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Main Street Announces Federal Tax Treatment of 2019 Dividends

HOUSTON, Jan. 16, 2020 /PRNewswire/ -- Main Street Capital Corporation (NYSE: MAIN) ("Main Street") is pleased to announce that it has posted information regarding the U.S. federal income tax characteristics of its dividends that are attributable to 2019 on its website under "2019 Form 1099 Information" (<http://ir.mainstcapital.com/tax-information>). Main Street paid dividends totaling \$2.915 per share that are attributable to 2019 for tax purposes, with approximately 90.4% of such dividends taxed as ordinary income, approximately 8.5% taxed as qualified dividends and approximately 1.1% taxed as long-term capital gains. Long-term capital gains and qualified dividends paid to non-corporate taxpayers (including individuals) qualify for favorable tax treatment under the Internal Revenue Code ("IRC") and, for 2019, will generally be subject to a maximum 20% U.S. federal income tax rate (plus a 3.8% Medicare surtax, if applicable).

Non-U.S. resident and foreign corporation shareholders ("Non-U.S. Shareholders") in a Regulated Investment Company ("RIC") such as Main Street are exempt from U.S. withholding tax on both "interest-related" dividends and short-term capital gains in accordance with the IRC sections 871(k) and 881(e). In addition, Non-U.S. Shareholders in a RIC are also exempt from U.S. withholding tax on long-term capital gains. Main Street paid dividends totaling \$2.915 per share that are attributable to 2019 for tax purposes, with approximately 55.6% of such dividends relating to "interest-related" dividends, short-term capital gains and long-term capital gains. See the "[Tax Treatment of 2019 Dividends for Non-U.S. Shareholders](http://ir.mainstcapital.com/tax-information)" posted on Main Street's website for more details (<http://ir.mainstcapital.com/tax-information>).

To the extent Non-U.S. Shareholder taxes were withheld on dividends distributed, this information may be considered in connection with any claims for refund of taxes made with the U.S. Internal Revenue Service. Non-U.S. Shareholders should contact their tax advisor with any questions regarding this information.

Neither this press release, the 2019 Form 1099 Information nor the [Tax Treatment of 2019 Dividends for Non-U.S. Shareholders](http://ir.mainstcapital.com/tax-information), is intended to constitute tax, legal, investment, or other professional advice. This is general information and reference should be made to your 2019 Form 1099-DIV for tax reporting purposes. Shareholders should receive their 2019 Form 1099-DIVs by mid-February (generally from their brokers) and should consult a tax advisor for tax guidance pertinent to their specific facts and circumstances. If you did not hold Main Street stock for all of calendar year 2019, your 1099-DIV will only reflect the tax characteristics for the portion of the year you owned Main Street stock.

ABOUT MAIN STREET CAPITAL CORPORATION

Main Street (www.mainstcapital.com) is a principal investment firm that primarily provides long-term debt and equity capital to lower middle market companies and debt capital to middle market companies. Main Street's portfolio investments are typically made to support management buyouts, recapitalizations, growth financings, refinancings and acquisitions of companies that operate in diverse industry sectors. Main Street seeks to partner with entrepreneurs, business owners and management teams and generally provides "one stop" financing alternatives within its lower middle market portfolio. Main Street's lower middle market companies generally have annual revenues between \$10 million and \$150 million. Main Street's middle market debt investments are made in businesses that are generally larger in size than its lower middle market portfolio companies.

Contacts:

Main Street Capital Corporation

Dwayne L. Hyzak, CEO, dhyzak@mainstcapital.com

Brent D. Smith, CFO, bsmith@mainstcapital.com

713-350-6000

Dennard Lascar Investor Relations

Ken Dennard / ken@dennardlascar.com

Zach Vaughan / zvaughan@dennardlascar.com
713-529-6600

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