

# MAINST

CAPITAL CORPORATION

## Investor Presentation

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First Quarter – 2018

Main Street Capital Corporation

NYSE: MAIN

[mainstcapital.com](http://mainstcapital.com)

## Disclaimers

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Main Street Capital Corporation (MAIN) cautions that statements in this presentation that are forward-looking, and provide other than historical information, involve risks and uncertainties that may impact our future results of operations. The forward-looking statements in this presentation are based on current conditions as of May 4, 2018 and include statements regarding our goals, beliefs, strategies and future operating results and cash flows, including but not limited to the equivalent annual yield represented by our dividends declared, the tax attributes of our dividends and the amount of leverage available to us. Although our management believes that the expectations reflected in any forward-looking statements are reasonable, we can give no assurance that those expectations will prove to have been correct. Those statements are made based on various underlying assumptions and are subject to numerous uncertainties and risks, including, without limitation: our continued effectiveness in raising, investing and managing capital; adverse changes in the economy generally or in the industries in which our portfolio companies operate; changes in laws and regulations that may adversely impact our operations or the operations of one or more of our portfolio companies; the operating and financial performance of our portfolio companies; retention of key investment personnel; competitive factors; and such other factors described under the captions "Cautionary Statement Concerning Forward-Looking Statements" and "Risk Factors" included in our filings with the Securities and Exchange Commission ([www.sec.gov](http://www.sec.gov)). We undertake no obligation to update the information contained herein to reflect subsequently occurring events or circumstances, except as required by applicable securities laws and regulations.

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Distributable net investment income is net investment income, as determined in accordance with U.S. generally accepted accounting principles, or U.S. GAAP, excluding the impact of share-based compensation expense which is non-cash in nature. MAIN believes presenting distributable net investment income and the related per share amount is useful and appropriate supplemental disclosure of information for analyzing its 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 for 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 MAIN's financial performance.

Main Street Capital Corporation

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Investor Presentation  
Corporate Overview

# 1<sup>st</sup> Quarter – 2018

## MAIN is a Principal Investor in Private Debt and Equity

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Hybrid debt and equity investment strategy, internally managed operating structure and focus on Lower Middle Market differentiates MAIN from other investment firms

### Internally-managed Business Development Company (BDC)

- IPO in 2007
- Over \$4.0 billion in capital under management<sup>(1)</sup>
  - Over \$2.8 billion internally at MAIN<sup>(1)</sup>
  - Over \$1.2 billion as a sub-advisor to a third party<sup>(1)</sup>

### Invests in the under-served Lower Middle Market (LMM)

- Targets companies with revenue between \$10 million - \$150 million; EBITDA between \$3 million - \$20 million
- Provides single source solutions including a combination of first lien, senior secured debt and equity financing

### Debt investments in Middle Market companies

- Issuances of first lien, senior secured and/or rated debt investments
- Larger companies than LMM investment strategy

### Debt investments originated in collaboration with other funds

- First lien, senior secured debt investments in privately held companies originated through strategic relationships with other investment funds
- Similar in size, structure and terms to LMM and Middle Market investments

### Attractive asset management advisory business

### Significant management ownership / investment in MAIN

### Headquartered in Houston, Texas

(1) Capital under management includes undrawn portion of debt capital as of March 31, 2018



## MAIN is a Principal Investor in Private Debt and Equity

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MAIN's unique investment strategy, efficient operating structure and conservative capitalization are designed to provide sustainable, long-term growth in recurring monthly dividends, as well as long-term capital appreciation, to our shareholders

**Long-term focus on delivering our shareholders sustainable growth in net asset value and recurring dividends per share**

**Consistent cash dividend yield – dividends paid monthly**

- MAIN has never decreased its monthly dividend rate
- Began paying periodic supplemental dividends in January 2013 and moved to semi-annual supplemental dividends in July 2013

**Owns three Small Business Investment Company (SBIC) Funds**

- Main Street Mezzanine Fund (2002 vintage), Main Street Capital II (2006 vintage) and Main Street Capital III (2016 vintage)
- Provides access to 10-year, low cost, fixed rate government-backed leverage

**Strong capitalization and liquidity position – stable, long-term debt and significant available liquidity to take advantage of opportunities**

- Favorable opportunities in capital markets through investment grade rating of BBB/Stable from Standard & Poor's Rating Services
- Total SBIC debenture regulatory financing capacity of \$350.0 million (\$32.2 million undrawn at March 31, 2018)<sup>(1)</sup>

(1) MAIN opportunistically prepaid \$4.0 million of existing SBIC debentures during the current quarter ended March 31, 2018. As a result, the effective maximum amount of SBIC debenture financing capacity remaining under its three existing licenses is \$346.0 million. A fourth license would be required to have access to the full \$350.0 million regulatory limit.

## MAIN is a Principal Investor in Private Debt and Equity

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Focus on LMM equity investments and efficient operating structure differentiates MAIN and provides opportunity for significant total returns for our shareholders

Equity investments in LMM portfolio provide both the opportunity to grow net asset value (NAV) per share and generate realized gains to support dividend growth

- NAV growth of \$10.82 per share (or 84%) since 2007
- Cumulative net realized gains from portfolio investments of \$72.0 million since Initial Public Offering
- Approximately \$2.56 per share in cumulative, pre-tax net unrealized appreciation at March 31, 2018
- Realized gains provide taxable income in excess of net investment income and help fund supplemental dividends

Internally managed operating structure provides significant operating leverage

- Favorable ratio of total operating expenses, excluding interest expense, to average total assets of approximately 1.5%<sup>(1)</sup>
- Greater portion of gross portfolio returns are delivered to our shareholders
- Significant positive impact to Net Investment Income
- Alignment of interests between MAIN management and our shareholders

(1) Based upon the trailing twelve month period ended March 31, 2018

## MAIN Strategy Produces Differentiated Returns

### Three Pronged Value Proposition – Three Ways to Win are Better Than One

1. Sustain and Grow Regular Monthly Dividends
  - 73% increase from \$0.330 per share in Q4 2007 to declared dividend of \$0.570 per share in Q3 2018
  - Efficient operating structure provides operating leverage to grow distributable net investment income as investment portfolio and total investment income grow
  - Never decreased regular monthly dividend (including through 2008/2009 recession) or paid a return of capital distribution
  - Paid or declared \$20.100 per share in regular monthly dividends since October 2007 IPO
  - Most of MAIN's peers generate virtually all of their total return through regular dividends
  - Multi-faceted investment strategy supports growth of regular monthly dividends over various cycles and markets
2. Supplement Regular Monthly Dividends with Semi-Annual Supplemental Dividends
  - Paid or declared \$3.275 per share in supplemental dividends since 2012, resulting in total dividends paid or declared of \$23.375 since October 2007 IPO at \$15.00 per share
  - Transitioned to semi-annual supplemental dividend vs. annual supplemental dividend in 2013
  - Primarily the product of realized gains on LMM equity investment component of strategy (analogous to PIK income on debt investments from cash flow perspective, but more tax efficient and without a cap on upside)
3. Meaningfully Grow Net Asset Value ("NAV") Per Share
  - \$12.85 at December 31, 2007 to \$23.67 at March 31, 2018 – 84% growth; CAGR of 6.1%
  - Primarily generated through retained earnings<sup>(1)</sup> (~25%) and accretive offerings (~75%)
  - Represents incremental economic return to investors beyond dividends
  - MAIN's debt-focused peers (which comprises most BDCs) cannot generate NAV per share growth through the cycles
  - Unrealized appreciation is a good proxy for future dividend growth without the need for additional capital through growing portfolio dividend income and harvested realized gains from equity investments
  - Ability to grow NAV per share provides opportunity for MAIN stock share price appreciation and additional shareholder returns

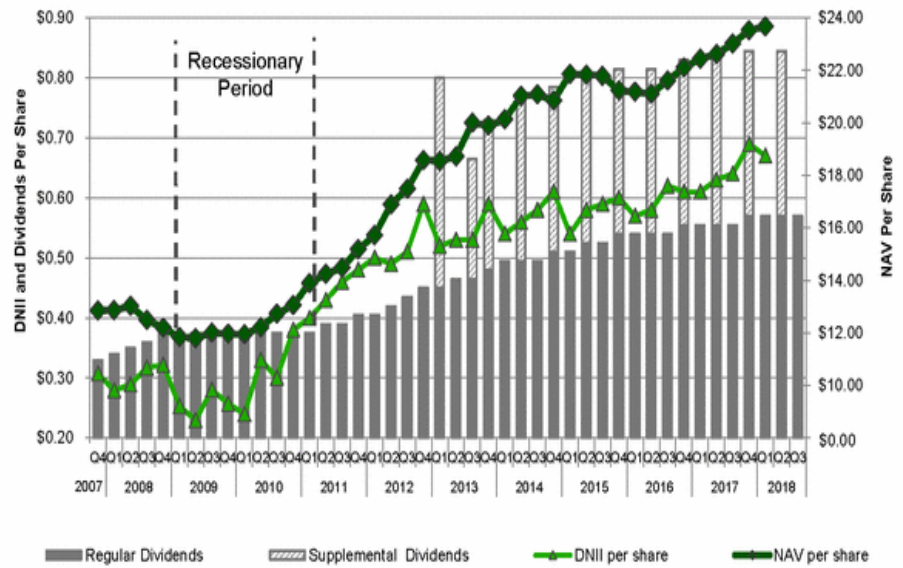
(1) Retained earnings includes cumulative net investment income, net realized gains and net unrealized appreciation, net of cumulative dividends paid or accrued

## Historical Dividend, Distributable Net Investment Income (“DNII”) and Net Asset Value (“NAV”) Per Share Growth

MAIN’s unique focus on equity investments in the Lower Middle Market provides the opportunity for significant NAV per share growth

MAIN’s efficient operating structure provides significant operating leverage, greater dividends and greater overall returns for our shareholders

MAIN’s dividends have been covered by DNII and net realized gains – MAIN has never paid a return of capital distribution



- Includes recurring monthly and supplemental dividends paid and declared as of May 3, 2018.
- Annual return on equity averaging approximately 13.6% from 2010 through the first quarter of 2018

## MAIN Historical Highlights

(\$ in millions, except per shares amounts)

Milestones	2007 - 2011	2012	2013	2014	2015	2016	2017	2018 <sup>(1)</sup>
Significant Events <sup>(2)</sup>	<ul style="list-style-type: none"> <li>▶ IPO \$64.5 NASDAQ Listing (Oct 2007)</li> <li>▶ SBIC Debt Capacity Increased to \$225.0 (Feb 2009)</li> <li>▶ Acquired 88% of our Second SBIC Fund (Jan 2010)</li> <li>▶ NYSE Listing (Oct 2010)</li> <li>▶ SBIC of the Year Award (May 2011)</li> </ul>	<ul style="list-style-type: none"> <li>▶ Acquired remaining equity of Second SBIC Fund (Mar)</li> </ul>	<ul style="list-style-type: none"> <li>▶ Supplemental Dividends:                             <ul style="list-style-type: none"> <li>- \$0.35/share (Jan)</li> <li>- \$0.20/share (Jul)</li> <li>- \$0.25/share (Dec)</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>▶ S&amp;P Investment Grade (IG) rating of BBB (Sep)</li> <li>▶ Supplemental Dividends:                             <ul style="list-style-type: none"> <li>- \$0.275/share (Jun)</li> <li>- \$0.275/share (Dec)</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>▶ Supplemental Dividends:                             <ul style="list-style-type: none"> <li>- \$0.275/share (Jun)</li> <li>- \$0.275/share (Dec)</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>▶ Supplemental Dividends:                             <ul style="list-style-type: none"> <li>- \$0.275/share (Jun)</li> <li>- \$0.275/share (Dec)</li> </ul> </li> <li>▶ Received our Third SBIC License and Increased our SBIC Debt Capacity to \$350.0 (Aug)</li> </ul>	<ul style="list-style-type: none"> <li>▶ Supplemental Dividends:                             <ul style="list-style-type: none"> <li>- \$0.275/share (Jun)</li> <li>- \$0.275/share (Dec)</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>▶ Supplemental Dividends:                             <ul style="list-style-type: none"> <li>- \$0.275/share (Jun)</li> </ul> </li> </ul>
Senior Credit Facility	<ul style="list-style-type: none"> <li>▶ \$30.0 (2008)</li> <li>▶ \$85.0 (2010)</li> <li>▶ \$235.0 (2011)</li> </ul>	<ul style="list-style-type: none"> <li>▶ \$277.5 (May)</li> <li>▶ \$287.5 (Jul)</li> <li>▶ Extension to 5-year maturity (Nov)</li> </ul>	<ul style="list-style-type: none"> <li>▶ \$372.5 (May)</li> <li>▶ \$445.0 (Sep)</li> <li>▶ Revolving for Full 5-Year Period (Sep)</li> </ul>	<ul style="list-style-type: none"> <li>▶ \$502.5 (Jun)</li> <li>▶ \$522.5 (Sep)</li> <li>▶ \$572.5 (Dec)</li> </ul>	<ul style="list-style-type: none"> <li>▶ \$597.5 (Apr)</li> <li>▶ \$555.0 (Nov)</li> </ul>		<ul style="list-style-type: none"> <li>▶ \$560.0 (Jul)</li> <li>▶ \$585.0 (Sep)</li> </ul>	
Debt Offerings			<ul style="list-style-type: none"> <li>▶ \$92.0 6.125% 10-Year Notes (Apr)</li> </ul>	<ul style="list-style-type: none"> <li>▶ \$175.0 4.5% 5-Year IG Notes (Nov)</li> </ul>			<ul style="list-style-type: none"> <li>▶ \$185.0 4.5% 5-Year IG Notes (Nov)</li> </ul>	
Equity Offerings	<ul style="list-style-type: none"> <li>▶ IPO \$64.5 (Oct 2007)</li> <li>▶ \$17.4 (2009)</li> <li>▶ \$90.7 (2010)</li> <li>▶ \$134.3 (2011)</li> </ul>	<ul style="list-style-type: none"> <li>▶ \$97.0 (Jun)</li> <li>▶ \$80.5 (Dec)</li> </ul>	<ul style="list-style-type: none"> <li>▶ \$136.9 (Aug)</li> </ul>	<ul style="list-style-type: none"> <li>▶ \$144.9 (Apr)</li> </ul>	<ul style="list-style-type: none"> <li>▶ \$136.1 (Mar)</li> <li>▶ Implemented at-the-market (ATM) Program (Nov) - \$4.5</li> </ul>	<ul style="list-style-type: none"> <li>▶ ATM \$113.6</li> </ul>	<ul style="list-style-type: none"> <li>▶ ATM \$152.8</li> </ul>	<ul style="list-style-type: none"> <li>▶ ATM \$11.5</li> </ul>
Total Value of Investment Portfolio and Number of Companies	<ul style="list-style-type: none"> <li>2007</li> <li>\$105.7</li> <li>27 Companies</li> <li>2011</li> <li>\$658.1</li> <li>114 Companies</li> </ul>	<ul style="list-style-type: none"> <li>\$924.4</li> <li>147 Companies</li> </ul>	<ul style="list-style-type: none"> <li>\$1,286.2</li> <li>176 Companies</li> </ul>	<ul style="list-style-type: none"> <li>\$1,563.3</li> <li>190 Companies</li> </ul>	<ul style="list-style-type: none"> <li>\$1,800.0</li> <li>208 Companies</li> </ul>	<ul style="list-style-type: none"> <li>\$1,996.9</li> <li>208 Companies</li> </ul>	<ul style="list-style-type: none"> <li>\$2,171.3</li> <li>198 Companies</li> </ul>	<ul style="list-style-type: none"> <li>\$2,314.0</li> <li>199 Companies</li> </ul>

(1) Through March 31, 2018, unless otherwise indicated

(2) Through May 3, 2018



## Lower Middle Market (LMM) Investment Strategy

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**LMM investment strategy differentiates MAIN from its competitors and provides attractive risk-adjusted returns**

### **Investment Objectives**

- High cash yield from secured debt investments (11.3% weighted-average cash coupon as of March 31, 2018); plus
- Dividend income and periodic capital gains from equity investments

**Investments are structured for (i) protection of capital, (ii) high recurring income and (iii) meaningful capital gain opportunity**

### **Focus on self-sponsored, “one stop” financing opportunities**

- Partner with business owners and entrepreneurs
- Recapitalization, buyout, growth and acquisition capital
- Extensive network of grass roots referral sources
- Strong and growing “Main Street” brand recognition / reputation

### **Provide customized financing solutions**

**Investments have low correlation to the broader debt and equity markets and attractive risk-adjusted returns**

## LMM Investment Opportunity

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**MAIN targets investments in established, profitable LMM companies**

**Characteristics of LMM provide beneficial risk-reward investment opportunities**

**Large and critical portion of U.S. economy**

- 175,000+ domestic LMM businesses<sup>(1)</sup>

**LMM is under-served from a capital perspective and less competitive**

**Inefficient asset class generates pricing inefficiencies**

- Typical entry enterprise values between 4.5X – 6.5X EBITDA and typical entry leverage multiples between 2.0X – 4.0X EBITDA to MAIN debt investment

**Ability to become a partner vs. a “commoditized vendor of capital”**

(1) Source: U.S. Census 2012 – U.S. Data Table by Enterprise Receipt Size; 2012 County Business Patterns and 2012 Economic Census; includes Number of Firms with Enterprise Receipt Size between \$10,000,000 and \$99,999,999

## Middle Market Debt Investment Strategy

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**MAIN maintains a portfolio of debt investments in Middle Market companies**

### **Investment Objective**

- Generate cash yield to support MAIN monthly dividend

### **Investments in secured and/or rated debt investments**

- First lien, senior secured debt investments
- Floating rate debt investments

### **Larger companies than the LMM investment strategy**

- Current Middle Market portfolio companies have weighted-average EBITDA of approximately \$86.3 million

### **Large and critical portion of U.S. economy**

- Nearly 200,000 domestic Middle Market businesses<sup>(1)</sup>

### **More relative liquidity than LMM investments**

### **6% – 10% targeted gross yields**

- Weighted-average effective yield<sup>(2)</sup> of 9.2%
- Net returns positively impacted by lower overhead requirements and modest use of leverage
- Floating rate debt investments provide the opportunity for positive impact on yields if market benchmark interest rates increase

(1) Source: National Center for The Middle Market; includes number of U.S. domestic businesses with revenues between \$10 million and \$1 billion

(2) Weighted-average effective yield includes amortization of deferred debt origination fees and accretion of original issue discount, but excludes fees payable upon repayment of the debt instruments and any debt investments on non-accrual status

## Private Loan Investment Strategy

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Private Loan portfolio investments are primarily debt investments 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”

### Investment Objectives

- Access proprietary investments with attractive risk-adjusted return characteristics
- Generate cash yield to support MAIN monthly dividend

### Investment Characteristics

- Investments in companies that are consistent with the size of companies in our LMM and Middle Market portfolios
- Proprietary investments originated through strategic relationships with other investment funds on a collaborative basis
- Current Private Loan portfolio companies have weighted-average EBITDA of approximately \$43.0 million<sup>(1)</sup>

### Investments in secured debt investments

- First lien, senior secured debt investments
- Floating rate debt investments

### 8% – 12% targeted gross yields

- Weighted-average effective yield of 9.4%
- Net returns positively impacted by lower overhead requirements and modest use of leverage
- Floating rate debt investments provide the opportunity for positive impact on yields if market benchmark interest rates increase

<sup>(1)</sup> This calculation excludes three Private Loan portfolio companies as EBITDA is not a meaningful metric for these portfolio companies

## Asset Management Business

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MAIN's asset management business represents additional income diversification and the opportunity for greater shareholder returns

MAIN's internally managed operating structure provides MAIN's shareholders the benefits of this asset management business

In May 2012, MAIN<sup>(1)</sup> entered into an investment sub-advisory agreement with the investment advisor to HMS Income Fund, Inc., a non-listed BDC

- MAIN<sup>(1)</sup> provides asset management services, including sourcing, diligence and post-investment monitoring
- MAIN<sup>(1)</sup> receives 50% of the investment advisor's base management fee and incentive fees
  - MAIN<sup>(1)</sup> base management fee – 1% of total assets
  - MAIN<sup>(1)</sup> incentive fees – 10% of net investment income above a hurdle and 10% of net realized capital gains

### Benefits to MAIN

- No significant increases to MAIN's operating costs to provide services (utilize existing infrastructure and leverage fixed costs)
- No invested capital – monetizing the value of MAIN franchise
- Significant positive impact on MAIN's financial results
  - \$2.6 million contribution to net investment income in the first quarter of 2018<sup>(2)</sup>
  - \$9.4 million contribution to net investment income for the year ended December 31, 2017<sup>(2)</sup>
  - \$48.7 million of cumulative unrealized appreciation as of March 31, 2018

(1) Through MAIN's wholly owned unconsolidated subsidiary, MSC Advisor I, LLC

(2) Contribution to Net Investment Income includes (a) dividend income received by MAIN from MSC Advisor I, LLC and (b) operating expenses allocated from MAIN to MSC Advisor I, LLC



## MAIN Regulatory Framework

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Highly regulated structure provides significant advantages and protections to our shareholders, including investment transparency, tax efficiency and beneficial leverage

### Operates as a Business Development Company

- Regulated by Securities and Exchange Commission - 1940 Act
- Publicly-traded, private investment company

### Regulated Investment Company (RIC) tax structure

- Eliminates corporate level income tax
- Efficient tax structure providing high yield to investors
- Passes through capital gains to investors

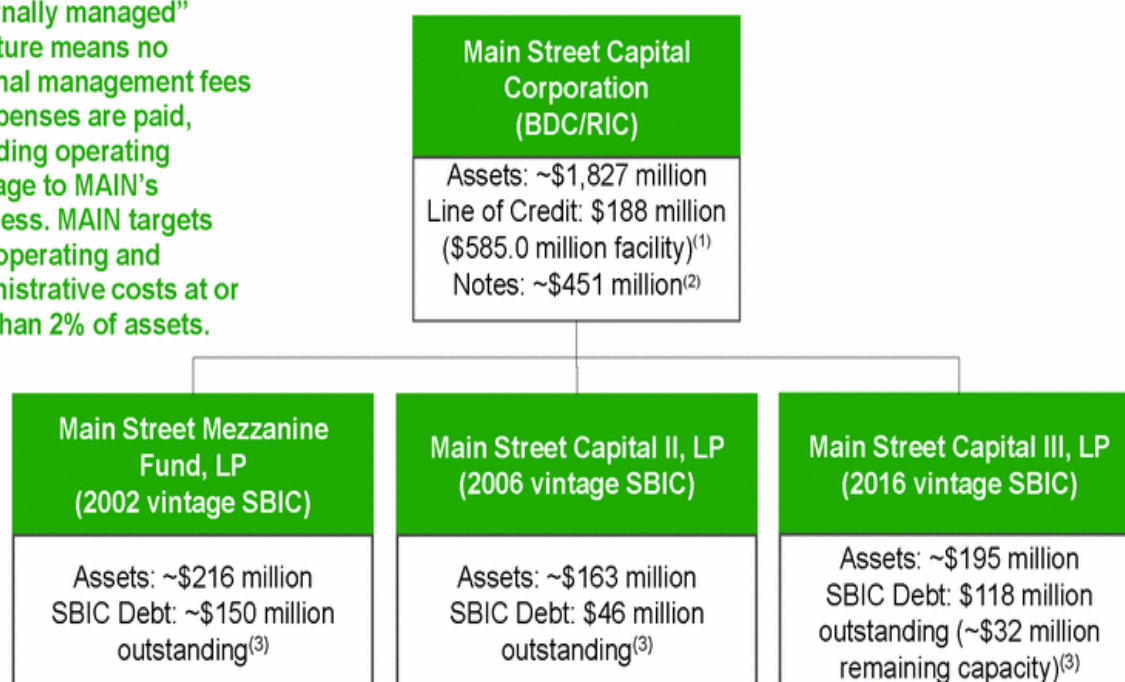
### Small Business Investment Company (SBIC) subsidiaries

- Regulated by the U.S. Small Business Administration (SBA)
- Access to low cost, fixed rate, long-term leverage
- Total SBIC debenture regulatory financing capacity of \$350.0 million<sup>(1)</sup>
- Total outstanding leverage of \$313.8 million (\$32.2 million undrawn at March 31, 2018) through our three wholly owned SBIC Funds<sup>(1)</sup>
- MAIN is a previous SBIC of the Year Award recipient

(1) MAIN opportunistically prepaid \$4.0 million of existing SBIC debentures during the current quarter ended March 31, 2018. As a result, the effective maximum amount of SBIC debenture financing capacity remaining under its three existing licenses is \$346.0 million. A fourth license would be required to have access to the full \$350.0 million regulatory limit.

## MAIN Corporate Structure – Internally Managed

“Internally managed” structure means no external management fees or expenses are paid, providing operating leverage to MAIN’s business. MAIN targets total operating and administrative costs at or less than 2% of assets.



(1) As of March 31, 2018, MAIN’s credit facility had \$585.0 million in total commitments; MAIN’s credit facility includes an accordion feature which could increase total commitments up to \$750.0 million

(2) \$185.0 million of 4.50% Notes due December 2022, \$175.0 million of 4.50% Notes due December 2019 and \$90.7 million of 6.125% Notes due April 2023 (callable in April 2018). On April 2, 2018, we redeemed the 6.125% Notes.

(3) MAIN opportunistically prepaid \$4.0 million of existing SBIC debentures during the current quarter ended March 31, 2018. As a result, the effective maximum amount of SBIC debenture financing capacity remaining under its three existing licenses is \$346.0 million (\$32.2 million undrawn at March 31, 2018). A fourth license would be required to have access to the full \$350.0 million regulatory limit.

## MAIN Co-Founders and Executive Management Team

**Vince Foster; CPA & JD<sup>(1)(2)(3)</sup>**  
Chairman and CEO

- Co-founded MAIN and MAIN predecessor funds (1997)
- Co-founded Quanta Services (NYSE: PWR)
- Partner in charge of a Big 5 Accounting Firm's Corporate Finance/Mergers and Acquisitions practice for the Southwest United States

**Dwayne Hyzak; CPA<sup>(1)(2)(3)</sup>**  
President, COO and  
Senior Managing Director

- Co-founded MAIN; Joined Main Street group in 2002; affiliated with Main Street group since 1999
- Director of acquisitions / integration with Quanta Services (NYSE: PWR)
- Manager with a Big 5 Accounting Firm's audit and transaction services groups

**Curtis Hartman; CPA<sup>(1)(2)(3)</sup>**  
Vice Chairman, CCO<sup>(4)</sup> and  
Senior Managing Director

- Co-founded MAIN; Joined Main Street group in 2000
- Investment associate at Sterling City Capital
- Manager with a Big 5 Accounting Firm's transaction services group

**David Magdol<sup>(1)(2)</sup>**  
Vice Chairman, CIO<sup>(5)</sup> and  
Senior Managing Director

- Co-founded MAIN; Joined Main Street group in 2002
- Vice President in Lazard Freres Investment Banking Division
- Vice President of McMullen Group (John J. McMullen's Family Office)

**Brent Smith; CPA**  
CFO and Treasurer

- Joined MAIN in 2014
- Previously CFO with a publicly-traded oilfield services company
- Prior experience with a Big 5 Accounting Firm and a publicly-traded financial consulting firm

**Jason Beauvais; JD**  
SVP, GC, CCO<sup>(6)</sup> and Secretary

- Joined MAIN in 2008
- Previously attorney for Occidental Petroleum Corporation (NYSE: OXY) and associate in the corporate and securities section at Baker Botts LLP

(1) Member of MAIN Executive Committee

(2) Member of MAIN Investment Committee

(3) Member of MAIN Credit Committee

(4) Chief Credit Officer

(5) Chief Investment Officer

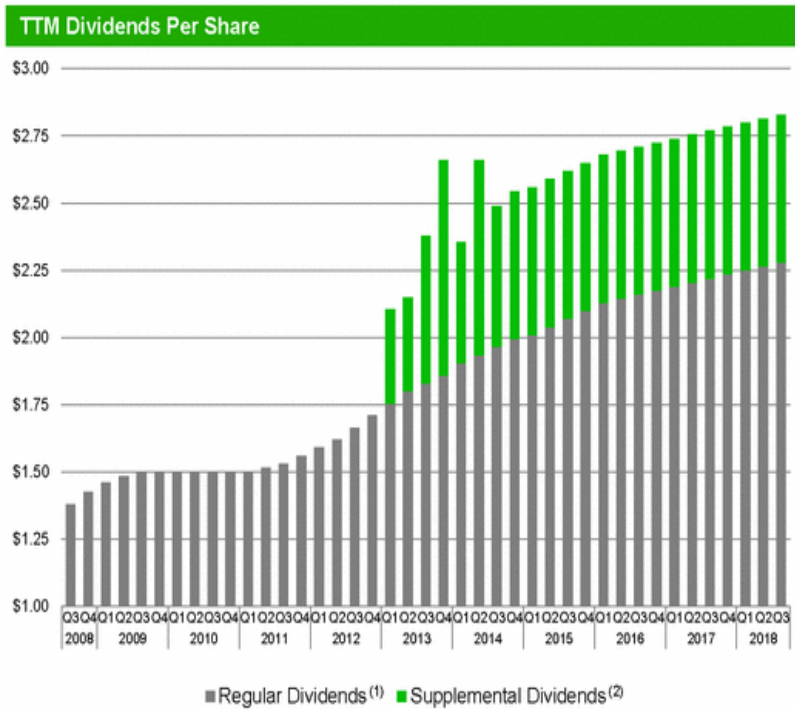
(6) Chief Compliance Officer

## Post-IPO TTM Dividends Per Share – Sustainable Growth

Cumulative dividends paid or declared from October 2007 IPO (at \$15.00 per share) through Q3 2018 equal \$23.375 per share<sup>(1)</sup>

Recurring monthly dividend has never been decreased and has shown meaningful (73%) growth since IPO

Based upon the current annualized monthly dividends for the third quarter of 2018 and the annualized semi-annual supplemental dividend declared for June 2018, the annual effective yield on MAIN's stock is 7.5%<sup>(3)</sup>, or 6.0%<sup>(3)</sup> if the supplemental dividends are excluded



(1) Based upon dividends which have been paid or declared as of May 3, 2018

(2) Includes supplemental dividends which have been paid or declared as of May 3, 2018, with Q3 2018 assuming a TTM supplemental dividend run rate of \$0.55 per share.

(3) Based upon the closing market price of \$37.81 on May 3, 2018

## Total Investment Portfolio

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Diversity provides structural protection to investment portfolio, revenue sources, income, cash flows and shareholder dividends

Includes complementary LMM debt and equity investments, Middle Market debt investments and Private Loan debt investments

Total investment portfolio at fair value consists of approximately 45% LMM / 27% Middle Market / 21% Private Loan / 7% Other<sup>(1)</sup>  
Portfolio investments

### 187 LMM, Middle Market and Private Loan portfolio companies

- Average investment size of \$11.0 million
- Largest individual portfolio company represents 6.8%<sup>(2)</sup> of total investment income and 2.9% of total portfolio fair value (most investments are less than 1%)
- Six non-accrual investments, which represent 0.8% of the total investment portfolio at fair value and 3.3% at cost.
- Weighted-average effective yield of 10.3%

### Significant diversification

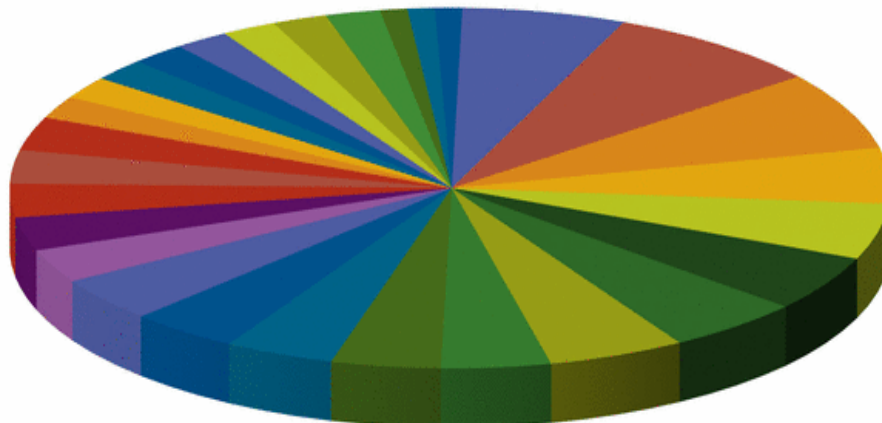
- Issuer
- Industry
- Transaction type
- Geography
- End markets
- Vintage

(1) Other includes MSC Adviser I, LLC, MAIN's External Investment Advisor

(2) Based upon total investment income for the trailing twelve month period ended March 31, 2018



## Total Portfolio by Industry (as a Percentage of Cost) <sup>(1)</sup>

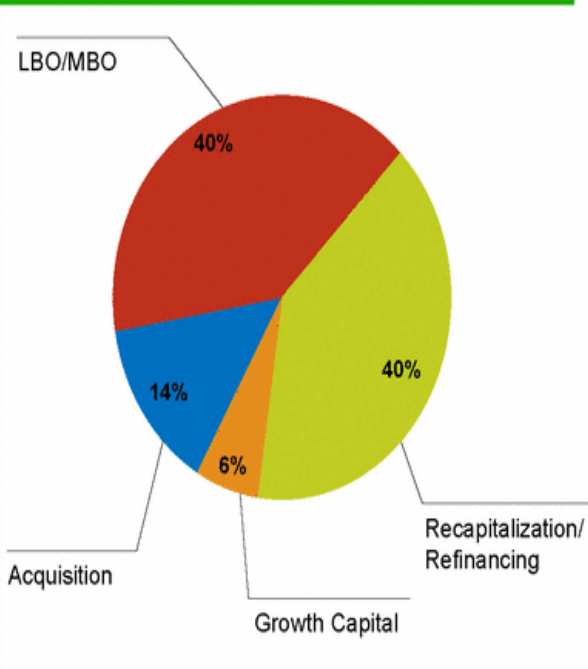


■ Construction & Engineering, 8%	■ Energy Equipment & Services, 7%
■ Commercial Services & Supplies, 5%	■ Media, 5%
■ Hotels, Restaurants & Leisure, 5%	■ Specialty Retail, 5%
■ Machinery, 5%	■ Diversified Telecommunication Services, 4%
■ Aerospace & Defense, 4%	■ Food Products, 4%
■ Health Care Providers & Services, 4%	■ IT Services, 4%
■ Professional Services, 3%	■ Internet Software & Services, 3%
■ Electronic Equipment, Instruments & Components, 3%	■ Leisure Equipment & Products, 3%
■ Computers & Peripherals, 3%	■ Software, 2%
■ Communications Equipment, 2%	■ Diversified Consumer Services, 2%
■ Distributors, 2%	■ Building Products, 2%
■ Oil, Gas & Consumable Fuels, 2%	■ Construction Materials, 2%
■ Diversified Financial Services, 2%	■ Health Care Equipment & Supplies, 1%
■ Internet & Catalog Retail, 1%	■ Road & Rail, 1%
■ Other, 6%	

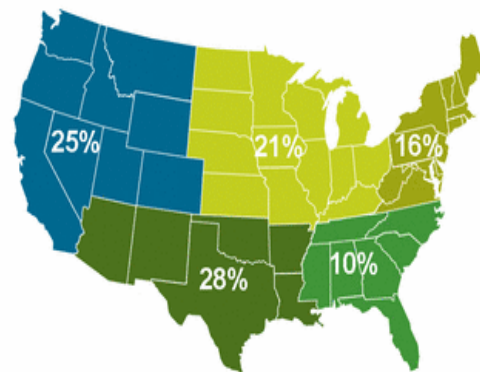
(1) Excluding MAIN's Other Portfolio investments and the External Investment Manager, as described in MAIN's public filings, which represent approximately 5% of the total portfolio

## Diversified Total Portfolio (as a Percentage of Cost) <sup>(1)</sup>

Invested Capital by Transaction Type



Invested Capital by Geography <sup>(2)</sup>



(1) Excluding MAIN's Other Portfolio investments and the External Investment Manager, as described in MAIN's public filings, which represent approximately 5% of the total portfolio

(2) Based upon portfolio company headquarters and excluding any MAIN investments headquartered outside the U.S., which represent approximately 2% of the total portfolio

## LMM Investment Portfolio

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**LMM Investment Portfolio consists of a diversified mix of secured debt and lower cost basis equity investments**

**73 portfolio companies / \$1,049.8 million in fair value**

- 45% of total investment portfolio at fair value

**Debt yielding 12.1% (68% of LMM portfolio at cost)**

- 98% of debt investments have first lien position
- 56% of debt investments earn fixed-rate interest
- Approximately 840 basis point net interest margin vs. "matched" fixed interest rate on SBIC debentures

**Equity in 97% of LMM portfolio companies representing 38% average ownership position (32% of LMM portfolio at cost)**

- Opportunity for fair value appreciation, capital gains and cash dividend income
- 56% of LMM companies<sup>(1)</sup> with direct equity investment are currently paying dividends
- Fair value appreciation of equity investments supports Net Asset Value per share growth
- Lower entry multiple valuations, lower cost basis
- \$150.8 million, or \$2.56 per share, of cumulative pre-tax net unrealized appreciation at March 31, 2018

(1) Includes the LMM companies which (a) MAIN is invested in direct equity and (b) are treated as flow-through entities for tax purposes; based upon dividend income for the trailing twelve month period ended March 31, 2018

## LMM Investment Portfolio

---

**LMM Investment Portfolio is a pool of high quality, seasoned assets with attractive risk-adjusted return characteristics**

**Median LMM portfolio credit statistics:**

- Senior leverage of 3.0x EBITDA to MAIN debt position
- 2.6x EBITDA to senior interest coverage
- Total leverage of 3.1x EBITDA including debt junior in priority to MAIN
- Free cash flow de-leveraging improves credit metrics and increases equity appreciation

**Average investment size of \$12.3 million (less than 1% of total investment portfolio)**

**Opportunistic, selective posture toward new investment activity over the economic cycle**

**High quality, seasoned LMM portfolio**

- Total LMM portfolio investments at fair value equals 117% of cost
- Equity component of LMM portfolio at fair value equals 166% of cost
- Majority of LMM portfolio has de-leveraged and experienced equity appreciation

## LMM Portfolio by Industry (as a Percentage of Cost)

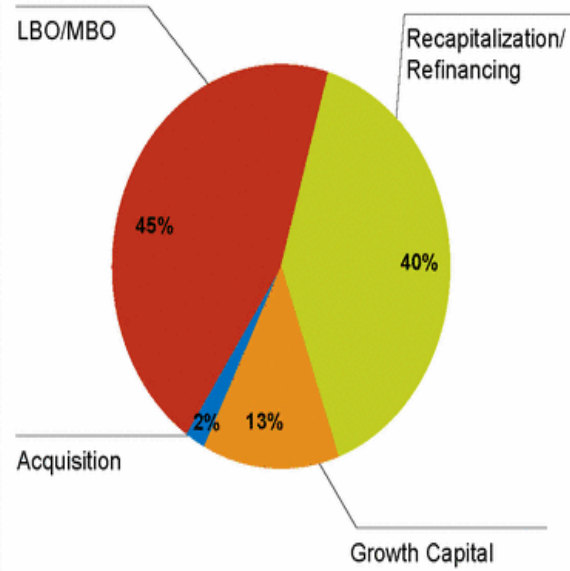


■ Construction & Engineering, 13%	■ Energy Equipment & Services, 12%
■ Machinery, 7%	■ Hotels, Restaurants & Leisure, 6%
■ Professional Services, 6%	■ Food Products, 5%
■ Specialty Retail, 4%	■ Computers & Peripherals, 4%
■ Electronic Equipment, Instruments & Components, 4%	■ Internet Software & Services, 4%
■ Commercial Services & Supplies, 3%	■ Leisure Equipment & Products, 3%
■ Building Products, 3%	■ Media, 3%
■ Software, 3%	■ Road & Rail, 3%
■ Diversified Telecommunication Services, 3%	■ IT Services, 2%
■ Construction Materials, 2%	■ Diversified Financial Services, 2%
■ Health Care Equipment & Supplies, 2%	■ Consumer Finance, 1%
■ Health Care Providers & Services, 1%	■ Paper & Forest Products, 1%
■ Air Freight & Logistics, 1%	■ Oil, Gas & Consumable Fuels, 1%
■ Other, 1%	

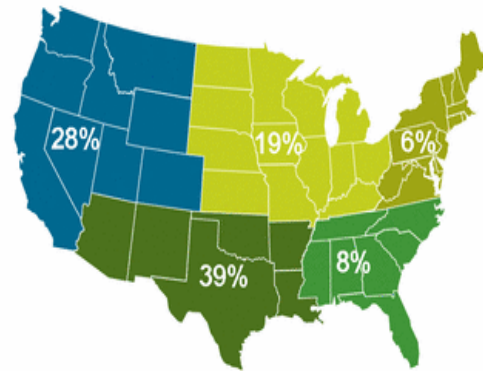


## Diversified LMM Portfolio (as a Percentage of Cost)

Invested Capital by Transaction Type



Invested Capital by Geography <sup>(1)</sup>



(1) Based upon portfolio company headquarters

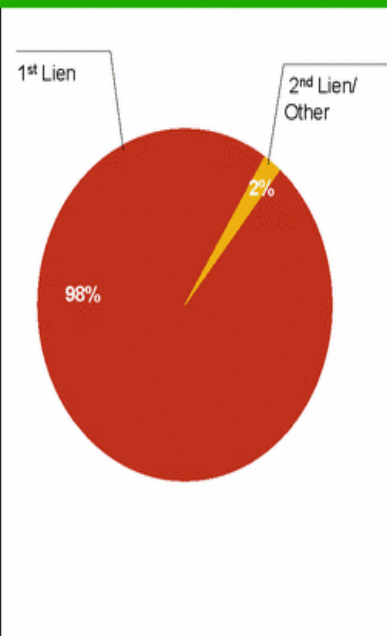
## LMM Portfolio Attributes Reflect Investment Strategy

High yielding secured debt investments coupled with significant equity participation = Attractive risk-adjusted returns

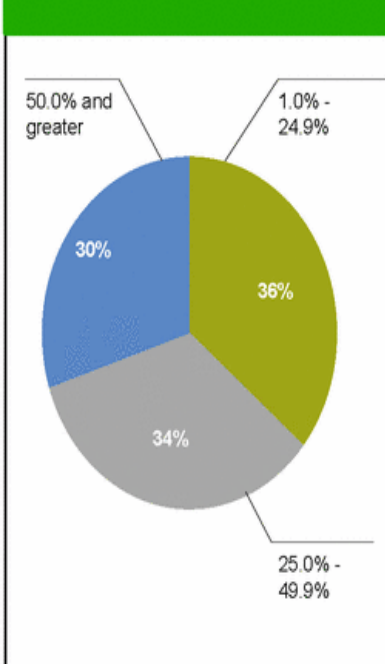
Weighted-Average Effective Yield = 12.1%

Average Fully Diluted Equity Ownership = 38%

Security Position on Debt Capital as a Percentage of Cost

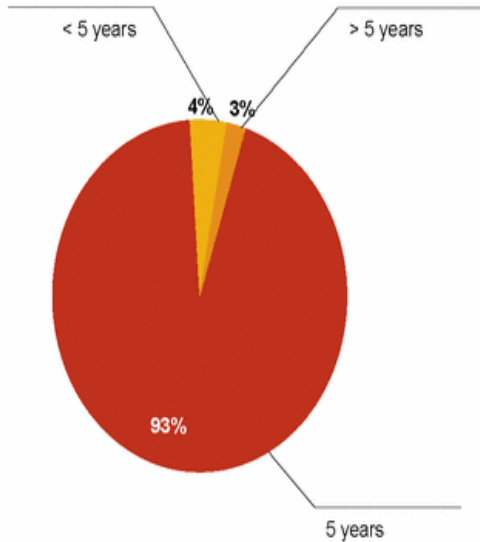


Fully Diluted Equity Ownership %

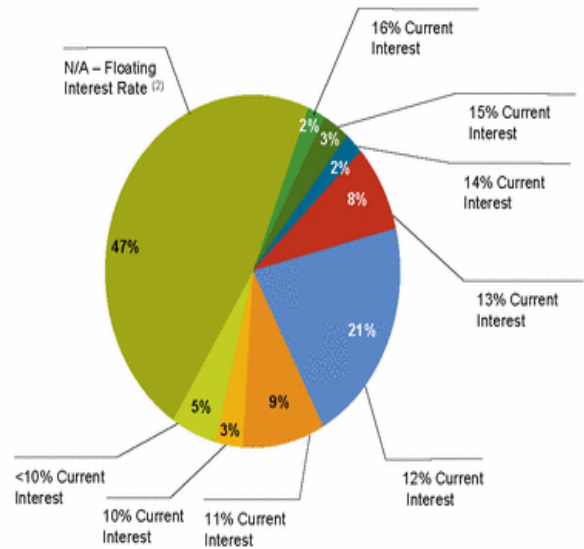


# Term and Total Interest Coupon of Existing LMM Debt Investments

## Original Term



## Total Interest Coupon <sup>(1)</sup>



**Debt Investments generally have a 5-Year Original Term and ~3.0 Year Weighted-Average Remaining Duration; Weighted-Average Effective Yield of 12.1% on Debt Portfolio**

(1) Interest coupon excludes amortization of deferred upfront fees, original issue discount, exit fees and any debt investments on non-accrual status

(2) Floating interest rates generally include contractual minimum "floor" rates

## Middle Market Investment Portfolio

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**Middle Market Investment Portfolio provides a diversified mix of investments and sources of income to complement the LMM Investment Portfolio**

**59 investments / \$617.9 million in fair value**

- 27% of total investment portfolio at fair value

**Average investment size of \$10.7 million (less than 1% of total portfolio)**

**Investments in secured and/or rated debt investments**

- 97% of current Middle Market portfolio is secured debt
- 91% of current Middle Market debt portfolio is first lien term debt

**More relative investment liquidity compared to LMM**

**90% of Middle Market debt investments bear interest at floating rates<sup>(1)</sup>, providing matching with MAIN's floating rate credit facility**

**Weighted-average effective yield of 9.2%, representing a greater than 525 basis point net interest margin vs. "matched" floating rate on the MAIN credit facility**

- Floating rate debt investments (90% floating rate), which provide the opportunity for positive impact on yields if market benchmark interest rates increase

(1) 100% of floating interest rates on Middle Market debt investments are subject to contractual minimum "floor" rates

## Private Loan Investment Portfolio

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**Private Loan Investment Portfolio provides a diversified mix of investments and sources of income to complement the LMM Investment Portfolio**

**55 investments / \$496.5 million in fair value**

- 21% of total investment portfolio at fair value

**Average investment size of \$9.5 million (less than 1% of total portfolio)**

**Investments in secured debt investments**

- 93% of current Private Loan portfolio is secured debt
- 94% of current Private Loan debt portfolio is first lien term debt

**87% of Private Loan debt investments bear interest at floating rates<sup>(1)</sup>, providing matching with MAIN's floating rate credit facility**

**Weighted-average effective yield of 9.4%, representing a greater than 545 basis point net interest margin vs. "matched" floating rate on the MAIN credit facility**

- Floating rate debt investments (87% floating rate), which provide the opportunity for positive impact on yields if market benchmark interest rates increase

(1) 89% of floating interest rates on Private Loan debt investments are subject to contractual minimum "floor" rates



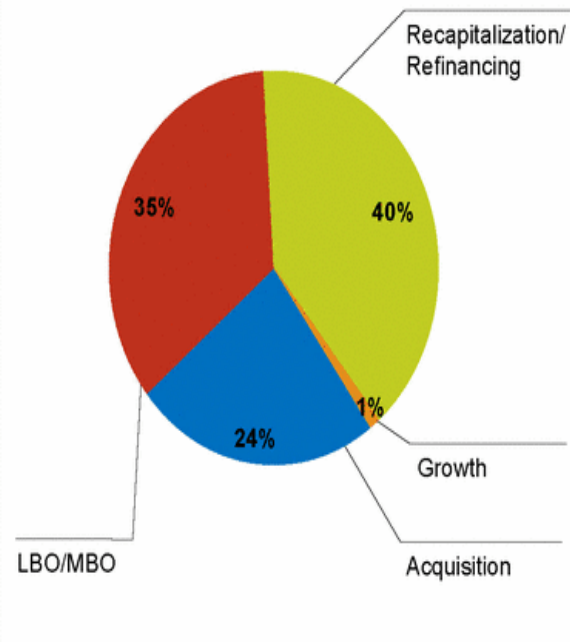
## Middle Market & Private Loan Portfolios by Industry (as a Percentage of Cost)



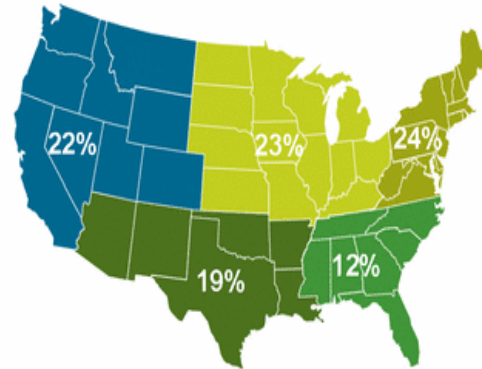
- |  |  |
|--|--|
| ■ Aerospace & Defense, 7%                            | ■ Media, 7%                            |
| ■ Commercial Services & Supplies, 7%                 | ■ Health Care Providers & Services, 6% |
| ■ Diversified Telecommunication Services, 5%         | ■ Specialty Retail, 5%                 |
| ■ Construction & Engineering, 5%                     | ■ IT Services, 5%                      |
| ■ Hotels, Restaurants & Leisure, 5%                  | ■ Communications Equipment, 4%         |
| ■ Diversified Consumer Services, 4%                  | ■ Machinery, 4%                        |
| ■ Energy Equipment & Services, 3%                    | ■ Distributors, 3%                     |
| ■ Internet Software & Services, 3%                   | ■ Food Products, 3%                    |
| ■ Leisure Equipment & Products, 2%                   | ■ Oil, Gas & Consumable Fuels, 2%      |
| ■ Internet & Catalog Retail, 2%                      | ■ Software, 2%                         |
| ■ Electronic Equipment, Instruments & Components, 2% | ■ Professional Services, 2%            |
| ■ Computers & Peripherals, 1%                        | ■ Health Care Equipment & Supplies, 1% |
| ■ Marine, 1%   | ■ Capital Markets, 1%                  |
| ■ Diversified Financial Services, 1%                 | ■ Household Durables, 1%               |
| ■ Transportation Infrastructure, 1%                  | ■ Other, 5%                            |

## Diversified Middle Market & Private Loan Investments (as a Percentage of Cost)

Invested Capital by Transaction Type



Invested Capital by Geography <sup>(1)</sup>



(1) Based upon portfolio company headquarters and excluding any MAIN investments headquartered outside the U.S., which represent approximately 4% of the Middle Market and Private Loan portfolios

Main Street Capital Corporation

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Investor Presentation  
Financial Overview

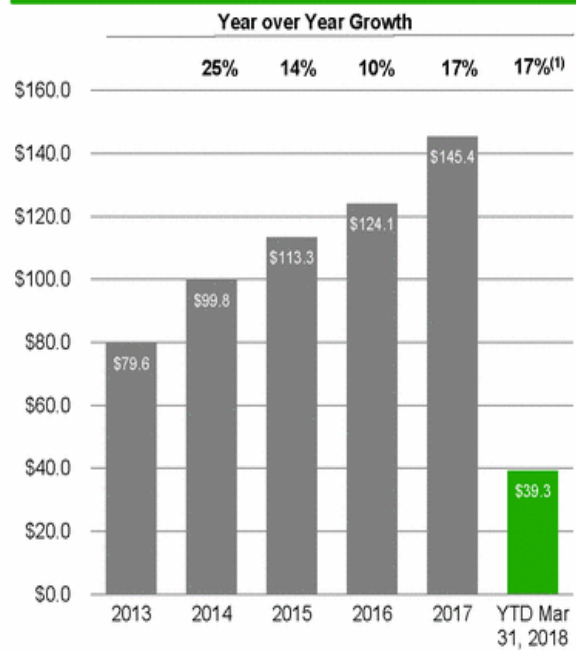
# 1<sup>st</sup> Quarter – 2018

## MAIN Financial Performance

### Total Investment Income (\$ in millions)



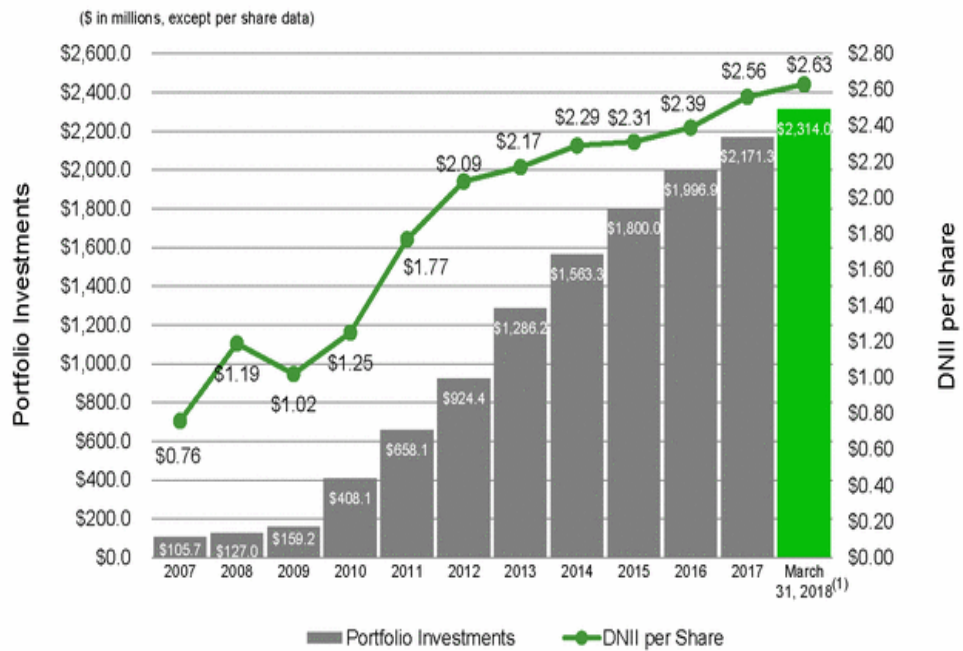
### Distributable Net Investment Income (\$ in millions)



(1) Reflects year-to-date March 31, 2018 performance compared with year-to-date March 31, 2017 performance

## Long-Term Portfolio and DNII Per Share Growth

Since 2007, MAIN has accretively grown Portfolio Investments by 2089%, (or by 233% on a per share basis) and DNII per share by 246%



(1) DNII per share for the trailing twelve month period ended March 31, 2018



## Efficient and Leverageable Operating Structure

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MAIN's internally managed operating structure provides significant operating leverage and greater returns for our shareholders

“Internally managed” structure means no external management fees or expenses are paid

### Alignment of interest between management and investors

- Greater incentives to maximize increases to shareholder value and rationalize debt and equity capital raises
- 100% of MAIN's management efforts and activities are for the benefit of the BDC

### MAIN targets total operating expenses<sup>(1)</sup> as a percentage of average assets (Operating Expense Ratio) at or less than 2%

- Long-term actual results have significantly outperformed target
- Industry leading Operating Expense Ratio of 1.5%<sup>(2)</sup>

### Significant portion of total operating expenses are non-cash

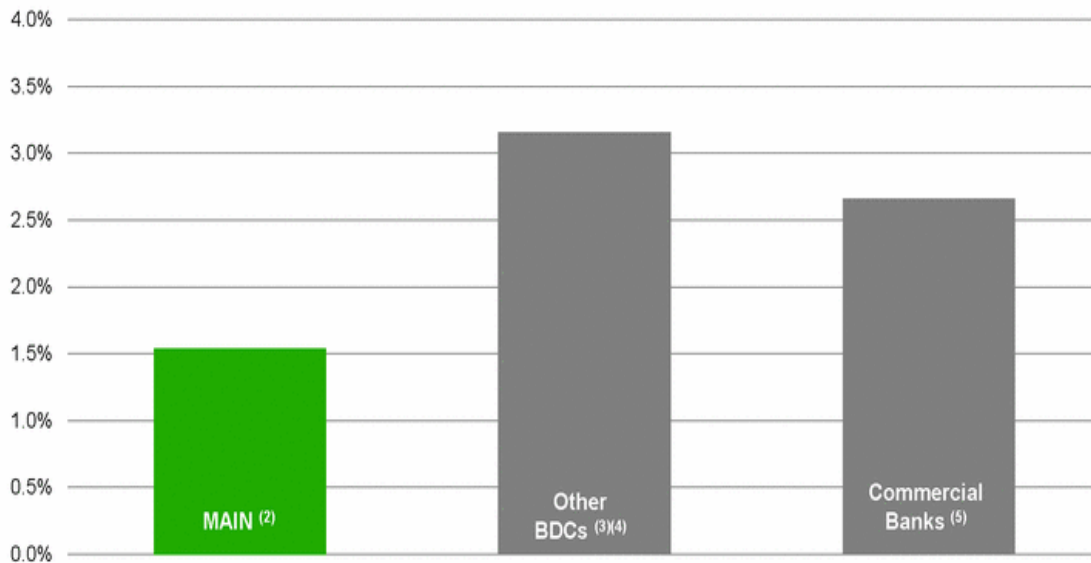
- Non-cash expense for restricted stock amortization was 13.9%<sup>(2)</sup> of total operating expenses
- Operating Expense Ratio of 1.1%<sup>(2)</sup> excluding non-cash restricted stock amortization expense

(1) Total operating expenses, including non-cash share based compensation expense and excluding interest expense

(2) Based upon the trailing twelve month period ended March 31, 2018

## MAIN Maintains a Significant Operating Cost Advantage

Operating Expenses as a Percentage of Total Assets<sup>(1)</sup>



(1) Total operating expenses, including non-cash share based compensation expense and excluding interest expense

(2) For the trailing twelve month period ended March 31, 2018

(3) Other BDCs includes dividend paying BDCs that have been publicly-traded for at least two years and have total assets greater than \$500 million based on individual SEC Filings as of December 31, 2017; specifically includes: AINV, ARCC, BKCC, CPTA, FDUS, FSIC, GAIN, GBDC, GSBD, HTGC, MCC, MRCC, NEWT, NMFC, OCSI, OCSL, PFLT, PNNT, PSEC, SLRC, SUNS, TCAP, TCPC, TCRD, TPVG and TSLX

(4) Calculation represents the average for the companies included in the group and is based upon the trailing twelve month period ended December 31, 2017 as derived from each company's SEC filings

(5) Source: SNL Financial. Calculation represents the average for the trailing twelve month period ended December 31, 2017 and includes commercial banks with a market capitalization between \$500 million and \$3 billion

## MAIN Income Statement Summary

(\$ in 000's)					Q1 18 vs. Q1 17	
	Q1 17 <sup>(1)</sup>	Q2 17	Q3 17	Q4 17	Q1 18 <sup>(1)</sup>	% Change <sup>(2)</sup>
Total Investment Income	\$ 47,889	\$ 50,271	\$ 51,786	\$ 55,797	\$ 55,942	17%
Expenses:						
Interest Expense	(8,608)	(8,793)	(9,420)	(9,659)	(10,265)	-19%
G&A Expense	(5,846)	(5,987)	(5,861)	(6,171)	(6,399)	-9%
Distributable Net Investment Income (DNII)	33,435	35,491	36,505	39,967	39,278	17%
DNII Margin %	69.8%	70.6%	70.5%	71.6%	70.2%	
Share-based compensation	(2,269)	(2,798)	(2,476)	(2,484)	(2,303)	-1%
Net Investment Income	31,166	32,693	34,029	37,483	36,975	19%
Net Realized Gain (Loss) <sup>(1)</sup>	27,565	10,981	(10,706)	(11,660)	7,460	NM
Net Unrealized Appreciation (Depreciation) <sup>(1)</sup>	(21,643)	1,329	16,147	47,706	(10,897)	NM
Income Tax Benefit (Provision)	(5,638)	(2,174)	(4,571)	(12,089)	979	NM
Net Increase in Net Assets	\$ 31,450	\$ 42,829	\$ 34,899	\$ 61,440	\$ 34,517	10%

(1) Excludes the effects of the \$5.2 million realized loss recognized in the first quarter of 2017 and the \$1.4 million realized loss recognized in the first quarter of 2018 on the repayment of the SBIC debentures which had previously been accounted for on the fair value method of accounting and the accounting reversals of prior unrealized depreciation related to the realized loss. The net effect of these items has no effect on Net Increase in Net Assets or Distributable Net Investment Income.

(2) Percent change from prior year is based upon impact (increase/(decrease)) on Net Increase in Net Assets

NM – Not Measurable / Not Meaningful

## MAIN Per Share Change in Net Asset Value (NAV)

(\$ per share)	Q1 17 <sup>(1)</sup>	Q2 17	Q3 17	Q4 17	Q1 18 <sup>(1)</sup>
Beginning NAV	\$ 22.10	\$ 22.44	\$ 22.62	\$ 23.02	\$ 23.53
Distributable Net Investment Income	0.61	0.63	0.64	0.69	0.67
Share-Based Compensation Expense	(0.04)	(0.05)	(0.04)	(0.04)	(0.04)
Net Realized Gain (Loss) <sup>(1)</sup>	0.50	0.20	(0.19)	(0.20)	0.13
Net Unrealized Appreciation (Depreciation) <sup>(1)</sup>	(0.39)	0.02	0.28	0.82	(0.19)
Income Tax Benefit (Provision)	(0.11)	(0.04)	(0.08)	(0.20)	0.02
Net Increase in Net Assets	0.57	0.76	0.61	1.07	0.59
Regular Monthly Dividends to Shareholders	(0.56)	(0.56)	(0.56)	(0.57)	(0.57)
Supplemental Dividends to Shareholders	-	(0.28)	-	(0.28)	-
Accretive Impact of Stock Offerings <sup>(2)</sup>	0.27	0.31	0.30	0.25	0.08
Other <sup>(3)</sup>	0.06	(0.05)	0.05	0.04	0.04
Ending NAV	\$ 22.44	\$ 22.62	\$ 23.02	\$ 23.53	\$ 23.67
Weighted Average Shares	55,125,170	56,166,782	57,109,104	58,326,827	58,852,252

Certain fluctuations in per share amounts are due to rounding differences between quarters.

- (1) Excludes the effects of the \$5.2 million realized loss recognized in the first quarter of 2017 and the \$1.4 million realized loss recognized in the first quarter of 2018 on the repayment of the SBIC debentures which had previously been accounted for on the fair value method of accounting and the accounting reversals of prior unrealized depreciation related to the realized loss. The net effect of these items has no effect on Net Increase in Net Assets or Distributable Net Investment Income.
- (2) Includes accretive impact of shares issued through the Dividend Reinvestment Plan (DRIP) and ATM program.
- (3) Includes differences in weighted-average shares utilized for calculating changes in NAV during the period and actual shares outstanding utilized in computing ending NAV and other minor changes.

## MAIN Balance Sheet Summary

(\$ in 000's, except per share amounts)	Q1 17	Q2 17	Q3 17	Q4 17	Q1 18
LMM Portfolio Investments	\$ 886,559	\$ 932,074	\$ 938,042	\$ 948,196	\$ 1,049,772
Middle Market Portfolio Investments	568,796	624,060	607,476	609,256	617,941
Private Loan Investments	384,220	379,809	485,929	467,474	496,533
Other Portfolio Investments	106,331	103,899	99,230	104,611	101,066
External Investment Adviser	33,472	37,104	39,304	41,768	48,722
Cash and Cash Equivalents	33,605	21,799	30,144	51,528	29,090
Other Assets	63,506	65,973	69,557	42,562	58,051
<b>Total Assets</b>	<b>\$ 2,076,489</b>	<b>\$ 2,164,718</b>	<b>\$ 2,269,682</b>	<b>\$ 2,265,395</b>	<b>\$ 2,401,175</b>
Credit Facility	\$ 288,000	\$ 303,000	\$ 355,000	\$ 64,000	\$ 188,000
SBIC Debentures <sup>(1)</sup>	239,355	255,663	269,345	288,483	306,182
Notes Payable	265,655	262,159	262,416	444,688	445,096
Other Liabilities	39,545	61,151	53,255	87,856	65,297
<b>Net Asset Value (NAV)</b>	<b>1,243,934</b>	<b>1,282,745</b>	<b>1,329,666</b>	<b>1,380,368</b>	<b>1,396,600</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 2,076,489</b>	<b>\$ 2,164,718</b>	<b>\$ 2,269,682</b>	<b>\$ 2,265,395</b>	<b>\$ 2,401,175</b>
Total Portfolio Fair Value as % of Cost	105%	105%	106%	108%	107%
Common Stock Price Data:					
High Close	\$ 38.27	\$ 40.39	\$ 40.40	\$ 41.55	\$ 39.90
Low Close	35.39	37.80	38.13	39.71	35.41
Quarter End Close	38.27	38.46	39.75	39.73	36.90

(1) Includes adjustment to the face value of Main Street Capital II, LP ("MSC II") Small Business Investment Company ("SBIC") debentures pursuant to the fair value method of accounting elected for such MSC II SBIC borrowings. Total par value of SBIC debentures at March 2018 was \$313.8 million.



## MAIN Liquidity and Capitalization

(\$ in 000's)	Q1 17	Q2 17	Q3 17	Q4 17	Q1 18
Cash and Cash Equivalents	\$ 33,605	\$ 21,799	\$ 30,144	\$ 51,528	\$ 29,090
Availability Under Credit Facility <sup>(1)</sup>	267,000	252,000	230,000	521,000	397,000
Remaining SBIC Debentures Capacity	<u>109,800</u>	<u>88,800</u>	<u>75,200</u>	<u>54,200</u>	<u>32,200</u>
Total Liquidity	<u>\$ 410,405</u>	<u>\$ 362,599</u>	<u>\$ 335,344</u>	<u>\$ 626,728</u>	<u>\$ 458,290</u>
<i>Debt at Par Value:</i>					
Credit Facility <sup>(1)</sup>	\$ 288,000	\$ 303,000	\$ 355,000	\$ 64,000	\$ 188,000
SBIC Debentures	240,200	261,200	274,800	295,800	313,800
Notes Payable	265,655	265,655	265,655	450,655	450,655
Net Asset Value (NAV)	<u>1,243,934</u>	<u>1,282,745</u>	<u>1,329,666</u>	<u>1,380,368</u>	<u>1,396,600</u>
Total Capitalization	<u>\$ 2,037,789</u>	<u>\$ 2,112,600</u>	<u>\$ 2,225,121</u>	<u>\$ 2,190,823</u>	<u>\$ 2,349,055</u>
Debt to NAV Ratio <sup>(2)</sup>	0.64 to 1.0	0.65 to 1.0	0.67 to 1.0	0.59 to 1.0	0.68 to 1.0
Non-SBIC Debt to NAV Ratio <sup>(3)</sup>	0.45 to 1.0	0.44 to 1.0	0.47 to 1.0	0.37 to 1.0	0.46 to 1.0
Net Debt to NAV Ratio <sup>(4)</sup>	0.61 to 1.0	0.63 to 1.0	0.65 to 1.0	0.55 to 1.0	0.66 to 1.0
Interest Coverage Ratio <sup>(5)</sup>	4.78 to 1.0	4.88 to 1.0	4.90 to 1.0	4.99 to 1.0	4.97 to 1.0

(1) As of March 31, 2018, MAIN's credit facility had \$585.0 million in total commitments with an accordion feature to increase up to \$750.0 million. Borrowings under this facility are available to provide additional liquidity for investment and operational activities.

(2) SBIC Debentures are not included as "senior debt" for purposes of the BDC 200% asset coverage requirements pursuant to exemptive relief received by MAIN. Debt to NAV Ratio is calculated based upon the par value of debt.

(3) Non-SBIC Debt to NAV Ratio is calculated based upon the par value of debt.

(4) Net debt in this ratio includes par value of debt less cash and cash equivalents.

(5) DNII + interest expense / interest expense on a trailing twelve month basis.

## Stable, Long-Term Leverage – Significant Unused Capacity

MAIN maintains a conservative capital structure, with limited overall leverage and low cost, long-term debt

Capital structure is designed to match expected duration and fixed/floating rate nature of investment portfolio assets

Facility	Interest Rate	Maturity	Principal Drawn
\$585.0 million Credit Facility <sup>(1)</sup>	L+1.875% floating (3.5% as of March 31, 2018)	September 2021 (fully revolving until maturity)	\$188.0 million
Notes Payable	4.50% fixed	Redeemable at MAIN's option at any time, subject to certain make whole provisions; Matures December 1, 2019	\$175.0 million
Notes Payable	4.50% fixed	Redeemable at MAIN's option at any time, subject to certain make whole provisions; Matures December 1, 2022	\$185.0 million
Notes Payable	6.125% fixed	Redeemable at MAIN's option at any time beginning April 2018; Matures April 1, 2023 <sup>(2)</sup>	\$90.7 million
SBIC Debentures	3.7% fixed (weighted average)	Various dates between 2019 - 2027 (weighted average duration = 5.9 years)	\$313.8 million

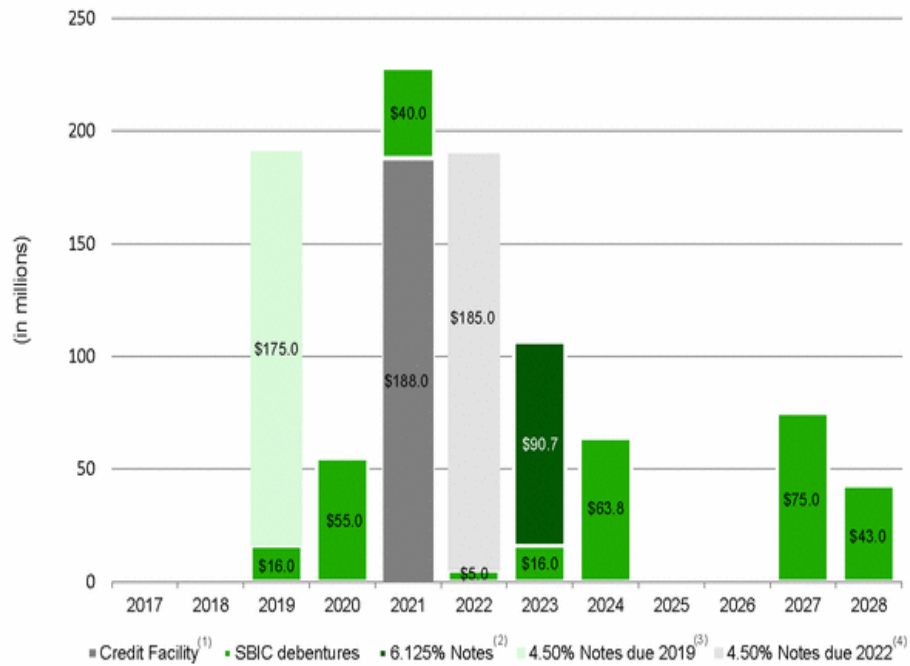
(1) As of March 31, 2018, MAIN's credit facility had \$585.0 million in total commitments from 15 relationship banks, with an accordion feature which could increase total commitments up to \$750.0 million.

(2) On April 2, 2018, we redeemed the 6.125% Notes.

## Long-term Duration of Debt Obligations

MAIN's conservative capital structure provides long-term access to attractively-priced and structured debt facilities

- Allows for investments in assets with long-term holding periods / illiquid positions and greater yields and overall returns
- Provides downside protection and liquidity through economic cycles
- Allows MAIN to be opportunistic during periods of economic uncertainty



(1) Based upon outstanding balance as of March 31, 2018; total commitments at March 31, 2018 were \$585.0 million

(2) Issued in April 2013; redeemable at MAIN's option beginning April 2018. On April 2, 2018, we redeemed the 6.125% Notes.

(3) Issued in November 2014; redeemable at MAIN's option at any time, subject to certain make whole provisions

(4) Issued in November 2017; redeemable at MAIN's option at any time, subject to certain make whole provisions

## Positive Impact from Rising Interest Rates

MAIN's capital structure and investment portfolio provides downside protection and the opportunity for significant benefits from a rising interest rate environment

- 80% of MAIN's outstanding debt obligations have fixed interest rates<sup>(3)</sup>, limiting the increase in interest expense
- 73% of MAIN's debt investments bear interest at floating rates<sup>(3)</sup>, the majority of which contain contractual minimum index rates, or "interest rate floors" (weighted-average being approximately 105 basis points)<sup>(4)</sup>
- Provides MAIN the opportunity to achieve significant increases in net investment income if interest rates rise

The following table illustrates the approximate annual changes in the components of MAIN's net investment income due to hypothetical increases (decreases) in interest rates<sup>(1)</sup> (dollars in thousands):

Basis Point Increase (Decrease) in Interest Rate	Increase (Decrease) in Interest Income	(Increase) Decrease in Interest Expense <sup>(2)</sup>	Increase (Decrease) in Net Investment Income	Increase (Decrease) in Net Investment Income per Share <sup>(5)</sup>
(50)	\$ (6,312)	\$ 940	\$ (5,372)	\$ (0.09)
(25)	(3,156)	470	(2,686)	(0.05)
25	3,156	(470)	2,686	0.05
50	6,312	(940)	5,372	0.09
100	12,625	(1,880)	10,745	0.18
200	25,250	(3,760)	21,490	0.36
300	37,874	(5,640)	32,234	0.55
400	50,499	(7,520)	42,979	0.73

(1) Assumes no changes in the portfolio investments, outstanding revolving credit facility borrowings or other debt obligations existing as of March 31, 2018

(2) The hypothetical (increase) decrease in interest expense would be impacted by the changes in the amount of debt outstanding under our revolving credit facility, with interest expense (increasing) decreasing as the debt outstanding under our revolving credit facility increases (decreases)

(3) As of March 31, 2018

(4) Weighted-average interest rate floor calculated based on debt principal balances as of March 31, 2018

(5) Per share amount is calculated using shares outstanding as of March 31, 2018

## Significant Management Ownership / Investment

Significant equity ownership by MAIN's management team, coupled with internally managed structure, provides alignment of interest between MAIN's management and our shareholders

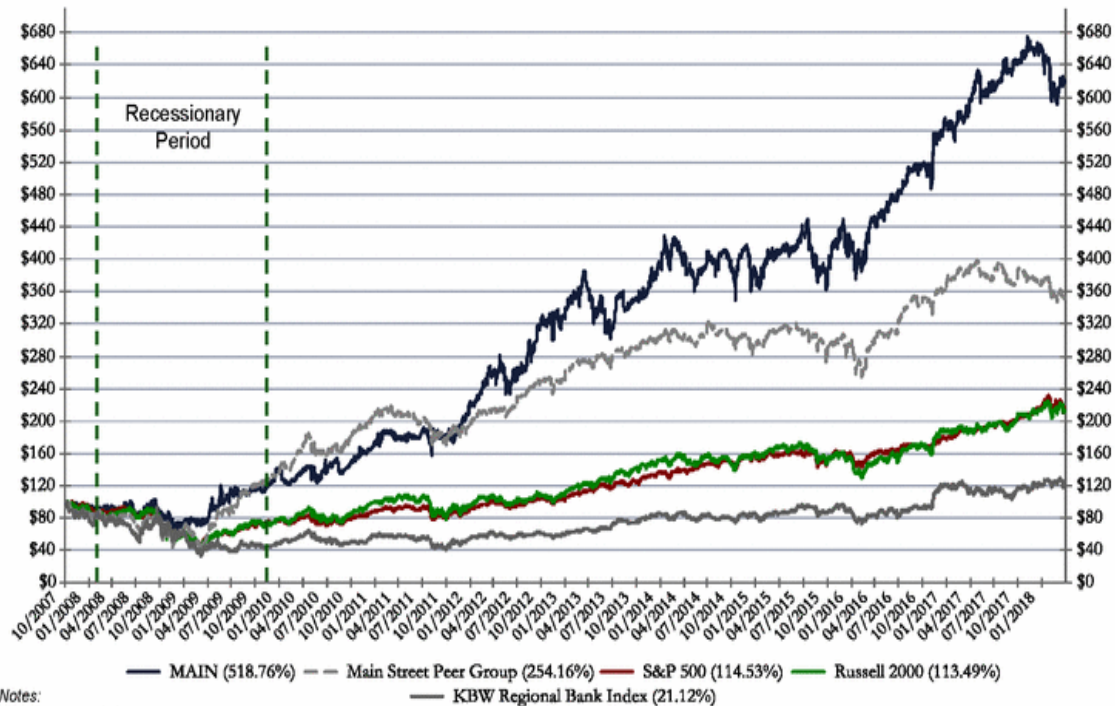
	# of Shares <sup>(2)</sup>	March 31, 2018 <sup>(3)</sup>
Management <sup>(1)</sup>	3,133,533	\$115,627,368

(1) Includes members of MAIN's executive and senior management team and the members of MAIN's Board of Directors.

(2) Includes 1,069,696 shares, or approximately \$25.5 million, purchased by Management as part of, or subsequent to, the MAIN IPO, including 13,183 shares, or approximately \$0.5 million, purchased in the quarter ended March 31, 2018.

(3) Based upon closing market price of \$36.90/share on March 31, 2018.

## MAIN Total Return Performance Since IPO



**Notes:**

- (1) Assumes dividends reinvested on date paid
- (2) The Main Street Peer Group includes all BDCs that have been publicly-traded for at least one year and that have total assets greater than \$500 million based on individual SEC Filings as of December 31, 2017; specifically includes: AINV, ARCC, BKCC, CPTA, FDUS, FSIC, GAIN, GBDC, GSB, HTGC, MCC, MRCC, NEWT, NMFC, OCSI, OCSL, PFLT, PNNT, PSEC, SLRC, SUNS, TCAP, TCPC, TCRD, TPVG and TSLX. MFIN is excluded from the MAIN Street Peer Group as it withdrew its BDC election with the SEC as of April 2, 2018.
- (3) Main Street Peer Group is equal weighted
- (4) Indexed as of October 5, 2007 and last trading date is March 31, 2018

Consistent market outperformance through various economic cycles



## Executive Summary

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### **Unique focus on under-served Lower Middle Market**

- Inefficient asset class with less competition
- Unique market opportunity with attractive risk-adjusted returns
- Generally first lien, senior secured debt investments plus meaningful equity participation

### **Invest in complementary interest-bearing Middle Market and Private Loan debt investments**

- Lower risk / more liquid asset class
- Opportunity for consistent investment activity
- Generally first lien, senior secured debt investments

### **Efficient internally managed operating structure drives greater shareholder returns**

- Alignment of management and our shareholders
- Maintains the lowest operating cost structure in the BDC industry
- Favorable operating cost comparison to other yield oriented investment options

### **Attractive, recurring monthly dividend yield and historical net asset value per share growth**

- Periodic increases in monthly dividends coupled with meaningful semi-annual supplemental dividends
- Increase in net asset value per share creates opportunity for stock price appreciation

### **Strong liquidity and stable capitalization for sustainable growth**

### **Highly invested management team with successful track record**

### **Niche investment strategy with lower correlation to broader debt / equity markets**

## MAIN Corporate Data

Please visit our website at [www.mainstcapital.com](http://www.mainstcapital.com) for additional information

### Board of Directors

Michael Appling, Jr.  
Chief Executive Officer (CEO)  
TnT Crane & Rigging

Valerie L. Banner  
VP, General Counsel &  
Corporate Secretary  
Exterran Corporation

Joseph E. Canon  
Executive Director  
Dodge Jones Foundation

Vincent D. Foster  
Chairman & CEO  
Main Street Capital Corporation

Arthur L. French  
Retired CEO/Executive

J. Kevin Griffin  
SVP, Financial Planning &  
Analysis  
Novant Health, Inc.

Dwayne L. Hyzak  
President & COO  
Main Street Capital Corporation

John E. Jackson  
President & CEO  
Spartan Energy Partners, LP

Brian E. Lane  
CEO & President  
Comfort Systems USA

Stephen B. Solcher  
SVP, Finance and Operations  
& Chief Financial Officer  
BMC Software

### Executive Officers

Vincent D. Foster,  
Chairman & CEO

Dwayne L. Hyzak  
President & Chief Operating  
Officer (COO)

Curtis L. Hartman  
Vice Chairman, Chief Credit  
Officer & Senior Managing  
Director (SMD)

David L. Magdol  
Vice Chairman, Chief  
Investment Officer &  
SMD

Brent D. Smith  
Chief Financial Officer &  
Treasurer

Jason B. Beauvais  
SVP, General Counsel,  
Secretary & Chief  
Compliance Officer

Nicholas T. Meserve  
Managing Director (MD)

Shannon D. Martin  
Vice President & Chief  
Accounting Officer

### Research Coverage

Tim Hayes  
B. Riley FBR, Inc.  
(703) 312-1819

Mitchel Penn  
Janney Montgomery Scott  
(410) 583-5976

Christopher R. Testa  
National Securities  
(212) 417-7447

Robert J. Dodd  
Raymond James  
(901) 579-4560

Jason Arnold  
RBC Capital Markets, LLC  
(415) 633-8594

Douglas Mewhirer  
SunTrust Robinson Humphrey  
(404) 926-5745

### Corporate Headquarters

1300 Post Oak Blvd, 8<sup>th</sup> Floor  
Houston, TX 77056  
Tel: (713) 350-6000  
Fax: (713) 350-6042

### Independent Registered Public Accounting Firm

Grant Thornton, LLP  
Houston, TX

### Corporate Counsel

Eversheds Sutherland (US) LLP  
Washington D.C.

### Securities Listing

Common Stock – NYSE: MAIN

### Transfer Agent

American Stock Transfer & Trust Co.  
Tel: (212) 936-5100  
[www.astfinancial.com](http://www.astfinancial.com)

### Investor Relation Contacts

Dwayne L. Hyzak  
President & COO

Brent D. Smith  
Chief Financial Officer

Tel: (713) 350-6000

Ken Dennard  
Mark Roberson  
Dennard Lascar Associates, LLC  
Tel: (773) 599-3745

### Investment Committee

Vincent D. Foster, Chairman & CEO

Curtis L. Hartman, VC, CCO & SMD

Dwayne L. Hyzak, President & COO

David L. Magdol, VC, CIO & SMD

### Credit Committee

Vince D. Foster, Chairman & CEO

Curtis L. Hartman, VC, CCO & SMD

Dwayne L. Hyzak, President & COO

Nicholas T. Meserve, MD



## Debt Capital Markets Presentation

First Quarter – 2018

Main Street Capital Corporation

NYSE: MAIN

[mainstcapital.com](http://mainstcapital.com)

## Disclaimers

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Main Street Capital Corporation (MAIN) cautions that statements in this presentation that are forward-looking, and provide other than historical information, involve risks and uncertainties that may impact our future results of operations. The forward-looking statements in this presentation are based on current conditions as of May 4, 2018 and include statements regarding our goals, beliefs, strategies and future operating results and cash flows, including but not limited to the equivalent annual yield represented by our dividends declared, the tax attributes of our dividends and the amount of leverage available to us. Although our management believes that the expectations reflected in any forward-looking statements are reasonable, we can give no assurance that those expectations will prove to have been correct. Those statements are made based on various underlying assumptions and are subject to numerous uncertainties and risks, including, without limitation: our continued effectiveness in raising, investing and managing capital; adverse changes in the economy generally or in the industries in which our portfolio companies operate; changes in laws and regulations that may adversely impact our operations or the operations of one or more of our portfolio companies; the operating and financial performance of our portfolio companies; retention of key investment personnel; competitive factors; and such other factors described under the captions "Cautionary Statement Concerning Forward-Looking Statements" and "Risk Factors" included in our filings with the Securities and Exchange Commission ([www.sec.gov](http://www.sec.gov)). We undertake no obligation to update the information contained herein to reflect subsequently occurring events or circumstances, except as required by applicable securities laws and regulations.

This presentation is neither an offer to sell nor a solicitation of an offer to buy MAIN's securities. An offering is made only by an applicable prospectus. This presentation must be read in conjunction with a prospectus in order to fully understand all of the implications and risks of the offering of securities to which the prospectus relates. A copy of such a prospectus must be made available to you in connection with any offering.

The summary descriptions and other information included herein are intended only for informational purposes and convenient reference. The information contained herein is not intended to provide, and should not be relied upon for, accounting, legal or tax advice or investment recommendations. Before making an investment decision with respect to MAIN, investors are advised to carefully review an applicable prospectus to review the risk factors described therein, and to consult with their tax, financial, investment and legal advisors. These materials do not purport to be complete, and are qualified in their entirety by reference to the more detailed disclosures contained in an applicable prospectus and MAIN's related documentation.

No representation or warranty, express or implied, is made as to the accuracy or completeness of the information contained herein, and nothing shall be relied upon as a promise or representation as to the future performance of MAIN.

Distributable net investment income is net investment income, as determined in accordance with U.S. generally accepted accounting principles, or U.S. GAAP, excluding the impact of share-based compensation expense which is non-cash in nature. MAIN believes presenting distributable net investment income and the related per share amount is useful and appropriate supplemental disclosure of information for analyzing its 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 for 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 MAIN's financial performance.

Main Street Capital Corporation

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## Corporate Overview

# 1<sup>st</sup> Quarter – 2018



## MAIN is a Principal Investor in Private Debt and Equity

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Unique investment strategy, internally managed operating structure and focus on Lower Middle Market differentiates MAIN from other investment firms

Conservative capital structure with S&P rating of BBB/Stable outlook

### Internally-managed Business Development Company (BDC)

- IPO in 2007
- Over \$4.0 billion in capital under management<sup>(1)</sup>
  - Over \$2.8 billion internally at MAIN<sup>(1)</sup>
  - Over \$1.2 billion as a sub-advisor to a third party<sup>(1)</sup>

### Invests in the under-served Lower Middle Market (LMM)

- Targets companies with revenue between \$10 million - \$150 million; EBITDA between \$3 million - \$20 million

### Debt investments in Middle Market companies

- Larger companies than LMM investment strategy, with EBITDA between \$10 million - \$100 million

### Debt investments originated in collaboration with other funds

- Similar in size, structure and terms to LMM and Middle Market investments

### Attractive asset management advisory business

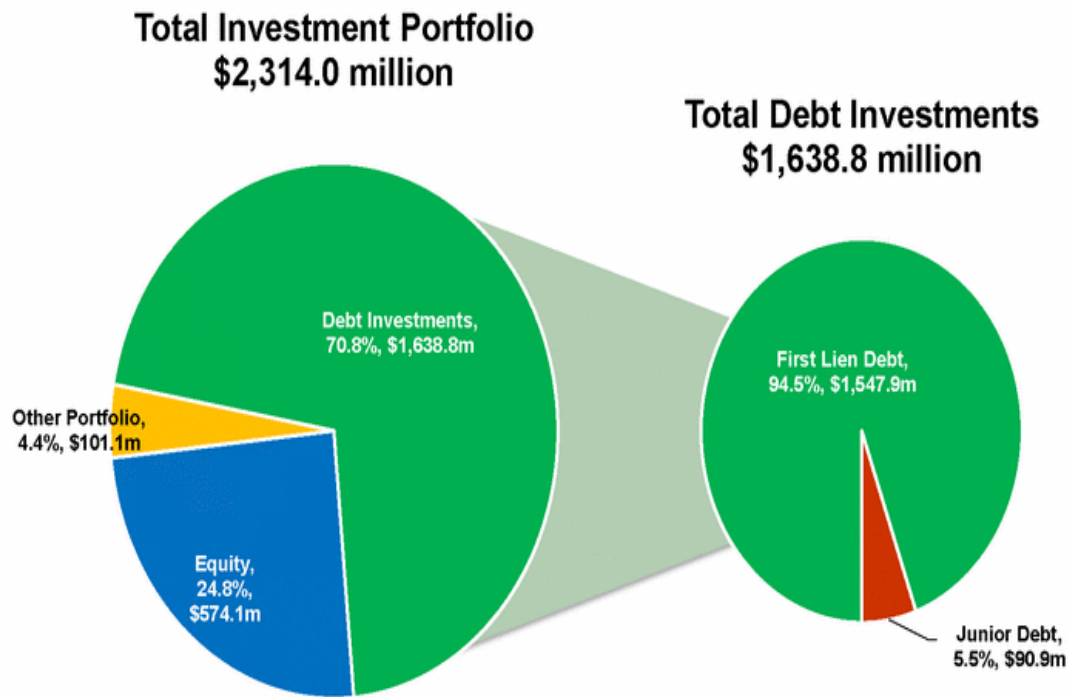
### Significant management ownership / investment in MAIN

### Headquartered in Houston, Texas

<sup>(1)</sup> Capital under management includes undrawn portion of debt capital as of March 31, 2018



## Investment Portfolio – By Type of Investment<sup>(1)</sup>



(1) Fair value as of March 31, 2018

## Unique Investment Strategy

MAIN's investment strategy differentiates MAIN from its competitors and provides highly attractive risk-adjusted returns

### Lower Middle Market (LMM)

- Proprietary investments that are difficult for investors to access
- Companies with \$10 - \$150 million of revenues and \$3 - \$20 million of EBITDA
- Customized financing solutions which include a combination of first lien, senior secured debt and equity
- Large addressable market
- High cash yield from debt investments
- Dividend income, NAV growth and net realized gains from equity investments

### Private Loans

- Companies that are similar in size to LMM and Middle Market
- First lien, senior secured debt investments in privately held companies originated through strategic relationships with other investment funds
- Floating rate debt investments
- Proprietary investments that can be difficult for investors to access
- Investments with attractive risk-adjusted returns

### Middle Market

- Larger companies than LMM strategy, with EBITDA between \$10 - \$100 million
- First lien, senior secured debt investments
- Floating rate debt investments
- Large addressable market
- Can provide source of liquidity for MAIN as needed

### Asset Management Business

- No investment capital at risk; monetizing value of MAIN's intangible assets
- Significant contribution to net investment income
- Source of stable, recurring fee income
- Returns benefit MAIN stakeholders due to internally managed structure

## Portfolio Highlights<sup>(1)</sup>

The benefits of MAIN's unique investment strategy has resulted in a high quality, diversified and mature investment portfolio

### Lower Middle Market

- \$1,049.8 million of total investments
- 73 companies
- \$569.0 million of debt investments (54%)
- \$480.8 million of equity investments (46%)
- Typical initial investment target of 75% debt / 25% equity
- 98% of debt investments are first lien<sup>(2)</sup>
- Average investment size of \$12.3 million<sup>(2)</sup>
- Weighted-average effective yield on debt of 12.1%<sup>(2)</sup>

### Private Loans

- \$496.5 million of total investments
- 55 companies
- \$474.0 million of debt investments (96% of Private Loan portfolio)
- 94% of debt investments are first lien<sup>(2)</sup>
- Average investment size of \$9.5 million<sup>(2)</sup>
- 87% of debt investments bear interest at floating rates<sup>(2)</sup>
- Weighted-average effective yield of 9.4%<sup>(2)</sup>

### Middle Market

- \$617.9 million of total investments
- 59 companies
- \$595.8 million of debt investments (96% of Middle Market portfolio)
- 91% of debt investments are first lien<sup>(2)</sup>
- Average investment size of \$10.7 million<sup>(2)</sup>
- 90% of debt investments bear interest at floating rates<sup>(2)</sup>
- Weighted-average effective yield of 9.2%<sup>(2)</sup>

### Total Portfolio

- \$2,314.0 million of total investments
- 199 companies
- \$1,638.8 million of debt investments (71%)
- \$675.2 million of equity investments (29%)
- \$101.1 million of Other Portfolio investments (4%)
- 95% of debt investments are first lien<sup>(2)</sup>
- 73% of debt investments bear interest at floating rates<sup>(2)</sup>
- Weighted-average effective yield on debt investments of 10.3%<sup>(2)</sup>

(1) As of March 31, 2018; investment amounts at fair value, unless otherwise noted

(2) As of March 31, 2018; based on cost. Weighted-average effective yield based on principal and includes amortization of deferred debt origination fees and accretion of original issue discount, but excludes fees payable upon repayment of the debt instruments and any debt investments on non-accrual status

## Business Development Company (BDC) Background

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Created by Congress in 1980 through the Small Business Investment Incentive Act of 1980 to facilitate the flow of capital to small and mid-sized U.S. businesses

Highly regulated by the Securities and Exchange Commission under the Investment Company Act of 1940 (1940 Act)

Provide a way for individual investors to participate in private equity and debt investments

### Leverage

- Regulatory restrictions on debt leverage levels require BDCs to maintain conservative leverage
- Must maintain an asset to debt coverage ratio of at least 2.0x, unless the BDC has obtained Board or Shareholder approval to decrease the required asset to debt coverage ratio to 1.5x as provided for under the Small Business Credit Availability Act passed in December 2017

### Portfolio Diversification

- BDCs maintain sufficient diversification in order to protect stakeholders from excessive risks
- BDCs must limit individual investment size and limit certain types of investments

### Full Transparency

- Detailed schedule of all investments (and related key terms) in quarterly reporting
- Quarterly fair value mark to market accounting

### Income Tax Treatment

- As a Regulated Investment Company (RIC), BDCs generally do not pay corporate income taxes
- To maintain RIC status and avoid paying corporate income taxes, BDCs must distribute at least 90% of taxable income (other than net capital gain) to investors
- To avoid federal excise taxes, BDC's must distribute at least 98% of taxable income to investors
- Tax treatment is similar to Real Estate Investment Trusts (REIT)

## MAIN Capital Structure

Current capitalization (\$ in 000's)	March 31, 2018	% of Capitalization
Cash	\$ 29,090	
<b>Debt at parent</b>		
Credit Facility	188,000	8.0%
4.50% Notes due 2022 <sup>(1)</sup>	185,000	7.9%
4.50% Notes due 2019 <sup>(1)</sup>	175,000	7.4%
6.125% Notes <sup>(1)</sup>	90,655	3.9%
<b>Total debt at parent</b>	<b>638,655</b>	<b>27.2%</b>
<b>Debt at subsidiaries</b>		
SBIC Debentures <sup>(1)</sup>	313,800	13.4%
<b>Total debt at subsidiaries</b>	<b>313,800</b>	<b>13.4%</b>
<b>Total debt</b>	<b>952,455</b>	<b>40.5%</b>
<b>Book value of equity</b>	<b>1,396,600</b>	<b>59.5%</b>
<b>Total capitalization</b>	<b>\$ 2,349,055</b>	<b>100.0%</b>
Debt / Capitalization	0.41x	
Debt / Book equity	0.68x	
Debt / Enterprise value <sup>(2)</sup>	0.31x	
Debt / Market capitalization <sup>(2)</sup>	0.44x	
Stock price / Net asset value per share <sup>(2)</sup>	1.56x	

(1) Debt amounts reflected at par value.

(2) Based on stock price of \$36.90 as of March 31, 2018.

## Conservative Leverage

As of March 31, 2018 (\$ in 000's)	Parent <sup>(1)</sup>	SBICs	Total
Total Assets	\$ 1,827,250	\$ 573,924	\$ 2,401,175
<i>Debt Capital:</i>			
Revolving Credit Facility <sup>(2)</sup>	188,000	-	188,000
SBIC Debentures	-	306,182	306,182
Notes Payable	445,096	-	445,096
Total Debt	633,096	306,182	939,278
Net Asset Value (NAV)	1,141,859	254,741	1,396,600

### Key Leverage Stats

Interest Coverage Ratio <sup>(3)</sup>	4.97x	5.07x	4.97x
Asset Coverage Ratio <sup>(4)</sup>	2.86x	1.83x	2.52x
Consolidated Asset Coverage Ratio - Regulatory <sup>(5)</sup>	N/A	N/A	3.18x
Debt to Assets Ratio	0.35x	0.53x	0.39x
Debt to NAV Ratio <sup>(6)</sup>	0.56x	1.23x	0.68x
Net Debt to NAV Ratio <sup>(7)</sup>	0.55x	1.15x	0.66x

(1) Assets at the BDC/RIC parent level represent the collateral available to MAIN's debt capital market investors

(2) As of March 31, 2018, MAIN's credit facility had \$585.0 million in total commitments with an accordion feature to increase up to \$750.0 million. Borrowings under this facility are available to provide additional liquidity for investment and operational activities.

(3) DNII + interest expense / interest expense on a trailing twelve month basis.

(4) Calculated as total assets divided by total debt at par, including SBIC debt.

(5) Calculated per BDC regulations; SBIC Debentures are not included as "senior debt" for purposes of the BDC 200% asset coverage requirements pursuant to exemptive relief received by MAIN.

(6) Debt to NAV Ratio is calculated based upon the par value of debt.

(7) Net debt in this ratio includes par value of debt less cash and cash equivalents.



## Conservative Leverage - Regulatory

Passage of the Small Business Credit Availability Act in December 2017 provides the opportunity for BDCs to obtain Board or Shareholder approval to access additional leverage by lowering the required asset coverage to 1.50x (from 2.0x)

MAIN has historically operated at conservative regulatory leverage levels, in all cases well below the existing (2.0x) regulatory limits, and proven through historical performance that it does not need access to additional leverage to provide market leading returns

	2013	2014	2015	2016	2017	Q1 18
Consolidated Asset Coverage Ratio - Regulatory <sup>(1)</sup>	3.37x	2.93x	2.92x	2.97x	3.67x	3.18x
Minimum Required Asset Coverage <sup>(2)</sup>	2.00x	2.00x	2.00x	2.00x	2.00x	2.00x
Cushion % above Minimum Required Asset Coverage	69%	47%	46%	49%	84%	59%

(1) Calculated per BDC regulations; SBIC Debentures are not included as 'senior debt' for purposes of the BDC 200% asset coverage requirements pursuant to exemptive relief received by MAIN.

(2) Minimum required asset coverage of 2.00x prior to passage of the Small Business Credit Availability Act. Minimum requirement of 2.00x remains in place unless Board or Shareholder approval is obtained to lower minimum requirement to 1.50x.

## Key Credit Highlights

### Experienced Management Team with Strong Track Record

- Core executive management team has been together as a team for 15+ years
- Extensive investment expertise and relationships
- Significant management equity ownership

### Efficient and Leverageable Internally Managed Operating Structure

- Meaningful operating cost advantage through efficient internally managed structure
- Significant benefits through alignment of interests between management (stock ownership and incentive compensation) and investors
- Industry leading operating expense efficiency

### Conservative Leverage

- 1940 Act requires a minimum 2.0x regulatory asset coverage ratio<sup>(1)</sup>
- MAIN's asset coverage ratio is ~2.9x at the Parent level; ~3.2x on a regulatory basis
- Conservative leverage position further enhanced through ongoing efficient capital raises through at-the-market, or ATM, equity issuance program

### Unique Investment Strategy

- Unique investment strategy differentiates MAIN from its competitors and provides highly attractive risk-adjusted returns
- Asset management advisory business significantly enhances MAIN's returns to its investors

### High Quality Portfolio

- Significant diversification
- Debt investments primarily carry a first priority lien on the assets of the business
- Permanent capital structure of BDC allows for long-term, patient investment strategy and overall approach

(1) Minimum required asset coverage of 2.00x prior to passage of the Small Business Credit Availability Act. Minimum requirement of 2.00x remains in place unless Board or Shareholder approval is obtained to lower minimum requirement to 1.50x.

## MAIN Co-Founders and Executive Management Team

**Vince Foster; CPA & JD<sup>(1)(2)(3)</sup>**  
Chairman and CEO

- Co-founded MAIN and MAIN predecessor funds (1997)
- Co-founded Quanta Services (NYSE: PWR)
- Partner in charge of a Big 5 Accounting Firm's Corporate Finance/Mergers and Acquisitions practice for the Southwest United States

**Dwayne Hyzak; CPA<sup>(1)(2)(3)</sup>**  
President, COO and  
Senior Managing Director

- Co-founded MAIN; Joined Main Street group in 2002; affiliated with Main Street group since 1999
- Director of acquisitions / integration with Quanta Services (NYSE: PWR)
- Manager with a Big 5 Accounting Firm's audit and transaction services groups

**Curtis Hartman; CPA<sup>(1)(2)(3)</sup>**  
Vice Chairman, CCO<sup>(4)</sup> and  
Senior Managing Director

- Co-founded MAIN; Joined Main Street group in 2000
- Investment associate at Sterling City Capital
- Manager with a Big 5 Accounting Firm's transaction services group

**David Magdol<sup>(1)(2)</sup>**  
Vice Chairman, CIO<sup>(5)</sup> and  
Senior Managing Director

- Co-founded MAIN; Joined Main Street group in 2002
- Vice President in Lazard Freres Investment Banking Division
- Vice President of McMullen Group (John J. McMullen's Family Office)

**Brent Smith; CPA**  
CFO and Treasurer

- Joined MAIN in 2014
- Previously CFO with a publicly-traded oilfield services company
- Prior experience with a Big 5 Accounting Firm and a publicly-traded financial consulting firm

**Jason Beauvais; JD**  
SVP, GC, CCO<sup>(6)</sup> and Secretary

- Joined MAIN in 2008
- Previously attorney for Occidental Petroleum Corporation (NYSE: OXY) and associate in the corporate and securities section at Baker Botts LLP

(1) Member of MAIN Executive Committee

(2) Member of MAIN Investment Committee

(3) Member of MAIN Credit Committee

(4) Chief Credit Officer

(5) Chief Investment Officer

(6) Chief Compliance Officer

## Significant Management Ownership / Investment

Significant equity ownership by MAIN's management team, coupled with internally managed structure, provides alignment of interest between MAIN's management and our stakeholders

	# of Shares <sup>(2)</sup>	March 31, 2018 <sup>(3)</sup>
Management <sup>(1)</sup>	3,133,533	\$115,627,368

(1) Includes members of MAIN's executive and senior management team and the members of MAIN's Board of Directors.

(2) Includes 1,069,696 shares, or approximately \$25.5 million, purchased by Management as part of, or subsequent to, the MAIN IPO, including 13,183 shares, or approximately \$0.5 million, purchased in the quarter ended March 31, 2018.

(3) Based upon closing market price of \$36.90/share on March 31, 2018.

## Efficient and Leverageable Operating Structure

---

MAIN's internally managed operating structure provides significant operating leverage and greater returns for our stakeholders

**"Internally managed"** structure means no external management fees or expenses are paid

### **Alignment of interest between management and investors**

- Greater incentives to maximize increases to stakeholder value and rationalize debt and equity capital raises
- 100% of MAIN's management efforts and activities are for the benefit of the BDC

### **MAIN targets total operating expenses<sup>(1)</sup> as a percentage of average assets (Operating Expense Ratio) at or less than 2%**

- Long-term actual results have significantly outperformed target
- Industry leading Operating Expense Ratio of 1.5%<sup>(2)</sup>

### **Significant portion of total operating expenses are non-cash**

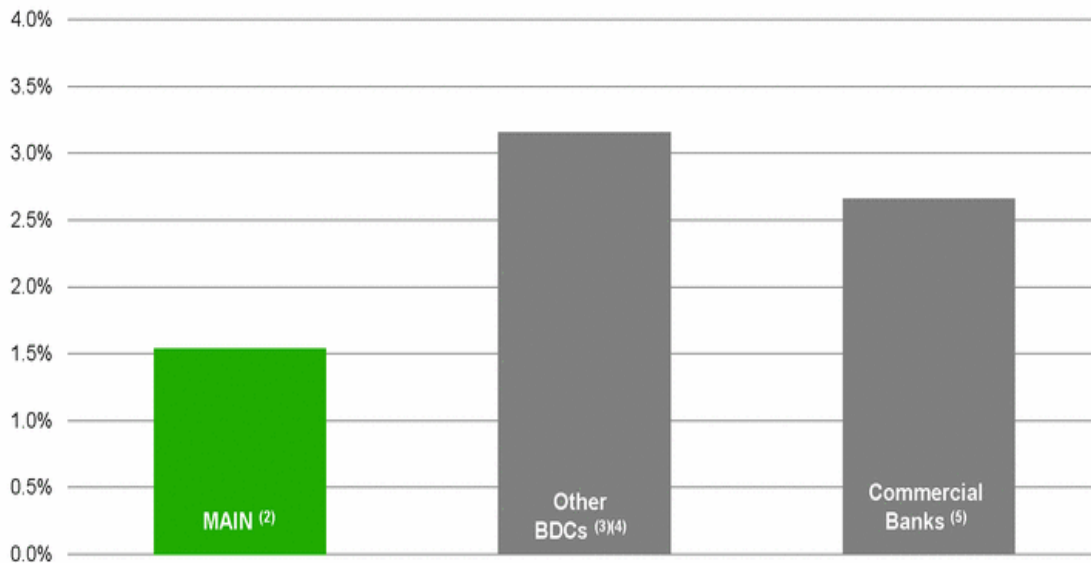
- Non-cash expense for restricted stock amortization was 14.2%<sup>(2)</sup> of total operating expenses
- Operating Expense Ratio of 1.1%<sup>(2)</sup> excluding non-cash restricted stock amortization expense

(1) Total operating expenses, including non-cash share based compensation expense and excluding interest expense

(2) Based upon the trailing twelve month period ended March 31, 2018

## MAIN Maintains a Significant Operating Cost Advantage

Operating Expenses as a Percentage of Total Assets<sup>(1)</sup>



- (1) Total operating expenses, including non-cash share based compensation expense and excluding interest expense
- (2) For the trailing twelve month period ended March 31, 2018
- (3) Other BDCs includes dividend paying BDCs that have been publicly-traded for at least two years and have total assets greater than \$500 million based on individual SEC Filings as of December 31, 2017; specifically includes: AINV, ARCC, BKCC, CPTA, FDUS, FSIC, GAIN, GBDC, GSBD, HTGC, MCC, MRCC, NEWT, NMFC, OCSI, OCSL, PFLT, PNNT, PSEC, SLRC, SUNS, TCAP, TCPC, TCRD, TPVG and TSLX
- (4) Calculation represents the average for the companies included in the group and is based upon the trailing twelve month period ended December 31, 2017 as derived from each company's SEC filings
- (5) Source: SNL Financial. Calculation represents the average for the trailing twelve month period ended December 31, 2017 and includes commercial banks with a market capitalization between \$500 million and \$3 billion



## Stable, Long-Term Leverage – Significant Unused Capacity

MAIN maintains a conservative capital structure, with limited overall leverage and low cost, long-term debt

Capital structure is designed to match expected duration and fixed/floating rate nature of investment portfolio assets

Facility	Interest Rate	Maturity	Principal Drawn
\$585.0 million Credit Facility <sup>(1)</sup>	L+1.875% floating (3.5% as of March 31, 2018)	September 2021 (fully revolving until maturity)	\$188.0 million
Notes Payable	4.50% fixed	Redeemable at MAIN's option at any time, subject to certain make whole provisions; Matures December 1, 2019	\$175.0 million
Notes Payable	4.50% fixed	Redeemable at MAIN's option at any time, subject to certain make whole provisions; Matures December 1, 2022	\$185.0 million
Notes Payable	6.125% fixed	Redeemable at MAIN's option at any time beginning April 2018; Matures April 1, 2023 <sup>(2)</sup>	\$90.7 million
SBIC Debentures	3.7% fixed (weighted average)	Various dates between 2019 - 2027 (weighted average duration = 5.9 years)	\$313.8 million

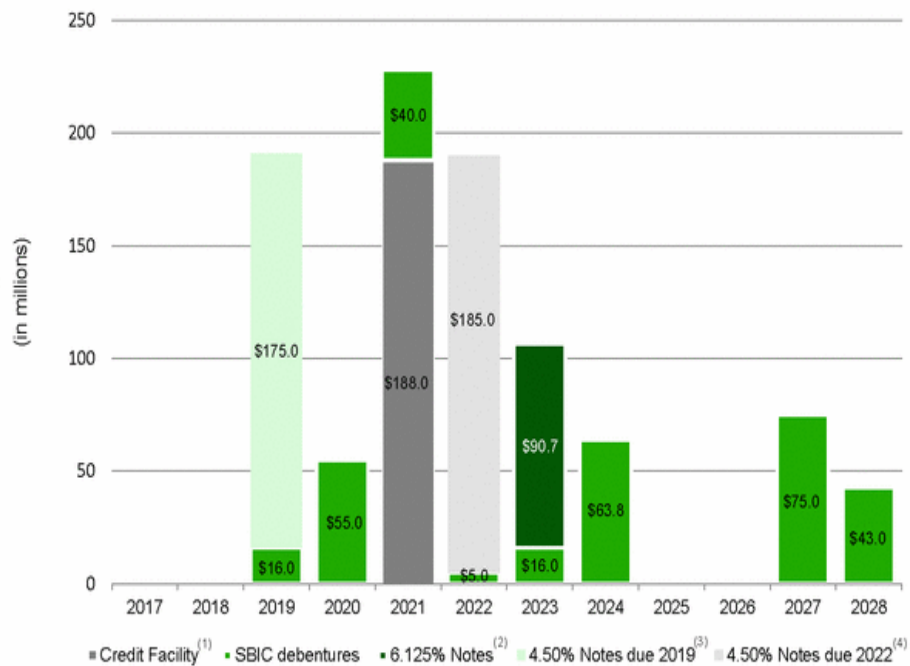
(1) As of March 31, 2018, MAIN's credit facility had \$585.0 million in total commitments from 15 relationship banks, with an accordion feature which could increase total commitments up to \$750.0 million.

(2) On April 2, 2018, we redeemed the 6.125% Notes.

## Long-term Duration of Debt Obligations

MAIN's conservative capital structure provides long-term access to attractively-priced and structured debt facilities

- Allows for investments in assets with long-term holding periods / illiquid positions and greater yields and overall returns
- Provides downside protection and liquidity through economic cycles
- Allows MAIN to be opportunistic during periods of economic uncertainty



(1) Based upon outstanding balance as of March 31, 2018; total commitments at March 31, 2018 were \$585.0 million

(2) Issued in April 2013; redeemable at MAIN's option beginning April 2018. On April 2, 2018, we redeemed the 6.125% Notes.

(3) Issued in November 2014; redeemable at MAIN's option at any time, subject to certain make whole provisions

(4) Issued in November 2017; redeemable at MAIN's option at any time, subject to certain make whole provisions

## Positive Impact from Rising Interest Rates

MAIN's capital structure and investment portfolio provides downside protection and the opportunity for significant benefits from a rising interest rate environment

- 80% of MAIN's outstanding debt obligations have fixed interest rates<sup>(3)</sup>, limiting the increase in interest expense
- 73% of MAIN's debt investments bear interest at floating rates<sup>(3)</sup>, the majority of which contain contractual minimum index rates, or "interest rate floors" (weighted-average being approximately 105 basis points)<sup>(4)</sup>
- Provides MAIN the opportunity to achieve significant increases in net investment income if interest rates rise

The following table illustrates the approximate annual changes in the components of MAIN's net investment income due to hypothetical increases (decreases) in interest rates<sup>(1)</sup> (dollars in thousands):

Basis Point Increase (Decrease) in Interest Rate	Increase (Decrease) in Interest Income	(Increase) Decrease in Interest Expense <sup>(2)</sup>	Increase (Decrease) in Net Investment Income	Increase (Decrease) in Net Investment Income per Share <sup>(5)</sup>
(50)	\$ (6,312)	\$ 940	\$ (5,372)	\$ (0.09)
(25)	(3,156)	470	(2,686)	(0.05)
25	3,156	(470)	2,686	0.05
50	6,312	(940)	5,372	0.09
100	12,625	(1,880)	10,745	0.18
200	25,250	(3,760)	21,490	0.36
300	37,874	(5,640)	32,234	0.55
400	50,499	(7,520)	42,979	0.73

(1) Assumes no changes in the portfolio investments, outstanding revolving credit facility borrowings or other debt obligations existing as of March 31, 2018

(2) The hypothetical (increase) decrease in interest expense would be impacted by the changes in the amount of debt outstanding under our revolving credit facility, with interest expense (increasing) decreasing as the debt outstanding under our revolving credit facility increases (decreases)

(3) As of March 31, 2018

(4) Weighted-average interest rate floor calculated based on debt principal balances as of March 31, 2018

(5) Per share amount is calculated using shares outstanding as of March 31, 2018

## At-The-Market (ATM) Equity Program

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### ATM Equity Program provides efficient, low cost capital

- Provides permanent capital to match growth of LMM investments on an as-needed basis
- Provides significant economic cost savings compared to traditional overnight equity offerings

Provides permanent capital to match indefinite or long-term holding period for LMM investments

Facilitates maintenance of conservative leverage position

Issued equity is accretive to NAV per share

Provides significant benefits vs traditional overnight equity offerings

- Provides equity capital and liquidity on an as-needed basis, avoiding dilution from larger overnight equity offerings
- Provides equity capital at significantly lower cost
- Avoids negative impact to stock price from larger overnight equity offerings

**Raised net proceeds of \$278.5 million since inception in 2015<sup>(1)</sup>**

- Average sale price of \$36.58, or approximately 65% above average NAV per share over same period<sup>(1)</sup>
- Resulted in economic cost savings of approximately \$14.1 million when compared to traditional overnight equity offering<sup>(2)</sup>

(1) Through March 31, 2018

(2) Assumes 6% all-in cost for traditional overnight equity offering

## Lower Middle Market (LMM) Investment Strategy

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**LMM investment strategy differentiates MAIN from its competitors and provides attractive risk-adjusted returns**

### **Investment Objectives**

- High cash yield from secured debt investments (11.3% weighted-average cash coupon); plus
- Dividend income and periodic capital gains from equity investments

**Investments are structured for (i) protection of capital, (ii) high recurring income and (iii) meaningful capital gain opportunity**

### **Focus on self-sponsored, “one stop” financing opportunities**

- Partner with business owners and entrepreneurs
- Recapitalization, buyout, growth and acquisition capital
- Extensive network of grass roots referral sources
- Strong and growing “Main Street” brand recognition / reputation

### **Provide customized financing solutions**

**Investments have low correlation to the broader debt and equity markets and attractive risk-adjusted returns**

## LMM Investment Opportunity

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**MAIN targets investments in established, profitable LMM companies**

**Characteristics of LMM provide beneficial risk-reward investment opportunities**

**Large and critical portion of U.S. economy**

- 175,000+ domestic LMM businesses<sup>(1)</sup>

**LMM is under-served from a capital perspective and less competitive**

**Inefficient asset class generates pricing inefficiencies**

- Typical entry enterprise values between 4.5X – 6.5X EBITDA and typical entry leverage multiples between 2.0X – 4.0X EBITDA to MAIN debt investment

**Ability to become a partner vs. a “commoditized vendor of capital”**

(1) Source: U.S. Census 2012 – U.S. Data Table by Enterprise Receipt Size; 2012 County Business Patterns and 2012 Economic Census; includes Number of Firms with Enterprise Receipt Size between \$10,000,000 and \$99,999,999



## Private Loan Investment Strategy

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Private Loan portfolio investments are primarily debt investments 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”

### Investment Objectives

- Access proprietary investments with attractive risk-adjusted return characteristics
- Generate cash yield to support MAIN recurring net investment income

### Investment Characteristics

- Investments in companies that are consistent with the size of companies in our LMM and Middle Market portfolios
- Proprietary investments originated through strategic relationships with other investment funds on a collaborative basis
- Current Private Loan portfolio companies have weighted-average EBITDA of approximately \$43.0 million<sup>(1)</sup>

### Investments in secured debt investments

- First lien, senior secured debt investments
- Floating rate debt investments

### 8% – 12% targeted gross yields

- Weighted-average effective yield of 9.4%
- Net returns positively impacted by lower overhead requirements and use of modest leverage
- Floating rate debt investments provide the opportunity for positive impact on yields if market benchmark interest rates increase

<sup>(1)</sup> This calculation excludes three Private Loan portfolio companies as EBITDA is not a meaningful metric for these portfolio companies

## Middle Market Debt Investment Strategy

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**MAIN maintains a portfolio of debt investments in Middle Market companies**

### **Investment Objective**

- Generate cash yield to support MAIN recurring net investment income

### **Investments secured and/or rated debt investments**

- First lien, senior secured debt investments
- Floating rate debt investments

### **Larger companies than the LMM investment strategy**

- Current Middle Market portfolio companies have weighted-average EBITDA of approximately \$86.3 million<sup>(1)</sup>

### **Large and critical portion of U.S. economy**

- Nearly 200,000 domestic Middle Market businesses<sup>(1)</sup>

### **More relative liquidity than LMM investments**

### **6% – 10% targeted gross yields**

- Weighted-average effective yield<sup>(2)</sup> of 9.2%
- Net returns positively impacted by lower overhead requirements and use of modest leverage
- Floating rate debt investments provide the opportunity for positive impact on yields if market benchmark interest rates increase

(1) Source: National Center for The Middle Market; includes number of U.S. domestic businesses with revenues between \$10 million and \$1 billion

(2) Weighted-average effective yield includes amortization of deferred debt origination fees and accretion of original issue discount, but excludes fees payable upon repayment of the debt instruments and any debt investments on non-accrual status

## Asset Management Business

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MAIN's asset management business represents additional income diversification and the opportunity for greater stakeholder returns

MAIN's internally managed operating structure provides MAIN's stakeholders the benefits of this asset management business

In May 2012, MAIN<sup>(1)</sup> entered into an investment sub-advisory agreement with the investment advisor to HMS Income Fund, Inc., a non-listed BDC

- MAIN<sup>(1)</sup> provides asset management services, including sourcing, diligence and post-investment monitoring
- MAIN<sup>(1)</sup> receives 50% of the investment advisor's base management fee and incentive fees
  - MAIN<sup>(1)</sup> base management fee – 1% of total assets
  - MAIN<sup>(1)</sup> incentive fees – 10% of net investment income above a hurdle and 10% of net realized capital gains

### Benefits to MAIN

- No significant increases to MAIN's operating costs to provide services (utilize existing infrastructure and leverage fixed costs)
- No invested capital – monetizing the value of MAIN franchise
- Significant positive impact on MAIN's financial results
  - \$2.6 million contribution to net investment income in the first quarter of 2018<sup>(2)</sup>
  - \$9.4 million contribution to net investment income for the year ended December 31, 2017<sup>(2)</sup>
  - \$48.7 million of cumulative unrealized appreciation as of March 31, 2018

(1) Through MAIN's wholly owned unconsolidated subsidiary, MSC Advisor I, LLC

(2) Contribution to Net Investment Income includes (a) dividend income received by MAIN from MSC Advisor I, LLC and (b) operating expenses allocated from MAIN to MSC Advisor I, LLC

## Total Investment Portfolio

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Diversity provides structural protection to investment portfolio, revenue sources, income and cash flows

Includes complementary LMM debt and equity investments, Middle Market debt investments and Private Loan debt investments

Total investment portfolio at fair value consists of approximately 45% LMM / 27% Middle Market / 21% Private Loan / 7% Other<sup>(1)</sup>  
Portfolio investments

### 187 LMM, Middle Market and Private Loan portfolio companies

- Average investment size of \$11.0 million
- Largest individual portfolio company represents 6.8%<sup>(2)</sup> of total investment income and 2.9% of total portfolio fair value (most investments are less than 1%)
- Six non-accrual investments, which represent 0.8% of the total investment portfolio at fair value and 3.3% at cost.
- Weighted-average effective yield of 10.3%

### Significant diversification

- Issuer
- Industry
- Transaction type
- Geography
- End markets
- Vintage

(1) Other includes MSC Adviser I, LLC, MAIN's External Investment Advisor

(2) Based upon total investment income for the trailing twelve month period ended March 31, 2018

## Portfolio Snapshot – Significant Diversification

	12/31/2015	12/31/2016	12/31/2017	3/31/2018
<b>Number of Portfolio Companies</b>				
Lower Middle Market	71	73	70	73
Private Loans	40	46	54	55
Middle Market	86	78	62	59
Other Portfolio	10	10	11	11
<b>Total</b>	<b>207</b>	<b>207</b>	<b>197</b>	<b>198</b>
<b>\$ Invested - Cost Basis</b>				
Lower Middle Market	\$ 685.6	\$ 760.3	\$ 776.5	\$ 898.9
% of Total	41.2%	40.6%	38.7%	41.6%
Private Loans	\$ 268.6	\$ 357.7	\$ 489.2	\$ 521.6
% of Total	16.1%	19.1%	24.4%	24.2%
Middle Market	\$ 637.2	\$ 646.8	\$ 629.7	\$ 629.9
% of Total	38.2%	34.6%	31.4%	29.2%
Other Portfolio	\$ 75.2	\$ 107.1	\$ 109.4	\$ 107.1
% of Total	4.5%	5.7%	5.5%	5.0%
<b>Total</b>	<b>\$ 1,666.6</b>	<b>\$ 1,871.9</b>	<b>\$ 2,004.8</b>	<b>\$ 2,157.5</b>

## Portfolio Snapshot – Significant Diversification (cont.)

	12/31/2015	12/31/2016	12/31/2017	3/31/2018
<b>\$ Invested - Fair Value</b>				
Lower Middle Market	\$ 862.7	\$ 892.6	\$ 948.2	\$ 1,049.8
% of Total	48.7%	45.4%	44.5%	46.3%
Private Loans	\$ 248.3	\$ 342.9	\$ 467.5	\$ 496.5
% of Total	14.0%	17.4%	22.0%	21.9%
Middle Market	\$ 586.9	\$ 630.6	\$ 609.3	\$ 617.9
% of Total	33.1%	32.1%	28.6%	27.3%
Other Portfolio	\$ 74.8	\$ 100.3	\$ 104.6	\$ 101.1
% of Total	4.2%	5.1%	4.9%	4.5%
<b>Total</b>	<b>\$ 1,772.7</b>	<b>\$ 1,966.3</b>	<b>\$ 2,129.5</b>	<b>\$ 2,265.3</b>
<b>% of Total \$ Invested in Debt (Cost Basis)</b>				
Lower Middle Market	\$ 482.6	\$ 525.4	\$ 520.9	\$ 609.0
% of Total of Lower Middle Market	70.4%	69.1%	67.1%	67.7%
Private Loans	\$ 253.2	\$ 334.5	\$ 457.8	\$ 488.8
% of Total of Total Private Loans	94.3%	93.5%	93.6%	93.7%
Middle Market	\$ 626.5	\$ 628.9	\$ 612.4	\$ 609.1
% of Total of Total Middle Market	98.3%	97.2%	97.3%	96.7%
Other Portfolio	\$ 0.2	\$ 0.2	\$ -	\$ -
% of Total of Total Other Portfolio	0.2%	0.2%	0.0%	0.0%
<b>Total</b>	<b>\$ 1,362.5</b>	<b>\$ 1,489.1</b>	<b>\$ 1,591.1</b>	<b>\$ 1,706.9</b>
<b>% of Total Portfolio</b>	<b>81.5%</b>	<b>79.6%</b>	<b>79.4%</b>	<b>79.1%</b>



## Portfolio Snapshot – Significant Diversification (cont.)

	12/31/2015	12/31/2016	12/31/2017	3/31/2018
<b>% of Total \$ Invested in Debt that is First Lien (Cost Basis)</b>				
Lower Middle Market	\$ 443.2	\$ 483.8	\$ 511.0	\$ 599.1
% of Lower Middle Market	91.8%	92.1%	98.1%	98.4%
Private Loans	\$ 221.0	\$ 297.8	\$ 432.6	\$ 460.7
% of Total Private Loans	87.3%	89.0%	94.5%	94.3%
Middle Market	\$ 542.7	\$ 560.2	\$ 554.2	\$ 554.3
% of Total Middle Market	86.6%	89.1%	90.5%	91.0%
Other Portfolio	\$ -	\$ -	\$ -	\$ -
% of Total Other Portfolio	0.0%	0.0%	0.0%	0.0%
<b>Total</b>	<b>\$ 1,206.9</b>	<b>\$ 1,341.8</b>	<b>\$ 1,497.9</b>	<b>\$ 1,614.1</b>
<b>% of Total Portfolio Debt Investments</b>	<b>88.6%</b>	<b>90.1%</b>	<b>94.1%</b>	<b>94.6%</b>
<b>% of Total Investment Portfolio</b>	<b>72.2%</b>	<b>71.7%</b>	<b>74.7%</b>	<b>74.8%</b>

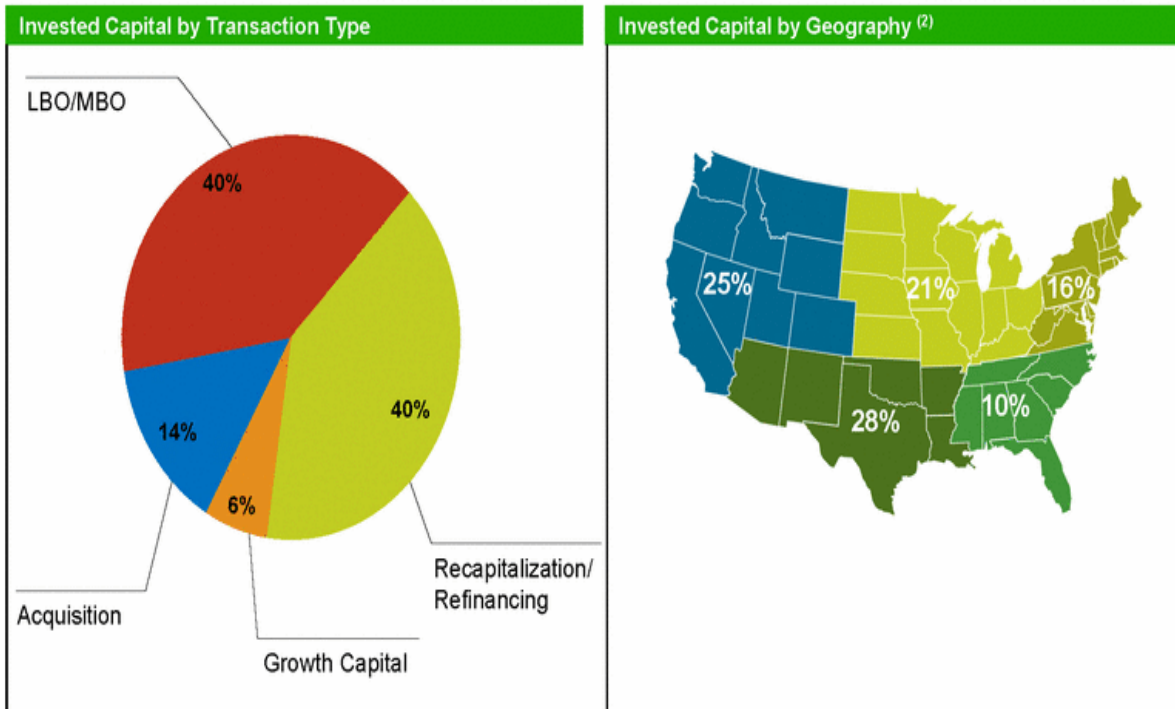
## Total Portfolio by Industry (as a Percentage of Cost) <sup>(1)</sup>



■ Construction & Engineering, 8%	■ Energy Equipment & Services, 7%
■ Commercial Services & Supplies, 5%	■ Media, 5%
■ Hotels, Restaurants & Leisure, 5%	■ Specialty Retail, 5%
■ Machinery, 5%	■ Diversified Telecommunication Services, 4%
■ Aerospace & Defense, 4%	■ Food Products, 4%
■ Health Care Providers & Services, 4%	■ IT Services, 4%
■ Professional Services, 3%	■ Internet Software & Services, 3%
■ Electronic Equipment, Instruments & Components, 3%	■ Leisure Equipment & Products, 3%
■ Computers & Peripherals, 3%	■ Software, 2%
■ Communications Equipment, 2%	■ Diversified Consumer Services, 2%
■ Distributors, 2%	■ Building Products, 2%
■ Oil, Gas & Consumable Fuels, 2%	■ Construction Materials, 2%
■ Diversified Financial Services, 2%	■ Health Care Equipment & Supplies, 1%
■ Internet & Catalog Retail, 1%	■ Road & Rail, 1%
■ Other, 6%	

(1) Excluding MAIN's Other Portfolio investments and the External Investment Manager, as described in MAIN's public filings, which represent approximately 5% of the total portfolio

## Diversified Total Portfolio (as a Percentage of Cost) <sup>(1)</sup>



(1) Excluding MAIN's Other Portfolio investments and the External Investment Manager, as described in MAIN's public filings, which represent approximately 5% of the total portfolio

(2) Based upon portfolio company headquarters and excluding any MAIN investments headquartered outside the U.S., which represent approximately 2% of the total portfolio

## LMM Investment Portfolio

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**LMM Investment Portfolio consists of a diversified mix of secured debt and lower cost basis equity investments**

**73 portfolio companies / \$1,049.8 million in fair value**

- 45% of total investment portfolio at fair value

**Debt yielding 12.1% (68% of LMM portfolio at cost)**

- 98% of debt investments have first lien position
- 56% of debt investments earn fixed-rate interest
- Approximately 840 basis point net interest margin vs. "matched" fixed interest rate on SBIC debentures

**Equity in 97% of LMM portfolio companies representing 38% average ownership position (32% of LMM portfolio at cost)**

- Opportunity for fair value appreciation, capital gains and cash dividend income
- 56% of LMM companies<sup>(1)</sup> with direct equity investment are currently paying dividends
- Fair value appreciation of equity investments supports Net Asset Value per share growth
- Lower entry multiple valuations, lower cost basis
- \$150.8 million, or \$2.56 per share, of cumulative pre-tax net unrealized appreciation at March 31, 2018

(1) Includes the LMM companies which (a) MAIN is invested in direct equity and (b) are treated as flow-through entities for tax purposes; based upon dividend income for the trailing twelve month period ended March 31, 2018

## LMM Investment Portfolio

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**LMM Investment Portfolio is a pool of high quality, seasoned assets with attractive risk-adjusted return characteristics**

**Median LMM portfolio credit statistics:**

- Senior leverage of 3.0x EBITDA to MAIN debt position
- 2.6x EBITDA to senior interest coverage
- Total leverage of 3.1x EBITDA including debt junior in priority to MAIN
- Free cash flow de-leveraging improves credit metrics and increases equity appreciation

**Average investment size of \$12.3 million (less than 1% of total investment portfolio)**

**Opportunistic, selective posture toward new investment activity over the economic cycle**

**High quality, seasoned LMM portfolio**

- Total LMM portfolio investments at fair value equals 117% of cost
- Equity component of LMM portfolio at fair value equals 166% of cost
- Majority of LMM portfolio has de-leveraged and experienced equity appreciation

## Private Loan Investment Portfolio

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Private Loan Investment Portfolio provides a diversified mix of investments and sources of income to complement the LMM Investment Portfolio

**55 investments / \$496.5 million in fair value**

- 21% of total investment portfolio at fair value

**Average investment size of \$9.5 million (less than 1% of total portfolio)**

**Investments in secured debt investments**

- 93% of current Private Loan portfolio is secured debt
- 94% of current Private Loan debt portfolio is first lien term debt

**87% of Private Loan debt investments bear interest at floating rates<sup>(1)</sup>, providing matching with MAIN's floating rate credit facility**

**Weighted-average effective yield of 9.4%, representing a greater than 545 basis point net interest margin vs. "matched" floating rate on the MAIN credit facility**

- Floating rate debt investments (87% floating rate), which provide the opportunity for positive impact on yields if market benchmark interest rates increase

(1) 89% of floating interest rates on Private Loan debt investments are subject to contractual minimum "floor" rates



## Middle Market Investment Portfolio

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**Middle Market Investment Portfolio provides a diversified mix of investments and sources of income to complement the LMM Investment Portfolio**

**59 investments / \$617.9 million in fair value**

- 27% of total investment portfolio at fair value

**Average investment size of \$10.7 million (less than 1% of total portfolio)**

**Investments in secured and/or rated debt investments**

- 97% of current Middle Market portfolio is secured debt
- 91% of current Middle Market debt portfolio is first lien term debt

**More relative investment liquidity compared to LMM**

**90% of Middle Market debt investments bear interest at floating rates<sup>(1)</sup>, providing matching with MAIN's floating rate credit facility**

**Weighted-average effective yield of 9.2%, representing a greater than 525 basis point net interest margin vs. "matched" floating rate on the MAIN credit facility**

- Floating rate debt investments (90% floating rate), which provide the opportunity for positive impact on yields if market benchmark interest rates increase

(1) 100% of floating interest rates on Middle Market debt investments are subject to contractual minimum "floor" rates

# Appendix

## MAIN Income Statement Summary

(\$ in 000's)					Q1 18 vs. Q1 17	
	Q1 17 <sup>(1)</sup>	Q2 17	Q3 17	Q4 17	Q1 18 <sup>(1)</sup>	% Change <sup>(2)</sup>
Total Investment Income	\$ 47,889	\$ 50,271	\$ 51,786	\$ 55,797	\$ 55,942	17%
Expenses:						
Interest Expense	(8,608)	(8,793)	(9,420)	(9,659)	(10,265)	-19%
G&A Expense	(5,846)	(5,987)	(5,861)	(6,171)	(6,399)	-9%
Distributable Net Investment Income (DNII)	33,435	35,491	36,505	39,967	39,278	17%
DNII Margin %	69.8%	70.6%	70.5%	71.6%	70.2%	
Share-based compensation	(2,269)	(2,798)	(2,476)	(2,484)	(2,303)	-1%
Net Investment Income	31,166	32,693	34,029	37,483	36,975	19%
Net Realized Gain (Loss) <sup>(1)</sup>	27,565	10,981	(10,706)	(11,660)	7,460	NM
Net Unrealized Appreciation (Depreciation) <sup>(1)</sup>	(21,643)	1,329	16,147	47,706	(10,897)	NM
Income Tax Benefit (Provision)	(5,638)	(2,174)	(4,571)	(12,089)	979	NM
Net Increase in Net Assets	\$ 31,450	\$ 42,829	\$ 34,899	\$ 61,440	\$ 34,517	10%

(1) Excludes the effects of the \$5.2 million realized loss recognized in the first quarter of 2017 and the \$1.4 million realized loss recognized in the first quarter of 2018 on the repayment of the SBIC debentures which had previously been accounted for on the fair value method of accounting and the accounting reversals of prior unrealized depreciation related to the realized loss. The net effect of these items has no effect on Net Increase in Net Assets or Distributable Net Investment Income.

(2) Percent change from prior year is based upon impact (increase/(decrease)) on Net Increase in Net Assets

NM – Not Measurable / Not Meaningful

## MAIN Per Share Change in Net Asset Value (NAV)

(\$ per share)	Q1 17 <sup>(1)</sup>	Q2 17	Q3 17	Q4 17	Q1 18 <sup>(1)</sup>
Beginning NAV	\$ 22.10	\$ 22.44	\$ 22.62	\$ 23.02	\$ 23.53
Distributable Net Investment Income	0.61	0.63	0.64	0.69	0.67
Share-Based Compensation Expense	(0.04)	(0.05)	(0.04)	(0.04)	(0.04)
Net Realized Gain (Loss) <sup>(1)</sup>	0.50	0.20	(0.19)	(0.20)	0.13
Net Unrealized Appreciation (Depreciation) <sup>(1)</sup>	(0.39)	0.02	0.28	0.82	(0.19)
Income Tax Benefit (Provision)	(0.11)	(0.04)	(0.08)	(0.20)	0.02
Net Increase in Net Assets	0.57	0.76	0.61	1.07	0.59
Regular Monthly Dividends to Shareholders	(0.56)	(0.56)	(0.56)	(0.57)	(0.57)
Supplemental Dividends to Shareholders	-	(0.28)	-	(0.28)	-
Accretive Impact of Stock Offerings <sup>(2)</sup>	0.27	0.31	0.30	0.25	0.08
Other <sup>(3)</sup>	0.06	(0.05)	0.05	0.04	0.04
Ending NAV	\$ 22.44	\$ 22.62	\$ 23.02	\$ 23.53	\$ 23.67
Weighted Average Shares	55,125,170	56,166,782	57,109,104	58,326,827	58,852,252

Certain fluctuations in per share amounts are due to rounding differences between quarters.

- (1) Excludes the effects of the \$5.2 million realized loss recognized in the first quarter of 2017 and the \$1.4 million realized loss recognized in the first quarter of 2018 on the repayment of the SBIC debentures which had previously been accounted for on the fair value method of accounting and the accounting reversals of prior unrealized depreciation related to the realized loss. The net effect of these items has no effect on Net Increase in Net Assets or Distributable Net Investment Income.
- (2) Includes accretive impact of shares issued through the Dividend Reinvestment Plan (DRIP) and ATM program.
- (3) Includes differences in weighted-average shares utilized for calculating changes in NAV during the period and actual shares outstanding utilized in computing ending NAV and other minor changes.

## MAIN Balance Sheet Summary

(\$ in 000's, except per share amounts)	Q1 17	Q2 17	Q3 17	Q4 17	Q1 18
LMM Portfolio Investments	\$ 886,559	\$ 932,074	\$ 938,042	\$ 948,196	\$ 1,049,772
Middle Market Portfolio Investments	568,796	624,060	607,476	609,256	617,941
Private Loan Investments	384,220	379,809	485,929	467,474	496,533
Other Portfolio Investments	106,331	103,899	99,230	104,611	101,066
External Investment Adviser	33,472	37,104	39,304	41,768	48,722
Cash and Cash Equivalents	33,605	21,799	30,144	51,528	29,090
Other Assets	63,506	65,973	69,557	42,562	58,051
<b>Total Assets</b>	<b>\$ 2,076,489</b>	<b>\$ 2,164,718</b>	<b>\$ 2,269,682</b>	<b>\$ 2,265,395</b>	<b>\$ 2,401,175</b>
Credit Facility	\$ 288,000	\$ 303,000	\$ 355,000	\$ 64,000	\$ 188,000
SBIC Debentures <sup>(1)</sup>	239,355	255,663	269,345	288,483	306,182
Notes Payable	265,655	262,159	262,416	444,688	445,096
Other Liabilities	39,545	61,151	53,255	87,856	65,297
<b>Net Asset Value (NAV)</b>	<b>1,243,934</b>	<b>1,282,745</b>	<b>1,329,666</b>	<b>1,380,368</b>	<b>1,396,600</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 2,076,489</b>	<b>\$ 2,164,718</b>	<b>\$ 2,269,682</b>	<b>\$ 2,265,395</b>	<b>\$ 2,401,175</b>
Total Portfolio Fair Value as % of Cost	105%	105%	106%	108%	107%
Common Stock Price Data:					
High Close	\$ 38.27	\$ 40.39	\$ 40.40	\$ 41.55	\$ 39.90
Low Close	35.39	37.80	38.13	39.71	35.41
Quarter End Close	38.27	38.46	39.75	39.73	36.90

(1) Includes adjustment to the face value of Main Street Capital II, LP ("MSC II") Small Business Investment Company ("SBIC") debentures pursuant to the fair value method of accounting elected for such MSC II SBIC borrowings. Total par value of SBIC debentures at March 2018 was \$313.8 million.

# MAIN Corporate Data

Please visit our website at [www.mainstcapital.com](http://www.mainstcapital.com) for additional information

## Board of Directors

Michael Appling, Jr.  
Chief Executive Officer (CEO)  
TnT Crane & Rigging

Valerie L. Banner  
VP, General Counsel &  
Corporate Secretary  
Exterran Corporation

Joseph E. Canon  
Executive Director  
Dodge Jones Foundation

Vincent D. Foster  
Chairman & CEO  
Main Street Capital Corporation

Arthur L. French  
Retired CEO/Executive

J. Kevin Griffin  
SVP, Financial Planning &  
Analysis  
Novant Health, Inc.

Dwayne L. Hyzak  
President & COO  
Main Street Capital Corporation

John E. Jackson  
President & CEO  
Spartan Energy Partners, LP

Brian E. Lane  
CEO & President  
Comfort Systems USA

Stephen B. Solcher  
SVP, Finance and Operations  
& Chief Financial Officer  
BMC Software

## Executive Officers

Vincent D. Foster,  
Chairman & CEO

Dwayne L. Hyzak  
President & Chief Operating  
Officer (COO)

Curtis L. Hartman  
Vice Chairman, Chief Credit  
Officer & Senior Managing  
Director (SMD)

David L. Magdol  
Vice Chairman, Chief  
Investment Officer &  
SMD

Brent D. Smith  
Chief Financial Officer &  
Treasurer

Jason B. Beauvais  
SVP, General Counsel,  
Secretary & Chief  
Compliance Officer

Nicholas T. Meserve  
Managing Director (MD)

Shannon D. Martin  
Vice President & Chief  
Accounting Officer

## Research Coverage

Tim Hayes  
B. Riley FBR, Inc.  
(703) 312-1819

Mitchel Penn  
Janney Montgomery Scott  
(410) 583-5976

Christopher R. Testa  
National Securities  
(212) 417-7447

Robert J. Dodd  
Raymond James  
(901) 579-4560

Jason Arnold  
RBC Capital Markets, LLC  
(415) 633-8594

Douglas Mewhirer  
SunTrust Robinson Humphrey  
(404) 926-5745

## Corporate Headquarters

1300 Post Oak Blvd, 8<sup>th</sup> Floor  
Houston, TX 77056  
Tel: (713) 350-6000  
Fax: (713) 350-6042

## Independent Registered Public Accounting Firm

Grant Thornton, LLP  
Houston, TX

## Corporate Counsel

Eversheds Sutherland (US) LLP  
Washington D.C.

## Securities Listing

Common Stock – NYSE: MAIN

## Transfer Agent

American Stock Transfer & Trust Co.  
Tel: (212) 936-5100  
[www.astfinancial.com](http://www.astfinancial.com)

## Investor Relation Contacts

Dwayne L. Hyzak  
President & COO

Brent D. Smith  
Chief Financial Officer

Tel: (713) 350-6000

Ken Dennard  
Mark Roberson  
Dennard Lascar Associates, LLC  
Tel: (773) 599-3745

## Investment Committee

Vincent D. Foster, Chairman & CEO

Curtis L. Hartman, VC, CCO & SMD

Dwayne L. Hyzak, President & COO

David L. Magdol, VC, CIO & SMD

## Credit Committee

Vince D. Foster, Chairman & CEO

Curtis L. Hartman, VC, CCO & SMD

Dwayne L. Hyzak, President & COO

Nicholas T. Meserve, MD