debt	(8)	—	—	—	250	—	—	250
	Preferred Member Units	(8)	—	—	—	—	—	—	—
Salado Acquisition, LLC	Class A Preferred Units	(8)	—	(430)	23	1,790	—	430	1,360
SI East, LLC	10.25% Current, Secured Debt	(7)	—	—	499	—	34,869	—	34,869
	Preferred Member Units	(7)	—	—	—	—	6,000	—	6,000
Slick Innovations, LLC	14.00% Current, Secured Debt	(6)	—	—	197	—	6,950	—	6,950
	Warrants	(6)	—	—	—	—	181	—	181
	Preferred Member Units	(6)	—	—	—	—	700	—	700
Tin Roof Acquisition Company	12% Secured Debt	(7)	—	—	841	12,722	561	13,283	—
	Class C Preferred Stock	(7)	—	—	152	3,027	152	3,179	—
UniTek Global Services, Inc.	LIBOR Plus 5.50% (Floor 1.00%)	(6)	—	—	57	—	2,476	—	2,476
	LIBOR Plus 8.50% (Floor 1.00%)	(6)	—	(6)	819	8,535	6	8,541	—
	LIBOR Plus 7.50% (Floor 1.00%)/1.00% PIK	(6)	—	—	7	137	—	137	—
	15% PIK Unsecured Debt	(6)	—	—	122	865	87	952	—
	Preferred Stock	(6)	—	41	780	7,320	820	—	8,140
	Preferred Stock	(6)	—	—	—	—	1,772	—	1,772
	Preferred Stock	(6)	—	8	432	2,850	440	—	3,290
	Common Stock	(6)	—	800	41	2,490	800	—	3,290
Universal Wellhead Services Holdings, LLC	Preferred Member Units	(8)	—	30	60	830	90	—	920
	Member Units	(8)	—	300	—	1,910	301	—	2,211
Valley Healthcare Group, LLC	LIBOR Plus 10.50% (Floor 0.50%)	(8)	—	—	1,400	11,685	81	11,766	—
	Preferred Member Units	(8)	1,898	—	58	1,600	—	1,600	—
Volusion, LLC	11.5% Secured Debt	(8)	—	—	2,074	15,200	3,027	—	18,227
	8% Unsecured Convertible Debt	(8)	—	—	9	—	297	—	297
	Preferred Member Units	(8)	—	—	1	14,000	—	—	14,000
	Warrants	(8)	—	(190)	—	2,080	—	189	1,891
Other									
Amounts related to investments transferred to or from other 1940 Act classification during the period			—	—	365	2,825	—	—	—
Total Affiliate investments			$ 1,898	$ 16,997	$ 27,230	$ 338,854	$ 107,230	$ 69,815	$ 373,444

(1) The principal amount, the ownership detail for equity investments and if the investment is income producing is included in the consolidated schedule of investments.

(2) Represents the total amount of interest, fees and dividends credited to income for the portion of the period for which an investment was included in Control or Affiliate categories, respectively. For investments transferred between Control and Affiliate categories during the period, any income or investment balances related to the time period it was in the category other than the one shown at period end is included in "Amounts from investments transferred from other 1940 Act classifications during the period."

(3) Gross additions include increases in the cost basis of investments resulting from new portfolio investments, follow-on investments and accrued PIK interest, and the exchange of one or more existing securities for one or more new securities. Gross additions also include net increases in unrealized appreciation or net decreases in net unrealized depreciation as well as the movement of an existing portfolio company into this category and out of a different category.

(4) Gross reductions include decreases in the cost basis of investments resulting from principal repayments or sales and the exchange of one or more existing securities for one or more new securities. Gross reductions also include net increases in net unrealized depreciation or net decreases in unrealized appreciation as well as the movement of an existing portfolio company out of this category and into a different category.

(5) Portfolio company located in the Midwest region as determined by location of the corporate headquarters. The fair value as of September 30, 2018 for control investments located in this region was $220,293. This represented 14.6% of net assets as of September 30, 2018. The fair value as of September 30, 2018 for affiliate investments located in this region was $56,895. This represented 3.8% of net assets as of September 30, 2018.

(6) Portfolio company located in the Northeast region as determined by location of the corporate headquarters. The fair value as of September 30, 2018 for control investments located in this region was $22,080. This represented 1.5% of net assets as of September 30, 2018. The fair value as of September 30, 2018 for affiliate investments located in this region was $66,096. This represented 4.4% of net assets as of September 30, 2018.

(7) Portfolio company located in the Southeast region as determined by location of the corporate headquarters. The fair value as of September 30, 2018 for control investments located in this region was $14,410. This represented 1.0% of net assets as of September 30, 2018. The fair value as of September 30, 2018 for affiliate investments located in this region was $76,431. This represented 5.1% of net assets as of September 30, 2018.

(8) Portfolio company located in the Southwest region as determined by location of the corporate headquarters. The fair value as of September 30, 2018 for control investments located in this region was $399,675. This represented 26.5% of net assets as of September 30, 2018. The fair value as of September 30, 2018 for affiliate investments located in this region was $124,876. This represented 8.3% of net assets as of September 30, 2018.

(9) Portfolio company located in the West region as determined by location of the corporate headquarters. The fair value as of September 30, 2018 for control investments located in this region was $310,670. This represented 20.6% of net assets as of September 30, 2018. The fair value as of September 30, 2018 for affiliate investments located in this region was $49,146. This represented 3.3% of net assets as of September 30, 2018.

(10) All of the Company's portfolio investments are generally subject to restrictions on resale as "restricted securities," unless otherwise noted.

(11) This schedule should be read in conjunction with the consolidated schedule of investments and notes to the consolidated financial statements. Supplemental information can be located within the schedule of investments including end of period interest rate, preferred dividend rate, maturity date, investments not paid currently in cash and investments whose value was determined using significant unobservable inputs.

(12) Investment has an unfunded commitment as of September 30, 2018 (see Note M). The fair value of the investment includes the impact of the fair value of any unfunded commitments.

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, 2018, filed with the Securities and Exchange Commission (the "SEC") on March 1, 2019, 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 elsewhere in this Quarterly Report and in the Annual Report on Form 10-K for the year ended December 31, 2018.

ORGANIZATION

Main Street Capital Corporation ("MSCC") is a principal investment firm primarily focused on providing customized debt and equity financing to lower middle market ("LMM") companies and debt capital to middle market ("Middle Market") companies. The portfolio investments of MSCC and its consolidated subsidiaries are typically made to support management buyouts, recapitalizations, growth financings, refinancings and acquisitions of companies that operate in a variety of industry sectors. MSCC seeks to partner with entrepreneurs, business owners and management teams and generally provides "one stop" financing alternatives within its LMM portfolio. MSCC and its consolidated subsidiaries invest primarily in secured debt investments, equity investments, warrants and other securities of LMM companies based in the United States and in secured debt investments of Middle Market companies generally headquartered in the United States.

MSCC was formed in March 2007 to operate as an internally managed business development company ("BDC") under the Investment Company Act of 1940, as amended (the "1940 Act"). MSCC wholly owns several investment funds, including Main Street Mezzanine Fund, LP ("MSMF"), Main Street Capital II, LP ("MSC II") and Main Street Capital III, LP ("MSC III" and, collectively with MSMF and MSC II, the "Funds"), and each of their general partners. The Funds are each licensed as a Small Business Investment Company ("SBIC") by the United States Small Business Administration ("SBA"). Because MSCC is internally managed, all of the executive officers and other employees are employed by MSCC. Therefore, MSCC does not pay any external investment advisory fees, but instead directly incurs the operating costs associated with employing investment and portfolio management professionals.

MSC Adviser I, LLC (the "External Investment Manager") was formed in November 2013 as a wholly owned subsidiary of MSCC to provide investment management and other services to parties other than MSCC and its subsidiaries or their portfolio companies ("External Parties") and receives fee income for such services. MSCC has been granted no-action relief by the Securities and Exchange Commission ("SEC") to allow the External Investment Manager to register as a registered investment adviser under the Investment Advisers Act of 1940, as amended. Since the External Investment Manager conducts all of its investment management activities for External Parties, it is accounted for as a portfolio investment of MSCC and is not included as a consolidated subsidiary of MSCC in MSCC's consolidated financial statements.

MSCC has elected to be treated for U.S. federal income tax purposes as a regulated investment company ("RIC") under Subchapter M of the Internal Revenue Code of 1986, as amended (the "Code"). As a result, MSCC generally will not pay corporate-level U.S. federal income taxes on any net ordinary taxable income or capital gains that it distributes to its stockholders.

MSCC has certain direct and indirect wholly owned subsidiaries that have elected to be taxable entities (the "Taxable Subsidiaries"). The primary purpose of the Taxable Subsidiaries is to permit MSCC to hold equity investments in portfolio companies which are "pass-through" entities for tax purposes.

Unless otherwise noted or the context otherwise indicates, the terms "we," "us," "our," the "Company" and "Main Street" refer to MSCC and its consolidated subsidiaries, which include the Funds and the Taxable Subsidiaries.

OVERVIEW

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 LMM companies generally have annual revenues between $10 million and $150 million, and our LMM portfolio investments generally range in size from $5 million to $50 million. Our Middle Market investments are made in businesses that are generally larger in size than our LMM portfolio companies, with annual revenues typically between $150 million and $1.5 billion, and our Middle Market investments generally range in size from $3 million to $20 million. Our private loan ("Private Loan") portfolio investments are primarily debt securities in privately held companies which have been originated through strategic relationships with other investment funds on a collaborative basis. Private Loan investments are typically similar in size, structure, terms and conditions to investments we hold in our LMM portfolio and Middle Market portfolio.

We seek to fill the financing gap for LMM businesses, which, historically, have had limited access to financing from commercial banks and other traditional sources. The underserved nature of the LMM creates the opportunity for us to meet the financing needs of LMM companies while also negotiating favorable transaction terms and equity participations. Our ability to invest across a company's capital structure, from secured loans to equity securities, allows us to offer portfolio companies a comprehensive suite of financing options, or a "one stop" financing solution. Providing customized, "one stop" financing solutions is important to LMM portfolio companies. We generally seek to partner directly with entrepreneurs, management teams and business owners in making our investments. Our LMM portfolio debt investments are generally secured by a first lien on the assets of the portfolio company and typically have a term of between five and seven years from the original investment date.

Our Middle Market portfolio investments primarily consist of direct investments in or secondary purchases of interest-bearing debt securities in privately held companies that are generally larger in size than the companies included in our LMM portfolio. Our Middle Market portfolio debt investments are generally secured by either a first or second priority lien on the assets of the portfolio company and typically have an expected duration of between three and seven years from the original investment date.

Our Private Loan portfolio investments are primarily debt securities in privately held companies which have been originated through strategic relationships with other investment funds on a collaborative basis, and are often referred to in the debt markets as "club deals." Private Loan investments are typically similar in size, structure, terms and conditions to investments we hold in our LMM portfolio and Middle Market portfolio. Our Private Loan portfolio debt investments are generally secured by either a first or second priority lien on the assets of the portfolio company and typically have a term of between three and seven years from the original investment date.

Our other portfolio ("Other Portfolio") investments primarily consist of investments which are not consistent with the typical profiles for our LMM, Middle Market or Private Loan portfolio investments, including investments which may be managed by third parties. In our Other Portfolio, we may incur indirect fees and expenses in connection with investments managed by third parties, such as investments in other investment companies or private funds.

Our external asset management business is conducted through the External Investment Manager. The External Investment Manager earns management fees based on the assets of the funds under management and may earn incentive fees, or a carried interest, based on the performance of the funds managed. We have entered into an agreement with the External Investment Manager to share employees in connection with its asset management business generally, and specifically for its relationship with HMS Income Fund, Inc. ("HMS Income"). Through this agreement, we share employees with the External Investment Manager, including their related infrastructure, business relationships, management expertise and capital raising capabilities.

The following tables provide a summary of our investments in the LMM, Middle Market and Private Loan portfolios as of September 30, 2019 and December 31, 2018 (this information excludes the Other Portfolio investments and the External Investment Manager which are discussed further below):

	As of September 30, 2019		
	LMM(a)	Middle Market	Private Loan
	(dollars in millions)		
Number of portfolio companies	68	52	62
Fair value	$ 1,199.6	$ 548.7	$ 627.9
Cost	$ 987.7	$ 589.4	$ 662.3
% of portfolio at cost—debt	66.3%	95.0%	93.7%
% of portfolio at cost—equity	33.7%	5.0%	6.3%
% of debt investments at cost secured by first priority lien	98.1%	89.8%	94.4%
Weighted-average annual effective yield(b)	12.0%	8.9%	9.8%
Average EBITDA(c)	$ 4.9	$ 93.5	$ 56.3

(a) At September 30, 2019, we had equity ownership in approximately 99% of our LMM portfolio companies, and the average fully diluted equity ownership in those portfolio companies was approximately 41%.

(b) The weighted-average annual effective yields were computed using the effective interest rates for all debt investments at cost as of September 30, 2019, including amortization of deferred debt origination fees and accretion of original issue discount but excluding fees payable upon repayment of the debt instruments and any debt investments on non-accrual status. Weighted-average annual effective yield is higher than what an investor in shares of our common stock will realize on its investment because it does not reflect our expenses or any sales load paid by an investor.

(c) The average EBITDA is calculated using a simple average for the LMM portfolio and a weighted-average for the Middle Market and Private Loan portfolios. These calculations exclude certain portfolio companies, including two LMM portfolio companies, two Middle Market portfolio companies and three Private Loan portfolio companies, as EBITDA is not a meaningful valuation metric for our investments in these portfolio companies, and those portfolio companies whose primary purpose is to own real estate.

	As of December 31, 2018		
	LMM(a)	Middle Market	Private Loan
	(dollars in millions)		
Number of portfolio companies	69	56	59
Fair value	$ 1,195.0	$ 576.9	$ 507.9
Cost	$ 990.9	$ 608.8	$ 553.3
% of portfolio at cost—debt	68.7%	96.3%	93.0%
% of portfolio at cost—equity	31.3%	3.7%	7.0%
% of debt investments at cost secured by first priority lien	98.5%	87.9%	92.0%
Weighted-average annual effective yield(b)	12.3%	9.6%	10.4%
Average EBITDA(c)	$ 4.7	$ 99.1	$ 46.1

(a) At December 31, 2018, we had equity ownership in approximately 99% of our LMM portfolio companies, and the average fully diluted equity ownership in those portfolio companies was approximately 40%.

(b) The weighted-average annual effective yields were computed using the effective interest rates for all debt investments at cost as of December 31, 2018, including amortization of deferred debt origination fees and accretion of original issue discount but excluding fees payable upon repayment of the debt instruments and any debt investments on non-accrual status. Weighted-average annual effective yield is higher than what an investor in shares of our common stock will realize on its investment because it does not reflect our expenses or any sales load paid by an investor.

(c) The average EBITDA is calculated using a simple average for the LMM portfolio and a weighted-average for the Middle Market and Private Loan portfolios. These calculations exclude certain portfolio companies, including two LMM portfolio companies, one Middle Market portfolio company and four Private Loan portfolio companies, as EBITDA is not a meaningful valuation metric for our investments in these portfolio companies, and those portfolio companies whose primary purpose is to own real estate.

As of September 30, 2019, we had Other Portfolio investments in eleven companies, collectively totaling approximately $110.6 million in fair value and approximately $119.4 million in cost basis and which comprised approximately 4.3% of our Investment Portfolio (as defined in "—Critical Accounting Policies—Basis of Presentation" below) at fair value. As of December 31, 2018, we had Other Portfolio investments in eleven companies, collectively totaling approximately $108.3 million in fair value and approximately $116.0 million in cost basis and which comprised approximately 4.4% of our Investment Portfolio at fair value.

As previously discussed, the External Investment Manager is a wholly owned subsidiary that is treated as a portfolio investment. As of September 30, 2019, there was no cost basis in this investment and the investment had a fair value of approximately $70.3 million, which comprised approximately 2.8% of our Investment Portfolio at fair value. As of December 31, 2018, there was no cost basis in this investment and the investment had a fair value of approximately $65.7 million, which comprised approximately 2.7% of our Investment Portfolio at fair value.

Our portfolio investments are generally made through MSCC and the Funds. MSCC and the Funds share the same investment strategies and criteria, although they are subject to different regulatory regimes. An investor's return in MSCC will depend, in part, on the Funds' investment returns as they are wholly owned subsidiaries of MSCC.

The level of new portfolio investment activity will fluctuate from period to period based upon our view of the current economic fundamentals, our ability to identify new investment opportunities that meet our investment criteria, and our ability to consummate the identified opportunities. 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 on our investments will also fluctuate depending upon portfolio activity, economic conditions 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.

Because we are internally managed, we do not pay any external investment advisory fees, but instead directly incur the operating costs associated with employing investment and portfolio management professionals. We believe that our internally managed structure provides us with a beneficial operating expense structure when compared to other publicly traded and privately held investment firms which are externally managed, and our internally managed structure allows us the opportunity to leverage our non-interest operating expenses as we grow our Investment Portfolio. For the trailing twelve months ended September 30, 2019 and 2018, the ratio of our total operating expenses, excluding interest expense, as a percentage of our quarterly average total assets was 1.3% and 1.5%, respectively, and 1.4% for the year ended December 31, 2018.

During May 2012, we entered into an investment sub-advisory agreement with HMS Adviser, LP ("HMS Adviser"), which is the investment advisor to HMS Income, a non-listed BDC, to provide certain investment advisory services to HMS Adviser. In December 2013, after obtaining required no-action relief from the SEC to allow us to own a registered investment adviser, we assigned the sub-advisory agreement to the External Investment Manager since the fees received from such arrangement could otherwise have negative consequences on our ability to meet the source-of-income requirement necessary for us to maintain our RIC tax treatment. Under the investment sub-advisory agreement, the External Investment Manager is entitled to 50% of the base management fee and the incentive fees earned by HMS Adviser under its advisory agreement with HMS Income. The External Investment Manager agreed to waive the historical incentive fees otherwise earned through December 31, 2018. During the three months ended September 30, 2019, the External Investment Manager earned $2.9 million in fees, which consisted of $2.7 million of base management fees and $0.2 million in incentive fees, compared to $3.0 million in base management fees for the comparable period in 2018 under the sub-advisory agreement with HMS Adviser. During the nine months ended September 30, 2019, the External Investment Manager earned $10.0 million in fee income, which consisted of $8.4 million of base management fees and $1.6 million in incentive fees compared to $8.7 million of base management fees for the comparable period in 2018 under the sub-advisory agreement with HMS Adviser.

During April 2014, we received an exemptive order from the SEC permitting co-investments by us and HMS Income in certain negotiated transactions where co-investing would otherwise be prohibited under the 1940 Act. We have made, and in the future intend to continue to make, such co-investments with HMS Income in accordance with the conditions of the order. The order requires, among other things, that we and the External Investment Manager consider whether each such investment opportunity is appropriate for HMS Income and, if it is appropriate, to propose an allocation of the investment opportunity between us and HMS Income. Because the External Investment Manager may receive performance-based fee compensation from HMS Income, this may provide it an incentive to allocate opportunities to HMS Income instead of us. However, both we and the External Investment Manager have policies and procedures in place to manage this conflict.

CRITICAL ACCOUNTING POLICIES

Basis of Presentation

Our consolidated financial statements are prepared in accordance with generally accepted accounting principles in the United States of America ("U.S. GAAP"). For each of the periods presented herein, our consolidated financial statements include the accounts of MSCC and its consolidated subsidiaries. The Investment Portfolio, as used herein, refers to all of our investments in LMM portfolio companies, investments in Middle Market portfolio companies, Private Loan portfolio investments, Other Portfolio investments, and the investment in the External Investment Manager. Our results of operations for the three and nine months ended September 30, 2019 and 2018, cash flows for the nine months ended September 30, 2019 and 2018, and financial position as of September 30, 2019 and December 31, 2018, are presented on a consolidated basis. The effects of all intercompany transactions between us and our consolidated subsidiaries have been eliminated in consolidation.

Our accompanying unaudited consolidated financial statements are presented in conformity with U.S. GAAP for interim financial information and pursuant to the requirements for reporting on Form 10-Q and Articles 6, 10 and 12 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 nine months ended September 30, 2019 and 2018 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, 2018. 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.

We are an investment company following the accounting and reporting guidance in Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 946, *Financial Services—Investment Companies* ("ASC 946"). Under ASC 946, we are precluded from consolidating other entities in which we have equity investments, including those in which we have a controlling interest, unless the other entity is another investment company. An exception to this general principle in ASC 946 occurs if we hold a controlling interest in an operating company that provides all or substantially all of its services directly to us or to any of our portfolio companies. Accordingly, as noted above, our consolidated financial statements include the financial position and operating results for the Funds and the Taxable Subsidiaries. We have determined that all of our portfolio investments do not qualify for this exception, including the investment in the External Investment Manager. Therefore, our Investment Portfolio is carried on the consolidated balance sheet at fair value with any adjustments to fair value recognized as "Net Unrealized Appreciation (Depreciation)" on the consolidated statements of operations until the investment is realized, usually upon exit, resulting in any gain or loss being recognized as a "Net Realized Gain (Loss)."

Investment Portfolio Valuation

The most significant determination inherent in the preparation of our consolidated financial statements is the valuation of our Investment Portfolio and the related amounts of unrealized appreciation and depreciation. As of both September 30, 2019 and December 31, 2018, our Investment Portfolio valued at fair value represented approximately 96% of our total assets. We are required to report our investments at fair value. We follow the provisions of FASB ASC 820, *Fair Value Measurements and Disclosures* ("ASC 820"). ASC 820 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. ASC 820 requires us to assume that the portfolio investment is to be sold in the principal market to independent market participants, which may be a hypothetical market. Market participants are defined as buyers and sellers in the principal market that are independent, knowledgeable and willing and able to transact. See "Note B.1.—Valuation of the Investment Portfolio" in the notes to consolidated financial statements for a detailed discussion of our investment portfolio valuation process and procedures.

Due to the inherent uncertainty in the valuation process, our determination of fair value for our Investment Portfolio may differ materially from the values that would have been determined 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 materially 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.

Our Board of Directors has the final responsibility for overseeing, reviewing and approving, in good faith, our determination of the fair value for our Investment Portfolio and our valuation procedures, consistent with 1940 Act requirements. We believe our Investment Portfolio as of September 30, 2019 and December 31, 2018 approximates fair value as of those dates based on the markets in which we operate and other conditions in existence on those reporting dates.

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 by the portfolio company or at the point an obligation exists for the portfolio company to make a distribution. In accordance with our valuation policies, 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 the debtor's ability to service the debt or other obligations, or if a loan or debt security is sold or written off, we remove it from non-accrual status.

Fee Income

We may periodically provide services, including structuring and advisory services, to our portfolio companies or other third parties. For services that are separately identifiable and evidence exists to substantiate fair value, fee 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 deferred and accreted into income over the life of the financing.

Payment-in-Kind ("PIK") Interest and Cumulative Dividends

We hold certain debt and preferred equity instruments in our Investment Portfolio that contain PIK interest and cumulative dividend provisions. The PIK interest, computed at the contractual rate specified in each debt agreement, is periodically 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. Cumulative dividends are recorded as dividend income, and any dividends in arrears are added to the balance of the preferred equity investment. The actual collection of these dividends in arrears may be deferred until such time as the preferred equity is redeemed or sold. To maintain RIC tax treatment (as discussed below), these non-cash sources of income may need to be paid out to stockholders in the form of distributions, even though we may not have collected the PIK interest and cumulative dividends in cash. We stop accruing PIK interest and cumulative dividends and write off any accrued and uncollected interest and dividends in arrears when we determine that such PIK interest and dividends in arrears are no longer collectible. For the three months ended September 30, 2019 and 2018, (i) approximately 1.6% and 1.4%, respectively, of our total investment income was attributable to PIK interest income not paid currently in cash and (ii) approximately 1.0% and 1.1%, respectively, of our total investment income was attributable to cumulative dividend income not paid currently in cash. For the nine months ended September 30, 2019 and 2018, (i) approximately 1.9% and 1.0%, respectively, of our total investment income was attributable to PIK interest income not paid currently in cash and (ii) approximately 1.1% and 1.0%, respectively, of our total investment income was attributable to cumulative dividend income not paid currently in cash.

Share-Based Compensation

We account for our share-based compensation plans using the fair value method, as prescribed by ASC 718, *Compensation—Stock Compensation*. Accordingly, for restricted stock awards, we measure the grant date fair value based upon the market price of our common stock on the date of the grant and amortize the fair value of the awards as share-based compensation expense over the requisite service period, which is generally the vesting term.

We have also adopted Accounting Standards Update ("ASU") 2016-09, *Compensation—Stock Compensation: Improvements to Employee Share-Based Payment Accounting*, which requires that all excess tax benefits and tax deficiencies (including tax benefits of dividends on share-based payment awards) be recognized as income tax expense or benefit in the income statement and not delay recognition of a tax benefit until the tax benefit is realized through a reduction to taxes payable. Accordingly, the tax effects of exercised or vested awards are treated as discrete items in the reporting period in which they occur. Additionally, we have elected to account for forfeitures as they occur.

Income Taxes

MSCC has elected to be treated for U.S. federal income tax purposes as a RIC. MSCC's taxable income includes the taxable income generated by MSCC and certain of its subsidiaries, including the Funds, which are treated as disregarded entities for tax purposes. As a RIC, MSCC generally will not pay corporate-level U.S. federal income taxes on any net ordinary taxable income or capital gains that MSCC distributes to its stockholders. MSCC must generally distribute at least 90% of its "investment company taxable income" (which is generally its net ordinary taxable income and realized net short-term capital gains in excess of realized net long-term capital losses) and 90% of its tax-exempt income to maintain its RIC status (pass-through tax treatment for amounts distributed). As part of maintaining RIC status, undistributed taxable income (subject to a 4% non-deductible U.S. federal 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 on or prior to the later of (i) filing of the U.S. federal income tax return for the applicable fiscal year or (ii) the fifteenth day of the ninth month following the close of the year in which such taxable income was generated.

The Taxable Subsidiaries primarily hold certain portfolio investments for us. The Taxable Subsidiaries permit us to hold equity investments in portfolio companies which are "pass-through" entities for tax purposes and to continue to comply with the "source-of-income" requirements contained in the RIC tax provisions of the Code. The Taxable Subsidiaries are consolidated with us for U.S. GAAP financial reporting purposes, and the portfolio investments held by the Taxable Subsidiaries are included in our consolidated financial statements as portfolio investments and recorded at fair value. The Taxable Subsidiaries are not consolidated with MSCC for income tax purposes and may generate income tax expense, or benefit, and tax assets and liabilities, as a result of their ownership of certain portfolio investments. The taxable income, or loss, of the Taxable Subsidiaries may differ from their book income, or loss, due to temporary book and tax timing differences and permanent differences. The Taxable Subsidiaries are each taxed at their normal corporate tax rates based on their taxable income. The income tax expense, or benefit, if any, and the related tax assets and liabilities, of the Taxable Subsidiaries are reflected in our consolidated financial statements.

The External Investment Manager is an indirect wholly owned subsidiary of MSCC owned through a Taxable Subsidiary and is a disregarded entity for tax purposes. The External Investment Manager has entered into a tax sharing agreement with its Taxable Subsidiary owner. Since the External Investment Manager is accounted for as a portfolio investment of MSCC and is not included as a consolidated subsidiary of MSCC in MSCC's consolidated financial statements, and as a result of the tax sharing agreement with its Taxable Subsidiary owner, for its stand-alone financial reporting purposes the External Investment Manager is treated as if it is taxed at normal corporate tax rates based on its taxable income and, as a result of its activities, may generate income tax expense or benefit. The income tax expense, or benefit, if any, and the related tax assets and liabilities, of the External Investment Manager are reflected in the External Investment Manager's separate financial statements.

In December 2017, the "Tax Cuts and Jobs Act" legislation was enacted. The Tax Cuts and Jobs Act includes significant changes to the U.S. corporate tax system, including a U.S. federal corporate income tax rate reduction from 35% to 21% and other changes. ASC 740, *Income Taxes*, requires the effects of changes in tax rates and laws on deferred tax balances to be recognized in the period in which the legislation was enacted. As such, we have accounted for the tax effects as a result of the enactment of the Tax Cuts and Jobs Act beginning with the period ended December 31, 2017.

The Taxable Subsidiaries and the External Investment Manager use 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 consolidated 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, if necessary, 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.

INVESTMENT PORTFOLIO COMPOSITION

Our LMM portfolio investments primarily consist of secured debt, equity warrants and direct equity investments in privately held, LMM companies based in the United States. Our LMM portfolio companies generally have annual revenues between $10 million and $150 million, and our LMM investments generally range in size from $5 million to $50 million. The LMM debt investments are typically secured by either a first or second priority lien on the assets of the portfolio company, can include either fixed or floating rate terms and generally have a term of between five and seven years from the original investment date. In most LMM portfolio investments, we receive nominally priced equity warrants and/or make direct equity investments in connection with a debt investment.

Our Middle Market portfolio investments primarily consist of direct investments in or secondary purchases of interest-bearing debt securities in privately held companies based in the United States that are generally larger in size than the companies included in our LMM portfolio. Our Middle Market portfolio companies generally have annual revenues between $150 million and $1.5 billion, and our Middle Market investments generally range in size from $3 million to $20 million. Our Middle Market portfolio debt investments are generally secured by either a first or second priority lien on the assets of the portfolio company and typically have a term of between three and seven years from the original investment date.

Our Private Loan portfolio investments are primarily debt securities in privately held companies which have been originated through strategic relationships with other investment funds on a collaborative basis, and are often referred to in the debt markets as "club deals." Private Loan investments are typically similar in size, structure, terms and conditions to investments we hold in our LMM portfolio and Middle Market portfolio. Our Private Loan portfolio debt investments are generally secured by either a first or second priority lien on the assets of the portfolio company and typically have a term of between three and seven years from the original investment date.

Our Other Portfolio investments primarily consist of investments which are not consistent with the typical profiles for LMM, Middle Market and Private Loan portfolio investments, including investments which may be managed by third parties. In the Other Portfolio, we may incur indirect fees and expenses in connection with investments managed by third parties, such as investments in other investment companies or private funds.

Our external asset management business is conducted through the External Investment Manager. The External Investment Manager earns management fees based on the assets of the funds under management and may earn incentive fees, or a carried interest, based on the performance of the funds managed. We have entered into an agreement with the External Investment Manager to share employees in connection with its asset management business generally, and specifically for its relationship with HMS Income. Through this agreement, we share employees with the External Investment Manager, including their related infrastructure, business relationships, management expertise and capital raising capabilities, and we allocate the related expenses to the External Investment Manager pursuant to the sharing agreement. Our total expenses for the three months ended September 30, 2019 and 2018 are net of expenses allocated to the External Investment Manager of $1.7 million and $1.6 million, respectively. Our total expenses for the nine months ended September 30, 2019 and 2018 are net of expenses allocated to the External Investment Manager of $5.0 million and $5.3 million, respectively. The External Investment Manager earns management fees based on the assets of the funds under management and may earn incentive fees, or a carried interest, based on the performance of the funds managed. The total contribution of the External Investment Manager to our net investment income consists of the combination of the expenses allocated to the External Investment Manager and the dividend income received from the External Investment Manager. For the three months ended September 30, 2019 and 2018, the total contribution to our net investment income was $2.6 million and $2.7 million, respectively. For the nine months ended September 30, 2019 and 2018, the total contribution to our net investment income was $8.9 million and $8.0 million, respectively.

The following tables summarize the composition of our total combined LMM portfolio investments, Middle Market portfolio investments and Private Loan portfolio investments at cost and fair value by type of investment as a percentage of the total combined LMM portfolio investments, Middle Market portfolio investments and Private Loan portfolio investments as of September 30, 2019 and December 31, 2018 (this information excludes the Other Portfolio investments and the External Investment Manager).

Cost:	**September 30, 2019**	**December 31, 2018**
First lien debt	77.3%	77.1%
Equity	17.4%	16.6%
Second lien debt	4.3%	5.3%
Equity warrants	0.6%	0.6%
Other	0.4%	0.4%
	100.0%	100.0%

Fair Value:	**September 30, 2019**	**December 31, 2018**
First lien debt	69.4%	69.0%
Equity	26.2%	25.5%
Second lien debt	3.6%	4.6%
Equity warrants	0.4%	0.5%
Other	0.4%	0.4%
	100.0%	100.0%

Our LMM portfolio investments, Middle Market portfolio investments and Private Loan portfolio investments carry a number of risks including: (1) investing in companies which may have limited operating histories and financial resources; (2) holding investments that generally 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 our Investment Portfolio. Please see "Risk Factors—Risks Related to Our Investments" contained in our Form 10-K for the fiscal year ended December 31, 2018 and "Risk Factors" below for a more complete discussion of the risks involved with investing in our Investment Portfolio.

PORTFOLIO ASSET QUALITY

We utilize an internally developed investment rating system to rate the performance of each LMM portfolio company and to monitor our expected level of returns on each of our LMM investments in relation to our expectations for the portfolio company. The investment rating system takes into consideration various factors, including each investment's expected level of returns, the collectability of our debt investments and the ability to receive a return of the invested capital in our equity investments, comparisons to competitors and other industry participants, the portfolio company's future outlook and other factors that are deemed to be significant to the portfolio company.

As of September 30, 2019, our total Investment Portfolio had seven investments on non-accrual status, which comprised approximately 1.6% of its fair value and 4.4% of its cost. As of December 31, 2018, our total Investment Portfolio had six investments on non-accrual status, which comprised approximately 1.3% of its fair value and 3.9% of its cost.

The operating results of our portfolio companies are impacted by changes in the broader fundamentals of the United States economy. In the event that the United States economy contracts, it is likely that the financial results of small to mid-sized companies, like those in which we invest, could experience deterioration or limited growth from current levels, which could ultimately lead to difficulty in meeting their debt service requirements, to an increase in defaults on our debt investments or in realized losses on our investments and to difficulty in maintaining historical dividend payment rates and unrealized appreciation on our equity investments. Consequently, we can provide no assurance that the performance of certain portfolio companies will not be negatively impacted by economic cycles or other conditions, which could also have a negative impact on our future results.

DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS

Comparison of the three months ended September 30, 2019 and September 30, 2018

	Three Months Ended September 30, 2019	Three Months Ended September 30, 2018	Net Change Amount	Net Change %
	(dollars in thousands)			
Total investment income	$ 60,068	$ 58,263	$ 1,805	3%
Total expenses	(21,056)	(20,188)	(868)	(4)%
Net investment income	39,012	38,075	937	2%
Net realized gain (loss) from investments	(5,876)	9,238	(15,114)	
Net unrealized appreciation (depreciation) from:				
Portfolio investments	(2,927)	25,261	(28,188)	
SBIC debentures	(319)	(53)	(266)	
Total net unrealized appreciation (depreciation)	(3,246)	25,208	(28,454)	
Income tax benefit (provision)	4,012	(3,781)	7,793	
Net increase in net assets resulting from operations	$ 33,902	$ 68,740	$ (34,838)	(51)%

	Three Months Ended September 30, 2019	Three Months Ended September 30, 2018	Net Change Amount	Net Change %
	(dollars in thousands, except per share amounts)			
Net investment income	$ 39,012	$ 38,075	$ 937	2%
Share-based compensation expense	2,572	2,147	425	20%
Distributable net investment income(a)	$ 41,584	$ 40,222	$ 1,362	3%
Net investment income per share—				
Basic and diluted	$ 0.62	$ 0.63	$ (0.01)	(2)%
Distributable net investment income per share—				
Basic and diluted(a)	$ 0.66	$ 0.66	$ —	0%

(a) Distributable net investment income is net investment income as determined in accordance with U.S. GAAP, excluding the impact of share-based compensation expense which is non-cash in nature. We believe presenting distributable net investment income and related per share amounts is useful and appropriate supplemental disclosure of information for analyzing our financial performance since share-based compensation does not require settlement in cash. However, distributable net investment income is a non-U.S. GAAP measure and should not be considered as a replacement to net investment income and other earnings measures presented in accordance with U.S. GAAP. Instead, distributable net investment income should be reviewed only in connection with such U.S. GAAP measures in analyzing our financial performance. A reconciliation of net investment income in accordance with U.S. GAAP to distributable net investment income is presented in the table above.

Investment Income

Total investment income for the three months ended September 30, 2019 was $60.1 million, a 3% increase over the $58.3 million of total investment income for the corresponding period of 2018. This comparable period increase was principally attributable to a $4.0 million increase in dividend income from Investment Portfolio equity investments, partially offset by (i) a $2.0 million decrease in fee income and (ii) a $0.2 million decrease in interest income. The $1.8 million increase in total investment income in the three months ended September 30, 2019 is net of the negative impact of a decrease of $1.9 million related to lower accelerated prepayment, repricing and other activity for certain Investment Portfolio debt investments.

Expenses

Total expenses for the three months ended September 30, 2019 increased to $21.1 million from $20.2 million in the corresponding period of 2018. This increase in operating expenses was principally attributable to (i) a $2.0 million increase in interest expense, primarily due to an increase in interest expense related to our 5.20% Notes (as defined in "—Liquidity and Capital Resources—Capital Resources" below) issued in April 2019, partially offset by decreased interest expense relating to our multi-year revolving credit facility (the "Credit Facility") due to the lower average balance outstanding and (ii) a $0.4 million increase in share-based compensation expense, partially offset by a $1.5 million decrease in compensation expense primarily due to a decrease in incentive compensation accruals.

Net Investment Income

Net investment income for the three months ended September 30, 2019 increased 2% to $39.0 million, or $0.62 per share, compared to net investment income of $38.1 million, or $0.63 per share, for the corresponding period of 2018. The increase in net investment income was principally attributable to the increase in total investment income, partially offset by higher operating expenses both as discussed above.

Distributable Net Investment Income

Distributable net investment income for the three months ended September 30, 2019 increased 3% to $41.6 million, or $0.66 per share, compared with $40.2 million, or $0.66 per share, in the corresponding period of 2018. The increase in distributable net investment income was primarily due to the higher level of total investment income, partially offset by higher operating expenses both as discussed above. Distributable net investment income on a per share basis for the three months ended September 30, 2019 includes the impacts of (i) a decrease of approximately $0.03 per share from the comparable period in 2018 attributable to the decrease in the comparable levels of accelerated prepayment, repricing and other activity for certain investment portfolio debt investments as discussed above and (ii) a greater number of average shares outstanding compared to the corresponding period in 2018 primarily due to shares issued through the ATM Program (as defined in "—Liquidity and Capital Resources—Capital Resources" below), shares issued pursuant to our equity incentive plans and shares issued pursuant to our dividend reinvestment plan.

Net Increase in Net Assets Resulting from Operations

The net increase in net assets resulting from operations for the three months ended September 30, 2019 was $33.9 million, or $0.54 per share, compared with $68.7 million, or $1.13 per share, during the three months ended September 30, 2018. This $34.8 million decrease from the prior year was primarily the result of (i) a $28.5 million decrease in net unrealized appreciation (depreciation) from portfolio investments, including the impact of accounting reversals relating to realized gains/income (losses), and SBIC debentures and (ii) a $15.1 million decrease in the net realized gain (loss) from investments, with these decreases partially offset by (i) a $7.8 million benefit from the change in the income tax benefit (provision) and (ii) a $0.9 million increase in net investment income as discussed above. The net realized loss from investments of $5.9 million for the three months ended September 30, 2019 was primarily the result of (i) the realized loss of $7.0 million from the restructure of a Middle Market investment and (ii) the realized loss of $6.9 million resulting from the exit of a Middle Market investment, with these realized losses partially offset by the realized gain of $7.7 million resulting from the exit of two LMM investments.

The following table provides a summary of the total net unrealized depreciation of $3.2 million for the three months ended September 30, 2019:

	Three Months Ended September 30, 2019				
	LMM(a)	Middle Market	Private Loan	Other	Total
	(dollars in millions)				
Accounting reversals of net unrealized (appreciation) depreciation recognized in prior periods due to net realized (gains / income) losses recognized during the current period	$ (8.2)	$ 13.9	$ (0.9)	$ —	$ 4.8
Net unrealized appreciation (depreciation) relating to portfolio investments	2.7	(12.2)	1.5	0.3(b)	(7.7)
Total net unrealized appreciation (depreciation) relating to portfolio investments	$ (5.5)	$ 1.7	$ 0.6	$ 0.3	$ (2.9)
Unrealized depreciation relating to SBIC debentures(c)					(0.3)
Total net unrealized depreciation					$ (3.2)

(a) LMM includes unrealized appreciation on 27 LMM portfolio investments and unrealized depreciation on 17 LMM portfolio investments.

(b) Other includes (i) $0.8 million of unrealized appreciation relating to the External Investment Manager, partially offset by $0.5 million of net unrealized depreciation relating to the Other Portfolio.

(c) Relates to unrealized depreciation on the SBIC debentures previously issued by MSC II which are accounted for on a fair value basis.

The income tax benefit for the three months ended September 30, 2019 of $4.0 million principally consisted of a deferred tax benefit of $5.1 million, which is primarily the result of the net activity relating to our portfolio investments held in our Taxable Subsidiaries, including changes in loss carryforwards, changes in net unrealized appreciation/depreciation and other temporary book-tax differences, partially offset by current tax expense of $1.1 million related to (i) a $0.7 million provision for current U.S. federal and state income taxes and (ii) a $0.4 million provision for excise tax on our estimated undistributed taxable income.

Comparison of the nine months ended September 30, 2019 and September 30, 2018

	Nine Months Ended September 30, 2019	Nine Months Ended September 30, 2018	Net Change Amount	Net Change %
	(dollars in thousands)			
Total investment income	$ 182,724	$ 174,075	$ 8,649	5%
Total expenses	(64,605)	(59,514)	(5,091)	(9)%
Net investment income	118,119	114,561	3,558	3%
Net realized gain (loss) from investments	(14,163)	2,754	(16,917)	
Net realized loss on extinguishment of debt	(5,689)	(2,896)	(2,793)	
Net unrealized appreciation (depreciation) from:				
Portfolio investments	13,154	47,090	(33,936)	
SBIC debentures	4,625	1,296	3,329	
Total net unrealized appreciation	17,779	48,386	(30,607)	
Income tax provision	(2,491)	(4,097)	1,606	
Net increase in net assets resulting from operations	$ 113,555	$ 158,708	$ (45,153)	(28)%

	Nine Months Ended September 30, 2019	Nine Months Ended September 30, 2018	Net Change Amount	Net Change %
	(dollars in thousands, except per share amounts)			
Net investment income	$ 118,119	$ 114,561	$ 3,558	3%
Share-based compensation expense	7,279	6,883	396	6%
Distributable net investment income(a)	$ 125,398	$ 121,444	$ 3,954	3%
Net investment income per share—				
Basic and diluted	$ 1.88	$ 1.91	$ (0.03)	(2)%
Distributable net investment income per share—				
Basic and diluted(a)	$ 2.00	$ 2.03	$ (0.03)	(1)%

(a) Distributable net investment income is net investment income as determined in accordance with U.S. GAAP, excluding the impact of share-based compensation expense which is non-cash in nature. We believe presenting distributable net investment income and related per share amounts is useful and appropriate supplemental disclosure of information for analyzing our financial performance since share-based compensation does not require settlement in cash. However, distributable net investment income is a non-U.S. GAAP measure and should not be considered as a replacement to net investment income and other earnings measures presented in accordance with U.S. GAAP. Instead, distributable net investment income should be reviewed only in connection with such U.S. GAAP measures in analyzing our financial performance. A reconciliation of net investment income in accordance with U.S. GAAP to distributable net investment income is presented in the table above.

Investment Income

Total investment income for the nine months ended September 30, 2019 was $182.7 million, a 5% increase over the $174.1 million of total investment income for the corresponding period of 2018. This comparable period increase was principally attributable to (i) a $10.5 million net increase in interest income primarily related to higher average levels of Investment Portfolio debt investments, partially offset by decreased income from lower accelerated prepayment, repricing and other activities involving existing Investment Portfolio debt investments and (ii) a $1.7 million increase in dividend income from Investment Portfolio equity investments, partially offset by a $3.6 million decrease in fee income. The $8.6 million increase in total investment income in the nine months ended September 30, 2019 is net of the negative impacts of (i) a decrease of $8.0 million related to elevated dividend income activity from certain Investment Portfolio equity investments that is considered to be less consistent on a recurring basis or non-recurring and (ii) a decrease of $3.6 million related to lower accelerated prepayment, repricing and other activity from certain Middle Market and Private Loan Investment Portfolio debt investments, both when compared to the same period in 2018.

Expenses

Total expenses for the nine months ended September 30, 2019 increased to $64.6 million from $59.5 million for the corresponding period of 2018. This comparable period increase in operating expenses was principally attributable to (i) a $5.2 million increase in interest expense, primarily due to an increase in interest expense related to our 5.20% Notes issued in April 2019, partially offset by a decrease in interest expense resulting from the redemption of the 6.125% Notes (as defined in "—Liquidity and Capital Resources—Capital Resources" below) in April 2018, (ii) a $0.4 million increase in share-based compensation expense, (iii) a $0.3 million increase in general and administrative expenses and (iv) a $0.3 million decrease in the expenses allocated to the External Investment Manager primarily as a result of the non-recurring strategic activities at the External Investment Manager during the nine months ended September 30, 2018 which did not occur during the nine months ended September 30, 2019, with these increases partially offset by a $1.1 million decrease in compensation expense primarily due (i) to a decrease in incentive compensation accruals and (ii) a decrease of $0.4 million in the fair value of our deferred compensation plan assets.

Net Investment Income

Net investment income for the nine months ended September 30, 2019 increased 3% to $118.1 million, or $1.88 per share, compared to net investment income of $114.6 million, or $1.91 per share, for the corresponding period of 2018. The increase in net investment income was principally attributable to the increase in total investment income, partially offset by higher operating expenses both as discussed above.

Distributable Net Investment Income

Distributable net investment income for the nine months ended September 30, 2019 increased 3% to $125.4 million, or $2.00 per share, compared with $121.4 million, or $2.03 per share, in the corresponding period of 2018. The increase in distributable net investment income was primarily due to the higher level of total investment income, partially offset by higher operating expenses both as discussed above. Distributable net investment income on a per share basis for the nine months ended September 30, 2019 includes the impacts of (i) a decrease of approximately $0.20 per share from the comparable period in 2018 attributable to the net effect of the lower dividend income activity that is considered less recurring or non-recurring and the decrease in the comparable levels of accelerated prepayment, repricing and other activity as discussed above, (ii) a decrease of $0.01 per share due to the increase in the fair value of the deferred compensation plan assets as discussed above and (iii) a greater number of average shares outstanding compared to the corresponding period in 2018 primarily due to shares issued through the ATM Program (as defined in "—Liquidity and Capital Resources—Capital Resources" below), shares issued pursuant to our equity incentive plans and shares issued pursuant to our dividend reinvestment plan.

Net Increase in Net Assets Resulting from Operations

The net increase in net assets resulting from operations for the nine months ended September 30, 2019 was $113.6 million, or $1.81 per share, compared with $158.7 million, or $2.65 per share, during the nine months ended September 30, 2018. This $45.2 million decrease from the prior year was primarily the result of (i) a $30.6 million decrease in net unrealized appreciation (depreciation) from portfolio investments and SBIC debentures, including the impact of accounting reversals relating to realized gains/income (losses), (ii) a $16.9 million decrease in the net realized gain (loss) from investments, (iii) a $2.8 million increase in the net realized loss on extinguishment of debt, with these increases partially offset by (i) a $3.6 million increase in net investment income as discussed above and (ii) a $1.6 million decrease in the income tax provision. The net realized loss from investments of $14.2 million for the nine months ended September 30, 2019 was primarily the result of (i) the realized loss of $12.2 million resulting from the exit of two Middle Market investments, (ii) the realized loss of $7.0 million resulting from the partial exit of a Middle Market investment, (iii) the realized loss of $7.0 million resulting from the restructure of a Middle Market investment and (iv) the net realized loss of $1.8 million resulting from the exit of three Private Loan investments, with these net realized losses partially offset by realized gains of $13.8 million resulting from the exit of four LMM investments.

The following table provides a summary of the total net unrealized appreciation of $17.8 million for the nine months ended September 30, 2019:

	Nine Months Ended September 30, 2019				
	LMM(a)	Middle Market	Private Loan	Other	Total
	(dollars in millions)				
Accounting reversals of net unrealized (appreciation) depreciation recognized in prior periods due to net realized (gains / income) losses recognized during the current period	$ (14.0)	$ 22.2	$ (0.7)	$ —	$ 7.5
Net unrealized appreciation (depreciation) relating to portfolio investments	21.4	(30.9)	11.1	4.1(b)	5.7
Total net unrealized appreciation (depreciation) relating to portfolio investments	$ 7.4	$ (8.7)	$ 10.4	$ 4.1	$ 13.2
Unrealized appreciation relating to SBIC debentures(c)					4.6
Total net unrealized appreciation					$ 17.8

(a) LMM includes unrealized appreciation on 31 LMM portfolio investments and unrealized depreciation on 28 LMM portfolio investments.

(b) Other includes (i) $4.6 million of unrealized appreciation relating to the External Investment Manager and (ii) $0.6 million of unrealized appreciation relating to the Main Street Capital Corporation Deferred Compensation Plan (see "Related Party Transactions"), partially offset by $1.1 million of net unrealized depreciation relating to the Other Portfolio.

(c) Relates to $5.7 million of unrealized appreciation on the SBIC debentures previously issued by MSC II which are accounted for on a fair value basis and is primarily related to accounting reversals of previously recognized unrealized depreciation recorded since the date of the MSC II acquisition on the debentures repaid during the nine months ended September 30, 2019, partially offset by $1.1 million of unrealized depreciation on the SBIC debentures previously issued by MSC II which are accounted for on a fair value basis.

The income tax provision for the nine months ended September 30, 2019 of $2.5 million principally consisted of a current tax expense of $2.7 million related to (i) a $2.0 million provision for current U.S. federal and state income taxes and (ii) a $0.7 million provision for excise tax on our estimated undistributed taxable income, partially offset by a deferred tax benefit of $0.3 million, which is primarily the result of the net activity relating to our portfolio investments held in our Taxable Subsidiaries, including changes in loss carryforwards, changes in net unrealized appreciation/depreciation and other temporary book-tax differences.

Liquidity and Capital Resources

Cash Flows

For the nine months ended September 30, 2019, we experienced a net decrease in cash and cash equivalents in the amount of $1.9 million, which is the net result of $1.9 million of cash provided by our operating activities and $3.8 million of cash used in our financing activities.

The $1.9 million of cash provided by our operating activities resulted primarily from (i) cash flows we generated from the operating profits earned through our operating activities totaling $113.6 million, which is our distributable net investment income, excluding the non-cash effects of the accretion of unearned income, payment-in-kind interest income, cumulative dividends and the amortization expense for deferred financing costs, (ii) cash uses totaling $477.3 million for the funding of new portfolio company investments and settlement of accruals for portfolio investments existing as of December 31, 2018, (iii) cash proceeds totaling $363.6 million from the sales and repayments of debt investments and sales of and return on capital of equity investments and (iv) cash proceeds of $2.0 million related to changes in other assets and liabilities.

The $3.8 million of cash used in our financing activities principally consisted of (i) $250.0 million in cash proceeds from the issuance of the 5.20% Notes in April 2019 and (ii) $54.2 million in net cash proceeds from the ATM Program (described below), offset by (i) $151.0 million in net repayments on the Credit Facility, (ii) $115.3 million in cash dividends paid to stockholders, (iii) $34.0 million in repayment of SBIC debentures, (iv) $4.3 million for payment of deferred debt issuance costs, SBIC debenture fees and other costs and (v) $3.4 million for purchases of vested restricted stock from employees to satisfy their tax withholding requirements upon the vesting of such restricted stock.

Capital Resources

As of September 30, 2019, we had $52.3 million in cash and cash equivalents and $555.0 million of unused capacity under the Credit Facility, which we maintain to support our investment and operating activities. As of September 30, 2019, our net asset value totaled $1,532.1 million, or $24.20 per share.

The Credit Facility, which provides additional liquidity to support our investment and operational activities, provides for total commitments of $705.0 million from a diversified group of 17 lenders. The Credit Facility matures in September 2023 and contains an accordion feature which allows us to increase the total commitments under the facility to up to $800.0 million from new and existing lenders on the same terms and conditions as the existing commitments.

Borrowings under the Credit Facility bear interest, subject to our election and resetting on a monthly basis on the first of each month, on a per annum basis at a rate equal to the applicable LIBOR rate (2.0% as of September 30, 2019) plus (i) 1.875% (or the applicable base rate (Prime Rate of 5.0% as of September 30, 2019) plus 0.875%) as long as we meet certain agreed upon excess collateral and maximum leverage requirements or (ii) 2.0% (or the applicable base rate plus 1.0%) otherwise. We pay unused commitment fees of 0.25% per annum on the unused lender commitments under the Credit Facility. The Credit Facility is secured by a first lien on the assets of MSCC and its subsidiaries, excluding the equity ownership or assets of the Funds and the External Investment

Manager. The Credit Facility contains certain affirmative and negative covenants, including but not limited to: (i) maintaining a minimum availability of at least 10% of the borrowing base, (ii) maintaining an interest coverage ratio of at least 2.0 to 1.0, (iii) maintaining an asset coverage ratio (tangible net worth to Credit Facility borrowings) of at least 1.5 to 1.0 and (iv) maintaining a minimum tangible net worth. The Credit Facility is provided on a revolving basis through its final maturity date in September 2023, and contains two, one-year extension options which could extend the final maturity by up to two years, subject to certain conditions, including lender approval. As of September 30, 2019, we had $150.0 million in borrowings outstanding under the Credit Facility, the interest rate on the Credit Facility was 4.0% (based on the LIBOR rate of 2.1% as of the most recent reset date of September 1, 2019 plus 1.875%) and we were in compliance with all financial covenants of the Credit Facility.

Through the Funds, we have the ability to issue SBIC debentures guaranteed by the SBA at favorable interest rates and favorable terms and conditions. Under existing SBIC regulations, SBA approved SBICs under common control have the ability to issue debentures guaranteed by the SBA up to a regulatory maximum amount of $350.0 million. Through the Funds, we have an effective maximum amount of $347.0 million as a result of certain voluntary prepayments of SBIC debentures under historical commitments from the SBA. During the nine months ended September 30, 2019, Main Street received a $25.0 million commitment from the SBA in order to issue new SBIC debentures in the future and opportunistically prepaid $34.0 million of existing SBIC debentures that were scheduled to mature over the next year as part of an effort to manage the maturity dates of the oldest SBIC debentures. Debentures guaranteed by the SBA have fixed interest rates that equal prevailing 10-year Treasury Note rates plus a market spread and have a maturity of ten years with interest payable semiannually. The principal amount of the debentures is not required to be paid before maturity, but may be pre-paid at any time with no prepayment penalty. We expect to issue new SBIC debentures under the SBIC program in the future in an amount up to the regulatory maximum amount for affiliated SBIC funds. As of September 30, 2019, through our three wholly owned SBICs, we had $311.8 million of outstanding SBIC debentures guaranteed by the SBA, which bear a weighted-average annual fixed interest rate of approximately 3.6%, paid semiannually, and mature ten years from issuance. The first maturity related to our SBIC debentures occurs in 2020, and the weighted-average remaining duration is approximately 5.4 years as of September 30, 2019.

In April 2013, we issued $92.0 million, including the underwriters' full exercise of their over-allotment option, in aggregate principal amount of the 6.125% Notes (the "6.125% Notes"). The 6.125% Notes bore interest at a rate of 6.125% per year payable quarterly on January 1, April 1, July 1 and October 1 of each year. The total net proceeds to us from the 6.125% Notes, after underwriting discounts and estimated offering expenses payable, were approximately $89.0 million. On April 2, 2018, we redeemed the entire principal amount of the issued and outstanding 6.125% Notes effective April 1, 2018 (the "Redemption Date"). The 6.125% Notes were redeemed at par value, plus the accrued and unpaid interest thereon from January 1, 2018, through, but excluding, the Redemption Date. As part of the redemption, we recognized a realized loss on extinguishment of debt of $1.5 million in the second quarter of 2018 related to the write-off of the related unamortized deferred financing costs.

In November 2014, we issued $175.0 million in aggregate principal amount of 4.50% unsecured notes due 2019 (the "4.50% Notes due 2019") at an issue price of 99.53%. The 4.50% Notes due 2019 are unsecured obligations and rank pari passu with our current and future unsecured indebtedness; senior to any of our future indebtedness that expressly provides it is subordinated to the 4.50% Notes due 2019; effectively subordinated to all of our existing and future secured indebtedness, to the extent of the value of the assets securing such indebtedness, including borrowings under our Credit Facility; and structurally subordinated to all existing and future indebtedness and other obligations of any of our subsidiaries, including without limitation, the indebtedness of the Funds. The 4.50% Notes due 2019 mature on December 1, 2019, and may be redeemed in whole or in part at any time at our option subject to certain make-whole provisions. The 4.50% Notes due 2019 bear interest at a rate of 4.50%

per year payable semiannually on June 1 and December 1 of each year. We may from time to time repurchase 4.50% Notes due 2019 in accordance with the 1940 Act and the rules promulgated thereunder. As of September 30, 2019, the outstanding balance of the 4.50% Notes due 2019 was $175.0 million.

The indenture governing the 4.50% Notes due 2019 (the "4.50% Notes due 2019 Indenture") contains certain covenants, including covenants requiring our compliance with (regardless of whether we are subject to) the asset coverage requirements set forth in Section 18(a)(1)(A) as modified by Section 61(a)(1) of the 1940 Act, as well as covenants requiring us to provide financial information to the holders of the 4.50% Notes due 2019 and the Trustee if we cease to be subject to the reporting requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). These covenants are subject to limitations and exceptions that are described in the 4.50% Notes due 2019 Indenture.

In November 2017, we issued $185.0 million in aggregate principal amount of 4.50% unsecured notes due 2022 (the "4.50% Notes due 2022") at an issue price of 99.16%. The 4.50% Notes due 2022 are unsecured obligations and rank pari passu with our current and future unsecured indebtedness; senior to any of our future indebtedness that expressly provides it is subordinated to the 4.50% Notes due 2022; effectively subordinated to all of our existing and future secured indebtedness, to the extent of the value of the assets securing such indebtedness, including borrowings under our Credit Facility; and structurally subordinated to all existing and future indebtedness and other obligations of any of our subsidiaries, including without limitation, the indebtedness of the Funds. The 4.50% Notes due 2022 mature on December 1, 2022, and may be redeemed in whole or in part at any time at our option subject to certain make-whole provisions. The 4.50% Notes due 2022 bear interest at a rate of 4.50% per year payable semiannually on June 1 and December 1 of each year. We may from time to time repurchase 4.50% Notes due 2022 in accordance with the 1940 Act and the rules promulgated thereunder. As of September 30, 2019, the outstanding balance of the 4.50% Notes due 2022 was $185.0 million.

The indenture governing the 4.50% Notes due 2022 (the "4.50% Notes due 2022 Indenture") contains certain covenants, including covenants requiring our compliance with (regardless of whether we are subject to) the asset coverage requirements set forth in Section 18(a)(1)(A) as modified by Section 61(a)(1) of the 1940 Act, as well as covenants requiring us to provide financial information to the holders of the 4.50% Notes due 2022 and the Trustee if we cease to be subject to the reporting requirements of the Exchange Act. These covenants are subject to limitations and exceptions that are described in the 4.50% Notes due 2022 Indenture.

In April 2019, we issued $250.0 million in aggregate principal amount of 5.20% unsecured Notes due 2024 (the "5.20% Notes") at an issue price of 99.125%. The net proceeds were used to repay a portion of the borrowings outstanding under the Credit Facility and we currently expect that we will re-borrow under the Credit Facility to repay the 4.50% Notes due 2019 upon maturity in December 2019. The 5.20% Notes are unsecured obligations and rank pari passu with our current and future unsecured indebtedness; senior to any of our future indebtedness that expressly provides it is subordinated to the 5.20% Notes; effectively subordinated to all of our existing and future secured indebtedness, to the extent of the value of the assets securing such indebtedness, including borrowings under our Credit Facility; and structurally subordinated to all existing and future indebtedness and other obligations of any of our subsidiaries, including without limitation, the indebtedness of the Funds. The 5.20% Notes mature on May 1, 2024, and may be redeemed in whole or in part at any time at our option subject to certain make-whole provisions. The 5.20% Notes bear interest at a rate of 5.20% per year payable semiannually on May 1 and November 1 of each year. We may from time to time repurchase 5.20% Notes in accordance with the 1940 Act and the rules promulgated thereunder. As of September 30, 2019, the outstanding balance of the 5.20% Notes was $250.0 million.

The indenture governing the 5.20% Notes (the "5.20% Notes Indenture") contains certain covenants, including covenants requiring our compliance with (regardless of whether we are subject to) the asset coverage requirements set forth in Section 18(a)(1)(A) as modified by Section 61(a)(1) of the 1940 Act, as well as covenants requiring us to provide financial information to the holders of the 5.20% Notes and the Trustee if we cease to be subject to the reporting requirements of the Exchange Act. These covenants are subject to limitations and exceptions that are described in the 5.20% Notes Indenture.

We maintain a program with certain selling agents through which we can sell shares of our common stock by means of at-the-market offerings from time to time (the "ATM Program"). During the nine months ended September 30, 2019, we sold 1,423,042 shares of our common stock at a weighted-average price of $38.41 per share and raised $54.7 million of gross proceeds under the ATM Program. Net proceeds were $53.8 million after commissions to the selling agents on shares sold and offering costs. As of September 30, 2019, sales transactions representing 5,000 shares had not settled and are not included in shares issued and outstanding on the face of the consolidated balance sheet but are included in the weighted-average shares outstanding in the consolidated statement of operations and in the shares used to calculate net asset value per share. As of September 30, 2019, 9,183,295 shares remained available for sale under the ATM Program.

During the year ended December 31, 2018, we sold 2,060,019 shares of our common stock at a weighted-average price of $38.48 per share and raised $79.3 million of gross proceeds under the ATM Program. Net proceeds were $78.0 million after commissions to the selling agents on shares sold and offering costs.

We anticipate that we will continue to fund our investment activities through existing cash and cash equivalents, cash flows generated through our ongoing operating activities, utilization of available borrowings under our Credit Facility, and a combination of future issuances of debt and equity capital. Our primary uses of funds will be investments in portfolio companies, operating expenses and cash distributions to holders of our common stock.

We periodically invest excess cash balances into marketable securities and idle funds investments. The primary investment objective of marketable securities and idle funds investments is to generate incremental cash returns on excess cash balances prior to utilizing those funds for investment in our LMM, Middle Market and Private Loan portfolio investments. Marketable securities and idle funds investments generally consist of debt investments, independently rated debt investments, certificates of deposit with financial institutions, diversified bond funds and publicly traded debt and equity investments.

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. We did not seek stockholder authorization to sell shares of our common stock below the then current net asset value per share of our common stock at our 2019 annual meeting of stockholders because our common stock price per share had been trading significantly above the net asset value per share of our common stock since 2011. We would therefore need future approval from our stockholders to issue shares below the then current net asset value per share.

In order to satisfy the Code requirements applicable to a RIC, we intend to distribute to our stockholders, after consideration and application of our ability under the Code to carry forward certain excess undistributed taxable income from one tax year into the next tax year, substantially all of our taxable income. 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% (or 150% if certain requirements are met). This requirement limits the amount that we may borrow. In January 2008, we received an exemptive order from the SEC to exclude

SBA-guaranteed debt securities issued by MSMF and any other wholly owned subsidiaries of ours which operate as SBICs from the asset coverage requirements of the 1940 Act as applicable to us, which, in turn, enables us to fund more investments with debt capital.

Although we have been able to secure access to additional liquidity, including through the Credit Facility, public debt issuances, leverage available through the SBIC program and equity offerings, there is no assurance that debt or equity capital will be available to us in the future on favorable terms, or at all.

Recently Issued or Adopted Accounting Standards

In May 2014, the FASB issued ASU 2014-09,*Revenue from Contracts with Customers (Topic 606).* ASU 2014-09 supersedes the revenue recognition requirements under ASC 605, *Revenue Recognition*, and most industry-specific guidance throughout the Industry Topics of the ASC. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services. Under the guidance, an entity is required to perform the following five steps: (1) identify the contract(s) with a customer; (2) identify the performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to the performance obligations in the contract; and (5) recognize revenue when (or as) the entity satisfies a performance obligation. The guidance significantly enhances comparability of revenue recognition practices across entities, industries, jurisdictions and capital markets. Additionally, the guidance requires improved disclosures as to the nature, amount, timing and uncertainty of revenue that is recognized. In March 2016, the FASB issued ASU 2016-08, *Revenue from Contracts with Customers (Topic 606): Principal versus Agent Considerations (Reporting Revenue Gross versus Net),* which clarified the implementation guidance on principal versus agent considerations. In April 2016, the FASB issued ASU 2016-10*Revenue from Contracts with Customers (Topic 606): Identifying Performance Obligations and Licensing,* which clarified the implementation guidance regarding performance obligations and licensing arrangements. In May 2016, the FASB issued ASU No. 2016-12, *Revenue from Contracts with Customers (Topic 606)—Narrow-Scope Improvements and Practical Expedients*, which clarified guidance on assessing collectability, presenting sales tax, measuring noncash consideration, and certain transition matters. In December 2016, the FASB issued ASU No. 2016-20, *Revenue from Contracts with Customers (Topic 606)—Technical Corrections and Improvements*, which provided disclosure relief, and clarified the scope and application of the new revenue standard and related cost guidance. The guidance was effective for the annual reporting period beginning after December 15, 2017, including interim periods within that reporting period. Substantially all of our income is outside the scope of ASU 2014-09. For those income items that are within the scope (primarily fee income), we have similar performance obligations as compared with deliverables and separate units of account previously identified. As a result, our timing of income recognition remains the same and the adoption of the standard was not material.

In February 2016, the FASB issued ASU 2016 02, Leases, which amended the FASB Accounting Standards Codification and created ASC 842, Leases ("ASC 842"), to require lessees to recognize on the balance sheet a right of use asset, representing its right to use the underlying asset for the lease term, and a lease liability for all leases with terms greater than 12 months, utilizing a modified retrospective transition approach, which includes a number of optional practical expedients that entities may elect to apply. The guidance in ASC 842 also requires qualitative and quantitative disclosures designed to assess the amount, timing and uncertainty of cash flows arising from leases. We adopted ASC 842 effective January 1, 2019. Under ASC 842, we evaluate leases to determine if the leases are considered financing or operating leases. We currently have one operating lease for office space for which we have recorded a right-of-use asset and lease liability for the operating lease obligation. Non-lease components (maintenance, property tax, insurance and parking) are not included in the lease cost. The lease expense is presented as a single lease cost that is amortized on a straight-line basis over the life of the lease.

In August 2016, the FASB issued ASU 2016-15, *Statement of Cash Flows (Topic 230)*, which is intended to reduce the existing diversity in practice in how certain cash receipts and cash payments are presented and classified in the statement of cash flows. The guidance was effective for annual periods beginning after December 15, 2017, and interim periods therein. We adopted ASU 2016-15 effective January 1, 2018. The impact of the adoption of this accounting standard on our consolidated financial statements was not material.

In August 2018, the FASB issued ASU 2018-13, *Fair Value Measurement (Topic 820)*, which is intended to improve fair value and defined benefit disclosure requirements by removing disclosures that are not cost-beneficial, clarifying disclosures' specific requirements, and adding relevant disclosure requirements. The amendments take effect for all organizations for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019. Early adoption is permitted. We elected to early adopt ASU 2018-13 during the year ended December 31, 2018. No significant changes to our fair value disclosures were necessary in the notes to the consolidated financial statements in order to comply with ASU 2018-13.

In August 2018, the SEC adopted rules (the "SEC Release") amending certain disclosure requirements intended to eliminate redundant, duplicative, overlapping, outdated or superseded, in light of other SEC disclosure requirements, U.S. GAAP requirements or changes in the information environment. In part, the SEC Release requires an investment company to present distributable earnings in total on the consolidated balance sheet and consolidated statement of changes in net assets, rather than showing the three components of distributable earnings as previously shown. We adopted this part of the SEC Release during the year ended December 31, 2018. The impact of the adoption of these rules on our consolidated financial statements was not material. Additionally, the SEC Release requires disclosure of changes in net assets within a registrant's Form 10-Q filing on a quarter-to-date and year-to-date basis for both the current year and prior year comparative periods. We adopted the new requirement to present changes in net assets in interim financial statements within Form 10-Q filings effective January 1, 2019. The adoption of these rules did not have a material impact on the consolidated financial statements.

From time to time, new accounting pronouncements are issued by the FASB or other standards setting bodies that are adopted by us as of the specified effective date. We believe that the impact of recently issued standards and any that are not yet effective will not have a material impact on our consolidated financial statements upon adoption.

Inflation

Inflation has not had a significant effect on our results of operations in any of the reporting periods presented herein. However, our portfolio companies have experienced, and may in the future experience, the impacts of inflation on their operating results, including periodic escalations in their costs for labor, raw materials and third-party services 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 fund equity capital and involve, to varying degrees, elements of liquidity and credit risk in excess of the amount recognized in the balance sheet. At September 30, 2019, we had a total of $116.5 million in outstanding commitments comprised of (i) 38 investments with commitments to fund revolving loans that had not been fully drawn or term loans with additional commitments not yet funded and (ii) 10 investments with equity capital commitments that had not been fully called.

Contractual Obligations

As of September 30, 2019, the future fixed commitments for cash payments in connection with our SBIC debentures, the 4.50% Notes due 2019, the 4.50% Notes due 2022, the 5.20% Notes and rent obligations under our office lease for each of the next five years and thereafter are as follows:

	2019	2020	2021	2022	2023	Thereafter	Total
SBIC debentures	$ —	$ 37,000	$ 40,000	$ 5,000	$ 16,000	$ 213,800	$ 311,800
Interest due on SBIC debentures	—	11,271	9,260	8,248	7,868	23,317	59,964
4.50% Notes due 2019	175,000	—	—	—	—	—	175,000
Interest due on 4.50% Notes due 2019	3,938	—	—	—	—	—	3,938
4.50% Notes due 2022	—	—	—	185,000	—	—	185,000
Interest due on 4.50% Notes due 2022	4,163	8,325	8,325	8,325	—	—	29,138
5.20% Notes due 2024	—	—	—	—	—	250,000	250,000
Interest due on 5.20% Notes	6,789	13,000	13,000	13,000	13,000	6,500	65,289
Operating Lease Obligation(1)	188	762	776	790	804	3,428	6,748
Total	$ 190,078	$ 70,358	$ 71,361	$ 220,363	$ 37,672	$ 497,045	$ 1,086,877

(1) Operating Lease Obligation means a rent payment obligation under a lease classified as an operating lease and disclosed pursuant to ASC 842, as may be modified or supplemented.

As of September 30, 2019, we had $150.0 million in borrowings outstanding under our Credit Facility, and the Credit Facility is currently scheduled to mature in September 2023. The Credit Facility contains two, one-year extension options which could extend the maturity to September 2025, subject to lender approval. See further discussion of the Credit Facility terms in "—Liquidity and Capital Resources—Capital Resources."

Related Party Transactions

As discussed further above, the External Investment Manager is treated as a wholly owned portfolio company of MSCC and is included as part of our Investment Portfolio. At September 30, 2019, we had a receivable of approximately $3.0 million due from the External Investment Manager which included approximately $2.0 million primarily related to operating expenses incurred by us as required to support the External Investment Manager's business and amounts due from the External Investment Manager to Main Street under a tax sharing agreement (see further discussion above in "—Critical Accounting Policies—Income Taxes") and approximately $1.0 million of dividends declared but not paid by the External Investment Manager.

In November 2015, our Board of Directors approved and adopted the Main Street Capital Corporation Deferred Compensation Plan (the "2015 Deferred Compensation Plan"). The 2015 Deferred Compensation Plan became effective on January 1, 2016 and replaced the Deferred Compensation Plan for Non-Employee Directors previously adopted by the Board of Directors in June 2013 (the "2013 Deferred Compensation Plan"). Under the 2015 Deferred Compensation Plan, non-employee directors and certain key employees may defer receipt of some or all of their cash compensation and directors' fees, subject to certain limitations. Individuals participating in the 2015 Deferred Compensation Plan receive distributions of their respective balances based on predetermined payout schedules or other events as defined by the plan and are also able to direct investments made on their behalf among investment alternatives permitted from time to time under the plan, including phantom Main Street stock units. As of September 30, 2019, $7.8 million of compensation and directors' fees had been deferred under the 2015 Deferred Compensation Plan (including amounts previously deferred under the 2013 Deferred Compensation Plan). Of this amount, $4.2 million was deferred into phantom Main Street stock units, representing 119,064 shares of our common stock. Including phantom stock units issued through dividend reinvestment and net of any shares distributed, the phantom stock units outstanding as of September 30, 2019 represented 147,994 shares of our common stock. Any amounts deferred under the plan represented by phantom Main Street stock units will not be issued or included as outstanding on the consolidated statements of changes in net assets until such shares are actually distributed to the participant in accordance with the plan, but the related phantom stock units are included in weighted average shares outstanding with the related dollar amount of the deferral included in total expenses in Main Street's consolidated statements of operations as earned. The amounts related to additional phantom stock units are included in the statement of changes in net assets as an increase to dividends to stockholders offset by a corresponding increase to additional paid-in capital.

Recent Developments

In October 2019, we declared a semi-annual supplemental cash dividend of $0.24 per share payable in December 2019. This supplemental cash dividend is in addition to the previously announced regular monthly cash dividends that we declared for the fourth quarter of 2019 of $0.205 per share for each of October, November and December 2019.

During November 2019, we declared regular monthly dividends of $0.205 per share for each month of January, February and March of 2020. These regular monthly dividends equal a total of $0.615 per share for the first quarter of 2020 and represent a 5.1% increase from the regular monthly dividends declared for the first quarter of 2019. Including the semi-annual supplemental dividend declared payable for December 2019 and the regular monthly dividends declared for the fourth quarter of 2019 and first quarter of 2020, we will have paid $27.755 per share in cumulative dividends since our October 2007 initial public offering.

In November 2019, we led a new portfolio investment to facilitate the recapitalization of J&J Services, Inc. ("J&J"), a leading provider of roll-off dumpster and portable toilet rental services. We, along with our co-investors, partnered with the J&J's founders and senior management team to facilitate the recapitalization and provide growth capital, with us funding $24.8 million in a combination of first-lien, senior secured term debt and a direct equity investment. Founded in 2000, and headquartered in Nashville, Tennessee, J&J is a second-generation family-owned business providing roll-off dumpster and portable toilet rental services to an expansive base of residential, commercial, and demolition customers.

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 interest expense on the debt outstanding under our Credit Facility and our interest income from portfolio 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 that any debt investments include floating interest rates. The majority of our debt investments are made with either fixed interest rates or floating rates that are subject to contractual minimum interest rates for the term of the investment. As of September 30, 2019, approximately 75% of our debt investment portfolio (at cost) bore interest at floating rates, 89% of which were subject to contractual minimum interest rates. Our interest expense will be affected by changes in the published LIBOR rate in connection with our Credit Facility; however, the interest rates on our outstanding SBIC debentures, 4.50% Notes due 2019, 4.50% Notes due 2022 and 5.20% Notes, which comprise the majority of our outstanding debt, are fixed for the life of such debt. As of September 30, 2019, we had not entered into any interest rate hedging arrangements. The following table shows the approximate annualized increase or decrease in the components of net investment income due to hypothetical base rate changes in interest rates, assuming no changes in our investments and borrowings as of September 30, 2019.

Basis Point Change	Increase (Decrease) in Interest Income	(Increase) Decrease in Interest Expense	Increase (Decrease) in Net Investment Income	Increase (Decrease) in Net Investment Income per Share
	(dollars in thousands)			
(200)	$ (15,849)	$ 3,000	$ (12,849)	$ (0.20)
(175)	(15,436)	2,625	(12,811)	(0.20)
(150)	(14,994)	2,250	(12,744)	(0.20)
(125)	(14,526)	1,875	(12,651)	(0.20)
(100)	(13,358)	1,500	(11,858)	(0.19)
(75)	(10,066)	1,125	(8,941)	(0.14)
(50)	(6,751)	750	(6,001)	(0.09)
(25)	(3,392)	375	(3,017)	(0.05)
25	3,496	(375)	3,121	0.05
50	6,992	(750)	6,242	0.10
100	13,984	(1,500)	12,484	0.20
200	27,968	(3,000)	24,968	0.39

The hypothetical results would also be impacted by the changes in the amount of debt outstanding under our Credit Facility (with an increase (decrease) in the debt outstanding under the Credit Facility resulting in an (increase) decrease in the hypothetical interest expense).

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 Chief Executive Officer, President, Chief Financial Officer, Chief Compliance Officer and 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 Exchange Act). Based on that evaluation, our Chief Executive Officer, President, Chief Financial Officer, Chief Compliance Officer and 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 Exchange Act. There have been no changes in our internal control over financial reporting that occurred during the quarter ended September 30, 2019 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION

Item 1. *Legal Proceedings*

We may, from time to time, be involved in litigation arising out of our operations in the normal course of business or otherwise. Furthermore, third parties may seek to impose liability on us in connection with the activities of our portfolio companies. While the outcome of any current legal proceedings cannot at this time be predicted with certainty, we do not expect any current matters will materially affect our financial condition or results of operations; however, there can be no assurance whether any pending legal proceedings will have a material adverse effect on our financial condition or results of operations in any future reporting period.

Item 1A. *Risk Factors*

There have been no material changes to the risk factors as previously disclosed in our Annual Report on Form 10-K for the year ended December 31, 2018 that we filed with the SEC on March 1, 2019.

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

During the three months ended September 30, 2019, we issued 88,052 shares of our common stock under our dividend reinvestment plan. These issuances were not subject to the registration requirements of the Securities Act of 1933, as amended. The aggregate value of the shares of common stock issued during the three months ended September 30, 2019 under the dividend reinvestment plan was approximately $3.7 million.

Upon vesting of restricted stock awarded pursuant to our employee equity compensation plan, shares may be withheld to meet applicable tax withholding requirements. Any withheld shares are treated as common stock purchases by the Company in our consolidated financial statements as they reduce the number of shares received by employees upon vesting (see "Purchase of vested stock for employee payroll tax withholding" in the consolidated statements of changes in net assets for share amounts withheld).

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
14.1	Code of Business Conduct and Ethics.
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).
99.1	Code of Ethics.

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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: November 8, 2019	/s/ DWAYNE L. HYZAK
	Dwayne L. Hyzak *Chief Executive Officer* *(principal executive officer)*
Date: November 8, 2019	/s/ BRENT D. SMITH
	Brent D. Smith *Chief Financial Officer and Treasurer* *(principal financial officer)*
Date: November 8, 2019	/s/ SHANNON D. MARTIN
	Shannon D. Martin *Vice President and Chief Accounting Officer* *(principal accounting officer)*

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Exhibit 14.1

MAIN STREET CAPITAL CORPORATION

CODE OF BUSINESS CONDUCT AND ETHICS

November 2019

CODE OF BUSINESS CONDUCT AND ETHICS

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CODE OF BUSINESS CONDUCT AND ETHICS

Introduction

Ethics are important to Main Street Capital Corporation (***"Main Street"*** or the ***"Company"***) and to its management. Main Street is committed to the highest ethical standards and to conducting its business with the highest level of integrity. This code of business conduct and ethics (the ***"Code"***) has been adopted by Main Street in order to establish applicable policies, guidelines, and procedures that promote ethical practices and conduct by Main Street and all its employees, officers, and directors.

All officers, directors and employees of Main Street are responsible for maintaining this level of integrity and for complying with the policies contained in this Code. If you have a question or concern about what is proper conduct for you or anyone else, please raise these concerns with any member of management, or follow the procedures outlined in applicable sections of this Code.

Purpose of the Code

This Code is intended to:

- help you recognize ethical issues and take the appropriate steps to resolve these issues;
- deter ethical violations and avoid any abuse of position of trust and responsibility;
- maintain confidentiality of our business activities;
- assist you in complying with applicable securities laws;
- assist you in reporting any unethical or illegal conduct; and
- reaffirm and promote our commitment to a corporate culture that values honesty and accountability.

All employees, as a condition of employment or continued employment, will acknowledge in writing that they have received a copy of this Code, read it, and understand that the Code contains our expectations regarding their conduct. All employees will receive any updates and updated versions of this Code and will be required to read and acknowledge such updates.

Conflicts of Interest

You must avoid any conflict, or the appearance of a conflict, between your personal interests and our interests. A conflict exists when your personal interest in any way interferes with our interests, or when you take any action or have any interest that may make it difficult for you to perform your job objectively and effectively. For example, a conflict of interest probably exists if:

- you cause us to enter into business relationships with you or a member of your family, or invest in companies affiliated with you or a member of your family;
- you use any non-public information about us, our customers or our other business partners for your personal gain, or the gain of a member of your family; or
- you use or communicate confidential information obtained in the course of your work for your or another's personal benefit.

Corporate Opportunities

Each of us has a duty to advance the legitimate interests of Main Street when the opportunity to do so presents itself. Therefore, you may not:

- take for yourself personally opportunities, including investment opportunities, discovered through the use of your position with us, or through the use of our property or information;
- use our property, information, or position for your personal gain or the gain of a family member; or
- compete, or prepare to compete, with us.

Confidentiality

You must not disclose confidential information regarding us, our affiliates, our lenders, our clients, or our other business partners, unless disclosure is authorized or required by law. Confidential information includes all non-public information that might be harmful to, or useful to the competitors of, Main Street, our affiliates, our lenders, our clients, or our other business partners. Even after you leave Main Street, this obligation continues until the information becomes publicly available.

Fair Dealing

You must endeavor to deal fairly with our customers, suppliers and business partners, or any other companies or individuals with whom we do business or come into contact with, including fellow employees and our competitors. You must not take unfair advantage of these or other parties by means of:

- manipulation;
- concealment;
- abuse of privileged information;
- misrepresentation of material facts; or
- any other unfair-dealing practice.

Protection and Proper Use of Company Assets

Our assets are to be used only for legitimate business purposes. You should protect our assets and ensure that they are used efficiently.

Incidental personal use of telephones, fax machines, copy machines, personal computers and similar equipment is generally allowed if there is no significant added cost to us, it does not interfere with your work duties, and is not related to an illegal activity or to any outside business.

Compliance with Applicable Laws, Rules and Regulations

Each of us has a duty to comply with all laws, rules and regulations that apply to our business. Highlighted below are some of the key compliance guidelines that must be followed.

- **Insider trading.** It is against the law to buy or sell securities using material information that is not available to the public. Individuals who give this "inside" information to others may be liable to the same extent as the individuals who trade while in possession of such information. You must not trade in our securities, or the securities of our affiliates, our lenders, our clients, or our other business partners while in the possession of "inside" information. All employees are required to be familiar and comply with our Insider Trading Policy and Procedures.

- **"Whistleblower" protections.** It is against the law to discharge, demote, suspend, threaten, harass, or discriminate in any manner against an employee who provides information or otherwise assists in investigations or proceedings relating to violations of federal securities laws or other federal laws prohibiting fraud against stockholders. You must not discriminate in any way against an employee who engages in these "whistleblower" activities.

- **Investment Company Act requirements.** A separate code of ethics has been established to comply with the Investment Company Act of 1940 and is applicable to those persons designated in such code.

- **Document Retention.** You must adhere to appropriate procedures governing the retention and destruction of records consistent with applicable laws, regulations and our policies. You may not destroy, alter or falsify any document that may be relevant to a threatened or pending lawsuit or governmental investigation.

Please talk to our Chief Compliance Officer if you have any questions about how to comply with the above regulations and other laws, rules and regulations.

In addition, we expect you to comply with all of our policies and procedures that apply to you. We may modify or update our policies and procedures in the future, and may adopt new policies and procedures from time to time. You are also expected to observe the terms of any confidentiality agreement, employment agreement or other similar agreement that applies to you.

Equal Opportunity, Harassment

We are committed to providing equal opportunity in all of our employment practices including selection, hiring, promotion, transfer, and compensation of all qualified applicants and employees without regard to race, color, sex or gender, gender identity, sexual orientation, religion, age, national origin, handicap, disability, citizenship status, or any other status protected by law. With this in mind, there are certain behaviors that will not be tolerated. These include harassment, violence, intimidation, and discrimination of any kind involving race, color, religion, gender, gender identity, sexual orientation, age, national origin, citizenship status, handicap, disability, marital status, or any other status protected by law.

Political Activities

Main Street encourages its employees to be actively involved in the civic affairs of the communities in which they live. When speaking on public issues, however, employees should do so only as individual citizens of the community and must be careful not to create the impression that they are acting for, or representing the views of, Main Street. Additionally, Main Street and its employees are prohibited from making any contribution or giving a gift to a state or local political candidate, official, party or organization that would be prohibited by applicable law. In order for the Company to determine whether a gift or political contribution may be prohibited, employees are required to provide advance notice to the Chief Compliance Officer in advance of a proposed contribution.

The Chief Compliance Officer retains discretion to monitor all business activities between the Company and the provider or recipient of any gift or political contribution in connection with this policy. Any questions regarding this policy or the application of this policy should be directed to the Chief Compliance Officer or Chief Executive Officer.

Loans

No employee may borrow funds from or become indebted to any person, business or company having business dealings or a relationship with Main Street, except with respect to customary personal loans (*e.g.*, home mortgage loans, automobile loans, lines of credit, etc.), unless the arrangement is disclosed in writing and receives prior written approval from the Chief Compliance Officer of the Company. No employee may use the Company's name, position in a particular market or goodwill to receive any benefit on loan transactions without the prior express written consent of the Chief Compliance Officer of the Company.

Accuracy of Company Records

We require honest and accurate recording and reporting of information in order to make responsible business decisions. This includes such data as quality, safety, and personnel records, as well as financial records.

All financial books, records and accounts must accurately reflect transactions and events, and conform both to required accounting principles and to our system of internal controls. No false or artificial entries may be made.

Retaining Business Communications

The law requires us to maintain certain types of corporate records, usually for specified periods of time. Failure to retain those records for those minimum periods could subject us to penalties and fines, cause the loss of rights, obstruct justice, place us in contempt of court, or seriously disadvantage us in litigation.

From time to time we establish retention or destruction policies in order to ensure legal compliance. We expect you to fully comply with any published records retention or destruction policies, provided that you should note the following exception: If you believe, or we inform you, that our records are relevant to any litigation or governmental action, or any potential litigation or action, then you must preserve those records until we determine the records are no longer needed. This exception supersedes any previously or subsequently established destruction policies for those records. If you believe that this exception may apply, or have any questions regarding the possible applicability of that exception, please contact our Chief Compliance Officer.

Media Relations

We must speak with a unified voice in all dealings with the press and other media. As a result, our Chief Executive Officer, President, Chief Financial Officer, Executive Chairman or other designated persons will serve as our contact persons for media seeking information about Main Street. Any requests from the media must be referred to our Chief Executive Officer, President, Chief Financial Officer, Executive Chairman or other designated persons.

Intellectual Property Information

Information generated in our business is a valuable asset. Protecting this information plays an important role in our growth and ability to compete. Such information includes business and research plans; objectives and strategies; trade secrets; unpublished financial information; salary and benefits data; lender and other business partner lists. Employees who have access to our intellectual property information are obligated to safeguard it from unauthorized access and:

- not disclose this information to persons outside of Main Street;
- not use this information for personal benefit or the benefit of persons outside of Main Street; and
- not share this information with other employees except on a legitimate "need to know" basis.

Internet and E-Mail Policy

We provide an e-mail system and Internet access to our employees to help them do their work. You may use the e-mail system and the Internet only for legitimate business purposes in the course of your duties. Incidental and occasional personal use is permitted, but never for personal gain or any improper use. Further, you are prohibited from discussing or posting information regarding Main Street in any external electronic forum, including Internet chat rooms or electronic bulletin boards or social media sites.

Reporting Violations and Complaint Handling

You are responsible for compliance with the rules, standards and principles described in this Code. In addition, you should be alert to possible violations of the Code by Main Street's employees, officers and directors, and you are expected to report a violation promptly. Normally, reports should be made to one's immediate supervisor. Under some circumstances, it may be impractical or you may feel uncomfortable raising a matter with your supervisor. In those instances, you are encouraged to report through the Company's employee hotline or contact our Chief Compliance Officer who will investigate and report the matter to our Chief Executive Officer and/or Board of Directors, as the circumstance dictates. You will also be expected to cooperate in an investigation of a violation.

Anyone who has a concern about our conduct, the conduct of an officer of Main Street or our accounting, internal accounting controls or auditing matters, may communicate that concern through the Company's employee hotline or to the Audit Committee of the Board of Directors by direct communication with our Chief Compliance Officer or by email or in writing. All reported concerns shall be forwarded to the Audit Committee and will be simultaneously addressed by our Chief Compliance Officer in the same way that other concerns are addressed by us. The status of all outstanding concerns forwarded to the Audit Committee will be reported on a quarterly basis by our Chief Compliance Officer. The Audit Committee may direct that certain matters be presented to the full board and may also direct special treatment, including the retention of outside advisors or counsel, for any concern reported to it.

All reports will be investigated and whenever possible, requests for confidentiality shall be honored. And, while anonymous reports will be accepted, please understand that anonymity may hinder or impede the investigation of a report. All cases of questionable activity or improper actions will be reviewed for appropriate action, discipline or corrective actions. Whenever possible, we will keep confidential the identity of employees, officers or directors who are accused of violations, unless or until it has been determined that a violation has occurred.

There will be no reprisal, retaliation or adverse action taken against any employee who, in good faith, reports or assists in the investigation of, a violation or suspected violation, or who makes an inquiry about the appropriateness of an anticipated or actual course of action. For the avoidance of doubt, nothing in this Code shall be interpreted as impeding an employee from communicating directly with the staff of the Securities and Exchange Commission about suspected securities law violations.

In the case of a confidential, anonymous submission, employees should communicate their concerns through the Company's employee hotline or in writing and forward them in a sealed envelope to the Chair of the Audit Committee, in care of our Chief Compliance Officer, such envelope to be labeled with a legend such as: "To be opened by the Audit Committee only."

Administration of the Code

The Chief Compliance Officer has overall responsibility for administering the Code and reporting on the administration of and compliance with the Code and related matters to our Board of Directors.

Sanctions for Code Violations

All violations of the Code will result in appropriate corrective action, up to and including dismissal. If the violation involves potentially criminal activity, the individual or individuals in question will be reported, as warranted, to the appropriate authorities.

Application/Waivers

All of our directors, officers and employees are subject to this Code.

Any amendment or waiver of the Code for an executive officer or member of our Board of Directors must be made by our Board of Directors and will be publicly disclosed in the manner required pursuant to Item 5.05 of Form 8-K.

Revisions and Amendments

This Code may be revised, changed or amended at any time by our Board of Directors. Following any material revisions or updates, an updated version of this Code will be distributed to you, and will supersede the prior version of this Code effective upon distribution. We may ask you to sign an acknowledgement confirming that you have read and understood the revised version of the Code, and that you agree to comply with the provisions.

APPENDIX A

Main Street Capital Corporation

Acknowledgment Regarding
Code of Business Conduct and Ethics

This acknowledgment is to be signed and returned to our Chief Compliance Officer and will be retained as part of your permanent personnel file.

I have received a copy of Main Street Capital Corporation's Code of Business Conduct and Ethics, read it, and understand that the Code contains the expectations of Main Street Capital Corporation regarding conduct. I agree to observe the policies and procedures contained in the Code of Business Conduct and Ethics and have been advised that, if I have any questions or concerns relating to such policies or procedures, I understand that I have an obligation to report to my supervisor, to the Chief Compliance Officer or through the Company's employee hotline, any suspected violations of the Code of which I am aware. I also understand that the Code is issued for informational purposes and that it is not intended to create, nor does it represent, a contract of employment.

____
Name (Printed)

____
Signature

____
Date

Date Received: ____________________

Reviewed By: ____________________
Date

The failure to read and/or sign this acknowledgment in no way relieves you of your responsibility to comply with Main Street Capital Corporation's Code of Business Conduct and Ethics.

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Exhibit 31.1

I, Dwayne L. Hyzak, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarterly period ended September 30, 2019 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) and 15d-15(f)) for the registrant and have:

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

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

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

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

5. The registrant's other certifying officer 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 November 8, 2019.

By: /s/ DWAYNE L. HYZAK

Dwayne L. Hyzak
Chief Executive Officer

Exhibit 31.2

I, Brent D. Smith, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarterly period ended September 30, 2019 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) and 15d-15(f)) for the registrant and have:

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

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

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

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

5. The registrant's other certifying officer 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 November 8, 2019.

By: /s/ BRENT D. SMITH

Brent D. Smith
Chief Financial Officer and Treasurer

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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 September 30, 2019 (the "Report"), as filed with the Securities and Exchange Commission on the date hereof, I, Dwayne L. Hyzak, the 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/ DWAYNE L. HYZAK

Name: Dwayne L. Hyzak
Date: November 8, 2019

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 September 30, 2019 (the "Report"), as filed with the Securities and Exchange Commission on the date hereof, I, Brent D. Smith, the 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/ BRENT D. SMITH

Name:	Brent D. Smith
Date:	November 8, 2019

Exhibit 99.1

MAIN STREET CAPITAL CORPORATION
AND
MSC ADVISER I, LLC

AMENDED AND RESTATED
CODE OF ETHICS

This Code of Ethics has been adopted by the Board of Directors of **Main Street Capital Corporation** (the "***Company***") in accordance with Rule 17j-l(c) under the Investment Company Act of 1940, as amended (the "***1940 Act***"), and the May 9, 1994 Report of the Advisory Group on Personal Investing by the Investment Company Institute (the "***Report***"). Rule 17j-1 generally describes fraudulent or manipulative practices with respect to purchases or sales of securities held or to be acquired by business development companies if effected by access persons of such companies.

In addition, this Code Ethics shall serve as the code of ethics required to be adopted by Rule 204A-1 under the Investment Advisers Act of 1940 (the "***Advisers Act***") and, to the extent applicable, by Rule 17j-1 under the 1940 Act in connection with the Company's provision of investment advisory services to third parties ("***Clients***"). Rule 204A-1 requires every registered investment adviser to establish, maintain, and enforce a written investment adviser code of ethics that is applicable to its "supervised persons." Section 202(a)(25) of the Advisers Act defines the term "supervised persons" to include all of the officers, directors, and employees of the investment adviser, or other person who provides investment advice on behalf of the investment adviser and is subject to the supervision and control of the investment adviser. As applied to the Company, the term consists of all employees of the Company and MSC Adviser I, LLC who, in the course of their business, act as an investment adviser as defined under the Advisers Act in providing investment advice to Clients and those employees that make, participate in or obtain non-public information regarding the portfolio management decisions relating to the investment advisory services.

The purpose of this Code of Ethics is to reflect the following: (1) the duty at all times to place the interests of shareholders and Clients, as appropriate, of the Company first; (2) the requirement that all personal securities transactions be conducted consistent with the Code of Ethics and in such a manner as to avoid any actual or potential conflict of interest or any abuse of an individual's position of trust and responsibility; and (3) the fundamental standard that business development company and investment advisory personnel, as appropriate, should not take inappropriate advantage of their positions.

PART A. RULE 17j-1 OF THE 1940 ACT

SECTION I: STATEMENT OF PURPOSE AND APPLICABILITY

(A) *Statement of Purpose*

It shall be a violation of the policy of the Company for any affiliated person of the Company, in connection with the purchase or sale, directly or indirectly, by such person of any security held or to be acquired by the Company, to:

(1) employ any device, scheme or artifice to defraud the Company;

(2) make to the Company any untrue statement of a material fact or omit to state to the Company a material fact necessary in order to make the statement made, in light of the circumstances under which it is made, not misleading;

(3) engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon the Company; or

(4) engage in any manipulative practice with respect to the Company.

(B) *Scope of the Code*

In order to prevent the Access Persons, as defined in Section II, paragraph (A) below, of the Company from engaging in any of these prohibited acts, practices or courses of business, the Board of Directors of the Company has adopted this Code of Ethics ("***Code***").

SECTION II: DEFINITIONS

(A) *Access Person*. "***Access Person***" means any director, officer, or Advisory Person of the Company.

(B) *Advisory Person*. "***Advisory Person***" of the Company means: (i) any employee of the Company or of any company in a control relationship to the Company, who, in connection with his or her regular functions or duties, makes, participates in, or obtains information regarding the purchase or sale of a Covered Security by the Company, or whose functions relate to the making of any recommendations with respect to such purchases or sales; and (ii) any natural person in a control relationship to the Company who obtains information concerning recommendations made to the Company with regard to the purchase or sale of Covered Security.

(C) *Beneficial Interest*. "***Beneficial Interest***" includes any entity, person, trust, or account with respect to which an Access Person exercises investment discretion or provides investment advice. A beneficial interest shall be presumed to include all accounts in the name of or for the benefit of the Access Person, his or her spouse, dependent children, or any person living with him or her or to whom he or she contributes economic support.

(D) *Beneficial Ownership*. "***Beneficial Ownership***" shall be determined in accordance with Rule 16a-1(a)(2) under the Securities Exchange Act of 1934, except that the determination of direct or indirect Beneficial Ownership shall apply to all securities, and not just equity securities, that an Access Person has or acquires. Rule 16a-1(a)(2) provides that the term "beneficial owner" means any person who, directly or indirectly, through any contract, arrangement, understanding, relationship, or otherwise, has or shares a direct or indirect pecuniary interest in any equity security. Therefore, an Access Person may be deemed to have Beneficial Ownership of securities held by members of his or her immediate family sharing the same household, or by certain partnerships, trusts, corporations, or other arrangements.

(E) *Control*. "***Control***" shall have the same meaning as that set forth in Section 2(a)(9) of the 1940 Act.

(F) *Covered Security*. "***Covered Security***" means a security as defined in Section 2(a)(36) of the 1940 Act, except that it does not include (i) direct obligations of the Government of the United States; (ii) banker's acceptances, bank certificates of deposit, commercial paper and high quality short-term debt instruments including repurchase agreements; and (iii) shares issued by registered open-end investment companies (i.e., mutual funds); however, exchange traded funds structured as unit investment trusts or open-end funds are considered "Covered Securities".

(G) *Company*. The "***Company***" means Main Street Capital Corporation, a Maryland corporation.

(H) *Designated Officer*. "***Designated Officer***" shall mean the officer of the Company designated by the Board of Directors from time to time to be responsible for management of compliance with this Code, who shall initially be the Chief Compliance Officer of the Company until such time as the Board of Directors shall appoint a successor. The Designated Officer may appoint a designee to carry out certain of his or her functions pursuant to this Code.

(I) *Disinterested Director*. "***Disinterested Director***" means a director of the Company who is not an "interested person" of the Company within the meaning of Section 2(a)(19) of the 1940 Act.

(J) *Initial Public Offering*. "***Initial Public Offering***" means an offering of securities registered under the Securities Act of 1933, as amended (the "***Securities Act***"), the issuer of which, immediately before the registration, was not subject to the reporting requirements of Sections 13 or 15(d) of the Securities Exchange Act of 1934.

(K) *Investment Personnel*. "***Investment Personnel***" means: (i) any employee of the Company (or of any company in a control relationship to the Company) who, in connection with his or her regular functions or duties, makes or participates in making recommendations regarding the purchase or sale of securities by the Company; and (ii) any natural person who controls the Company and who obtains information concerning recommendations regarding the purchase or sale of securities by the Company.

(L) *Limited Offering*. "***Limited Offering***" means an offering that is exempt from registration under the Securities Act pursuant to Section 4(2) or Section 4(6) or pursuant to Rule 504, Rule 505 or Rule 506 under the Securities Act.

(M) *Purchase or Sale of a Covered Security.* "***Purchase or Sale of a Covered Security***" is broad and includes, among other things, the writing of an option to purchase or sell a covered security, or the use of a derivative product to take a position in a Covered Security.

SECTION III: STANDARDS OF CONDUCT

(A) *General Standards*

(1) No Access Person shall engage, directly or indirectly, in any business transaction or arrangement for personal profit that is inconsistent with the best interests of the Company or its shareholders; nor shall he or she make use of any confidential information gained by reason of his or her employment by or affiliation with the Company or affiliates thereof in order to derive a personal profit for himself or herself or for any Beneficial Interest, in violation of the fiduciary duty owed to the Company or its shareholders.

(2) Any Access Person recommending or authorizing the purchase or sale of a Covered Security by the Company shall, at the time of such recommendation or authorization, disclose any Beneficial Interest in, or Beneficial Ownership of, such Covered Security or the issuer thereof.

(3) No Access Person shall dispense any information concerning securities holdings or securities transactions of the Company to anyone outside the Company, without obtaining prior written approval from the Designated Officer, or such person or persons as these individuals may designate to act on their behalf. Notwithstanding the preceding sentence, such Access Person may dispense such information without obtaining prior written approval:

(a) when there is a public report containing the same information;

(b) when such information is dispensed in accordance with compliance procedures established to prevent conflicts of interest between the Company and its affiliates;

(c) when such information is reported to directors of the Company; or

(d) in the ordinary course of his or her duties on behalf of the Company.

(4) All personal securities transactions should be conducted consistent with this Code and in such a manner as to avoid actual or potential conflicts of interest, the appearance of a conflict of interest, or any abuse of an individual's position of trust and responsibility within the Company.

(B) *Prohibited Transactions*

(1) *General Prohibition*. No Access Person shall purchase or sell, directly or indirectly, any Covered Security in which he or she has, or by reason of such transaction acquires, any direct or indirect Beneficial Ownership and which such Access Person knows or should have known at the time of such purchase or sale is being considered for purchase or sale by the Company, or is held in the portfolio of the Company unless such Access Person shall have obtained prior written approval for such purpose from the Designated Officer.

(a) An Access Person who becomes aware that the Company is considering the purchase or sale of any Covered Security by any person (an issuer) must immediately notify the Designated Officer of any interest that such Access Person may have in any outstanding Covered Securities of that issuer.

(b) An Access Person shall similarly notify the Designated Officer of any other interest or connection that such Access Person might have in or with such issuer.

(c) Once an Access Person becomes aware that the Company is considering the purchase or sale of a Covered Security or that the Company holds a Covered Security in its portfolio, such Access Person may not engage, without prior approval of the Designated Officer, in any transaction in any Covered Securities of that issuer.

(d) The foregoing notifications or permission may be provided verbally, but should be confirmed in writing as soon and with as much detail as possible.

(2) *Initial Public Offerings and Limited Offerings*. Investment Personnel of the Company must obtain approval from the Company before directly or indirectly acquiring beneficial ownership in any securities in an Initial Public Offering or in a Limited Offering.

(3) *Blackout Periods.* No Investment Personnel shall execute a securities transaction in any security that the Company owns or is considering for purchase or sale.

(4) *Company Acquisition of Shares in Companies that Investment Personnel Hold Through Limited Offerings* Investment Personnel who have been authorized to acquire securities in a Limited Offering must disclose that investment to the Designated Officer when they are involved in the Company's subsequent consideration of an investment in the issuer, and the Company's decision to purchase such securities must be independently reviewed by Investment Personnel with no personal interest in that issuer.

(5) *Gifts and Entertainment.* No Access Person may accept, directly or indirectly, any gift, favor, or service of more than a*de minimis* value from any person with whom he or she transacts business on behalf of the Company under circumstances when to do so would conflict with the Company's best interests or would impair the ability of such person to be completely disinterested when required, in the course of business, to make judgments and/or recommendations on behalf of the Company. The foregoing restrictions do not apply to ordinary and usual business entertainment. For an item to be considered "business entertainment," a representative of the vendor/host must be present at the event/meal and there must be an opportunity to discuss matters related to the Company or Client business. Questions regarding these restrictions should be directed to the Designated Officer.

(6) *Service as Director*. No Access Person shall serve on the board of directors of a portfolio company of the Company without prior written authorization of the Designated Officer based upon a determination that the board service would be consistent with the interests of the Company and its shareholders.

SECTION IV: PROCEDURES TO IMPLEMENT CODE OF ETHICS

The following reporting procedures have been established to assist Access Persons in avoiding a violation of this Code, and to assist the Company in preventing, detecting, and imposing sanctions for violations of this Code. Every Access Person must follow these procedures. Questions regarding these procedures should be directed to the Designated Officer.

(A) *Applicability*

All Access Persons are subject to the reporting requirements set forth in Section IV(B) except:

(1) with respect to transactions effected for, and Covered Securities held in, any account over which the Access Person has no direct or indirect influence or control;

(2) a Disinterested Director, who would be required to make a report solely by reason of being a Director, need not make: (1) an initial holdings or an annual holdings report; and (2) a quarterly transaction report, unless the Disinterested Director knew or, in the ordinary course of fulfilling his or her official duties as a Director, should have known that during the 15-day period immediately before or after such Disinterested Director's transaction in a Covered Security, the Company purchased or sold the Covered Security, or the Company considered purchasing or selling the Covered Security; and

(3) an Access Person need not make a quarterly transaction report if the report would duplicate information contained in broker trade confirmations or account statements received by the Company with respect to the Access Person in the time required by subsection (B)(2) of this Section IV, if all of the information required by subsection (B)(2) of this Section IV is contained in the broker trade confirmations or account statements, or in the records of the Company, as specified in subsection (B)(4) of this Section IV.

(B) *Report Types*

(1) *Initial Holdings Report*. An Access Person must file an initial report not later than 10 days after that person became an Access Person. The initial report must: (a) contain the title, number of shares and principal amount of each Covered Security in which the Access Person had any direct or indirect beneficial ownership when the person became an Access Person; (b) identify any broker, dealer or bank with whom the Access Person maintained an account in which any Covered Securities were held for the direct or indirect benefit of the Access Person as of the date the person became an Access Person; and (c) indicate the date that the report is filed with the Designated Person. A copy of a form of such report is attached hereto as Exhibit B.

(2) *Quarterly Transaction Report.* An Access Person must file a quarterly transaction report not later than 30 days after the end of a calendar quarter.

(a) With respect to any transaction made during the reporting quarter in a Covered Security in which such Access Person had any direct or indirect beneficial ownership, the quarterly transaction report must contain: (i) the transaction date, title, interest date and maturity date (if applicable), the number of shares and the principal amount of each Covered Security; (ii) the nature of the transaction (i.e., purchase, sale or any other type of acquisition or disposition); (iii) the price of the Covered Security at which the transaction was effected; (iv) the name of the broker, dealer or bank through which the transaction was effected; and (v) the date that the report is submitted by the Access Person. A copy of a form of such report is attached hereto as Exhibit C.

(b) With respect to any account established by the Access Person in which any securities were held during the quarter for the direct or indirect benefit of the Access Person, the quarterly transaction report must contain: (i) the name of the broker, dealer or bank with whom the Access Person established the account; (ii) the date the account was established; and (iii) the date that the report is submitted by the Access Person. A copy of a form of such report is attached hereto as Exhibit E unless provided under C.

(3) *Annual Holdings Report*. An Access Person must file an annual holdings report not later than 30 days after the end of a fiscal year. The annual report must contain the following information (which information must be current as of a date no more than 30 days before the report is submitted): (a) the title, number of shares, and principal amount of each Covered Security in which the Access Person had any direct or indirect beneficial ownership; (b) the name of any broker, dealer or bank in which any Covered Securities are held for the direct or indirect benefit of the Access Person; and (c) the date the report is submitted. A copy of a form of such report is attached hereto as Exhibit D.

(4) *Account Statements*. In lieu of providing a quarterly transaction report, an Access Person may direct his or her broker to provide to the Designated Officer copies of periodic statements for all investment accounts in which they have Beneficial Ownership that provide the information required in quarterly transaction reports, as set forth above.

(5) *Company Reports.* No less frequently than annually, the Company must furnish to the Board, and the Board must consider, a written report that:

(a) describes any issues arising under the Code or procedures since the last report to the Board, including but not limited to, information about material violations of the code or procedures and sanctions imposed in response to the material violations; and

(b) certifies that the Company has adopted procedures reasonably necessary to prevent Access Persons from violating the Code.

(C) *Disclaimer of Beneficial Ownership*. Any report required under this Section IV may contain a statement that the report shall not be construed as an admission by the person submitting such duplicate confirmation or account statement or making such report that he or she has any direct or indirect beneficial ownership in the Covered Security to which the report relates.

(D) *Review of Reports.* The reports required to be submitted under this Section IV shall be delivered to the Designated Officer. The Designated Officer shall review such reports to determine whether any transactions recorded therein constitute a violation of the Code. Before making any determination that a violation has been committed by any Access Person, such Access Person shall be given an opportunity to supply additional explanatory material. The Designated Officer shall maintain copies of the reports as required by Rule 17j-1(f).

(E) *Acknowledgment and Certification*. Upon becoming an Access Person and annually thereafter, all Access Persons shall sign an acknowledgment and certification of their receipt of and intent to comply with this Code in the form attached hereto as Exhibit A and return it to the Designated Officer. Each Access Person must also certify annually that he or she has read and understands the Code and recognizes that he or she is subject to the Code. In addition, each access person must certify annually that he or she has complied with the requirements of the Code and that he or she has disclosed or reported all personal securities transactions required to be disclosed or reported pursuant to the requirements of the Code.

(F) *Records*. The Company shall maintain records with respect to this Code in the manner and to the extent set forth below, which records may be maintained on microfilm or electronic storage media under the conditions described in Rule 31a-2(f) under the 1940 Act and shall be available for examination by representatives of the Securities and Exchange Commission (the "***SEC***"):

(1) A copy of this Code and any other code of ethics of the Company that is, or at any time within the past five years has been, in effect shall be maintained in an easily accessible place;

(2) A record of any violation of this Code and of any action taken as a result of such violation shall be maintained in an easily accessible place for a period of not less than five years following the end of the fiscal year in which the violation occurs;

(3) A copy of each report made by an Access Person or duplicate account statement received pursuant to this Code, including any information provided in lieu of the reports under subsection (A)(3) of this Section IV shall be maintained for a period of not less than five years from the end of the fiscal year in which it is made or the information is provided, the first two years in an easily accessible place;

(4) A record of all persons who are, or within the past five years have been, required to make reports pursuant to this Code, or who are or were responsible for reviewing these reports, shall be maintained in an easily accessible place;

(5) A copy of each report required under subsection (B)(5) of this Section IV shall be maintained for at least five years after the end of the fiscal year in which it is made, the first two years in an easily accessible place; and

(6) A record of any decision, and the reasons supporting the decision, to approve the direct or indirect acquisition by an Access Person of beneficial ownership in any securities in an Initial Public Offering or Limited Offering shall be maintained for at least five years after the end of the fiscal year in which the approval is granted.

(G) *Obligation to Report a Violation*. Every Access Person who becomes aware of a violation of this Code by any person must report it to the Designated Officer, who shall report it to appropriate management personnel. The management personnel will take such disciplinary action that they consider appropriate under the circumstances. In the case of officers or other employees of the Company, such action may include removal from office. If the management personnel consider disciplinary action against any person, they will cause notice thereof to be given to that person and provide to that person the opportunity to be heard. The Board will be notified, in a timely manner, of remedial action taken with respect to violations of the Code.

(H) *Confidentiality*. All reports of Covered Securities transactions, duplicate confirmations, account statements and other information filed with the Company or furnished to any person pursuant to this Code shall be treated as confidential, but are subject to review as provided herein and by representatives of the SEC or otherwise to comply with applicable law or the order of a court of competent jurisdiction.

SECTION V: SANCTIONS

Upon determination that a violation of this Code has occurred, appropriate management personnel of the Company may impose such sanctions as they deem appropriate, including, among other things, disgorgement of profits, a letter of censure or suspension or termination of the employment of the violator. All violations of this Code and any sanctions imposed with respect thereto shall be reported in a timely manner to the Board of Directors of the Company.

PART B. RULE 204A-1 OF THE ADVISERS ACT/RULE 17j-1 OF THE 1940 ACT

For purposes of Rule 204A-1 of the Advisers Act and, to the extent applicable, Rule 17j-1 of the 1940 Act, the provisions set forth in Part A to this Code of Ethics shall apply in connection with the Company's provision of investment advisory services to Clients except that it shall be interpreted in a manner to protect the interests of Clients, including prohibiting supervised persons of the Company from: (i) employing any device, scheme or artifice to defraud the Client; (ii) making any untrue statement of a material fact to the Client or omitting to state a material fact necessary in order to make the statements made to the Client, in light of the circumstances under which they are made, not misleading; (iii) engaging in any act, practice or course of business conduct that operates or would operate as a fraud or deceit on the Client; and (iv) engaging in any manipulative practice with respect to the Client.

Notwithstanding the foregoing, the administrative provisions, enforcement provisions, approval (including pre-approval) provisions and recordkeeping provisions (which shall be read to refer to Rule 204-2 under the Advisers Act for purposes of this Part B) set forth in Part A of this Code of Ethics shall continue to be the exclusive/sole province of the Company for purposes of Part B of this Code of Ethics. For example, the initial, annual and quarterly holding report obligations set forth in Part A of this Code of Ethics shall be furnished by supervised persons of the Company to the Company (and not to the Client) for purposes of Part B to this Code of Ethics.

EXHIBIT A
ACKNOWLEDGMENT AND CERTIFICATION

I acknowledge receipt of the Code of Ethics of Main Street Capital Corporation and MSC Adviser I, LLC. I have read and understand such Code of Ethics and agree to be governed by it at all times. Further, if I have been subject to the Code of Ethics during the preceding year, I certify that I have complied with the requirements of the Code of Ethics and have disclosed or reported all personal securities transactions required to be disclosed or reported pursuant to the requirements of the Code of Ethics.

____
(Signature)

____
(Please print name)

Date: ____________________________

Date Received: _______________________

Reviewed By: _______________________
Date

EXHIBIT B
INITIAL HOLDINGS REPORT

Name ______________________ Date ______________________

NAME OF ISSUER	NUMBER OF SHARES	PRINCIPAL AMOUNT

I certify that the foregoing is a complete and accurate list of all securities in which I have any Beneficial Ownership.

____
Signature

Date Received: ______________________

Reviewed By: ______________________
Date

EXHIBIT C

QUARTERLY TRANSACTION REPORT

Name ______________________________ Period ______________________________

DATE	NAME OF ISSUER	NUMBER OF SHARES	INTEREST DATE	MATURITY DATE	PRINCIPAL AMOUNT	TYPE OF TRANSACTION	NAME OF BROKER/ DEALER/ BANK

I certify that the foregoing is a complete and accurate list of all transactions for the covered period in securities in which I have any Beneficial Ownership.

____

Signature

Date Received: ______________________________

Reviewed By: ______________________________

Date

EXHIBIT D
ANNUAL HOLDINGS REPORT

Name ______________________ Date ______________________

NAME OF ISSUER	NUMBER OF SHARES	PRINCIPAL AMOUNT	NAME OF BROKER/DEALER/ BANK

I certify that the foregoing is a complete and accurate list of all securities in which I have any Beneficial Ownership.

____
Signature

Date Received: ______________________

Reviewed By: ______________________
Date

EXHIBIT E

PERSONAL SECURITIES ACCOUNT INFORMATION

Name ______________________________ Date ______________________________

SECURITIES FIRM NAME AND ADDRESS	ACCOUNT NUMBER	ACCOUNT NAME(S)

I certify that the foregoing is a complete and accurate list of all securities accounts in which I have any Beneficial Ownership.

____

Signature

Date Received: ______________________________

Reviewed By: ______________________________

Date