Main Street Capital CORP
Form 497
October 31, 2014

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Table of Contents

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The information in this preliminary prospectus supplement is not complete and may be changed. A registration statement relating to these securities has been filed with and declared effective by the Securities and Exchange Commission. This preliminary prospectus supplement and the accompanying prospectus are not an offer to sell and are not soliciting offers to buy these securities in any state where such offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED OCTOBER 31, 2014

PRELIMINARY PROSPECTUS SUPPLEMENT
(to Prospectus dated May 7, 2014)

Main Street Capital Corporation

$

% Notes due 2019

We are offering $ in aggregate principal amount of % notes due 2019, which we refer to as the Notes. The Notes will mature on December 1, 2019. We will pay interest on the Notes on June 1 and December 1 of each year, beginning on June 1, 2015. We may redeem the Notes in whole or in part at any time or from time to time, at the redemption price set forth under the caption "Description of the Notes Optional Redemption" in this prospectus supplement. In addition, holders of the Notes can require us to repurchase some or all of the Notes at a purchase price equal to 100% of their principal amount, plus accrued and unpaid interest to, but not including, the repurchase date upon the occurrence of a "Change of Control Repurchase Event" (as defined herein). The Notes will be issued in minimum denominations of $2,000 and integral multiples of $1,000 in excess thereof.

The Notes will be our direct unsecured obligations and rank *pari passu* with our existing and future unsecured indebtedness but will rank senior to our future indebtedness that is expressly subordinated in right of payment to the Notes issued by Main Street Capital Corporation.

We are a principal investment firm primarily focused on providing customized debt and equity financing to lower middle market ("LMM") companies and debt capital to middle market ("Middle Market") companies. Our LMM companies generally have annual revenues between $10 million and $150 million, and our LMM portfolio investments generally range in size from $5 million to $50 million. Our Middle Market investments are made in businesses that are generally larger in size than our LMM portfolio companies, with annual revenues typically between $150 million and $1.5 billion, and our Middle Market investments generally range in size from $3 million to $15 million.

The LMM and Middle Market securities in which we invest generally would be rated below investment grade if they were rated by rating agencies. Below investment grade securities, which are often referred to as "junk," have predominantly speculative characteristics with respect to the issuer's capacity to pay interest and repay principal. They may also be difficult to value and are illiquid.

Our principal investment objective is to maximize our portfolio's total return by generating current income from our debt investments and capital appreciation from our equity and equity related investments, including warrants, convertible securities and other rights to acquire equity securities in a portfolio company.

We are an internally managed, closed-end, non-diversified management investment company that has elected to be treated as a business development company under the Investment Company Act of 1940.

Investing in the Notes involves a high degree of risk and should be considered highly speculative. See "Supplementary Risk Factors" beginning on page S-14 of this prospectus supplement and "Risk Factors" on page 16 of the accompanying prospectus to read about factors you should consider, including the risk of leverage, before investing in the Notes.

This prospectus supplement and the accompanying prospectus contain important information about us that a prospective investor should know before investing in our Notes. Please read this prospectus supplement and the accompanying prospectus before investing and keep them for future reference. We file annual, quarterly and current reports, proxy statements and other information with the Securities and Exchange Commission, or SEC. This information is available free of charge by contacting us at 1300 Post Oak Boulevard, Suite 800, Houston, Texas 77056 or by telephone at (713) 350-6000 or on our website at *www.mainstcapital.com*. Information contained on our website is not incorporated by reference into this prospectus supplement or the accompanying prospectus, and you should not consider that information to be part of this prospectus supplement or the accompanying prospectus. The SEC also maintains a website at *www.sec.gov* that contains such information.

Neither the Securities and Exchange Commission nor any state securities commission, nor any other regulatory body, has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Per Note	Total
Public offering price	%	$
Underwriting discount (sales load)	%	$
Proceeds to Main Street Capital Corporation (before estimated expenses of $350,000)	%	$

The public offering price set forth above does not include accrued interest, if any. Interest on the Notes will accrue from November , 2014 and must be paid by the purchaser if the Notes are delivered after November , 2014.

THE NOTES ARE NOT DEPOSITS OR OTHER OBLIGATIONS OF A BANK AND ARE NOT INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENT AGENCY.

Delivery of the Notes in book-entry form only through The Depository Trust Company will be made on or about November , 2014.

RBC Capital Markets **Goldman, Sachs & Co.** **Keefe, Bruyette & Woods**
A Stifel Company

The date of this prospectus supplement is , 2014.

TABLE OF CONTENTS

Prospectus Supplement

Prospectus

Table of Contents

ABOUT THE PROSPECTUS

This document is in two parts. The first part is this prospectus supplement, which describes the terms of this offering of Notes and also adds to and updates information contained in the accompanying prospectus. The second part is the accompanying prospectus, which provides more information about the securities we may offer from time to time. To the extent the information contained in this prospectus supplement differs from the information contained in the accompanying prospectus, the information in this prospectus supplement shall control.

You should rely only on the information contained in this prospectus supplement and the accompanying prospectus. Neither we nor the underwriters have authorized any other person to provide you with different information from that contained in this prospectus supplement or the accompanying prospectus. If anyone provides you with different or inconsistent information, you should not rely on it. This prospectus supplement and the accompanying prospectus do not constitute an offer to sell, or a solicitation of an offer to buy, any Notes by any person in any jurisdiction where it is unlawful for that person to make such an offer or solicitation or to any person in any jurisdiction to whom it is unlawful to make such an offer or solicitation. The information contained in this prospectus supplement and the accompanying prospectus is complete and accurate only as of their respective dates, regardless of the time of their delivery or sale of our Notes. This prospectus supplement supersedes the accompanying prospectus to the extent it contains information different from or additional to the information in that prospectus.

Forward-Looking Statements

Information contained in this prospectus supplement and the accompanying prospectus may contain forward-looking statements, which can be identified by the use of forward-looking terminology such as "may," "will," "expect," "intend," "anticipate," "estimate," or "continue" or the negative thereof or other variations thereon or comparable terminology. The matters described in the sections titled "Supplementary Risk Factors" in this prospectus supplement and "Risk Factors" in the accompanying prospectus and certain other factors noted throughout this prospectus supplement and the accompanying prospectus constitute cautionary statements identifying important factors with respect to any such forward-looking statements, including certain risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. We undertake no obligation to revise or update any forward-looking statements but advise you to consult any additional disclosures that we may make directly to you or through reports that we may file in the future with the SEC, including annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K. We note that the safe harbor for forward-looking statements provided by the Private Securities Litigation Reform Act of 1995 does not apply to statements made in this prospectus supplement or the accompanying prospectus.

Table of Contents

PROSPECTUS SUMMARY

This summary highlights some of the information in this prospectus supplement and the accompanying prospectus. It is not complete and may not contain all of the information that you may want to consider. To understand the terms of the Notes offered hereby, you should read the entire prospectus supplement and the accompanying prospectus carefully. Together, these documents describe the specific terms of the Notes we are offering. You should carefully read the sections titled "Supplementary Risk Factors," "Selected Financial Data," "Interim Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Interim Financial Statements" in this prospectus supplement and the documents identified in the section titled "Available Information" in this prospectus supplement, as well as the section titled "Risk Factors" in the accompanying prospectus.

Organization

Main Street Capital Corporation ("MSCC") was formed in March 2007 for the purpose of (i) acquiring 100% of the equity interests of Main Street Mezzanine Fund, LP ("MSMF") and its general partner, Main Street Mezzanine Management, LLC, (ii) acquiring 100% of the equity interests of Main Street Capital Partners, LLC (the "Internal Investment Manager"), (iii) raising capital in an initial public offering, which was completed in October 2007 (the "IPO"), and (iv) thereafter operating as an internally managed business development company ("BDC") under the Investment Company Act of 1940, as amended (the "1940 Act"). MSMF is licensed as a Small Business Investment Company ("SBIC") by the United States Small Business Administration ("SBA") and the Internal Investment Manager acts as MSMF's manager and investment adviser. Because we wholly own the Internal Investment Manager, which employs all of the executive officers and other employees of MSCC, we do not pay any external investment advisory fees, but instead we incur the operating costs associated with employing investment and portfolio management professionals through the Internal Investment Manager. The IPO and related transactions discussed above were consummated in October 2007 and are collectively termed the "Formation Transactions."

During January 2010, MSCC acquired (the "Exchange Offer") approximately 88% of the total dollar value of the limited partner interests in Main Street Capital II, LP ("MSC II" and, together with MSMF, the "Funds") and 100% of the membership interests in the general partner of MSC II, Main Street Capital II GP, LLC ("MSC II GP"). MSC II is an investment fund that operates as an SBIC and commenced operations in January 2006. During the first quarter of 2012, MSCC acquired all of the remaining minority ownership in the total dollar value of the MSC II limited partnership interests (the "Final MSC II Exchange"). The Exchange Offer and related transactions, including the acquisition of MSC II GP interests and the Final MSC II Exchange, are collectively termed the "Exchange Offer Transactions."

MSC Adviser I, LLC (the "External Investment Manager" and, together with the Internal Investment Manager, the "Investment Managers") was formed in November 2013 as a wholly owned subsidiary of MSCC to provide investment management and other services to parties other than MSCC and its subsidiaries ("External Parties") and receive fee income for such services. MSCC has been granted no action relief by the Securities and Exchange Commission ("SEC") to allow the External Investment Manager to register as a registered investment adviser ("RIA") under Investment Advisers Act of 1940, as amended (the "Advisers Act"). The External Investment Manager is accounted for as a portfolio investment of MSCC, since the External Investment Manager conducts all of its investment management activities for parties outside of MSCC and its consolidated subsidiaries.

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

Table of Contents

MSCC has direct and indirect wholly owned subsidiaries that have elected to be taxable entities (the "Taxable Subsidiaries"). The primary purpose of these entities is to hold certain investments that generate "pass through" income for tax purposes. Each of the Investment Managers is also a direct wholly owned subsidiary that has elected to be a taxable entity. The Taxable Subsidiaries and the Investment Managers are each taxed at their normal corporate tax rates based on their taxable income.

Unless otherwise noted or the context otherwise indicates, the terms "we," "us," "our" and "Main Street" refer to MSCC and its consolidated subsidiaries, which include the Funds, the Taxable Subsidiaries and, beginning April 1, 2013, the Internal Investment Manager.

Overview

We are a principal investment firm primarily focused on providing customized debt and equity financing to lower middle market ("LMM") companies and debt capital to middle market ("Middle Market") companies. Our portfolio investments are typically made to support management buyouts, recapitalizations, growth financings, refinancings and acquisitions of companies that operate in diverse industry sectors. We seek to partner with entrepreneurs, business owners and management teams and generally provide "one stop" financing alternatives within our LMM portfolio. We invest primarily in secured debt investments, equity investments, warrants and other securities of LMM companies based in the United States and in secured debt investments of Middle Market companies generally headquartered in the United States.

Our principal investment objective is to maximize our portfolio's total return by generating current income from our debt investments and capital appreciation from our equity and equity related investments, including warrants, convertible securities and other rights to acquire equity securities in a portfolio company. Our LMM companies generally have annual revenues between $10 million and $150 million, and our LMM portfolio investments generally range in size from $5 million to $50 million. Our Middle Market investments are made in businesses that are generally larger in size than our LMM portfolio companies, with annual revenues typically between $150 million and $1.5 billion, and our Middle Market investments generally range in size from $3 million to $15 million. Our private loan ("Private Loan") investments are made in businesses that are consistent with the size of companies in our LMM portfolio or our Middle Market portfolio, but are investments which have been originated through strategic relationships with other investment funds on a collaborative basis. The structure, terms and conditions for these Private Loan investments are typically consistent with the structure, terms and conditions for the investments made in our LMM portfolio or Middle Market portfolio.

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

Our external asset management business is conducted through our External Investment Manager. We have entered into an agreement through the Internal Investment Manager to provide the External Investment Manager with asset management service support for HMS Income Fund, Inc. ("HMS Income"). Through this agreement, we provide management and other services to the External Investment Manager, as well as access to our employees, infrastructure, business relationships, management expertise and capital raising capabilities. Beginning in the first quarter of 2014, we charge the External Investment Manager for the use of these services, and our total expenses for the three and six months ended June 30, 2014 include an offset to expenses of $0.4 and $0.7 million, respectively, related to these charged expenses. The External Investment Manager earns management fees based on the assets of the funds under management and may earn incentive fees, or a carried interest, based on the performance of the funds managed.

Table of Contents

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

As of June 30, 2014, we had debt and equity investments in 62 LMM portfolio companies with an aggregate fair value of approximately $670.4 million, with a total cost basis of approximately $529.4 million, and a weighted average annual effective yield on our LMM debt investments of approximately 14.9%. As of June 30, 2014, approximately 73% of our total LMM portfolio investments at cost were in the form of debt investments and approximately 85% of such debt investments at cost were secured by first priority liens on the assets of our LMM portfolio companies. At June 30, 2014, we had equity ownership in approximately 95% of our LMM portfolio companies and the average fully diluted equity ownership in those portfolio companies was approximately 34%. As of December 31, 2013, we had debt and equity investments in 62 LMM portfolio companies with an aggregate fair value of approximately $659.4 million, with a total cost basis of approximately $543.3 million and a weighted average annual effective yield on our LMM debt investments of approximately 14.7%. As of December 31, 2013, approximately 76% of our total LMM portfolio investments at cost were in the form of debt investments and approximately 86% of such debt investments at cost were secured by first priority liens on the assets of our LMM portfolio companies. At December 31, 2013, we had equity ownership in approximately 94% of our LMM portfolio companies and the average fully diluted equity ownership in those portfolio companies was approximately 33%. The weighted average annual yields were computed using the effective interest rates for all debt investments at cost as of June 30, 2014 and December 31, 2013, including amortization of deferred debt origination fees and accretion of original issue discount but excluding fees payable upon repayment of the debt instruments and any debt investments on non-accrual status.

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

As of June 30, 2014, we had Middle Market portfolio investments in 93 companies, collectively totaling approximately $566.2 million in fair value with a total cost basis of approximately $564.0 million. The weighted average EBITDA for the 93 Middle Market portfolio companies was approximately $68.8 million as of June 30, 2014. As of June 30, 2014, substantially all of our Middle Market portfolio investments were in the form of debt investments and approximately 92% of such debt investments at cost were secured by first priority liens on portfolio company assets. The weighted average annual effective yield on our Middle Market portfolio debt investments was approximately 7.5% as of June 30, 2014. As of December 31, 2013, we had Middle Market portfolio investments in 92 companies collectively totaling approximately $471.5 million in fair value with a total cost basis of approximately $468.3 million. The weighted average EBITDA for the 92 Middle Market portfolio companies was approximately $79.0 million as of December 31, 2013. As of December 31, 2013, substantially all of our Middle Market portfolio investments were in the form of debt investments and approximately 92% of such debt investments at cost were secured by first priority liens on portfolio company assets. The weighted average annual effective yield on our Middle Market portfolio debt investments was approximately 7.8% as of December 31, 2013. The weighted average annual yields were computed using the effective interest rates for all debt investments at cost as of June 30, 2014 and December 31, 2013, including amortization of deferred debt origination fees and accretion of original issue discount but excluding fees payable upon repayment of the debt instruments.

Our Private Loan portfolio investments primarily consist of investments in interest-bearing debt securities in companies that are consistent with the size of the companies included in our LMM portfolio or our Middle Market portfolio. Our Private Loan portfolio debt investments are generally secured by either a first or second priority lien on the assets of the portfolio company and typically have a term of between three and seven years from the original investment date.

As of June 30, 2014, we had Private Loan portfolio investments in 19 companies, collectively totaling approximately $144.7 million in fair value with a total cost basis of approximately $149.2 million. The weighted average EBITDA for the 19 Private Loan portfolio companies was approximately $12.1 million as of June 30, 2014. As of June 30, 2014, approximately 96% of our Private Loan portfolio investments were in the form of debt investments and approximately 82% of such debt investments at cost were secured by first priority liens on portfolio company assets. The weighted average annual effective yield on our Private Loan portfolio debt investments was approximately 11.3% as of June 30, 2014. As of December 31, 2013, we had Private Loan portfolio investments in 15 companies, collectively totaling approximately $111.5 million in fair value with a total cost basis of approximately $111.3 million. The weighted average EBITDA for the 15 Private Loan portfolio companies was approximately $18.4 million as of December 31, 2013. As of December 31, 2013, approximately 95% of our Private Loan portfolio investments were in the form of debt investments and approximately 98% of such debt investments at cost were secured by first priority liens on portfolio company assets. The weighted average annual effective yield on our Private Loan portfolio debt investments was approximately 11.3% as of December 31, 2013. The weighted average annual yields were computed using the effective interest rates for all debt investments at cost as of June 30, 2014 and December 31, 2013, including amortization of deferred debt origination fees and accretion of original issue discount but excluding fees payable upon repayment of the debt instruments.

As of June 30, 2014, we had Other Portfolio investments in five companies, collectively totaling approximately $48.4 million in fair value and approximately $44.7 million in cost basis and which comprised 3.4% of our Investment Portfolio at fair value as of June 30, 2014. As of December 31, 2013, we had Other Portfolio investments in six companies, collectively totaling approximately $42.8 million in fair value and approximately $40.1 million in cost basis and which comprised 3.3% of our Investment Portfolio at fair value as of December 31, 2013.

As discussed further above, we hold an investment in the External Investment Manager, a wholly owned subsidiary that is treated as a portfolio investment. As of June 30, 2014, there was no cost basis in this investment and the investment had a fair value of $4.8 million, which comprised 0.3% of our Investment Portfolio at fair value. As of December 31, 2013, there was no cost basis in this investment and the investment had a fair value of $1.1 million, which comprised 0.1% of our Investment Portfolio at fair value.

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

The level of new portfolio investment activity will fluctuate from period to period based upon our view of the current economic fundamentals, our ability to identify new investment opportunities that

Table of Contents

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

MSCC and its consolidated subsidiaries are internally managed by the Internal Investment Manager, a wholly owned subsidiary of MSCC, which employs all of the executive officers and other employees of Main Street. Because the Internal Investment Manager is wholly owned by MSCC, Main Street does not pay any external investment advisory fees, but instead incurs the operating costs associated with employing investment and portfolio management professionals through the Internal Investment Manager. We believe that our internally managed structure provides us with a beneficial operating expense structure when compared to other publicly traded and privately held investment firms which are externally managed, and our internally managed structure allows us the opportunity to leverage our non-interest operating expenses as we grow our Investment Portfolio. For the three and six months ended June 30, 2014, the ratio of our total operating expenses, excluding interest expense, as a percentage of our quarterly average total assets was 1.6% and 1.5%, respectively, on an annualized basis, compared to 1.6% and 1.6%, respectively, on an annualized basis for the three and six months ended June 30, 2013 and 1.7% for the year ended December 31, 2013 (excluding interest expense and excluding the effect of the accelerated vesting of restricted stock of our retired Executive Vice-Chairman, which resulted in additional share-based compensation expense of $1.3 million during the year ended December 31, 2013). Including the effect of the accelerated vesting of restricted stock, the ratio for the year ended December 31, 2013 would have been 1.8%.

During May 2012, MSCC entered into an investment sub advisory agreement with HMS Adviser, LP ("HMS Adviser"), which is the investment advisor to HMS Income, a non-publicly traded BDC whose registration statement on Form N-2 was declared effective by the SEC in June 2012, to provide certain investment advisory services to HMS Adviser. In December 2013, after obtaining no-action relief from the SEC to allow us to own a registered investment adviser, MSCC assigned the sub advisory agreement to the External Investment Manager since the fees received from such arrangement could otherwise have negative consequences on MSCC's ability to meet the source of income requirement necessary for it to maintain its RIC tax treatment. Under the investment sub advisory agreement, the External Investment Manager is entitled to 50% of the base management fee and the incentive fees earned by HMS Adviser under its advisory agreement with HMS Income. However, MSCC and the External Investment Manager agreed to waive all such fees from the effective date of HMS Adviser's registration statement on Form N-2 through December 31, 2013. As a result, as of December 31, 2013, neither MSCC nor the External Investment Manager had received any base management fee or incentive fees under the investment sub advisory agreement and neither is due any unpaid compensation for any base management fee or incentive fees under the investment sub-advisory agreement through December 31, 2013. Neither MSCC nor the External Investment Manager has waived the External Investment Manager's management fees or incentive fees after December 31, 2013 and, as a result, the External Investment Manager began accruing such fees on January 1, 2014.

You should be aware that investments in our portfolio companies carry a number of risks including, but not limited to, investing in companies which may have limited operating histories and financial resources and other risks common to investing in below investment grade debt and equity investments in private, smaller companies. Please see "Risk Factors Risks Related to Our

Table of Contents

Investments" in the accompanying prospectus for a more complete discussion of the risks involved with investing in our portfolio companies.

Our principal executive offices are located at 1300 Post Oak Boulevard, Suite 800, Houston, Texas 77056, and our telephone number is (713) 350-6000. We maintain a website at *http://www.mainstcapital.com*. Information contained on our website is not incorporated by reference into this prospectus supplement or the accompanying prospectus, and you should not consider that information to be part of this prospectus supplement or the accompanying prospectus.

Business Strategies

Our principal investment objective is to maximize our portfolio's total return by generating current income from our debt investments and realizing capital appreciation from our equity and equity-related investments, including warrants, convertible securities and other rights to acquire equity securities in a portfolio company. We have adopted the following business strategies to achieve our investment objective. Please see "Business Business Strategies" in the accompanying prospectus for a more complete discussion of our business strategies.

Deliver Customized Financing Solutions in the Lower Middle Market. We offer to our LMM portfolio companies customized debt financing solutions with equity components that are tailored to the facts and circumstances of each situation.

Focus on Established Companies. We generally invest in companies with established market positions, experienced management teams and proven revenue streams.

Leverage the Skills and Experience of Our Investment Team. Our investment team has significant experience in lending to and investing in LMM and Middle Market companies.

Invest Across Multiple Companies, Industries, Regions and End Markets. We seek to maintain a portfolio of investments that is appropriately balanced among various companies, industries, geographic regions and end markets.

Capitalize on Strong Transaction Sourcing Network. Our investment team seeks to leverage its extensive network of referral sources for portfolio company investments.

Benefit from Lower, Fixed, Long-Term Cost of Capital. The SBIC licenses held by the Funds have allowed them to issue SBA-guaranteed debentures. SBA-guaranteed debentures carry long-term fixed interest rates that are generally lower than interest rates on comparable bank loans and other debt.

Investment Criteria

Our investment team has identified the following investment criteria that it believes are important in evaluating prospective portfolio companies. Our investment team uses these criteria in evaluating investment opportunities. However, not all of these criteria have been, or will be, met in connection with each of our investments. Please see "Business Investment Criteria" in the accompanying prospectus for a more complete discussion of our investment criteria.

Proven Management Team with Meaningful Equity Stake. We look for operationally-oriented management with direct industry experience and a successful track record. In addition, we expect the management team of each LMM portfolio company to have meaningful equity ownership in the portfolio company to better align our respective economic interests.

Established Companies with Positive Cash Flow. We seek to invest in established companies with sound historical financial performance.

Defensible Competitive Advantages/Favorable Industry Position. We primarily focus on companies having competitive advantages in their respective markets and/or operating in industries with barriers to entry, which may help to protect their market position and profitability.

Exit Alternatives. We exit our debt investments primarily through the repayment of our investment from internally generated cash flow of the portfolio company and/or refinancing. In addition, we seek to invest in companies whose business models and expected future cash flows may provide alternate methods of repaying our investment, such as through a strategic acquisition by other industry participants or a recapitalization.

Recent Developments

Preliminary Estimate of Third Quarter 2014 Results

In October 2014, we announced preliminary estimates of distributable net investment income per share(1) of $0.57 to $0.58 per share and of net investment income per share of $0.54 to $0.55 per share for the quarter ended September 30, 2014. We also announced a preliminary estimate of net realized gains for the quarter ended September 30, 2014 of $15.0 million to $16.0 million, or $0.33 to $0.36 per share. In addition, we announced a preliminary estimate of net asset value per share as of September 30, 2014 of $21.05 to $21.09, or a $0.02 to $0.06 per share estimated increase from our net asset value per share as of June 30, 2014. The estimated sequential increase in net asset value per share is net of non-investment portfolio related unrealized depreciation of $0.19 per share on our SBIC debentures which are accounted for on a fair value basis.(2)

The preliminary estimates of third quarter 2014 results furnished above are based on our management's preliminary determinations and current expectations, and such information is inherently uncertain. The preliminary estimates are subject to completion of our customary quarterly closing and review procedures, including the determination of the fair value of our portfolio investments by our Board of Directors, and have not yet been approved by our Board of Directors. As a result, actual results could differ materially from the current preliminary estimates based on adjustments made during our quarterly closing and review procedures and our reported information in our quarterly report on Form 10-Q for the quarter ended September 30, 2014 may differ from this information, and any such differences may be material. In addition, the information furnished above does not include all of the information regarding our financial condition and results of operations for the quarter ended September 30, 2014 that may be important to readers. As a result, readers are cautioned not to place undue reliance on this preliminary information and should view this information in the context of our full third quarter 2014 results when we disclose such results in our quarterly report on Form 10-Q for the quarter ended September 30, 2014. This preliminary information is based on our current management expectations that involve substantial risks and uncertainties that could cause actual results to differ materially from the results expressed in, or implied by, such information.

(1) Distributable net investment income is net investment income, as determined in accordance with United States generally accepted accounting principles, or U.S. GAAP, excluding the impact of share-based compensation expense which is non-cash in nature. We believe presenting distributable net investment income, and the related per share amount, is useful and appropriate supplemental disclosure of information for analyzing our financial performance since share-based compensation does not require settlement in cash. However, distributable net investment income is a non-U.S. GAAP measure and should not be considered as a replacement to net investment income and other earnings measures presented in accordance with U.S. GAAP. Instead, distributable net investment income should be reviewed only in connection with such U.S. GAAP measures in analyzing our financial performance. In order to reconcile estimated distributable net investment income per share to estimated net investment income per share in accordance with U.S. GAAP, $0.03 per share of

Table of Contents

estimated share-based compensation expense is added back to estimated net investment income per share.

(2) We estimate that the range for the increase in net asset value per share for the quarter ended September 30, 2014 would be a $0.21 to $0.25 increase from our net asset value per share as of June 30, 2014, if the impact of the unrealized depreciation on the SBIC debentures held by MSC II is excluded.

Other Recent Developments

During August 2014, we declared regular monthly dividends of $0.17 per share for each month of October, November and December of 2014. These regular monthly dividends equal a total of $0.51 per share for the fourth quarter of 2014 and represent a 6% increase from the regular monthly dividends declared for the fourth quarter of 2013. Including the regular monthly dividends declared for the fourth quarter of 2014, we will have paid $12.96 per share in cumulative dividends since our October 2007 initial public offering.

During August 2014, we led a financing totaling $17.0 million of invested capital in Guerdon Enterprises, LLC ("Guerdon"), to support the majority recapitalization of Guerdon, with Main Street funding $13.6 million of the financing in this new portfolio investment. Main Street's portion of the financing included an $11.2 million first lien, senior secured term loan and a $2.4 million equity investment. In addition, Main Street and its co-investor in the financing are also providing Guerdon a revolving line of credit to support its future working capital needs. Headquartered in Boise, Idaho, and founded in 2001, Guerdon is a leading systems-built, off site producer of large modular commercial and multi-family construction projects in the Western United States and Canada.

During August 2014, we led a financing totaling $15.9 million of invested capital in Mystic Logistics, Inc. ("Mystic") to support the majority recapitalization of Mystic, with Main Street funding $12.7 million of the financing in this new portfolio investment. Main Street's portion of the financing included a $10.0 million first lien, senior secured term loan and a $2.7 million equity investment. In addition, Main Street and its co-investor in the financing are also providing Mystic a revolving line of credit to support its future working capital needs. Mystic, founded in 1989, is headquartered in South Glastonbury, Connecticut, and is a leading non-asset based third-party logistics provider that specializes in standard mail consolidation for large volume mailers in the United States.

During September 2014, we fully exited our investment in American Sensor Technologies, Inc. ("AST"), a manufacturer of state-of-the-art high performance sensors. We made our initial investment in AST in May 2005, and we realized a gain of approximately $11.0 million on the redemption of our warrant by AST.

During September 2014, we announced that Standard & Poor's Ratings Services ("S&P") has assigned us an investment grade credit rating of BBB with a stable outlook.

During September 2014, we amended our five-year credit facility (the "Credit Facility"). The amendment provides several benefits to us, including (i) an expansion of the total commitments under the facility by $20.0 million, to a total of $522.5 million, (ii) an extension of the final maturity by one year to September 2019, with the facility available on a fully revolving basis for the entire five-year term and (iii) reduced interest rate pricing so long as we maintain an investment grade rating. Borrowings under the amended Credit Facility bear interest, subject to our election, on a per annum basis equal to (i) the applicable LIBOR rate plus 2.00% or (ii) the applicable base rate plus 1.00% so long as we maintain an investment grade rating, and 0.25% higher in each case otherwise. The amended Credit Facility also contains an upsized accordion feature that allows for an increase in total commitments under the facility to up to $650.0 million of total commitments from new and existing lenders on the same terms and conditions as the existing commitments. In addition to the extended

Table of Contents

maturity, we continue to maintain two, one-year extension options under the amended Credit Facility which could extend the final maturity of the Credit Facility for up to two additional years.

In October 2014, we completed a follow-on investment in an existing portfolio company totaling $16.4 million. Our follow-on investment in SambaSafety Holdings, L.L.C. ("SambaSafety") supported SambaSafety's acquisition of a complementary business in the driver risk management software and technology-enabled services industry, an acquisition which significantly expands SambaSafety's customer base and service offering. The follow-on investment consisted of an additional $16.0 million of first lien, senior secured term debt and a $0.4 million equity investment. Headquartered in Albuquerque, New Mexico, SambaSafety is an industry leading provider of driver risk management software and services to car and truck fleet owners, insurance carriers and agents, employment background screeners, and automotive retailers.

In October 2014, we fully exited our investment in Texas ReExcavation, LC ("T-Rex"), a provider of hydro excavation and vacuum excavation services for a variety of industry sectors, including the petrochemical, pipeline, municipal, utilities, construction, oil & gas, engineering, transportation, telecommunication, and environmental industries. We made our original investment in T-Rex in December 2012, and we realized a gain of approximately $3.7 million on the sale of T-Rex.

In October 2014, we led a financing totaling $7.6 million of invested capital in Computer Associates, Inc. ("CAI"), to support the majority recapitalization of CAI, with Main Street funding $6.1 million of the financing in this new portfolio investment. Main Street's portion of the financing included a $5.4 million first lien, senior secured term loan and a $0.7 million equity investment. Headquartered in Smithfield, Rhode Island, and founded in 1977, CAI is a leading provider of specialized enterprise resource planning (ERP) software with industry expertise in several industry sectors, including seafood and other food processing and distribution, lumber and building materials, precious metal refining, and jewelry manufacturing.

In October 2014, we fully exited our investment in Spectrio LLC ("Spectrio"), a leading national provider of on-hold messaging and digital signage managed services. We made our initial investment in Spectrio in May 2009, and we realized a gain of approximately $3.9 million on the redemption of our warrant by Spectrio.

In October 2014, we led a financing totaling $12.0 million of invested capital in East West Copolymer & Rubber, LLC ("East West") to support East West's working capital and expansion needs. The financing consisted of a $12.0 million first lien, senior secured term loan with equity warrant participation, with Main Street funding $9.6 million of the invested capital. East West is a synthetic rubbers manufacturer with its production facility located in Baton Rouge, Louisiana. East West's Styrene-Butadiene-Rubber ("SBR") & Nitrile-Butadiene-Rubber ("NBR") products are primarily used in the production of tires for automobile, industrial, and agriculture applications.

In October 2014, we declared a semi-annual supplemental cash dividend of $0.275 per share payable in December 2014. This supplemental cash dividend is in addition to the previously announced regular monthly cash dividends that we declared for the fourth quarter of 2014 of $0.51 per share, or $0.17 per share for each of October, November and December 2014, and represents a 10% increase from the semi-annual supplemental cash dividend paid in December 2013.

In October 2014, we fully exited our investment in NCP Investment Holdings, Inc. ("NCP"), a healthcare services company operating free-standing outpatient cardiac and vascular procedure labs. We originally invested in NCP in 2004, and we realized a gain of approximately $8.6 million on the sale of our remaining equity interest in NCP in conjunction with a change of control of NCP.

Table of Contents

SUMMARY OF THE OFFERING

This prospectus supplement sets forth certain terms of the Notes that we are offering pursuant to this prospectus supplement and supplements the accompanying prospectus that is attached to the back of this prospectus supplement. You should read this section of the prospectus supplement together with the more general description of the Notes under the heading "Description of the Notes" in this prospectus supplement and in the accompanying prospectus under the heading "Description of Our Debt Securities" before investing in the Notes. Capitalized terms used in this prospectus supplement and not otherwise defined shall have the meanings ascribed to them in the accompanying prospectus or in the indenture governing the Notes.

Issuer	Main Street Capital Corporation
Title of the securities	% Notes due 2019
Aggregate principal amount being offered	$
Initial public offering price	% of the aggregate principal amount
Principal payable at maturity	100% of the aggregate principal amount; the principal amount of each Note will be payable on its stated maturity date at the office of the Trustee, Paying Agent, Registrar and Transfer Agent for the Notes or at such other office in New York City as we may designate.
Interest rate	% per year
Yield to maturity	%
Trade date	, 2014
Maturity date	December 1, 2019
Day count basis	360-day year of twelve 30-day months
Date interest starts accruing	November , 2014
Interest payment dates	Every June 1 and December 1, commencing June 1, 2015. If an interest payment date is a non-business day, the applicable interest payment will be made on the next business day, and no additional interest will accrue as a result of such delayed payment.
Ranking of Notes	The Notes will be our direct unsecured obligations and will rank:
	pari passu with our existing and future general unsecured and senior unsecured indebtedness, including our 6.125% Notes due 2023 (the "6.125% Notes") of which approximately $90.9 million was outstanding as of October 29, 2014;
	senior to any of our future indebtedness that expressly states it is subordinated to the Notes;

	effectively subordinated to all of our existing and future secured indebtedness (including indebtedness that is initially unsecured, but to which we subsequently grant security), to the extent of the value of the assets securing such indebtedness, including without limitation, borrowings under our $522.5 million credit facility, or the Credit Facility; and
	structurally subordinated to all existing and future indebtedness and other obligations of any of our subsidiaries, financing vehicles or similar facilities, including without limitation, the Funds' SBIC debentures.
Denominations	We will issue the Notes in denominations of $2,000 and integral multiples of $1,000 in excess thereof.
Optional redemption	We may redeem in whole or in part at any time, or from time to time, at a redemption price equal to the greater of (1) 100% of the principal amount of the Notes to be redeemed or (2) the sum of the present values of the remaining scheduled payments of principal and interest (exclusive of accrued and unpaid interest to the date of redemption) on the Notes to be redeemed, discounted to the redemption date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) using the applicable Treasury Rate (as defined in "Description of the Notes") plus basis points, plus, in each case, accrued and unpaid interest to the redemption date.
Sinking fund	The Notes will not be subject to any sinking fund.
Offer to Repurchase Upon a Change of Control Repurchase Event	If a Change of Control Repurchase Event occurs prior to maturity, holders will have the right, at their option, to require us to repurchase for cash some or all of the Notes at a repurchase price equal to 100% of the principal amount of the Notes being repurchased, plus accrued and unpaid interest to, but not including, the repurchase date.
Defeasance	The Notes are subject to legal and covenant defeasance by us.
Form of Notes	The Notes will be represented by global securities that will be deposited and registered in the name of The Depository Trust Company, or DTC, or its nominee. This means that, except in limited circumstances, you will not receive certificates for the Notes. Beneficial interests in the Notes will be represented through book-entry accounts of financial institutions acting on behalf of beneficial owners as direct and indirect participants in DTC. Investors may elect to hold interests in the Notes through either DTC, if they are a participant, or indirectly through organizations that are participants in DTC.
Trustee, Paying Agent, Registrar and Transfer Agent	The Bank of New York Mellon Trust Company, N.A.

Table of Contents

Events of default	If an event of default (as described herein under "Description of the Notes") on the Notes occurs, the principal amount of the Notes, plus accrued and unpaid interest, may be declared immediately due and payable, subject to conditions set forth in the indenture.
Other covenants	In addition to any covenants described elsewhere in this prospectus supplement or the accompanying prospectus, the following covenants shall apply to the Notes:
	We agree that for the period of time during which the Notes are outstanding, we will not violate Section 18(a)(1)(A) as modified by Section 61(a)(1) of the 1940 Act or any successor provisions, whether or not we continue to be subject to such provisions of the 1940 Act, but giving effect, in either case, to any exemptive relief granted to us by the SEC. Currently, these provisions generally prohibit us from making additional borrowings, including through the issuance of additional debt or the sale of additional debt securities, unless our asset coverage, as defined in the 1940 Act, equals at least 200% after such borrowings. See "Risk Factors Risks Relating to Our Business and Structure Pending legislation may allow us to incur additional leverage" in the accompanying prospectus.
	If, at any time, we are not subject to the reporting requirements of Sections 13 or 15(d) of the Securities Exchange Act of 1934, or the Exchange Act, to file any periodic reports with the SEC, we agree to furnish to holders of the Notes and the Trustee, for the period of time during which the Notes are outstanding, our audited annual consolidated financial statements, within 90 days of our fiscal year end, and unaudited interim consolidated financial statements, within 45 days of our fiscal quarter end (other than our fourth fiscal quarter). All such financial statements will be prepared, in all material respects, in accordance with applicable United States generally accepted accounting principles, or U.S. GAAP.
Further issuances	We have the ability to issue additional debt securities under the indenture with terms different from the Notes and, without the consent of the holders thereof, to reopen the Notes and issue additional Notes.
No Established Trading Market	The Notes are a new issue of securities with no established trading market. The Notes will not be listed on any securities exchange or quoted on any automated dealer quotation system. Although certain of the underwriters have informed us that they intend to make a market in the Notes, they are not obligated to do so, and may discontinue any such market at any time without notice. Accordingly, we cannot assure you that a liquid market for the Notes will develop or be maintained.

Table of Contents

Use of proceeds	We intend to initially use the net proceeds from this offering to repay outstanding debt borrowed under our Credit Facility. However, through re-borrowing of the initial repayments under our Credit Facility, we intend to use the net proceeds from this offering to make investments in accordance with our investment objective and strategies described in this prospectus supplement and the accompanying prospectus, to make investments in marketable securities and idle funds investments, which may include investments in secured intermediate term bank debt, rated debt securities and other income producing investments, to pay our operating expenses and other cash obligations, and for general corporate purposes. See "Use of Proceeds" below.

Table of Contents

SUPPLEMENTARY RISK FACTORS

Investing in the Notes involves a number of significant risks. In addition to the other information contained in this prospectus supplement and the accompanying prospectus, you should carefully consider the following supplementary risk factors together with the risk factors set forth in the accompanying prospectus before making an investment in the Notes. The risks set out below and in the accompanying prospectus are not the only risks we face. Additional risks and uncertainties not presently known to us or not presently deemed material by us might also impair our operations and performance. If any of the events described herein or in the accompanying prospectus occur, our business, financial condition and results of operations could be materially and adversely affected. In such case, the market price, if any, of the Notes could decline, and you may lose part or all of your investment.

Risks Relating to the Notes

The Notes will be unsecured and therefore will be effectively subordinated to any current or future secured indebtedness, including indebtedness under the Credit Facility.

The Notes will not be secured by any of our assets or any of the assets of our subsidiaries and will rank equally in right of payment with all of our existing and future unsubordinated, unsecured indebtedness. As a result, the Notes are effectively subordinated to any secured indebtedness we or our subsidiaries have currently incurred and may incur in the future (or any indebtedness that is initially unsecured to which we subsequently grant security) to the extent of the value of the assets securing such indebtedness. In any liquidation, dissolution, bankruptcy or other similar proceeding, the holders of any of our existing or future secured indebtedness and the secured indebtedness of our subsidiaries may assert rights against the assets pledged to secure that indebtedness in order to receive full payment of their indebtedness before the assets may be used to pay other creditors, including the holders of the Notes. As of October 29, 2014, we had $296.0 million outstanding under the Credit Facility out of $522.5 million in commitments. The indebtedness under the Credit Facility is senior to the Notes to the extent of the value of the assets securing such indebtedness.

The Notes will be structurally subordinated to the indebtedness and other liabilities of our subsidiaries.

The Notes are obligations exclusively of Main Street Capital Corporation and not of any of our subsidiaries. None of our subsidiaries is a guarantor of the Notes, and the Notes are not required to be guaranteed by any subsidiaries we may acquire or create in the future. In addition, several of our subsidiaries, specifically the Funds, maintain significant indebtedness and as a result the Notes are structurally subordinated to the indebtedness of these subsidiaries. For example, as of October 29, 2014, the Funds had collectively issued the current statutory maximum of $225.0 million of SBA-guaranteed debentures, which are included in our consolidated financial statements. The assets of such subsidiaries are not directly available to satisfy the claims of our creditors, including holders of the Notes. See "Interim Management's Discussion and Analysis of Financial Condition and Results of Operations Liquidity and Capital Resources" in this prospectus supplement for more detail on the SBA-guaranteed debentures.

Except to the extent we are a creditor with recognized claims against our subsidiaries, all claims of other creditors of our subsidiaries will have priority over our equity interests in such subsidiaries (and therefore the claims of our creditors, including holders of the Notes) with respect to the assets of such subsidiaries. Even if we are recognized as a creditor of one or more of our subsidiaries, our claims would still be effectively subordinated to any security interests in the assets of any such subsidiary and to any indebtedness or other liabilities of any such subsidiary senior to our claims. Consequently, the Notes will be structurally subordinated to all indebtedness, including the SBA-guaranteed debentures, and other liabilities of any of our subsidiaries and any subsidiaries that we may in the future acquire or

Table of Contents

establish. In addition, our subsidiaries may incur substantial additional indebtedness in the future, all of which would be structurally senior to the Notes.

There is no active trading market for the Notes. If an active trading market does not develop for the Notes you may not be able to sell them.

The Notes are a new issue of debt securities for which there currently is no trading market. We do not intend to list the Notes on any securities exchange or for quotation of the Notes on any automated dealer quotation system. If the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price depending on prevailing interest rates, the market for similar securities, our credit ratings, our financial condition or other relevant factors. The underwriters may discontinue any market-making in the Notes at any time at their sole discretion. Accordingly, we cannot assure you that a liquid trading market will develop for the Notes, that you will be able to sell your Notes at a particular time or that the price you receive when you sell will be favorable. To the extent an active trading market does not develop, the liquidity and trading price for the Notes may be harmed. Accordingly, you may be required to bear the financial risk of an investment in the Notes for an indefinite period of time.

A downgrade, suspension or withdrawal of the credit rating assigned by a rating agency to us or the Notes, if any, or change in the debt markets could cause the liquidity or market value of the Notes to decline significantly.

Our credit ratings are an assessment by rating agencies of our ability to pay our debts when due. Consequently, real or anticipated changes in our credit ratings will generally affect the market value of the Notes. These credit ratings may not reflect the potential impact of risks relating to the structure or marketing of the Notes. Credit ratings are not a recommendation to buy, sell or hold any security, and may be revised or withdrawn at any time by the issuing organization in its sole discretion. Neither we nor any underwriter undertakes any obligation to maintain our credit ratings or to advise holders of Notes of any changes in our credit ratings. The Notes will be rated by Standard & Poor's Ratings Services, or S&P. There can be no assurance that our credit ratings will remain for any given period of time or that such credit ratings will not be lowered or withdrawn entirely by the rating agency if in their judgment future circumstances relating to the basis of the credit ratings, such as adverse changes in our company, so warrant. The conditions of the financial markets and prevailing interest rates have fluctuated in the past and are likely to fluctuate in the future, which could have an adverse effect on the market prices of the Notes.

The indenture under which the Notes will be issued contains limited protection for holders of the Notes.

The indenture under which the Notes will be issued offers limited protection to holders of the Notes. The terms of the indenture and the Notes do not restrict our or any of our subsidiaries' ability to engage in, or otherwise be a party to, a variety of corporate transactions, circumstances or events that could have an adverse impact on your investment in the Notes. In particular, the terms of the indenture and the Notes will not place any restrictions on our or our subsidiaries' ability to:

- issue securities or otherwise incur additional indebtedness or other obligations, including (1) any indebtedness or other obligations that would be equal in right of payment to the Notes, (2) any indebtedness or other obligations that would be secured and therefore rank effectively senior in right of payment to the Notes to the extent of the values of the assets securing such debt, (3) indebtedness of ours that is guaranteed by one or more of our subsidiaries and which therefore is structurally senior to the Notes and (4) securities, indebtedness or obligations issued or incurred by our subsidiaries that would be senior to our equity interests in our subsidiaries and therefore rank structurally senior to the Notes with respect to the assets of our subsidiaries, in each case other than an incurrence of indebtedness or other obligation that would cause a

Table of Contents

- violation of Section 18(a)(1)(A) as modified by Section 61(a)(1) of the 1940 Act or any successor provisions, but giving effect, in each case, to any exemptive relief granted to us by the SEC (currently, this provision generally prohibits us from making additional borrowings, including through the issuance of additional debt or the sale of additional debt securities, unless our asset coverage, as defined in the 1940 Act, equals at least 200% after such borrowings);

- pay dividends on, or purchase or redeem or make any payments in respect of, capital stock or other securities ranking junior in right of payment to the Notes, including subordinated indebtedness;

- sell assets (other than certain limited restrictions on our ability to consolidate, merge or sell all or substantially all of our assets);

- enter into transactions with affiliates;

- create liens (including liens on the shares of our subsidiaries) or enter into sale and leaseback transactions;

- make investments; or

- create restrictions on the payment of dividends or other amounts to us from our subsidiaries.

Furthermore, the terms of the indenture and the Notes do not protect holders of the Notes in the event that we experience changes (including significant adverse changes) in our financial condition, results of operations or credit ratings, if any, as they do not require that we or our subsidiaries adhere to any financial tests or ratios or specified levels of net worth, revenues, income, cash flow or liquidity.

Our ability to recapitalize, incur additional debt and take a number of other actions that are not limited by the terms of the Notes may have important consequences for you as a holder of the Notes, including making it more difficult for us to satisfy our obligations with respect to the Notes or negatively affecting the trading value of the Notes.

Other debt we issue or incur in the future could contain more protections for its holders than the indenture and the Notes, including additional covenants and events of default. For example, the indenture under which the Notes will be issued does not contain cross-default provisions that are contained in the Credit Facility. The issuance or incurrence of any such debt with incremental protections could affect the market for and trading levels and prices of the Notes.

The optional redemption provision may materially adversely affect your return on the Notes.

The Notes are redeemable in whole or in part upon certain conditions at any time or from time to time at our option. We may choose to redeem the Notes at times when prevailing interest rates are lower than the interest rate paid on the Notes. In this circumstance, you may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as the Notes being redeemed.

We may not be able to repurchase the Notes upon a Change of Control Repurchase Event.

We may not be able to repurchase the Notes upon a Change of Control Repurchase Event because we may not have sufficient funds. Upon a Change of Control Repurchase Event, holders of the Notes may require us to repurchase for cash some or all of the Notes at a repurchase price equal to 100% of the aggregate principal amount of the Notes being repurchased, plus accrued and unpaid interest to, but not including, the repurchase date. The terms of our Credit Facility provide that certain change of control events will constitute an event of default thereunder entitling the lenders to accelerate any indebtedness outstanding under our Credit Facility at that time and to terminate the Credit Facility. In addition, the occurrence of a Change of Control Repurchase Event enabling the holders of the Notes to require the mandatory purchase of the Notes would constitute an event of default under our Credit Facility entitling the lenders to accelerate any indebtedness outstanding under our Credit Facility at that time and to terminate the Credit Facility. Our and our subsidiaries' future financing facilities may contain similar restrictions and provisions. Our failure to purchase such tendered Notes upon the occurrence of such Change of Control Repurchase Event would cause an event of default under the indenture governing the Notes and a cross-default under the agreements governing certain of our other indebtedness, which may result in the acceleration of such indebtedness requiring us to repay that indebtedness immediately. If a Change of Control Repurchase Event were to occur, we may not have sufficient funds to repay any such accelerated indebtedness. See "Description of the Notes Offer to Repurchase Upon a Change of Control Repurchase Event" in this prospectus supplement for more information.

Our amount of debt outstanding will increase as a result of this offering, and if we default on our obligations to pay our other indebtedness, we may not be able to make payments on the Notes.

As of October 29, 2014, we had approximately $611.9 million of indebtedness, including $296.0 million outstanding under the Credit Facility, $225.0 million outstanding from SBA-guaranteed debentures and approximately $90.9 million of the 6.125% Notes outstanding. Any default under the agreements governing our indebtedness, including a default under the Credit Facility, under the 6.125% Notes or under other indebtedness to which we may be a party that is not waived by the required lenders or debt holders, and the remedies sought by the holders of such indebtedness could make us unable to pay principal, premium, if any, and interest on the Notes and substantially decrease the market value of the Notes. If we are unable to generate sufficient cash flow and are otherwise unable to obtain funds necessary to meet required payments of principal, premium, if any, and interest on our indebtedness, or if we otherwise fail to comply with the various covenants, including financial and operating covenants, in the instruments governing our indebtedness, we could be in default under the terms of the agreements governing such indebtedness. In the event of such default, the holders of such indebtedness could elect to declare all the funds borrowed thereunder to be due and payable, together with accrued and unpaid interest, the lenders under the Credit Facility or other debt we may incur in the future could elect to terminate their commitments, cease making further loans and institute foreclosure proceedings against our assets, and we could be forced into bankruptcy or liquidation. Our ability to generate sufficient cash flow in the future is, to some extent, subject to general economic, financial, competitive, legislative and regulatory factors as well as other factors that are beyond our control. We cannot assure you that our business will generate cash flow from operations, or that future borrowings will be available to us under the Credit Facility or otherwise, in an amount sufficient to enable us to meet our payment obligations under the Notes and our other debt and to fund other liquidity needs.

If our operating performance declines and we are not able to generate sufficient cash flow to service our debt obligations, we may in the future need to refinance or restructure our debt, including the Notes, sell assets, reduce or delay capital investments, seek to raise additional capital or seek to obtain waivers from the required lenders under the Credit Facility or the required holders of our 6.125% Notes or other debt that we may incur in the future to avoid being in default. If we are unable to implement one or more of these alternatives, we may not be able to meet our payment obligations under the Notes and our other debt. If we breach our covenants under the Credit Facility, the 6.125% Notes or other debt and seek a waiver, we may not be able to obtain a waiver from the required lenders or debt holders. If this occurs, we would be in default under the Credit Facility, the 6.125% Notes or other debt, the lenders or debt holders could exercise their rights as described above, and we could be forced into bankruptcy or liquidation. If we are unable to repay debt, lenders having secured obligations could proceed against the collateral securing the debt. Because the Credit Facility has, and any future credit facilities will likely have, customary cross-default provisions, if the indebtedness under the Notes, the 6.125% Notes, the Credit Facility or under any future credit facility is accelerated, we may be unable to repay or finance the amounts due.

Table of Contents

USE OF PROCEEDS

We estimate that the net proceeds we will receive from the sale of the $ million aggregate principal amount of the Notes in this offering will be approximately $ million, based on a public offering price of % of par, after deducting the underwriting discount and estimated offering expenses payable by us.

We intend to initially use the net proceeds from this offering to repay outstanding debt borrowed under our Credit Facility. However, through re-borrowing of the initial repayments under our Credit Facility, we intend to use the net proceeds from this offering to make investments in accordance with our investment objective and strategies described in this prospectus supplement and the accompanying prospectus, to make investments in marketable securities and idle funds investments, which may include investments in secured intermediate term bank debt, rated debt securities and other income producing investments, to pay our operating expenses and other cash obligations, and for general corporate purposes. Our ability to achieve our investment objective may be limited to the extent that the net proceeds from an offering, pending full investment, are held in interest bearing deposits or other short term instruments. See "Risk Factors Risks Relating to Our Securities We may be unable to invest a significant portion of the net proceeds from an offering or from exiting an investment or other capital on acceptable terms, which could harm our financial condition and operating results" in the accompanying prospectus.

On October 29, 2014, we had approximately $296.0 million outstanding under our Credit Facility. Our Credit Facility matures in September 2019, unless extended, and bears interest, at our election, on a per annum basis equal to (i) the applicable LIBOR rate plus 2.00% or (ii) the applicable base rate plus 1.00% so long as Main Street maintains an investment grade rating, and 0.25% higher in each case otherwise. Amounts repaid under our Credit Facility will remain available for future borrowings.

Affiliates of RBC Capital Markets, LLC and Goldman, Sachs & Co., underwriters in this offering, act as lenders and/or agents under our $522.5 million Credit Facility. As described above, we intend to use net proceeds of this offering to repay the outstanding indebtedness under this Credit Facility, and such affiliates therefore may receive a portion of the proceeds from this offering through the repayment of those borrowings. See "Underwriting Conflicts of Interest" below.

Table of Contents

CAPITALIZATION

The following table sets forth our capitalization:

- on an actual basis as of June 30, 2014; and

- on an as-adjusted basis giving effect to the sale of $ million aggregate principal amount of Notes in this offering, less estimated underwriting discounts and offering expenses payable by us, and the application of the proceeds thereof.

This table should be read in conjunction with "Interim Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Interim Financial Statements" in this prospectus supplement.

	As of June 30, 2014 Actual	As of June 30, 2014 As-adjusted for this Offering
	(Unaudited) (in thousands, except shares)	
Cash and cash equivalents	$ 30,495	$ 30,495
Marketable securities and idle funds investments (cost: $9,212)	8,974	8,974
Total cash and cash equivalents, marketable securities and idle funds investments	$ 39,469	$ 39,469
SBIC debentures (par: $225,000; par of $75,200 is recorded at a fair value of $64,079)	$ 213,879	$ 213,879
Credit facility(1)	253,000	
6.125% Notes	90,882	90,882
Notes offered hereby		
Net asset value:		
Common stock, $0.01 par value per share (150,000,000 shares authorized; 44,869,800 shares issued and outstanding)	449	449
Additional paid-in capital	842,813	842,813
Accumulated net investment income, net of cumulative dividends of $251,759	14,478	14,478
Accumulated net realized gain from investments (accumulated net realized gain from investments of $12,194 before cumulative dividends of $45,021)	(32,827)	(32,827)
Net unrealized appreciation, net of income taxes	118,497	118,497
Total net asset value	943,410	943,410
Total capitalization	$ 1,501,171	$

(1)

As of October 29, 2014, we had approximately $296.0 million outstanding under our Credit Facility. This table has not been adjusted to reflect the changes in our outstanding borrowings under the Credit Facility subsequent to June 30, 2014.

Table of Contents

RATIOS OF EARNINGS TO FIXED CHARGES

The following table contains our ratio of earnings to fixed charges for the periods indicated, computed as set forth below. You should read these ratios of earnings to fixed charges in connection with our consolidated financial statements, including the notes to those statements, included in this prospectus supplement.

	For the Six Months Ended June 30, 2014	For the Year Ended December 31, 2013	For the Year Ended December 31, 2012	For the Year Ended December 31, 2011	For the Year Ended December 31, 2010	For the Year Ended December 31, 2009
Earnings to Fixed Charges(1)	6.82	5.78	8.37	6.21	5.52	3.55

(1) Earnings include net realized and unrealized gains or losses. Net realized and unrealized gains or losses can vary substantially from period to period.

For purposes of computing the ratios of earnings to fixed charges, earnings represent net increase in net assets resulting from operations plus (or minus) income tax expense (benefit) including excise tax expense plus fixed charges. Fixed charges include interest and credit facility fees expense and amortization of debt issuance costs.

Table of Contents

SELECTED FINANCIAL DATA

The selected financial and other data below reflects the consolidated financial condition and the consolidated statement of operations of Main Street and its subsidiaries as of and for the years ended December 31, 2013, 2012, 2011, 2010 and 2009 and as of and for the six months ended June 30, 2014 and 2013. The selected financial data at December 31, 2013, 2012, 2011, 2010 and 2009 and for the years ended December 31, 2013, 2012, 2011, 2010 and 2009, have been derived from consolidated financial statements that have been audited by Grant Thornton LLP, an independent registered public accounting firm. The selected financial data at June 30, 2014, and for the six months ended June 30, 2014 and 2013, have been derived from unaudited financial data but, in the opinion of management, reflect all adjustments (consisting only of normal recurring adjustments) that are necessary to present fairly the financial condition and operating results for such interim periods. Interim results as of and for the six months ended June 30, 2014 are not necessarily indicative of the results that may be expected for the year ending December 31, 2014. You should read this selected financial data in conjunction with our "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Senior Securities" and the financial statements and related notes thereto in the accompanying prospectus and "Interim Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Interim Financial Statements" in this prospectus supplement.

	Six Months Ended June 30,		Years Ended December 31,				
	2014	2013	2013	2012	2011	2010	2009
			(dollars in thousands)				
	(Unaudited)						
Statement of operations data:							
Investment income:							
Total interest, fee and dividend income	$ 65,216	$ 52,763	$ 115,158	$ 88,858	$ 65,045	$ 35,645	$ 14,514
Interest from idle funds and other	437	681	1,339	1,662	1,195	863	1,488
Total investment income	65,653	53,444	116,497	90,520	66,240	36,508	16,002
Expenses:							
Interest	(10,759)	(9,424)	(20,238)	(15,631)	(13,518)	(9,058)	(3,791)
Compensation	(6,068)	(2,574)	(8,560)				
General and administrative	(3,408)	(1,937)	(4,877)	(2,330)	(2,483)	(1,437)	(1,351)
Expenses charged to the External Investment Manager	727						
Expenses reimbursed to Internal Investment Manager		(3,189)	(3,189)	(10,669)	(8,915)	(5,263)	(570)
Share-based compensation	(1,826)	(1,205)	(4,210)	(2,565)	(2,047)	(1,489)	(1,068)
Total expenses	(21,334)	(18,329)	(41,074)	(31,195)	(26,963)	(17,247)	(6,780)
Net investment income	44,319	35,115	75,423	59,325	39,277	19,261	9,222
Total net realized gain (loss) from investments	(4,921)	403	7,277	16,479	2,639	(2,880)	(7,798)
Total net realized loss from SBIC debentures			(4,775)				
Net realized income	39,398	35,518	77,925	75,804	41,916	16,381	1,424
Total net change in unrealized appreciation (depreciation) from investments	25,256	15,605	14,503	44,464	34,989	13,046	8,881
Total net change in unrealized appreciation (depreciation) from SBIC debentures and investment in the Internal Investment Manager	(2,029)	(657)	4,392	(5,004)	(6,511)	6,593	(639)
Income tax benefit (provision)	(5,440)	(2,833)	35	(10,820)	(6,288)	(941)	2,290
Bargain purchase gain						4,891	
Net increase in net assets resulting from operations	57,185	47,633	96,855	104,444	64,106	39,970	11,956

Noncontrolling interest				(54)	(1,139)	(1,226)	
Net increase in net assets resulting from operations attributable to common stock	$ 57,185	$ 47,633	$ 96,855	$ 104,390	$ 62,967	$ 38,744	$ 11,956
Net investment income per share basic and diluted	$ 1.05	$ 1.01	$ 2.06	$ 2.01	$ 1.69	$ 1.16	$ 0.92
Net realized income per share basic and diluted	$ 0.94	$ 1.02	$ 2.13	$ 2.56	$ 1.80	$ 0.99	$ 0.14
Net increase in net assets resulting from operations attributable to common stock per share basic and diluted	$ 1.36	$ 1.37	$ 2.65	$ 3.53	$ 2.76	$ 2.38	$ 1.19
Weighted average shares outstanding basic and diluted	42,069,669	34,751,905	36,617,850	29,540,114	22,850,299	16,292,846	10,042,639

Table of Contents

	As of June 30, 2014 (Unaudited)	As of December 31, 2013	2012	2011	2010	2009
	(dollars in thousands)					
Balance sheet data:						
Assets:						
Total portfolio investments at fair value	$ 1,434,399	$ 1,286,188	$ 924,431	$ 658,093	$ 407,987	$ 159,154
Marketable securities and idle funds investments	8,974	13,301	28,535	26,242	9,577	839
Cash and cash equivalents	30,495	34,701	63,517	42,650	22,334	30,620
Deferred tax asset, net					1,958	2,716
Interest receivable and other assets	64,648	16,054	14,580	6,539	4,524	1,510
Deferred financing costs, net of accumulated amortization	10,235	9,931	5,162	4,168	2,544	1,611
Total assets	$ 1,548,751	$ 1,360,175	$ 1,036,225	$ 737,692	$ 448,924	$ 196,450
Liabilities and net assets:						
SBIC debentures at fair value(1)	$ 213,879	$ 187,050	$ 211,467	$ 201,887	$ 155,558	$ 65,000
Credit facility	253,000	237,000	132,000	107,000	39,000	
Notes payable	90,882	90,882				
Payable for securities purchased	18,711	27,088	20,661			
Deferred tax liability, net	10,581	5,940	11,778	3,776		
Interest payable	4,996	2,556	3,562	3,984	3,195	1,069
Dividend payable	7,403	6,577	5,188	2,856		
Accounts payable and other liabilities	5,889	10,549	8,593	7,001	1,188	721
Total liabilities	605,341	567,642	393,249	326,504	198,941	66,790
Total net asset value	943,410	792,533	642,976	405,711	245,535	129,660
Noncontrolling interest				5,477	4,448	
Total liabilities and net assets	$ 1,548,751	$ 1,360,175	$ 1,036,225	$ 737,692	$ 448,924	$ 196,450
Other data:						
Weighted average effective yield on LMM debt investments(2)	14.9%	14.7%	14.3%	14.8%	14.5%	14.3%
Number of LMM portfolio companies	62	62	56	54	44	35
Weighted average effective yield on Middle Market debt investments(2)	7.5%	7.8%	8.0%	9.5%	10.5%	11.8%
Number of Middle Market portfolio companies	93	92	79	57	32	6
Weighted average effective yield on Private Loan debt investments(2)	11.3%	11.3%	14.8%			
Number of Private Loan portfolio companies	19	15	9			
Expense ratios (as percentage of average net assets):						
Total expenses, including income tax expense	3.2%	5.8%	8.2%(3)	9.8%(3)	8.8%(3)	5.6%
Operating expenses	2.5%	5.8%	6.1%(3)	8.0%(3)	8.3%(3)	5.6%
Operating expenses, excluding interest expense	1.3%	3.0%	3.0%(3)	4.0%(3)	4.0%(3)	2.5%

(1) SBIC debentures for June 30, 2014, December 31, 2013, 2012, 2011 and 2010 are $225,000, $200,200, $225,000, $220,000 and $180,000 at par, respectively, with par of $75,200 for June 30, 2014 and December 31, 2013, $100,000 for December 31, 2012, and $95,000 for December 31, 2011 and 2010 recorded at fair value of $64,079, $62,050, $86,467, 76,887 and $70,558, as of June 30, 2014 and December 31, 2013, 2012, 2011 and 2010, respectively. SBIC debentures for December 31, 2009 are recorded at par.

(2) Weighted-average effective yield is calculated based on our debt investments at the end of each period and includes amortization of deferred debt origination fees and accretion of original issue discount, but excludes liquidation fees payable upon repayment and any debt investments on non-accrual status.

(3) Ratios are net of amounts attributable to MSC II non-controlling interest.

Table of Contents

INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with our consolidated financial statements and notes thereto contained elsewhere in this prospectus supplement.

Statements we make in the following discussion which express a belief, expectation or intention, as well as those that are not historical fact, are forward-looking statements that are subject to risks, uncertainties and assumptions. Our actual results, performance or achievements, or industry results, could differ materially from those we express in the following discussion as a result of a variety of factors, including the risks and uncertainties we have referred to under the headings "Supplementary Risk Factors" in this prospectus supplement and "Cautionary Statement Concerning Forward-Looking Statements" and "Risk Factors" in the accompanying prospectus.

ORGANIZATION

Main Street Capital Corporation ("MSCC") was formed in March 2007 for the purpose of (i) acquiring 100% of the equity interests of Main Street Mezzanine Fund, LP ("MSMF") and its general partner, Main Street Mezzanine Management, LLC, (ii) acquiring 100% of the equity interests of Main Street Capital Partners, LLC (the "Internal Investment Manager"), (iii) raising capital in an initial public offering, which was completed in October 2007 (the "IPO"), and (iv) thereafter operating as an internally managed business development company ("BDC") under the Investment Company Act of 1940, as amended (the "1940 Act"). MSMF is licensed as a Small Business Investment Company ("SBIC") by the United States Small Business Administration ("SBA") and the Internal Investment Manager acts as MSMF's manager and investment adviser. Because we wholly own the Internal Investment Manager, which employs all of the executive officers and other employees of MSCC, we do not pay any external investment advisory fees, but instead we incur the operating costs associated with employing investment and portfolio management professionals through the Internal Investment Manager. The IPO and related transactions discussed above were consummated in October 2007 and are collectively termed the "Formation Transactions."

During January 2010, MSCC acquired (the "Exchange Offer") approximately 88% of the total dollar value of the limited partner interests in Main Street Capital II, LP ("MSC II" and, together with MSMF, the "Funds") and 100% of the membership interests in the general partner of MSC II, Main Street Capital II GP, LLC ("MSC II GP"). MSC II is an investment fund that operates as an SBIC and commenced operations in January 2006. During the first quarter of 2012, MSCC acquired all of the remaining minority ownership in the total dollar value of the MSC II limited partnership interests (the "Final MSC II Exchange"). The Exchange Offer and related transactions, including the acquisition of MSC II GP interests and the Final MSC II Exchange, are collectively termed the "Exchange Offer Transactions."

MSC Adviser I, LLC (the "External Investment Manager" and, together with the Internal Investment Manager, the "Investment Managers") was formed in November 2013 as a wholly owned subsidiary of MSCC to provide investment management and other services to parties other than MSCC and its subsidiaries ("External Parties") and receive fee income for such services. MSCC has been granted no action relief by the Securities and Exchange Commission ("SEC") to allow the External Investment Manager to register as a registered investment adviser ("RIA") under Investment Advisers Act of 1940, as amended (the "Advisers Act"). The External Investment Manager is accounted for as a portfolio investment of MSCC, since the External Investment Manager conducts all of its investment management activities for parties outside of MSCC and its consolidated subsidiaries.

MSCC has elected to be treated for federal income tax purposes as a regulated investment company ("RIC") under Subchapter M of the Internal Revenue Code of 1986, as amended (the

Table of Contents

"Code"). As a result, MSCC generally will not pay corporate-level federal income taxes on any net ordinary income or capital gains that it distributes to its stockholders as dividends.

MSCC has direct and indirect wholly owned subsidiaries that have elected to be taxable entities (the "Taxable Subsidiaries"). The primary purpose of these entities is to hold certain investments that generate "pass through" income for tax purposes. Each of the Investment Managers is also a direct wholly owned subsidiary that has elected to be a taxable entity. The Taxable Subsidiaries and the Investment Managers are each taxed at their normal corporate tax rates based on their taxable income.

Unless otherwise noted or the context otherwise indicates, the terms "we," "us," "our" and "Main Street" refer to MSCC and its consolidated subsidiaries, which include the Funds, the Taxable Subsidiaries and, beginning April 1, 2013, the Internal Investment Manager.

OVERVIEW

We are a principal investment firm primarily focused on providing customized debt and equity financing to lower middle market ("LMM") companies and debt capital to middle market ("Middle Market") companies. Our portfolio investments are typically made to support management buyouts, recapitalizations, growth financings, refinancings and acquisitions of companies that operate in diverse industry sectors. We seek to partner with entrepreneurs, business owners and management teams and generally provide "one stop" financing alternatives within our LMM portfolio. We invest primarily in secured debt investments, equity investments, warrants and other securities of LMM companies based in the United States and in secured debt investments of Middle Market companies generally headquartered in the United States.

Our principal investment objective is to maximize our portfolio's total return by generating current income from our debt investments and capital appreciation from our equity and equity related investments, including warrants, convertible securities and other rights to acquire equity securities in a portfolio company. Our LMM companies generally have annual revenues between $10 million and $150 million, and our LMM portfolio investments generally range in size from $5 million to $50 million. Our Middle Market investments are made in businesses that are generally larger in size than our LMM portfolio companies, with annual revenues typically between $150 million and $1.5 billion, and our Middle Market investments generally range in size from $3 million to $15 million. Our private loan ("Private Loan") investments are made in businesses that are consistent with the size of companies in our LMM portfolio or our Middle Market portfolio, but are investments which have been originated through strategic relationships with other investment funds on a collaborative basis. The structure, terms and conditions for these Private Loan investments are typically consistent with the structure, terms and conditions for the investments made in our LMM portfolio or Middle Market portfolio.

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

Our external asset management business is conducted through our External Investment Manager. We have entered into an agreement through the Internal Investment Manager to provide the External Investment Manager with asset management service support for HMS Income Fund, Inc. ("HMS Income"). Through this agreement, we provide management and other services to the External Investment Manager, as well as access to our employees, infrastructure, business relationships, management expertise and capital raising capabilities. Beginning in the first quarter of 2014, we charge the External Investment Manager for the use of these services, and our total expenses for the three and six months ended June 30, 2014 include an offset to expenses of $0.4 and $0.7 million, respectively, related to these charged expenses. The External Investment Manager earns management fees based on the assets of the funds under management and may earn incentive fees, or a carried interest, based on the performance of the funds managed.

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

As of June 30, 2014, we had debt and equity investments in 62 LMM portfolio companies with an aggregate fair value of approximately $670.4 million, with a total cost basis of approximately $529.4 million, and a weighted average annual effective yield on our LMM debt investments of approximately 14.9%. As of June 30, 2014, approximately 73% of our total LMM portfolio investments at cost were in the form of debt investments and approximately 85% of such debt investments at cost were secured by first priority liens on the assets of our LMM portfolio companies. At June 30, 2014, we had equity ownership in approximately 95% of our LMM portfolio companies and the average fully diluted equity ownership in those portfolio companies was approximately 34%. As of December 31, 2013, we had debt and equity investments in 62 LMM portfolio companies with an aggregate fair value of approximately $659.4 million, with a total cost basis of approximately $543.3 million and a weighted average annual effective yield on our LMM debt investments of approximately 14.7%. As of December 31, 2013, approximately 76% of our total LMM portfolio investments at cost were in the form of debt investments and approximately 86% of such debt investments at cost were secured by first priority liens on the assets of our LMM portfolio companies. At December 31, 2013, we had equity ownership in approximately 94% of our LMM portfolio companies and the average fully diluted equity ownership in those portfolio companies was approximately 33%. The weighted average annual yields were computed using the effective interest rates for all debt investments at cost as of June 30, 2014 and December 31, 2013, including amortization of deferred debt origination fees and accretion of original issue discount but excluding fees payable upon repayment of the debt instruments and any debt investments on non-accrual status.

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

As of June 30, 2014, we had Middle Market portfolio investments in 93 companies, collectively totaling approximately $566.2 million in fair value with a total cost basis of approximately $564.0 million. The weighted average EBITDA for the 93 Middle Market portfolio companies was approximately $68.8 million as of June 30, 2014. As of June 30, 2014, substantially all of our Middle Market portfolio investments were in the form of debt investments and approximately 92% of such debt investments at cost were secured by first priority liens on portfolio company assets. The weighted average annual effective yield on our Middle Market portfolio debt investments was approximately

Table of Contents

7.5% as of June 30, 2014. As of December 31, 2013, we had Middle Market portfolio investments in 92 companies collectively totaling approximately $471.5 million in fair value with a total cost basis of approximately $468.3 million. The weighted average EBITDA for the 92 Middle Market portfolio companies was approximately $79.0 million as of December 31, 2013. As of December 31, 2013, substantially all of our Middle Market portfolio investments were in the form of debt investments and approximately 92% of such debt investments at cost were secured by first priority liens on portfolio company assets. The weighted average annual effective yield on our Middle Market portfolio debt investments was approximately 7.8% as of December 31, 2013. The weighted average annual yields were computed using the effective interest rates for all debt investments at cost as of June 30, 2014 and December 31, 2013, including amortization of deferred debt origination fees and accretion of original issue discount but excluding fees payable upon repayment of the debt instruments.

Our Private Loan portfolio investments primarily consist of investments in interest-bearing debt securities in companies that are consistent with the size of the companies included in our LMM portfolio or our Middle Market portfolio. Our Private Loan portfolio debt investments are generally secured by either a first or second priority lien on the assets of the portfolio company and typically have a term of between three and seven years from the original investment date.

As of June 30, 2014, we had Private Loan portfolio investments in 19 companies, collectively totaling approximately $144.7 million in fair value with a total cost basis of approximately $149.2 million. The weighted average EBITDA for the 19 Private Loan portfolio companies was approximately $12.1 million as of June 30, 2014. As of June 30, 2014, approximately 96% of our Private Loan portfolio investments were in the form of debt investments and approximately 82% of such debt investments at cost were secured by first priority liens on portfolio company assets. The weighted average annual effective yield on our Private Loan portfolio debt investments was approximately 11.3% as of June 30, 2014. As of December 31, 2013, we had Private Loan portfolio investments in 15 companies, collectively totaling approximately $111.5 million in fair value with a total cost basis of approximately $111.3 million. The weighted average EBITDA for the 15 Private Loan portfolio companies was approximately $18.4 million as of December 31, 2013. As of December 31, 2013, approximately 95% of our Private Loan portfolio investments were in the form of debt investments and approximately 98% of such debt investments at cost were secured by first priority liens on portfolio company assets. The weighted average annual effective yield on our Private Loan portfolio debt investments was approximately 11.3% as of December 31, 2013. The weighted average annual yields were computed using the effective interest rates for all debt investments at cost as of June 30, 2014 and December 31, 2013, including amortization of deferred debt origination fees and accretion of original issue discount but excluding fees payable upon repayment of the debt instruments.

As of June 30, 2014, we had Other Portfolio investments in five companies, collectively totaling approximately $48.4 million in fair value and approximately $44.7 million in cost basis and which comprised 3.4% of our Investment Portfolio at fair value as of June 30, 2014. As of December 31, 2013, we had Other Portfolio investments in six companies, collectively totaling approximately $42.8 million in fair value and approximately $40.1 million in cost basis and which comprised 3.3% of our Investment Portfolio at fair value as of December 31, 2013.

As discussed further above, we hold an investment in the External Investment Manager, a wholly owned subsidiary that is treated as a portfolio investment. As of June 30, 2014, there was no cost basis in this investment and the investment had a fair value of $4.8 million, which comprised 0.3% of our Investment Portfolio at fair value. As of December 31, 2013, there was no cost basis in this investment and the investment had a fair value of $1.1 million, which comprised 0.1% of our Investment Portfolio at fair value.

Our portfolio investments are generally made through MSCC and the Funds. MSCC and the Funds share the same investment strategies and criteria, although they are subject to different

Table of Contents

regulatory regimes. An investor's return in MSCC will depend, in part, on the Funds' investment returns as MSMF and MSC II are both wholly owned subsidiaries of MSCC.

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

MSCC and its consolidated subsidiaries are internally managed by the Internal Investment Manager, a wholly owned subsidiary of MSCC, which employs all of the executive officers and other employees of Main Street. Because the Internal Investment Manager is wholly owned by MSCC, Main Street does not pay any external investment advisory fees, but instead incurs the operating costs associated with employing investment and portfolio management professionals through the Internal Investment Manager. We believe that our internally managed structure provides us with a beneficial operating expense structure when compared to other publicly traded and privately held investment firms which are externally managed, and our internally managed structure allows us the opportunity to leverage our non-interest operating expenses as we grow our Investment Portfolio. For the three and six months ended June 30, 2014, the ratio of our total operating expenses, excluding interest expense, as a percentage of our quarterly average total assets was 1.6% and 1.5%, respectively, on an annualized basis, compared to 1.6% and 1.6%, respectively, on an annualized basis for the three and six months ended June 30, 2013 and 1.7% for the year ended December 31, 2013 (excluding interest expense and excluding the effect of the accelerated vesting of restricted stock of our retired Executive Vice-Chairman, which resulted in additional share-based compensation expense of $1.3 million during the year ended December 31, 2013). Including the effect of the accelerated vesting of restricted stock, the ratio for the year ended December 31, 2013 would have been 1.8%.

During May 2012, MSCC entered into an investment sub advisory agreement with HMS Adviser, LP ("HMS Adviser"), which is the investment advisor to HMS Income, a non-publicly traded BDC whose registration statement on Form N-2 was declared effective by the SEC in June 2012, to provide certain investment advisory services to HMS Adviser. In December 2013, after obtaining no-action relief from the SEC to allow us to own a registered investment adviser, MSCC assigned the sub advisory agreement to the External Investment Manager since the fees received from such arrangement could otherwise have negative consequences on MSCC's ability to meet the source of income requirement necessary for it to maintain its RIC tax treatment. Under the investment sub advisory agreement, the External Investment Manager is entitled to 50% of the base management fee and the incentive fees earned by HMS Adviser under its advisory agreement with HMS Income. However, MSCC and the External Investment Manager agreed to waive all such fees from the effective date of HMS Adviser's registration statement on Form N-2 through December 31, 2013. As a result, as of December 31, 2013, neither MSCC nor the External Investment Manager had received any base management fee or incentive fees under the investment sub advisory agreement and neither is due any unpaid compensation for any base management fee or incentive fees under the investment sub-advisory agreement through December 31, 2013. Neither MSCC nor the External Investment Manager has waived the External Investment Manager's management fees or incentive fees after December 31, 2013 and, as a result, the External Investment Manager began accruing such fees on January 1, 2014.

CRITICAL ACCOUNTING POLICIES

Basis of Presentation

Our financial statements are prepared in accordance with generally accepted accounting principles in the United States of America ("U.S. GAAP"). For each of the periods presented herein, our consolidated financial statements include the accounts of MSCC and its consolidated subsidiaries (which as noted above and discussed in detail below, include the Funds and the Taxable Subsidiaries and, beginning April 1, 2013, include the Internal Investment Manager which was previously treated as a portfolio investment). The Investment Portfolio, as used herein, refers to all of our investments in LMM portfolio companies, investments in Middle Market portfolio companies, Private Loan portfolio investments, Other Portfolio investments, the investment in the External Investment Manager and, for all periods up to and including March 31, 2013, the investment in the Internal Investment Manager, but excludes all "Marketable securities and idle funds investments", and, for all periods after March 31, 2013, the Investment Portfolio also excludes the investment in the Internal Investment Manager. For all periods up to and including the period ending March 31, 2013, the Internal Investment Manager was accounted for as a portfolio investment (see further discussion above) and was not consolidated with MSCC and its consolidated subsidiaries. For all periods after March 31, 2013, the Internal Investment Manager is consolidated with MSCC and its other consolidated subsidiaries. "Marketable securities and idle funds investments" are classified as financial instruments and are reported separately on our Consolidated Balance Sheets and Consolidated Schedules of Investments due to the nature of such investments. Our results of operations for the three and six months ended June 30, 2014 and 2013, cash flows for the six months ended June 30, 2014 and 2013, and financial position as of June 30, 2014 and December 31, 2013, are presented on a consolidated basis. The effects of all intercompany transactions between us and our consolidated subsidiaries have been eliminated in consolidation. Certain reclassifications have been made to prior period balances to conform with the current presentation, including reclassifying the expenses charged to the External Investment Manager.

The accompanying unaudited consolidated financial statements of Main Street are presented in conformity with U.S. GAAP for interim financial information and pursuant to the requirements for reporting on Form 10-Q and Article 10 of Regulation S-X. Accordingly, certain disclosures accompanying annual financial statements prepared in accordance with U.S. GAAP are omitted. In the opinion of management, the unaudited consolidated financial results included herein contain all adjustments, consisting solely of normal recurring accruals, considered necessary for the fair presentation of financial statements for the interim periods included herein. The results of operations for the three and six months ended June 30, 2014 and 2013 are not necessarily indicative of the operating results to be expected for the full year. Also, the unaudited financial statements and notes should be read in conjunction with the audited financial statements and notes thereto for the year ended December 31, 2013. Financial statements prepared on a U.S. GAAP basis require management to make estimates and assumptions that affect the amounts and disclosures reported in the financial statements and accompanying notes. Such estimates and assumptions could change in the future as more information becomes known, which could impact the amounts reported and disclosed herein.

Under the 1940 Act, the regulations pursuant to Article 6 of Regulation S-X and Accounting Standards Codification ("Codification" or "ASC") ASC 946, *Financial Services Investment Companies* ("ASC 946"), we are precluded from consolidating portfolio company investments, including those in which we have a controlling interest, unless the portfolio company is another investment company. An exception to this general principle in ASC 946 occurs if we hold a controlling interest in an operating company that provides all or substantially all of its services directly to us, or to its portfolio companies. None of the portfolio investments made by us qualify for this exception, including the investment in the

Table of Contents

External Investment Manager, except as discussed below with respect to the Internal Investment Manager. Therefore, the Investment Portfolio is carried on the balance sheet at fair value, with any adjustments to fair value recognized as "Net Change in Unrealized Appreciation (Depreciation)" on our Statement of Operations until the investment is realized, usually upon exit, resulting in any gain or loss being recognized as a "Net Realized Gain (Loss)." For all periods prior to and including March 31, 2013, the Internal Investment Manager was accounted for as a portfolio investment and included as part of the Investment Portfolio in our consolidated financial statements. The Internal Investment Manager was consolidated with MSCC and its other consolidated subsidiaries prospectively beginning April 1, 2013 as the controlled operating subsidiary is providing substantially all of its services directly or indirectly to Main Street or our portfolio companies.

Investment Portfolio Valuation

The most significant determination inherent in the preparation of our consolidated financial statements is the valuation of our Investment Portfolio and the related amounts of unrealized appreciation and depreciation. As of June 30, 2014 and December 31, 2013, approximately 93% and 95% of our total assets, respectively, represented our Investment Portfolio valued at fair value. We are required to report our investments at fair value. We follow the provisions of the Financial Accounting Standards Board ("FASB") ASC 820, *Fair Value Measurements and Disclosures* ("ASC 820"). ASC 820 defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs used to measure fair value, and enhances disclosure requirements for fair value measurements. ASC 820 requires us to assume that the portfolio investment is to be sold in the principal market to independent market participants, which may be a hypothetical market. Market participants are defined as buyers and sellers in the principal market that are independent, knowledgeable, and willing and able to transact.

Our portfolio strategy calls for us to invest primarily in illiquid debt and equity securities issued by private, LMM companies and debt securities issued by Middle Market companies that are generally larger in size than the LMM companies. We categorize some of our investments in LMM companies and Middle Market companies as Private Loan portfolio investments, which are primarily debt securities issued by companies that are consistent in size with either the LMM companies or Middle Market companies, but are investments which have been originated through strategic relationships with other investment funds on a collaborative basis. The structure, terms and conditions for these Private Loan investments are typically consistent with the structure, terms and conditions for the investments made in our LMM portfolio or Middle Market portfolio. Our portfolio also includes Other Portfolio investments which primarily consist of investments that are not consistent with the typical profiles for our LMM portfolio investments, Middle Market portfolio investments or Private Loan portfolio investments, including investments which may be managed by third parties. Our portfolio investments may be subject to restrictions on resale.

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

For LMM portfolio investments, we generally review external events, including private mergers, sales and acquisitions involving comparable companies, and include these events in the valuation process by using an enterprise value waterfall ("Waterfall") for our LMM equity investments and an income approach using a yield-to-maturity model ("Yield-to-Maturity") for our LMM debt investments. For Middle Market portfolio investments, we primarily use observable inputs such as quoted prices in

Table of Contents

the valuation process. We determine the appropriateness of the use of third-party broker quotes, if any, in determining fair value based on our understanding of the level of actual transactions used by the broker to develop the quote and whether the quote was an indicative price or binding offer, the depth and consistency of broker quotes and the correlation of changes in broker quotes with underlying performance of the portfolio company and other market indices. For Middle Market and Private Loan portfolio investments in debt securities for which we have determined that third-party quotes or other independent pricing are not available or appropriate, we generally estimate the fair value based on the assumptions that we believe hypothetical market participants would use to value the investment in a current hypothetical sale using the Yield-to-Maturity valuation method. For our Other Portfolio equity investments, we generally calculate the fair value of the investment primarily based on the net asset value ("NAV") of the fund. All of the valuation approaches for our portfolio investments estimate the value of the investment as if we were to sell, or exit, the investment as of the measurement date.

Under the Waterfall valuation method, we estimate the enterprise value of a portfolio company using a combination of market and income approaches or other appropriate valuation methods, such as considering recent transactions in the equity securities of the portfolio company or third-party valuations of the portfolio company, and then perform a waterfall calculation by using the enterprise value over the portfolio company's securities in order of their preference relative to one another. The Waterfall method assumes the loans and equity securities are sold to the same market participant, which we believe is consistent with our past transaction history and standard industry practices. The enterprise value is the fair value at which an enterprise could be sold in a transaction between two willing parties, other than through a forced or liquidation sale. Typically, private companies are bought and sold based on multiples of earnings before interest, taxes, depreciation and amortization ("EBITDA"), cash flows, net income, revenues, or in limited cases, book value. There is no single methodology for estimating enterprise value. For any one portfolio company, enterprise value is generally described as a range of values from which a single estimate of enterprise value is derived. In estimating the enterprise value of a portfolio company, we analyze various factors including the portfolio company's historical and projected financial results. The operating results of a portfolio company may include unaudited, projected, budgeted or pro forma financial information and may require adjustments for non-recurring items or to normalize the operating results that may require significant judgment in our determination. In addition, projecting future financial results requires significant judgment regarding future growth assumptions. In evaluating the operating results, we also analyze the impact of exposure to litigation, loss of customers or other contingencies. After determining the appropriate enterprise value, we allocate the enterprise value to investments in order of the legal priority of the various components of the portfolio company's capital structure. In applying the Waterfall valuation method, we assume the loans are paid off at the principal amount in a change in control transaction and are not assumed by the buyer.

These valuation approaches consider the value associated with our ability to control the capital structure of the portfolio company, as well as the timing of a potential exit. For valuation purposes, "control" LMM portfolio investments are composed of debt and equity securities in companies for which we have a controlling interest in the portfolio company or the ability to nominate a majority of the portfolio company's board of directors. For valuation purposes, "non-control" LMM portfolio investments are generally composed of debt and equity securities in companies for which we do not have a controlling interest in the portfolio company or the ability to nominate a majority of the portfolio company's board of directors.

Table of Contents

Under the Yield-to-Maturity valuation method, we use the income approach to determine the fair value of debt securities, based on projections of the discounted future free cash flows that the debt security will likely generate, including analyzing the discounted cash flows of interest and principal amounts for the debt security, as set forth in the associated loan agreements, as well as the financial position and credit risk of each of these portfolio investments. Our estimate of the expected repayment date of our debt securities is generally the legal maturity date of the instrument, as we generally intend to hold our loans and debt securities to maturity. The Yield-to-Maturity analysis considers changes in leverage levels, credit quality, portfolio company performance and other factors. We will use the value determined by the Yield-to-Maturity analysis as the fair value for that security; however, because of our general intent to hold our loans to maturity, the fair value will not exceed the principal amount of the debt security valued using the Yield-to-Maturity valuation method. A change in the assumptions that we use to estimate the fair value of our debt securities using the Yield-to-Maturity valuation method could have a material impact on the determination of fair value. If there is deterioration in credit quality or if a debt security is in workout status, we may consider other factors in determining the fair value of the debt security, including the value attributable to the debt security from the enterprise value of the portfolio company or the proceeds that would most likely be received in a liquidation analysis.

Under the NAV valuation method, for an investment in an investment fund that does not have a readily determinable fair value, we will measure the fair value of the investment predominately based on the NAV of the investment fund as of the measurement date. However, in determining the fair value of the investment, we may consider whether adjustments to the NAV are necessary in certain circumstances, based on the analysis of any restrictions on redemption of our investment as of the measurement date, recent actual sales or redemptions of interests in the investment fund, and expected future cash flows available to equity holders, including the rate of return on those cash flows compared to an implied market return on equity required by market participants, or other uncertainties surrounding our ability to realize the full NAV of our interests in the investment fund.

Pursuant to our internal valuation process and the requirements under the 1940 Act, we perform valuation procedures on our investments in each LMM portfolio company quarterly. In addition to our internal valuation process, in arriving at estimates of fair value for our investments in our LMM portfolio companies, we, among other things, consult with a nationally recognized independent financial advisory services firm. The nationally recognized independent advisor is generally consulted relative to our investments in each LMM portfolio company at least once in every calendar year, and for our investments in new LMM portfolio companies, at least once in the twelve-month period subsequent to the initial investment. In certain instances, we may determine that it is not cost-effective, and as a result is not in our stockholders' best interest, to consult with the nationally recognized independent advisor on our investments in one or more LMM portfolio companies. Such instances include, but are not limited to, situations where the fair value of our investment in a LMM portfolio company is determined to be insignificant relative to the total Investment Portfolio. We consulted with our independent advisor in arriving at our determination of fair value on our investments in a total of 31 LMM portfolio companies for the six months ended June 30, 2014, representing approximately 50% of the total LMM portfolio at fair value as of June 30, 2014 and on a total of 26 LMM portfolio companies for the six months ended June 30, 2013, representing approximately 40% of the total LMM portfolio at fair value as of June 30, 2013. Excluding our investments in new LMM portfolio companies that were not reviewed because their equity is publicly traded or they have not been in the Investment Portfolio for at least twelve months subsequent to the initial investment as of June 30, 2014 and 2013, as applicable, the percentage of the LMM portfolio reviewed for the six months ended June 30, 2014 and 2013 was 53% and 44% of total LMM portfolio at fair value as of June 30, 2014 and 2013, respectively.

For valuation purposes, all of our Middle Market portfolio investments are non-control investments for which we do not have a controlling interest in the portfolio company or the ability to nominate a majority of the portfolio company's board of directors. To the extent sufficient observable inputs are available to determine fair value, we use observable inputs to determine the fair value of these investments through obtaining third-party quotes or other independent pricing. For Middle Market portfolio investments for which we have determined that third-party quotes or other independent pricing are not available or appropriate, we generally estimate the fair value based on the assumptions that we believe hypothetical market participants would use to value the our Middle Market debt investments in a current hypothetical sale using the Yield-to-Maturity valuation method and our Middle Market equity investments in a current hypothetical sale using the Waterfall Valuation method.

For valuation purposes, all of our Private Loan portfolio investments are non-control investments for which we do not have a controlling interest in the portfolio company or the ability to nominate a majority of the portfolio company's board of directors. For Private Loan portfolio investments for which we have determined that third-party quotes or other independent pricing are not available or appropriate, we generally estimate the fair value based on the assumptions that we believe hypothetical market participants would use to value the our Private Loan debt investments in a current hypothetical sale using the Yield-to-Maturity valuation method and our Private Loan equity investments in a current hypothetical sale using the Waterfall Valuation method.

For valuation purposes, all of our Other Portfolio investments are non-control investments for which we generally do not have a controlling interest in the portfolio company or the ability to nominate a majority of the portfolio company's board of directors. Our Other Portfolio investments comprised 3.4% and 3.3%, respectively, of our Investment Portfolio at fair value as of June 30, 2014 and December 31, 2013. Similar to the LMM investment portfolio, market quotations for Other Portfolio equity investments are generally not readily available. For our Other Portfolio equity investments, we generally determine the fair value of our investments using the NAV valuation method. For Other Portfolio debt investments, we determine the fair value of these investments through obtaining third-party quotes or other independent pricing to the extent the use of these inputs are available and appropriate to determine fair value. To the extent such observable inputs are not available or appropriate, we value these Other Portfolio debt investments using the Yield-to-Maturity valuation method. For Other Portfolio investments for which we have determined that third-party quotes or other independent pricing are not available or appropriate, we generally estimate the fair value based on the assumptions that we believe hypothetical market participants would use to value the our Other Portfolio debt investments in a current hypothetical sale using the Yield-to-Maturity valuation method.

For valuation purposes, our investment in the External Investment Manager is a control investment for which we have a controlling interest in the portfolio company and the ability to nominate a majority of the portfolio company's board of directors. Market quotations are not readily available for this investment, and as a result, we determine the fair value of the External Investment Manager using the Waterfall methodology under the market approach. In estimating the enterprise value, we analyze various factors, including the entity's historical and projected financial results, as well as its size, marketability and performance relative to the population of market multiples. This valuation approach estimates the value of the investment as if we were to sell, or exit, the investment. In addition, we consider the value associated with our ability to control the capital structure of the company, as well as the timing of a potential exit.

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

Table of Contents

Our Board of Directors has the final responsibility for reviewing and approving, in good faith, our determination of the fair value for our Investment Portfolio, as well as our valuation procedures, consistent with the 1940 Act requirements. We believe our Investment Portfolio as of June 30, 2014 and December 31, 2013 approximates fair value as of those dates based on the markets in which we operate and other conditions in existence on those reporting dates.

Revenue Recognition

Interest and Dividend Income

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

Fee Income

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

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

We hold debt and preferred equity instruments in our Investment Portfolio that contain payment in kind ("PIK") interest and cumulative dividend provisions. The PIK interest, computed at the contractual rate specified in each debt agreement, is periodically added to the principal balance of the debt and is recorded as interest income. Thus, the actual collection of this interest may be deferred until the time of debt principal repayment. Cumulative dividends are recorded as dividend income, and any dividends in arrears are added to the balance of the preferred equity investment. The actual collection of these dividends in arrears may be deferred until such time as the preferred equity is redeemed. To maintain RIC tax treatment (as discussed below), these non cash sources of income may need to be paid out to stockholders in the form of distributions, even though we may not have collected the PIK interest and cumulative dividends in cash. We will stop accruing PIK interest and cumulative dividends and will write off any accrued and uncollected interest and dividends in arrears when it is determined that such PIK interest and dividends in arrears are no longer collectible. For the three months ended June 30, 2014 and 2013, (i) approximately 4.0% and 3.7%, respectively, of our total investment income was attributable to PIK interest income not paid currently in cash and (ii) approximately 1.1% and 1.0%, respectively, of our total investment income was attributable to cumulative dividend income not paid currently in cash. For the six months ended June 30, 2014 and 2013, (i) approximately 4.6% and 4.4%, respectively, of our total investment income was attributable to PIK interest income not paid currently in cash and (ii) approximately 1.1% and 0.9%, respectively, of our total investment income was attributable to cumulative dividend income not paid currently in cash.

Table of Contents

Share-Based Compensation

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

Income Taxes

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

The Taxable Subsidiaries hold certain portfolio investments for us. The Taxable Subsidiaries are consolidated with us for financial reporting purposes, and the portfolio investments held by them are included in our consolidated financial statements. The Taxable Subsidiaries permit us to hold equity investments in portfolio companies which are "pass-through" entities for tax purposes and continue to comply with the "source-income" requirements contained in the RIC tax provisions of the Code. The Taxable Subsidiaries are not consolidated with us for income tax purposes and may generate income tax expense, or benefit, and the related tax assets and liabilities, as a result of their ownership of certain portfolio investments. This income tax expense, or benefit, if any, and the related tax assets and liabilities, are reflected in our consolidated financial statements.

The Internal Investment Manager has elected, for tax purposes, to be treated as a taxable entity, is not consolidated with us for income tax purposes and is taxed at normal corporate tax rates based on its taxable income, or loss, and, as a result of its activities, may generate income tax expense or benefit. The Internal Investment Manager elected to be treated as a taxable entity to enable it to receive fee income and to allow MSCC to continue to comply with the "source income" requirements contained in the RIC tax provisions of the Code. The taxable income, or loss, of the Internal Investment Manager may differ from its book income, or loss, due to temporary book and tax timing differences and permanent differences. Through March 31, 2013, the Internal Investment Manager provided for any income tax expense, or benefit, and any related tax assets or liabilities, in its separate financial statements. Beginning April 1, 2013, the Internal Investment Manager is included in our consolidated financial statements and reflected as a consolidated subsidiary and any income tax expense, or benefit, and any related tax assets and liabilities, are reflected in our consolidated financial statements.

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

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

Table of Contents

INVESTMENT PORTFOLIO COMPOSITION

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

Middle Market portfolio investments primarily consist of direct investments in or secondary purchases of interest-bearing debt securities in privately held companies based in the United States that are generally larger in size than the LMM companies included in our LMM portfolio. Our Middle Market portfolio companies generally have annual revenues between $150 million and $1.5 billion, and our Middle Market investments generally range in size from $3 million to $15 million. Our Middle Market portfolio debt investments are generally secured by either a first or second priority lien on the assets of the company and typically have a term of between three and seven years from the original investment date.

Our Private Loan portfolio investments primarily consist of investments in interest-bearing debt securities in companies that are consistent with the size of companies in our LMM portfolio or our Middle Market portfolio, but are investments which have been originated through strategic relationships with other investment funds on a collaborative basis. Our Private Loan portfolio debt investments are generally secured by either a first or second priority lien on the assets of the company and typically have a term of between three and seven years from the original investment date.

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

Our external asset management business is conducted through the External Investment Manager. We have entered into an agreement through the Internal Investment Manager to provide the External Investment Manager with asset management service support for HMS Income. Through this agreement, we provide management and other services to the External Investment Manager, as well as access to our employees, infrastructure, business relationships, management expertise and capital raising capabilities. Beginning in the first quarter of 2014, we charge the External Investment Manager for the use of these services, and our total expenses for the three and six months ended June 30, 2014 include an offset to expenses of $0.4 million and $0.7 million, respectively, for these charged expenses. The External Investment Manager earns management fees based on the assets of the funds under management and may earn incentive fees, or a carried interest, based on the performance of the funds managed.

The following tables summarize the composition of our total combined LMM portfolio investments, Middle Market portfolio investments and Private Loan portfolio investments at cost and fair value by type of investment as a percentage of the total combined LMM portfolio investments, Middle Market portfolio investments and Private Loan portfolio investments as of June 30, 2014 and

Table of Contents

December 31, 2013 (this information excludes Other Portfolio investments and the External Investment Manager).

Cost:	June 30, 2014	December 31, 2013
First lien debt	77.6%	79.0%
Equity	10.2%	10.4%
Second lien debt	10.0%	8.4%
Equity warrants	1.7%	1.9%
Other	0.5%	0.3%
	100.0%	100.0%

Fair Value:	June 30, 2014	December 31, 2013
First lien debt	67.9%	69.9%
Equity	20.2%	19.3%
Second lien debt	9.1%	7.6%
Equity warrants	2.4%	2.9%
Other	0.4%	0.3%
	100.0%	100.0%

The following tables summarize the composition of our total combined LMM portfolio investments, Middle Market portfolio investments and Private Loan portfolio investments by geographic region of the United States and other countries at cost and fair value as a percentage of the total combined LMM portfolio investments, Middle Market portfolio investments and Private Loan portfolio investments as of June 30, 2014 and December 31, 2013 (this information excludes Other Portfolio investments and the External Investment Manager). The geographic composition is determined by the location of the corporate headquarters of the portfolio company.

Cost:	June 30, 2014	December 31, 2013
Southwest	25.8%	27.8%
Northeast	20.9%	18.0%
West	18.7%	19.1%
Southeast	17.1%	15.6%
Midwest	14.3%	15.4%
Canada	0.7%	1.2%
Other Non-United States	2.5%	2.9%
	100.0%	100.0%

Table of Contents

Fair Value:	June 30, 2014	December 31, 2013
Southwest	29.8%	30.9%
Northeast	20.2%	17.6%
West	20.0%	20.1%
Southeast	13.7%	12.6%
Midwest	13.5%	15.0%
Canada	0.6%	1.1%
Other Non-United States	2.2%	2.7%
	100.0%	100.0%

Our LMM portfolio investments, Middle Market portfolio investments and Private Loan portfolio investments are in companies conducting business in a variety of industries. The following tables summarize the composition of our total combined LMM portfolio investments, Middle Market portfolio investments and Private Loan portfolio investments by industry at cost and fair value as of June 30, 2014 and December 31, 2013 (this information excludes Other Portfolio investments and the External Investment Manager).

Cost:	June 30, 2014	December 31, 2013
Media	9.9%	7.8%
Energy Equipment & Services	9.1%	10.7%
Health Care Providers & Services	6.2%	5.8%
IT Services	6.0%	6.1%
Hotels, Restaurants & Leisure	5.8%	5.8%
Specialty Retail	5.5%	7.2%
Machinery	4.9%	3.3%
Diversified Telecommunication Services	4.5%	3.3%
Construction & Engineering	3.4%	4.1%
Commercial Services & Supplies	3.3%	5.1%
Electronic Equipment, Instruments & Components	3.3%	2.3%
Software	3.1%	3.8%
Diversified Consumer Services	3.0%	2.4%
Internet Software & Services	2.7%	2.5%
Oil, Gas & Consumable Fuels	2.3%	3.2%
Road & Rail	2.0%	2.7%
Auto Components	1.8%	1.6%
Chemicals	1.6%	1.3%
Containers & Packaging	1.6%	1.0%
Textiles, Apparel & Luxury Goods	1.4%	1.6%
Trading Companies & Distributors	1.3%	1.5%
Professional Services	1.2%	1.4%
Food Products	1.3%	0.9%
Building Products	1.2%	1.4%
Health Care Equipment & Supplies	1.3%	1.2%
Consumer Finance	1.1%	1.1%
Household Products	1.0%	0.5%
Other(1)	10.2%	10.4%
	100.0%	100.0%

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

Table of Contents

Fair Value:	June 30, 2014	December 31, 2013
Media	9.2%	7.6%
Energy Equipment & Services	8.6%	10.2%
Machinery	6.5%	5.3%
Health Care Providers & Services	5.9%	5.6%
Hotels, Restaurants & Leisure	5.5%	5.6%
IT Services	5.4%	5.6%
Specialty Retail	4.9%	6.5%
Diversified Telecommunication Services	4.6%	3.6%
Diversified Consumer Services	4.5%	3.9%
Construction & Engineering	3.8%	4.6%
Electronic Equipment, Instruments & Components	3.5%	2.4%
Commercial Services & Supplies	3.3%	4.6%
Software	3.2%	4.0%
Internet Software & Services	3.1%	2.9%
Road & Rail	2.4%	3.0%
Oil, Gas & Consumable Fuels	2.1%	2.9%
Auto Components	2.0%	1.5%
Chemicals	1.4%	1.2%
Containers & Packaging	1.4%	0.9%
Paper & Forest Products	1.3%	1.3%
Textiles, Apparel & Luxury Goods	1.2%	1.4%
Trading Companies & Distributors	1.2%	1.3%
Food Products	1.1%	0.8%
Health Care Equipment & Supplies	1.1%	1.0%
Professional Services	1.1%	1.2%
Building Products	0.9%	1.0%
Other(1)	10.8%	10.1%
	100.0%	100.0%

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

Our LMM portfolio investments, Middle Market portfolio investments and Private Loan portfolio investments carry a number of risks including, but not limited to: (1) investing in companies which may have limited operating histories and financial resources; (2) holding investments that generally are not publicly traded and which may be subject to legal and other restrictions on resale; and (3) other risks common to investing in below investment grade debt and equity investments in our Investment Portfolio. Please see "Risk Factors Risks Related to Our Investments" contained in the accompanying prospectus for a more complete discussion of the risks involved with investing in our Investment Portfolio.

Table of Contents

PORTFOLIO ASSET QUALITY

We utilize an internally developed investment rating system to rate the performance of each LMM portfolio company and to monitor our expected level of returns on each of our LMM investments in relation to our expectations for the portfolio company. The investment rating system takes into consideration various factors, including but not limited to each investment's expected level of returns and the collectability of our debt investments, comparisons to competitors and other industry participants and the portfolio company's future outlook.

Investment Rating 1 represents a LMM portfolio company that is performing in a manner which significantly exceeds expectations.

Investment Rating 2 represents a LMM portfolio company that, in general, is performing above expectations.

Investment Rating 3 represents a LMM portfolio company that is generally performing in accordance with expectations.

Investment Rating 4 represents a LMM portfolio company that is underperforming expectations. Investments with such a rating require increased monitoring and scrutiny by us.

Investment Rating 5 represents a LMM portfolio company that is significantly underperforming. Investments with such a rating require heightened levels of monitoring and scrutiny by us and involve the recognition of significant unrealized depreciation on such investment.
All new LMM portfolio investments receive an initial Investment Rating of 3.

The following table shows the distribution of our LMM portfolio investments on the 1 to 5 investment rating scale at fair value as of June 30, 2014 and December 31, 2013:

	As of June 30, 2014		As of December 31, 2013	
Investment Rating	**Investments at Fair Value**	**Percentage of Total Portfolio**	**Investments at Fair Value**	**Percentage of Total Portfolio**
	(in thousands, except percentages)			
1	$ 248,663	37.0%	$ 242,013	36.7%
2	119,100	17.8%	116,908	17.7%
3	255,187	38.1%	239,843	36.4%
4	33,183	5.0%	60,641	9.2%
5	14,230	2.1%		0.0%
Total	$ 670,363	100.0%	$ 659,405	100.0%

Based upon our investment rating system, the weighted average rating of our LMM portfolio was approximately 2.2 as of June 30, 2014 and December 31, 2013.

For the total Investment Portfolio, as of June 30, 2014, we had two investments on non-accrual status, which comprised 1.2% of the total Investment Portfolio at fair value and 3.5% of the total Investment Portfolio at cost, and no fully impaired investments. As of December 31, 2013, we had two investments on non-accrual status, which comprised approximately 2.3% of the total Investment Portfolio at fair value and 4.7% of the total Investment Portfolio at cost, and no fully impaired investments.

The broader fundamentals of the United States economy remain mixed, and unemployment remains elevated. In the event that the United States economy contracts, it is likely that the financial results of small- to mid-sized companies, like those in which we invest, could experience deterioration or limited growth from current levels, which could ultimately lead to difficulty in meeting their debt service requirements and an increase in defaults. Consequently, we can provide no assurance that the

Table of Contents

performance of certain portfolio companies will not be negatively impacted by economic cycles or other conditions, which could also have a negative impact on our future results.

DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS

Comparison of the three months ended June 30, 2014 and June 30, 2013

	Three Months Ended June 30,		Net Change	
	2014	2013	Amount	%
	(in thousands)			
Total investment income	$ 34,877	$ 27,800	$ 7,077	25%
Total expenses	$ (11,299)	$ (9,967)	$ (1,332)	13%
Net investment income	$ 23,578	$ 17,833	$ 5,745	32%
Net realized gain (loss) from investments	$ (6,364)	$ 805	$ (7,169)	
Net realized income	$ 17,214	$ 18,638	$ (1,424)	(8)%
Net change in unrealized appreciation (depreciation) from:				
Portfolio investments	$ 17,053	$ 6,337	$ 10,716	169%
SBIC debentures and marketable securities and idle funds	$ (542)	$ (188)	$ (354)	188%
Total net change in unrealized appreciation	$ 16,511	$ 6,149	$ 10,362	169%
Income tax provision	$ (3,775)	$ (783)	$ (2,992)	382%
Net increase in net assets resulting from operations	$ 29,950	$ 24,004	$ 5,946	25%

	Three Months Ended June 30,		Net Change	
	2014	2013	Amount	%
	(in thousands, except per share amounts)			
Net investment income	$ 23,578	$ 17,833	$ 5,745	32%
Share-based compensation expense	$ 974	$ 602	$ 372	62%
Distributable net investment income(a)	$ 24,552	$ 18,435	$ 6,117	33%
Net realized gain (loss) from investments	$ (6,364)	$ 805	$ (7,169)	
Distributable net realized income(a)	$ 18,188	$ 19,240	$ (1,052)	(5)%
Distributable net investment income per share Basic and diluted(a)	$ 0.56	$ 0.53	$ 0.03	6%

Distributable net realized income per share	Basic and diluted(a)	$	0.41	$	0.55	$	(0.14)	(25)%

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

Table of Contents

Investment Income

For the three months ended June 30, 2014, total investment income was $34.9 million, a 25% increase over the $27.8 million of total investment income for the corresponding period of 2013. This comparable period increase was principally attributable to (i) a $5.1 million increase in interest income primarily from higher average levels of portfolio debt investments and (ii) a $2.2 million increase in dividend income from Investment Portfolio equity investments. The $7.1 million increase in total investment income in the three months ended June 30, 2014 includes (i) a $0.4 million net decrease in the amount of total investment income related to accelerated prepayment and repricing activity for certain Investment Portfolio debt investments when compared to the same period in 2013 and (ii) $0.5 million of special dividend activity in the three months ended June 30, 2014.

Expenses

For the three months ended June 30, 2014, total expenses increased to $11.3 million from $10.0 million for the corresponding period of 2013. This comparable period increase in operating expenses was principally attributable to (i) a $1.1 million increase in compensation expense related to increases in the number of personnel, base compensation and incentive compensation accruals, (ii) a $0.4 million increase in share-based compensation expense and (iii) a $0.3 million increase related to other general and administrative expenses, in each case when compared to the prior year. These operating expense increases were partially offset by $0.4 million of operating expenses charged to the External Investment Manager (see further discussion in "Overview"). For the three months ended June 30, 2014, the ratio of our total operating expenses, excluding interest expense, as a percentage of our quarterly average total assets was 1.6% on an annualized basis, compared to 1.6% on an annualized basis for the three months ended June 30, 2013 and 1.7% for the year ended December 31, 2013 (excluding interest expense and excluding the effect of the accelerated vesting of restricted stock of our retired Executive Vice-Chairman, which resulted in additional share-compensation expense of $1.3 million during the year ended December 31, 2013). Including the effect of the accelerated vesting of restricted stock, the ratio for the year ended 2013 would have been 1.8%.

Distributable Net Investment Income

Distributable net investment income increased 33% to $24.6 million, or $0.56 per share, compared with $18.4 million, or $0.53 per share, in the corresponding period of 2013. The increase in distributable net investment income was primarily due to the higher level of total investment income partially offset by higher operating expenses, due to the changes discussed above. Distributable net investment income on a per share basis for the three months ended June 30, 2014 is after the impact of (i) a decrease of approximately $0.02 per share from the comparable period in 2013 attributable to the net decrease in the comparable levels of accelerated prepayment and repricing activity for certain Investment Portfolio debt investments as discussed above and (ii) a greater number of average shares outstanding compared to the corresponding period in 2013 primarily due to the August 2013 and April 2014 follow-on equity offerings, partially offset by special dividend activity of $0.01 per share in the second quarter of 2014 as discussed above.

Net Investment Income

Net investment income for the three months ended June 30, 2014 was $23.6 million, or a 32% increase, compared to net investment income of $17.8 million for the corresponding period of 2013. The increase in net investment income was principally attributable to the increase in total investment income partially offset by higher operating expenses as discussed above.

Table of Contents

Distributable Net Realized Income

Distributable net realized income was $18.2 million, or $0.41 per share, for the three months ended June 30, 2014 compared with $19.2 million, or $0.55 per share, in the corresponding period of 2013. The $1.1 million decrease was primarily attributable to a decrease in the net realized gain (loss) by $7.2 million, primarily due to a net realized loss of $6.4 million in the second quarter of 2014, partially offset by a $6.1 million increase in total distributable net investment income in the three months ended June 30, 2014 when compared to the corresponding period of 2013 as discussed above. The $6.4 million net realized loss from investments during the second quarter of 2014 was primarily attributable to a $6.5 million loss realized in conjunction with a change in control transaction involving a LMM portfolio company.

Net Realized Income

The $6.4 million net realized loss from investments in the three months ended June 30, 2014 compared to a $0.8 million net realized gain in the corresponding period of 2013 combined with the higher levels of net investment income, in each case as discussed above, resulted in a $1.4 million decrease in net realized income compared with the corresponding period of 2013.

Net Increase in Net Assets Resulting from Operations

The net increase in net assets resulting from operations during the three months ended June 30, 2014 was $30.0 million, or $0.68 per share, compared with $24.0 million, or $0.69 per share, in the second quarter of 2013. This $6.0 million increase from the comparable period in the prior year was primarily the result of a $10.4 million increase in the net change in unrealized appreciation to $16.5 million in the second quarter of 2014, compared to $6.1 million for the comparable period in the prior year, partially offset by (i) a $1.4 million decrease in net realized income due to the factors discussed above and (ii) a $3.0 million increase in the income tax provision from the comparable period in the prior year. The total net change in unrealized appreciation for the second quarter of 2014 of $16.5 million primarily included (i) $17.1 million of net unrealized appreciation from portfolio investments and (ii) $0.3 million of net unrealized appreciation on Marketable securities and idle funds investments, partially offset by $0.8 million of unrealized depreciation on the SBIC debentures held by MSC II. The $17.1 million net change in unrealized appreciation from portfolio investments for the three months ended June 30, 2014 was principally attributable to (i) unrealized appreciation on 26 LMM portfolio investments totaling $18.8 million, partially offset by unrealized depreciation on six LMM portfolio investments totaling $7.8 million, (ii) $1.1 million of net unrealized appreciation on Other Portfolio investments, (iii) $2.4 million of net unrealized appreciation on the External Investment Manager and (iv) accounting reversals of net unrealized depreciation from prior periods of $5.4 million related to portfolio investment exits and repayments, partially offset by (i) $1.8 million of net unrealized depreciation on Private Loan portfolio investments and (ii) $1.2 million of net unrealized depreciation on Middle Market portfolio investments. The income tax provision for the three months ended June 30, 2014 of $3.8 million principally consisted of deferred taxes of $3.6 million, which is primarily the result of deferred taxes on net unrealized appreciation on several of our portfolio investments held in our Taxable Subsidiaries, and other taxes of $0.2 million, which includes a $0.1 million accrual for excise tax on our estimated spillover taxable income and $0.1 million related to accruals for state and other taxes.

Table of Contents

Comparison of the six months ended June 30, 2014 and June 30, 2013

	Six Months Ended June 30,		Net Change	
	2014	**2013**	**Amount**	**%**
	(in thousands)			
Total investment income	$ 65,653	$ 53,444	$ 12,209	23%
Total expenses	$ (21,334)	$ (18,329)	$ (3,005)	16%
Net investment income	$ 44,319	$ 35,115	$ 9,204	26%
Net realized gain from investments	$ (4,921)	$ 403	$ (5,324)	
Net realized income	$ 39,398	$ 35,518	$ 3,880	11%
Net change in unrealized appreciation (depreciation) from:				
Portfolio investments	$ 23,910	$ 16,415	$ 7,495	46%
SBIC debentures and marketable securities and idle funds	$ (683)	$ (1,467)	$ 784	
Total net change in unrealized appreciation	$ 23,227	$ 14,948	$ 8,279	55%
Income tax provision	$ (5,440)	$ (2,833)	$ (2,607)	
Net increase in net assets resulting from operations	$ 57,185	$ 47,633	$ 9,552	20%

	Six Months Ended June 30,		Net Change	
	2014	**2013**	**Amount**	**%**
	(in thousands, except per share amounts)			
Net investment income	$ 44,319	$ 35,115	$ 9,204	26%
Share-based compensation expense	$ 1,826	$ 1,205	$ 621	52%
Distributable net investment income(a)	$ 46,145	$ 36,320	$ 9,825	27%
Net realized gain (loss) from investments	$ (4,921)	$ 403	$ (5,324)	
Distributable net realized income(a)	$ 41,224	$ 36,723	$ 4,501	12%
Distributable net investment income per share Basic and diluted(a)(b)	$ 1.10	$ 1.05	$ 0.05	5%
Distributable net realized income per share Basic and diluted(a)(b)	$ 0.98	$ 1.06	$ (0.08)	(8)%

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

Table of Contents

Investment Income

For the six months ended June 30, 2014, total investment income was $65.7 million, a 23% increase over the $53.4 million of total investment income for the corresponding period of 2013. This comparable period increase was principally attributable to (i) a $9.4 million increase in interest income from higher average levels of portfolio debt investments and (ii) a $3.8 million increase in dividend income from Investment Portfolio equity investments, partially offset by (i) a $0.8 million decrease in fee income due to decreases in investment, refinancing and prepayment activity and (ii) a $0.3 million decrease in interest and dividend income due to a lower level of Marketable securities and idle funds investments. The $12.2 million increase in total investment income in the six months ended June 30, 2014 includes a $0.7 million net decrease in investment income related to accelerated prepayment and repricing activity for certain Investment Portfolio debt investments and Marketable securities and idle funds investments and $0.5 million of special dividend activity.

Expenses

For the six months ended June 30, 2014, total expenses increased to $21.3 million from $18.3 million for the corresponding period of 2013. This comparable period increase in operating expenses was principally attributable to (i) a $1.3 million increase in interest expense, primarily as a result of the issuance of our 6.125% Notes due 2023 (the "6.125% Notes") in April 2013 and a higher average outstanding balance on our credit facility ("Credit Facility") when compared to prior year, partially offset by a decrease in interest expense from our SBIC debentures due to a lower average outstanding balance and a lower average interest rate, in both cases when compared to the prior year and (ii) a $0.8 million increase in compensation expense related to increases in the number of personnel, base compensation and other incentive compensation accruals, (ii) a $0.6 million increase in share-based compensation expense and (iii) a $1.0 million increase related to other general and administrative expenses, partially offset by a $0.7 million decrease in expenses related to the expenses charged to the External Investment Manager (see further discussion in "Overview"), in both cases when compared to the prior year. For the six months ended June 30, 2014, the ratio of our total operating expenses, excluding interest expense, as a percentage of our quarterly average total assets was 1.5% on an annualized basis, compared to 1.6% on an annualized basis for the six months ended June 30, 2013 and 1.7% for the year ended December 31, 2013 (excluding interest expense and excluding the effect of the accelerated vesting of restricted stock of our retired Executive Vice-Chairman, which resulted in additional share-compensation expense of $1.3 million during the year ended December 31, 2013). Including the effect of the accelerated vesting of restricted stock, the ratio for the year ended 2013 would have been 1.8%.

Distributable Net Investment Income

Distributable net investment income increased 27% to $46.1 million, or $1.10 per share, compared with $36.3 million, or $1.05 per share, in the corresponding period of 2013. The increase in distributable net investment income was primarily due to the higher level of total investment income partially offset by higher operating expenses, due to the changes discussed above. Distributable net investment income on a per share basis for the six months ended June 30, 2014 is after the impact of (i) a decrease of approximately $0.04 per share from the comparable period in 2013 attributable to the net decrease in the comparable levels of accelerated prepayment and repricing activity for certain Investment Portfolio debt investments as discussed above and (ii) a greater number of average shares outstanding compared to the corresponding period in 2013 primarily due to the August 2013 and April 2014 follow-on equity offerings, partially offset by special dividend activity of $0.01 in the six months ended June 30, 2014.

Table of Contents

Net Investment Income

Net investment income for the six months ended June 30, 2014 was $44.3 million, or a 26% increase, compared to net investment income of $35.1 million for the corresponding period of 2013. The increase in net investment income was principally attributable to the increase in total investment income partially offset by higher operating expenses as discussed above.

Distributable Net Realized Income

Distributable net realized income was $41.2 million, or $0.98 per share, for the six months ended June 30, 2014 compared with $36.7 million, or $1.06 per share, in the corresponding period of 2013. The $4.5 million increase was primarily attributable to (i) the $9.8 million increase in total distributable net investment income in the six months ended June 30, 2014 when compared to the corresponding period of 2013 as discussed above and (ii) a decrease in net realized gain from investments of $5.3 million, due primarily to a net realized loss from investments during the six months ended June 30, 2014 of $4.9 million. The net realized loss from investments of $4.9 million during the six months ended June 30, 2014 was primarily attributable to a realized loss of $6.5 million in conjunction with a change in control transaction involving a LMM portfolio company, partially offset by net realized gains on several Middle Market investments totaling $1.4 million.

Net Realized Income

The higher level of net investment income for the six months ended June 30, 2014 as compared to the six months ended June 30, 2013, combined with the $4.9 million net realized loss from investments in the six months ended June 30, 2014 compared to a $0.4 million net realized gain in the corresponding period of 2013, in each case as discussed above, resulted in a $3.9 million increase in net realized income compared with the corresponding period of 2013.

Net Increase in Net Assets Resulting from Operations

The net increase in net assets resulting from operations during the six months ended June 30, 2014 was $57.2 million, or $1.36 per share, compared with $47.6 million, or $1.37 per share, during the six months ended 2013. This $9.6 million increase from the comparable period in the prior year was primarily the result of (i) a $9.2 million increase in net investment income due to the factors discussed above and a $8.3 million increase in the net change in unrealized appreciation to $23.2 million in the six months ended 2014, compared to $14.9 million for the comparable period in the prior year, partially offset by (i) the $5.3 decrease in the net realized gain (loss) from investments and (ii) a $2.6 million increase in the income tax provision from the comparable period in the prior year. The total net change in unrealized appreciation for the six months ended 2014 of $23.2 million included (i) $23.9 million of net unrealized appreciation from portfolio investments and (ii) $1.2 million of net unrealized appreciation on Marketable securities and idle funds investments, partially offset by $2.0 million of unrealized depreciation on the SBIC debentures held by MSC II. The $23.9 million net change in unrealized appreciation from portfolio investments for the six months ended June 30, 2014 was principally attributable to (i) unrealized appreciation on 34 LMM portfolio investments totaling $29.5 million, partially offset by unrealized depreciation on eight LMM portfolio investments totaling $10.4 million, (ii) $1.3 million of net unrealized appreciation on Other Portfolio investments, (iii) $3.7 million of net unrealized appreciation on the External Investment Manager, (iv) $0.6 million of net unrealized appreciation on Middle Market portfolio investments and (v) accounting reversals of net unrealized depreciation from prior periods of $3.0 million related to portfolio investment exits and repayments, partially offset by (i) $3.8 million of net unrealized depreciation on Private Loan portfolio investments. The income tax provision for the six months ended June 30, 2014 of $5.4 million principally consisted of deferred taxes of $4.6 million, which is primarily the result of deferred taxes on net unrealized appreciation on several of our portfolio investments held in our Taxable Subsidiaries,

Table of Contents

and other taxes of $0.8 million, which includes a $0.3 million accrual for excise tax on our estimated spillover taxable income and $0.5 million related to accruals for state and other taxes.

Liquidity and Capital Resources

Cash Flows

For the six months ended June 30, 2014, we experienced a net decrease in cash and cash equivalents in the amount of $4.2 million. During the period, we used $136.5 million of cash for our operating activities, which resulted primarily from (i) cash flows we generated from the ordinary operating profits earned through our operating activities totaling $37.0 million, which is our $46.1 million of distributable net investment income, excluding the non-cash effects of the accretion of unearned income of $6.0 million, payment-in-kind interest income of $3.1 million, cumulative dividends of $0.8 million and the amortization expense for deferred financing costs of $0.8 million, (ii) cash uses totaling $416.0 million from (a) the funding of new portfolio company investments and settlement of accruals for portfolio investments existing as of December 31, 2013, which together total $396.7 million, (b) the funding of new Marketable securities and idle funds investments and settlement of accruals for Marketable securities and idle funds investments existing as of December 31, 2013, which together total $11.9 million, (c) $2.9 million related to decreases in payables and accruals, and (d) increases in other assets of $4.5 million, (iii) cash proceeds totaling $242.5 million from (a) $228.0 million in cash proceeds from the repayments of debt investments and sales of equity investments and (b) $14.5 million of cash proceeds from the sale of Marketable securities and idle funds investments.

During the six months ended June 30, 2014, $132.3 million in cash was provided by financing activities, which was attributable to (i) $139.7 million of net proceeds from the public offering of common stock, net of offering costs, (ii) $24.8 million of proceeds from the issuance of SBIC debentures and (iii) $16.0 million in net cash proceeds on our Credit Facility, partially offset by (i) $46.0 million in cash dividends paid to stockholders, (ii) $1.1 million paid for deferred loan costs and SBIC debenture fees and (iii) $1.1 million for the purchase of vested stock for employee payroll tax withholding.

Capital Resources

As of June 30, 2014, we had $30.5 million in cash and cash equivalents, $9.0 million in Marketable securities and idle funds investments and $249.5 million of unused capacity under the Credit Facility, which we maintain to support our investment and operating activities. As of June 30, 2014, our net asset value totaled $943.4 million, or $21.03 per share.

The Credit Facility was amended during June 2014 to provide for an increase in total commitments from $445.0 million to $502.5 million and to expand the number of lenders currently participating in the Credit Facility to a total diversified group of fourteen lenders. The Credit Facility contains an accordion feature which allows us to increase the total commitments under the facility up to $600.0 million from new or existing lenders on the same terms and conditions as the existing commitments.

Borrowings under the Credit Facility bear interest, subject to our election, on a per annum basis equal to (i) the applicable LIBOR rate (0.15%, as of June 30, 2014) plus 2.25% or (ii) the applicable base rate (Prime Rate, 3.25% as of June 30, 2014) plus 1.25%. We pay unused commitment fees of 0.25% per annum on the unused lender commitments under the Credit Facility. The Credit Facility is secured by a first lien on the assets of MSCC and its subsidiaries, excluding the assets of the Funds. The Credit Facility contains certain affirmative and negative covenants, including but not limited to: (i) maintaining a minimum availability of at least 10% of the borrowing base, (ii) maintaining an interest coverage ratio of at least 2.0 to 1.0, (iii) maintaining an asset coverage ratio of at least 1.5 to 1.0, and (iv) maintaining a minimum tangible net worth. The Credit Facility is provided on a revolving basis through the maturity date in September 2018, and contains two, one-year extension options which could extend the final maturity by up to two years, subject to certain conditions, including lender approval. As of June 30, 2014, we had $253.0 million in borrowings outstanding under the Credit Facility, the interest rate on the Credit Facility was 2.4% and we were in compliance with all financial covenants of the Credit Facility.

Due to each of the Funds' status as a licensed SBIC, we have the ability to issue, through the Funds, debentures guaranteed by the SBA at favorable interest rates. Under the regulations applicable to SBIC funds, an SBIC can have outstanding debentures guaranteed by the SBA generally in an amount up to twice its regulatory capital, which effectively approximates the amount of its equity capital, up to a regulatory maximum amount of debentures of $225.0 million. Debentures guaranteed by the SBA have fixed interest rates that equal prevailing 10-year Treasury Note rates plus a market spread and have a maturity of ten years with interest payable semi-annually. The principal amount of the debentures is not required to be paid before maturity, but may be pre-paid at any time with no prepayment penalty. During the three months ended March 31, 2014, we issued $24.8 million of SBIC debentures under the SBIC program to reach the current regulatory maximum amount of $225.0 million. On June 30, 2014, through our two wholly owned SBIC's, we had $225.0 million of outstanding SBIC debentures guaranteed by the SBA, which bear a weighted average annual fixed interest rate of approximately 4.2%, paid semi-annually, and mature ten years from issuance. The first maturity related to our SBIC debentures does not occur until 2017, and the remaining weighted average duration is approximately 7.1 years as of June 30, 2014.

In April 2013, we issued $92.0 million, including the underwriter's full exercise of the over-allotment option, in aggregate principal amount of the 6.125% Notes. The 6.125% Notes are unsecured obligations and rank pari passu with our current and future senior unsecured indebtedness; senior to any of our future indebtedness that expressly provides it is subordinated to the 6.125% Notes; effectively subordinated to all of our existing and future secured indebtedness, to the extent of the value of the assets securing such indebtedness, including borrowings under our Credit Facility; and structurally subordinated to all existing and future indebtedness and other obligations of any of our subsidiaries, including without limitation, the indebtedness of the Funds. The 6.125% Notes mature on April 1, 2023, and may be redeemed in whole or in part at any time or from time to time at our option on or after April 1, 2018. We may from time to time repurchase 6.125% Notes in accordance with the 1940 Act and the rules promulgated thereunder. As of June 30, 2014, the outstanding balance of the 6.125% Notes was $90.9 million.

The indenture governing the 6.125% Notes (the "Notes Indenture") contains certain covenants, including covenants requiring our compliance with (regardless of whether we are subject to) the asset coverage requirements set forth in Section 18(a)(1)(A) as modified by Section 61(a)(1) of the 1940 Act, as well as covenants requiring us to provide financial information to the holders of the 6.125% Notes and the Trustee if we cease to be subject to the reporting requirements of the Securities Exchange Act of 1934. These covenants are subject to limitations and exceptions that are described in the Notes Indenture.

We anticipate that we will continue to fund our investment activities through existing cash and cash equivalents, the liquidation of Marketable securities and idle funds investments, and a combination of future debt and equity capital. Our primary uses of funds will be investments in portfolio companies, operating expenses and cash distributions to holders of our common stock.

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

Table of Contents

deposit with financial institutions, diversified bond funds and publicly traded debt and equity investments. The composition of Marketable securities and idle funds investments will vary in a given period based upon, among other things, changes in market conditions, the underlying fundamentals in our Marketable securities and idle funds investments, our outlook regarding future LMM, Middle Market and Private Loan portfolio investment needs, and any regulatory requirements applicable to us.

If our common stock trades below our net asset value per share, we will generally not be able to issue additional common stock at the market price unless our stockholders approve such a sale and our Board of Directors makes certain determinations. We did not seek authorization to sell shares of our common stock below the then current net asset value per share of our common stock from our stockholders at our 2014 annual meeting of stockholders because our common stock price per share had been trading significantly above the current net asset value per share of our common stock. We would therefore need future approval from our stockholders to issue shares below the then current net asset value per share.

In order to satisfy the Code requirements applicable to a RIC, we intend to distribute to our stockholders, after consideration and application of our ability under the Code to spillover certain excess undistributed taxable income from one tax year into the next tax year, substantially all of our taxable income. In addition, as a BDC, we generally are required to meet a coverage ratio of total assets to total senior securities, which include borrowings and any preferred stock we may issue in the future, of at least 200%. This requirement limits the amount that we may borrow. In January 2008, we received an exemptive order from the SEC to exclude SBA guaranteed debt securities issued by MSMF and any other wholly owned subsidiaries of ours which operate as SBICs from the asset coverage requirements of the 1940 Act as applicable to us, which, in turn, enables us to fund more investments with debt capital.

Although we have been able to secure access to additional liquidity, including recent public equity and debt offerings, our $502.5 million Credit Facility, and the available leverage through the SBIC program, there is no assurance that debt or equity capital will be available to us in the future on favorable terms, or at all.

Recently Issued or Adopted Accounting Standards

In February 2013, the FASB issued Accounting Standards Update ("ASU") 2013-04*, Liabilities (Topic 405): Obligations Resulting from Joint and Several Liability Arrangements for Which the Total Amount of the Obligation Is Fixed at the Reporting Date* ("ASU 2013-04"). ASU 2013-04 provides additional guidance for the recognition, measurement, and disclosure of obligations resulting from joint and several liability arrangements for which the total amount of the obligation within the scope of this guidance is fixed at the reporting date. Public companies are required to apply ASU 2013-04 prospectively for interim and annual reporting periods beginning after December 15, 2013. The adoption of this standard did not have a material effect on our consolidated financial statements.

In June 2013, the FASB issued Accounting Standards Update ("ASU") 2013-08, *Financial Services Investment Companies (Topic 946): Amendments to the Scope, Measurement, and Disclosure Requirements* ("ASU 2013-08"). ASU 2013-08 amends the criteria that define an investment company, clarifies the measurement guidance and requires certain additional disclosures. Public companies are required to apply ASU 2013-08 prospectively for interim and annual reporting periods beginning after December 15, 2013. The adoption of this standard did not have a material effect on our consolidated financial statements.

In July 2013, the FASB issued ASU 2013-11, *Presentation of an Unrecognized Tax Benefit When a Net Operating Loss Carryforward, a Similar Tax Loss, or a Tax Credit Carryforward Exists* ("ASU 2013-11"). ASU 2013-11 provides guidance on the balance sheet presentation of an unrecognized tax benefit when a net operating loss carryforward, similar tax loss, or tax credit carryforward exists as of the reporting date. The update is effective prospectively for fiscal years, and interim periods within those years, beginning after December 15, 2013. Retrospective application is permitted. The adoption of this standard did not have a material effect on our consolidated financial statements.

In May 2014, the FASB issued Accounting Standards Update 2014-09, *Revenue from Contracts with Customers (Topic 606)*. ASU 2014-9 supersedes the revenue recognition requirements under ASC Topic 605, *Revenue Recognition*, and most industry-specific guidance throughout the Industry Topics of the ASC. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services. Under the new guidance, an entity is required to perform the following five steps: (1) identify the contract(s) with a customer; (2) identify the performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenue when (or as) the entity satisfies a performance obligation. The new guidance will significantly enhance comparability of revenue recognition practices across entities, industries, jurisdictions and capital markets. Additionally, the guidance requires improved disclosures as to the nature, amount, timing and uncertainty of revenue that is recognized. The new Guidance is effective for the annual reporting period beginning after December 15, 2016, including interim periods within that reporting period. Early adoption is not permitted. We are currently evaluating the impact the adoption of this new accounting standard will have on our Consolidated Financial Statements.

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

Inflation

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

Off-Balance Sheet Arrangements

We may be a party to financial instruments with off-balance sheet risk in the normal course of business to meet the financial needs of our portfolio companies. These instruments include commitments to extend credit and involve, to varying degrees, elements of liquidity and credit risk in excess of the amount recognized in the balance sheet. At June 30, 2014, we had a total of $134.3 million in outstanding commitments comprised of (i) 17 commitments to fund revolving loans that had not been fully drawn or term loans with additional commitments not yet funded and (ii) 6 capital commitments that had not been fully called.

Table of Contents

Contractual Obligations

As of June 30, 2014, the future fixed commitments for cash payments in connection with our SBIC debentures and the 6.125% Notes for each of the next five years and thereafter are as follows:

	2014	2015	2016	2017	2018	2019 and thereafter	Total
				(dollars in thousands)			
SBIC debentures	$	$	$	$ 15,000	$ 10,200	$ 199,800	$ 225,000
Interest due on SBIC debentures	4,582	9,423	9,448	9,423	8,130	25,295	66,301
Notes						90,882	90,882
Interest due on Notes	4,175	5,566	5,566	5,567	5,567	25,050	51,491
Total	$ 8,757	$ 14,989	$ 15,014	$ 29,990	$ 23,897	$ 341,027	$ 433,674

As of June 30, 2014, we had $253.0 million in borrowings outstanding under our Credit Facility, which is currently scheduled to mature in September 2018. The Credit Facility contains two, one year extension options which could extend the maturity to September 2020. See further discussion of the Credit Facility terms in "Liquidity and Capital Resources Capital Resources".

Related Party Transactions

As discussed further in Note D, the External Investment Manager is treated as a wholly owned portfolio company of MSCC and is included as part of our Investment Portfolio. At June 30, 2014, Main Street had a receivable of $0.5 million due from the External Investment Manager which included approximately $0.4 million related to operating expenses incurred by the Internal Investment Manager to support the External Investment Manager's business, along with a dividend declared but not paid for approximately $60,000.

In June 2013, we adopted a deferred compensation plan for the non-employee members of our board of directors, which allows the directors at their option to defer all or a portion of the fees paid for their services as directors and have such deferred fees paid in shares of our common stock within 90 days after the participant's end of service as a director. As of June 30, 2014, $0.6 million of directors' fees had been deferred under this plan. These deferred fees represented 18,672 shares of our common shares. These shares will not be issued or included as outstanding on the consolidated statement of changes in net assets until each applicable participant's end of service as a director, but will be included in operating expenses and weighted average shares outstanding on our consolidated statement of operations as earned.

Table of Contents

DESCRIPTION OF THE NOTES

The following description of the particular terms of the % Notes due 2019 supplements and, to the extent inconsistent with, replaces the description of the general terms and provisions of the debt securities set forth in the accompanying prospectus.

We will issue the Notes under a base indenture dated as of April 2, 2013, between us and The Bank of New York Mellon Trust Company, N.A., as trustee, or "the trustee," as supplemented by a separate supplemental indenture, to be dated as of the settlement date for the Notes. As used in this section, all references to the indenture mean the base indenture as supplemented by the supplemental indenture. The terms of the Notes include those expressly set forth in the indenture and those made part of the indenture by reference to the Trust Indenture Act of 1939, as amended.

The following description is a summary of the material provisions of the Notes and the indenture and does not purport to be complete. This summary is subject to and is qualified by reference to all the provisions of the Notes and the indenture, including the definitions of certain terms used in the indenture. We urge you to read these documents because they, and not this description, define your rights as a holder of the Notes. You may request a copy of the indenture from us by making a written request to Main Street Capital Corporation, 1300 Post Oak Boulevard, Suite 800, Houston, TX 77056, or by calling us collect at (713) 350-6000, or by visiting our website at *www.mainstcapital.com*. The information on our website is not incorporated by reference into this prospectus supplement or the accompanying prospectus.

For purposes of this description, references to "we," "our" and "us" refer only to Main Street Capital Corporation and not to any of our current or future subsidiaries and references to "subsidiaries" refer only to our consolidated subsidiaries and exclude any investments held by Main Street Capital Corporation in the ordinary course of business which are not, under GAAP, consolidated on the financial statements of Main Street Capital Corporation and its subsidiaries.

General

The Notes:

- will be our general unsecured, senior obligations;
- will initially be issued in an aggregate principal amount of $;
- will mature on December 1, 2019, unless earlier redeemed or repurchased, as discussed below;
- will bear cash interest from November , 2014 at an annual rate of % payable semi-annually on June 1 and December 1 of each year, beginning on June 1, 2015;
- will be subject to redemption at our option as described under " Optional Redemption;"
- will be subject to repurchase by us at the option of the holders following a Change of Control Repurchase Event (as defined below under " Offer to Repurchase Upon a Change of Control Repurchase Event"), at a repurchase price equal to 100% of the principal amount of the Notes to be repurchased, plus accrued and unpaid interest to, but excluding, the date of repurchase;
- will be issued in minimum denominations of $2,000 and integral multiples of $1,000 in excess thereof; and
- will be represented by one or more registered Notes in global form, but in certain limited circumstances may be represented by Notes in definitive form. See " Book-Entry, Settlement and Clearance."

The indenture does not limit the amount of debt that may be issued by us or our subsidiaries under the indenture or otherwise, but does contain a covenant regarding our asset coverage that would

Table of Contents

have to be satisfied at the time of our incurrence of additional indebtedness. See "Covenants Other Covenants." The indenture does not contain any financial covenants and does not restrict us from paying dividends or distributions or issuing or repurchasing our other securities. Other than restrictions described under "Offer to Repurchase Upon a Change of Control Repurchase Event" and "Merger, Consolidation or Sale of Assets" below, the indenture does not contain any covenants or other provisions designed to afford holders of the Notes protection in the event of a highly leveraged transaction involving us or in the event of a decline in our credit rating as the result of a takeover, recapitalization, highly leveraged transaction or similar restructuring involving us that could adversely affect such holders.

We may, without the consent of the holders, issue additional Notes under the indenture with the same terms as the Notes offered hereby in an unlimited aggregate principal amount; *provided* that, if such additional Notes are not fungible with the Notes offered hereby (or any other tranche of additional Notes) for U.S. federal income tax purposes, then such additional Notes will have different CUSIP numbers from the Notes offered hereby (and any such other tranche of additional Notes).

We do not intend to list the Notes on any securities exchange or any automated dealer quotation system.

Payments on the Notes; Paying Agent and Registrar; Transfer and Exchange

We will pay the principal of, and interest on, the Notes in global form registered in the name of or held by DTC, or its nominee in immediately available funds to DTC or its nominee, as the case may be, as the registered holder of such Global Note (as defined below).

Payment of principal of (and premium, if any) and any such interest on the Notes will be made at the corporate trust office of the trustee in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts; *provided*, *however*, that at our option payment of interest may be made by check mailed to the address of the person entitled thereto as such address shall appear in the security register.

A holder of the Notes may transfer or exchange Notes at the office of the security registrar in accordance with the indenture. The security registrar and the trustee may require a holder, among other things, to furnish appropriate endorsements and transfer documents. No service charge will be imposed by us, the trustee or the security registrar for any registration of transfer or exchange of Notes, but we may require a holder to pay a sum sufficient to cover any transfer tax or other similar governmental charge required by law or permitted by the indenture.

The registered holder of a Note will be treated as its owner for all purposes.

Interest

The Notes will bear cash interest at a rate of % per year until maturity. Interest on the Notes will accrue from November , 2014 or from the most recent date on which interest has been paid or duly provided for. Interest will be payable semiannually in arrears on June 1 and December 1 of each year, beginning on June 1, 2015.

Interest will be paid to the person in whose name a Note is registered at 5:00 p.m. New York City time, or the close of business, on May 15 or November 15, as the case may be, immediately preceding the relevant interest payment date, or each, a "regular record date." Interest on the Notes will be computed on the basis of a 360-day year composed of twelve 30-day months.

If any interest payment date, the maturity date or any earlier required repurchase date upon a Change of Control Repurchase Event (defined below) of a Note falls on a day that is not a business day, the required payment will be made on the next succeeding business day and no interest on such

Table of Contents

payment will accrue in respect of the delay. The term "business day" means, with respect to any Note, each Monday, Tuesday, Wednesday, Thursday, and Friday that is not a day on which banking institutions in New York are authorized or obligated by law or executive order to close.

Ranking

The Notes will be our general unsecured obligations that rank *pari passu* with our existing and future general unsecured and senior unsecured indebtedness, including our 6.125% Notes due 2023. The Notes will rank senior to any of our future indebtedness that expressly states it is subordinated to the Notes and effectively subordinated to all of our existing and future secured indebtedness (including indebtedness that is initially unsecured, but to which we subsequently grant security), to the extent of the value of the assets securing such indebtedness, including approximately $296.0 million of borrowings outstanding as of October 29, 2014 under our Credit Facility to the extent of the value of the assets securing the Credit Facility. The Notes will rank structurally subordinated to all existing and future indebtedness and other obligations of any of our subsidiaries, financing vehicles or similar facilities, including the Funds' $225.0 million of SBIC debentures outstanding as of October 29, 2014. In the event of our bankruptcy, liquidation, reorganization or other winding up, our assets that secure secured debt will be available to pay obligations on the Notes only after all indebtedness under such secured debt has been repaid in full from such assets. We advise you that there may not be sufficient assets remaining to pay amounts due on any or all the Notes then outstanding.

Optional Redemption

We may redeem some or all of the Notes at any time, or from time to time. If we choose to redeem any Notes prior to maturity, we will pay a redemption price (as determined by us) equal to the greater of the following amounts, plus, in each case, accrued and unpaid interest to, but excluding, the redemption date:

- 100% of the principal amount of the Notes to be redeemed, or

- the sum of the present values of the remaining scheduled payments of principal and interest (exclusive of accrued and unpaid interest to the date of redemption) on the Notes to be redeemed, discounted to the redemption date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) using the applicable Treasury Rate plus basis points.

If we choose to redeem any Notes, we will deliver a notice of redemption to holders of the Notes not less than 30 nor more than 60 days before the redemption date. If we are redeeming less than all of the Notes, the particular Notes to be redeemed will be selected in accordance with the indenture and, so long as the Notes are registered to DTC or its nominee, in accordance with the procedures of DTC; *provided, however*, that no such partial redemption shall reduce the portion of the principal amount of a Note not redeemed to less than $2,000. Unless we default in payment of the redemption price, on and after the redemption date, interest will cease to accrue on the Notes or portions of the Notes called for redemption.

For purposes of calculating the redemption price in connection with the redemption of the Notes, on any redemption date, the following terms have the meanings set forth below:

"Treasury Rate" means, with respect to any redemption date, the rate per annum equal to the semi-annual equivalent yield-to-maturity of the Comparable Treasury Issue (computed as of the third business day immediately preceding the redemption), assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date. The redemption price and the Treasury Rate will be determined by us.

"Comparable Treasury Issue" means the United States Treasury security selected by the Reference Treasury Dealer as having a maturity comparable to the remaining term of the Notes to be redeemed

Table of Contents

that would be utilized, at the time of selection and in accordance with customary financing practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the Notes being redeemed.

"Comparable Treasury Price" means (1) the average of the remaining Reference Treasury Dealer Quotations for the redemption date, after excluding the highest and lowest Reference Treasury Dealer Quotations, or (2) if the Quotation Agent obtains fewer than four such reference treasury dealer quotations, the average of all such quotations.

"Quotation Agent" means a Reference Treasury Dealer selected by us.

"Reference Treasury Dealer" means each of (1) RBC Capital Markets, LLC and (2) Goldman, Sachs & Co., or their respective affiliates which are primary U.S. government securities dealers and their respective successors; *provided*, *however*, that if any of the foregoing or their affiliates shall cease to be a primary U.S. government securities dealer in the United States, or a "Primary Treasury Dealer," we shall select another Primary Treasury Dealer.

"Reference Treasury Dealer Quotations" means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Quotation Agent, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Quotation Agent by such Reference Treasury Dealer at 3:30 p.m. New York City time on the third business day preceding such redemption date.

All determinations made by any Reference Treasury Dealer, including the Quotation Agent, with respect to determining the redemption price will be final and binding absent manifest error.

Offer to Repurchase Upon a Change of Control Repurchase Event

If a Change of Control Repurchase Event occurs, unless we have exercised our right to redeem the Notes in full, we will make an offer to each holder of Notes to repurchase all or any part (in minimum denominations of $2,000 and integral multiples of $1,000 principal amount) of that holder's Notes at a repurchase price in cash equal to 100% of the aggregate principal amount of Notes repurchased plus any accrued and unpaid interest on the Notes repurchased to, but excluding, the date of repurchase. Within 30 days following any Change of Control Repurchase Event or, at our option, prior to any Change of Control, but after the public announcement of the Change of Control, we will mail a notice to each holder describing the transaction or transactions that constitute or may constitute the Change of Control Repurchase Event and offering to repurchase Notes on the payment date specified in the notice, which date will be no earlier than 30 days and no later than 60 days from the date such notice is mailed. The notice shall, if mailed prior to the date of consummation of the Change of Control, state that the offer to purchase is conditioned on the Change of Control Repurchase Event occurring on or prior to the payment date specified in the notice. We will comply with the requirements of Rule 14e-1 promulgated under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the repurchase of the Notes as a result of a Change of Control Repurchase Event. To the extent that the provisions of any securities laws or regulations conflict with the Change of Control Repurchase Event provisions of the Notes, we will comply with the applicable securities laws and regulations and will not be deemed to have breached our obligations under the Change of Control Repurchase Event provisions of the Notes by virtue of such conflict.

On the Change of Control Repurchase Event payment date, subject to extension if necessary to comply with the provisions of the 1940 Act and the rules and regulations promulgated thereunder, we will, to the extent lawful:

- accept for payment all Notes or portions of Notes properly tendered pursuant to our offer;

Table of Contents

- deposit with the paying agent an amount equal to the aggregate purchase price in respect of all Notes or portions of Notes properly tendered; and

- deliver or cause to be delivered to the trustee the Notes properly accepted, together with an officers' certificate stating the aggregate principal amount of Notes being purchased by us.

The paying agent will promptly remit to each holder of Notes properly tendered the purchase price for the Notes, and the trustee will promptly authenticate and mail (or cause to be transferred by book-entry) to each holder a new Note equal in principal amount to any unpurchased portion of any Notes surrendered; *provided* that each new Note will be in a minimum principal amount of $2,000 or an integral multiple of $1,000 in excess thereof.

We will not be required to make an offer to repurchase the Notes upon a Change of Control Repurchase Event if a third party makes an offer in the manner, at the times and otherwise in compliance with the requirements for an offer made by us and such third party purchases all Notes properly tendered and not withdrawn under its offer.

The source of funds that will be required to repurchase Notes in the event of a Change of Control Repurchase Event will be our available cash or cash generated from our operations or other potential sources, including funds provided by a purchaser in the Change of Control transaction, borrowings, sales of assets or sales of equity. We cannot assure you that sufficient funds from such sources will be available at the time of any Change of Control Repurchase Event to make required repurchases of Notes tendered. The terms of our Credit Facility provide that certain change of control events will constitute an event of default thereunder entitling the lenders to accelerate any indebtedness outstanding under our Credit Facility at that time and to terminate the Credit Facility. In addition, the occurrence of a Change of Control Repurchase Event enabling the holders of the Notes to require the mandatory purchase of the Notes would constitute an event of default under our Credit Facility entitling the lenders to accelerate any indebtedness outstanding under our Credit Facility at that time and to terminate the Credit Facility. Our and our subsidiaries' future financing facilities may contain similar restrictions and provisions. It is possible that we will not have sufficient funds at the time of the Change of Control Repurchase Event to make the required repurchase of the Notes and/or our and our subsidiaries' other debt. See "Risk Factors We may not be able to repurchase the Notes upon a Change of Control Repurchase Event" in this prospectus supplement.

The definition of "Change of Control" includes a phrase relating to the direct or indirect sale, lease, transfer, conveyance or other disposition of "all or substantially all" of our assets and those of our Controlled Subsidiaries taken as a whole. Although there is a limited body of case law interpreting the phrase "substantially all," there is no precise, established definition of the phrase under applicable law. Accordingly, the ability of a holder of Notes to require us to repurchase the Notes as a result of a sale, lease, transfer, conveyance or other disposition of less than all of our assets and the assets of our Controlled Subsidiaries taken as a whole to another person or group may be uncertain.

For purposes of the Notes:

"Below Investment Grade Rating Event" means the Notes are downgraded below Investment Grade by the Rating Agency on any date from the date of the public notice of an arrangement that results in a Change of Control until the end of the 60-day period following public notice of the occurrence of a Change of Control (which period shall be extended so long as the rating of the Notes is under publicly announced consideration for possible downgrade by the Rating Agency); *provided* that a Below Investment Grade Rating Event otherwise arising by virtue of a particular reduction in rating shall not be deemed to have occurred in respect of a particular Change of Control (and thus shall not be deemed a Below Investment Grade Rating Event for purposes of the definition of Change of Control Repurchase Event hereunder) if the Rating Agency making the reduction in rating to which this definition would otherwise apply does not announce or publicly confirm or inform the trustee in

Table of Contents

writing at our request that the reduction was the result, in whole or in part, of any event or circumstance comprised of or arising as a result of, or in respect of, the applicable Change of Control (whether or not the applicable Change of Control shall have occurred at the time of the Below Investment Grade Rating Event).

"Change of Control" means the occurrence of any of the following:

- the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation) in one or a series of related transactions, of all or substantially all of the assets of Main Street Capital Corporation and its Controlled Subsidiaries taken as a whole to any "person" or "group" (as those terms are used in Section 13(d)(3) of the Exchange Act), other than to any Permitted Holders; provided that, for the avoidance of doubt, a pledge of assets pursuant to any secured debt instrument of Main Street Capital Corporation or its Controlled Subsidiaries shall not be deemed to be any such sale, lease, transfer, conveyance or disposition;

- the consummation of any transaction (including, without limitation, any merger or consolidation) the result of which is that any "person" or "group" (as those terms are used in Section 13(d)(3) of the Exchange Act) (other than any Permitted Holders) becomes the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 promulgated under the Exchange Act), directly or indirectly, of more than 50% of the outstanding Voting Stock of Main Street Capital Corporation, measured by voting power rather than number of shares; or

- the approval by Main Street Capital Corporation's stockholders of any plan or proposal relating to the liquidation or dissolution of Main Street Capital Corporation.

"Change of Control Repurchase Event" means the occurrence of a Change of Control and a Below Investment Grade Rating Event.

"Controlled Subsidiary" means any subsidiary of Main Street Capital Corporation, 50% or more of the outstanding equity interests of which are owned by Main Street Capital Corporation and its direct or indirect subsidiaries and of which Main Street Capital Corporation possesses, directly or indirectly, the power to direct or cause the direction of the management or policies, whether through the ownership of voting equity interests, by agreement or otherwise.

"Investment Grade" means a rating of BBB- or better by S&P (or its equivalent under any successor rating categories of S&P) (or, if such Rating Agency ceases to rate the Notes for reasons outside of our control, the equivalent investment grade credit rating from any Rating Agency selected by us as a replacement Rating Agency).

"Permitted Holders" means (i) us and (ii) one or more of our Controlled Subsidiaries.

"Rating Agency" means:

- S&P; and

- if S&P ceases to rate the Notes or fails to make a rating of the Notes publicly available for reasons outside of our control, a "nationally recognized statistical rating organization" as defined in Section (3)(a)(62) of the Exchange Act selected by us as a replacement agency for S&P.

"S&P" means Standard & Poor's Ratings Services, a division of McGraw-Hill, Inc., or any successor thereto.

"Voting Stock" as applied to stock of any person, means shares, interests, participations or other equivalents in the equity interest (however designated) in such person having ordinary voting power for the election of a majority of the directors (or the equivalent) of such person, other than shares,

Table of Contents

interests, participations or other equivalents having such power only by reason of the occurrence of a contingency.

Covenants

In addition to the covenants described in the base indenture, the following covenants shall apply to the Notes. To the extent of any conflict or inconsistency between the base indenture and the following covenants, the following covenants shall govern:

Merger, Consolidation or Sale of Assets

Under the terms of the indenture, we are generally permitted to consolidate or merge with another entity. We are also permitted to sell all or substantially all of our assets to another entity. However, we may not take any of these actions unless all the following conditions are met:

- we are the continuing entity or, if we merge out of existence or sell our assets, the resulting or transferee entity must agree to be legally responsible for our obligations under the Notes;

- the merger or sale of assets must not cause a default on the Notes and we must not already be in default (unless the merger or sale would cure the default). For purposes of this no-default test, a default would include an Event of Default that has occurred and has not been cured, as described under "Events of Default" below. A default for this purpose would also include any event that would be an Event of Default if the requirements for giving us a notice of default or our default having to exist for a specific period of time were disregarded;

- we must deliver certain certificates and documents to the trustee; and

- we must satisfy any other requirements specified in the indenture.

Although there is a limited body of case law interpreting the phrase "substantially all," there is no precise established definition of the phrase under applicable law. Accordingly, in certain circumstances there may be a degree of uncertainty as to whether a particular transaction would involve "all or substantially all" of the properties or assets of a person. As a result, it may be unclear as to whether the merger, consolidation or sale of assets covenant would apply to a particular transaction as described above absent a decision by a court of competent jurisdiction. Although these types of transactions are permitted under the indenture, certain of the foregoing transactions could constitute a Change of Control that results in a Change of Control Repurchase Event permitting each holder to require us to repurchase the Notes of such holder as described above.

An assumption by any person of obligations under the Notes and the indenture might be deemed for U.S. federal income tax purposes to be an exchange of the Notes for new Notes by the holders thereof, resulting in recognition of gain or loss for such purposes and possibly other adverse tax consequences to the holders. Holders should consult their own tax advisors regarding the tax consequences of such an assumption.

Other Covenants

- We agree that for the period of time during which the Notes are outstanding, we will not violate Section 18(a)(1)(A) as modified by Section 61(a)(1) of the 1940 Act or any successor provisions, whether or not we continue to be subject to such provisions of the 1940 Act, but giving effect, in either case, to any exemptive relief granted to us by the SEC. Currently, these provisions generally prohibit us from making additional borrowings, including through the issuance of additional debt or the sale of additional debt securities, unless our asset coverage, as defined in the 1940 Act, equals at least 200% after such borrowings. See "Risk Factors Risks Relating to

Table of Contents

Our Business and Structure Pending legislation may allow us to incur additional leverage" in the accompanying prospectus.

If, at any time, we are not subject to the reporting requirements of Sections 13 or 15(d) of the Exchange Act to file any periodic reports with the Commission, we agree to furnish to holders of the Notes and the trustee, for the period of time during which the Notes are outstanding, our audited annual consolidated financial statements, within 90 days of our fiscal year end, and unaudited interim consolidated financial statements, within 45 days of our fiscal quarter end (other than our fourth fiscal quarter). All such financial statements will be prepared, in all material respects, in accordance with GAAP, as applicable.

Events of Default

The term "Event of Default" in respect of the Notes means any of the following:

- default in the payment of interest upon any Note when due and payable, and continuance of such default for a period of 30 days;

- default in the payment of the principal (or premium, if any) of any Note when it becomes due and payable at its maturity, including upon any redemption date or required repurchase date;

- we remain in breach of any other covenant or agreement in respect of the Notes for 60 days after we receive a written notice of default stating we are in breach. The notice must be sent by either the trustee or holders of at least 25% of the principal amount of the outstanding Notes;

- default by us or any of our significant subsidiaries, as defined in Article 1, Rule 1-02 of Regulation S-X promulgated under the Exchange Act (but excluding any subsidiary which is (a) a non-recourse or limited recourse subsidiary, (b) a bankruptcy remote special purpose vehicle, or (c) is not consolidated with Main Street Capital Corporation for purposes of GAAP), with respect to any mortgage, agreement or other instrument under which there may be outstanding, or by which there may be secured or evidenced, any indebtedness for money borrowed in excess of $50 million in the aggregate of us and/or any such subsidiary, whether such indebtedness now exists or shall hereafter be created (i) resulting in such indebtedness becoming or being declared due and payable or (ii) constituting a failure to pay the principal or interest of any such debt when due and payable at its stated maturity, upon required repurchase, upon declaration of acceleration or otherwise, unless, in either case, such indebtedness is discharged, or such acceleration is rescinded, stayed or annulled, within a period of 30 calendar days after written notice of such failure is given to us by the trustee or to us and the trustee by the holders of at least 25% in aggregate principal amount of the Notes then outstanding; and

- certain events of bankruptcy, insolvency or reorganization involving us occur and remain undischarged or unstayed for a period of 90 days.

An Event of Default for a particular series of debt securities does not necessarily constitute an Event of Default for any other series of debt securities issued under the same or any other indenture. Within 90 days after the occurrence of any default under the indenture with respect to the Notes, the trustee shall transmit notice to the holders of such default known to the trustee, unless such default shall have been cured or waived; provided, however, that, except in the case of a default in the payment of the principal of (or premium, if any, on) or interest, if any, on any Note, the trustee shall be protected in withholding such notice if and so long as the board of directors, the executive committee or a trust committee of directors of the trustee in good faith determines that withholding of such notice is in the interest of the holders of the Notes; and provided further that in the case of any default or breach specified in the third bullet point above with respect to the Notes, no such notice shall be given until at least 60 days after the occurrence thereof.

Table of Contents

If an Event of Default occurs and is continuing, then and in every such case (other than an Event of Default specified in the last bullet point above), the trustee or the holders of not less than 25% in principal amount of the outstanding Notes may declare the entire principal amount of, and accrued and unpaid interest on, all the Notes of that series to be due and immediately payable, by a notice in writing to us (and to the trustee if given by the holders), and upon any such declaration such principal amount and accrued and unpaid interest shall become immediately due and payable. This is called a declaration of acceleration of maturity. Notwithstanding the foregoing, in the case of the events of bankruptcy, insolvency or reorganization described in the last bullet point above, 100% of the principal amount of, and accrued and unpaid interest on, the Notes will automatically become due and payable.

At any time after a declaration of acceleration with respect to the Notes has been made and before a judgment or decree for payment of the money due has been obtained by the trustee, the holders of a majority in principal amount of the outstanding Notes, by written notice to us and the trustee, may rescind and annul such declaration and its consequences if (i) we have paid or deposited with the trustee a sum sufficient to pay all overdue installments of interest, if any, on all outstanding Notes, the principal of (and premium, if any, on) all outstanding Notes that have become due otherwise than by such declaration of acceleration and interest thereon at the rate or rates borne by or provided for in such Notes, to the extent that payment of such interest is lawful interest upon overdue installments of interest at the rate or rates borne by or provided for in such Notes, and all sums paid or advanced by the trustee and the reasonable compensation, expenses, disbursements and advances of the trustee, its agents and counsel, and (ii) all Events of Default with respect to the Notes, other than the nonpayment of the principal of (or premium, if any, on) or interest on such Notes that have become due solely by such declaration of acceleration, have been cured or waived. No such rescission will affect any subsequent default or impair any right consequent thereon.

The trustee is not required to exercise any of the rights or powers vested in it by the indenture at the request or direction of any of the holders of the Notes unless such holders shall have offered to the trustee reasonable security or indemnity against the costs, expenses, and liabilities that might be incurred by it in compliance with such request or direction. Subject to the foregoing, the holders of a majority in principal amount of the outstanding Notes shall have the right to direct the time, method, and place of conducting any proceeding for any remedy available to the trustee or exercising any trust or power conferred on the trustee with respect to the Notes, provided that (i) such direction shall not be in conflict with any rule of law or with the indenture, (ii) the trustee may take any other action deemed proper by the trustee that is not inconsistent with such direction and (iii) the trustee need not take any action which might involve it in personal liability or be unjustly prejudicial to the holders of the Notes not consenting. No delay or omission in exercising any right or remedy will be treated as a waiver of that right, remedy, or Event of Default.

Before you are allowed to bypass the trustee and bring your own lawsuit or other formal legal action or take other steps to enforce your rights or protect your interests relating to the debt securities, the following must occur:

- you must give the trustee written notice that an Event of Default has occurred and remains uncured;

- the holders of not less than 25% in principal amount of the outstanding Notes must make a written request to the

- trustee to take action because of the default and must offer reasonable indemnity, security, or both to the trustee against the cost, expenses, and liabilities of taking that action;

- the trustee must not have taken action for 60 days after receipt of the above notice and offer of indemnity and/or security; and

Table of Contents

- the holders of a majority in principal amount of the Notes must not have given the trustee a direction inconsistent with the above notice during that 60-day period.

However, you are entitled at any time to bring a lawsuit for the payment of money due on your debt securities on or after the due date.

Holders of a majority in principal amount of the Notes may waive any past defaults other than:

- in respect of the payment of principal, any premium or interest; or

- in respect of a covenant that cannot be modified or amended with the consent of the holder of each outstanding Note affected.

Book-entry and other indirect holders should consult their banks or brokers for information on how to give notice or direction to or make a request of the trustee and how to declare or cancel an acceleration of maturity.

Each year, we will furnish to each trustee a written statement of certain of our officers certifying that to their knowledge we are in compliance with the indenture governing the Notes, or else specifying any default.

Satisfaction and Discharge; Defeasance

We may satisfy and discharge our obligations under the indenture by delivering to the security registrar for cancellation all outstanding Notes or by depositing with the trustee or delivering to the holders, as applicable, after the Notes have become due and payable, or otherwise, moneys sufficient to pay all of the outstanding Notes and paying all other sums payable under the indenture by us. Such discharge is subject to terms contained in the indenture.

In addition, the Notes are subject to defeasance and covenant defeasance, in each case, in accordance with the terms of the indenture. "Covenant defeasance" refers to our ability, under current United States federal tax law and the indenture, to be released from some of the restrictive covenants in the indenture if certain conditions are satisfied. See "Description of Our Debt Securities Defeasance Covenant Defeasance" in the accompanying prospectus for more information. "Defeasance" or "full defeasance" refers to our ability, if there is a change in United States federal tax law or if we obtain an IRS ruling, to legally release ourselves from all payment and other obligations on the Notes if we put in place certain arrangements for you to be repaid. See "Description of Our Debt Securities Defeasance Full Defeasance" in the accompanying prospectus for more information.

Trustee

The Bank of New York Mellon Trust Company, N.A., is the trustee, security registrar and paying agent. The Bank of New York Mellon Trust Company, N.A., in each of its capacities, including without limitation as trustee, security registrar and paying agent, assumes no responsibility for the accuracy or completeness of the information concerning us or our affiliates or any other party contained in this document or the related documents or for any failure by us or any other party to disclose events that may have occurred and may affect the significance or accuracy of such information, or for any information provided to it by us, including but not limited to settlement amounts and any other information.

Governing Law

The indenture provides that it and the Notes shall be governed by, and construed in accordance with, the laws of the State of New York without regard to principles of conflicts of laws.

Table of Contents

Book-Entry, Settlement and Clearance

Global Notes

The Notes will be initially issued in the form of one or more registered Notes in global form, without interest coupons, or the Global Notes. Upon issuance, each of the Global Notes will be deposited with the trustee as custodian for DTC and registered in the name of Cede & Co., as nominee of DTC.

Ownership of beneficial interests in a Global Note will be limited to persons who have accounts with DTC, or the DTC participants, or persons who hold interests through DTC participants. We expect that under procedures established by DTC:

- upon deposit of a Global Note with DTC's custodian, DTC will credit portions of the principal amount of the Global Note to the accounts of the DTC participants designated by the underwriters; and

- ownership of beneficial interests in a Global Note will be shown on, and transfer of ownership of those interests will be effected only through, records maintained by DTC (with respect to interests of DTC participants) and the records of DTC participants (with respect to other owners of beneficial interests in the Global Note).

Beneficial interests in Global Notes may not be exchanged for Notes in physical, certificated form except in the limited circumstances described below.

Book-Entry Procedures for Global Notes

All interests in the Global Notes will be subject to the operations and procedures of DTC. We provide the following summary of those operations and procedures solely for the convenience of investors. The operations and procedures of DTC are controlled by that settlement system and may be changed at any time. Neither we nor the underwriters are responsible for those operations or procedures.

DTC has advised us that it is:

- a limited purpose trust company organized under the laws of the State of New York;

- a "banking organization" within the meaning of the New York State Banking Law;

- a member of the Federal Reserve System;

- a "clearing corporation" within the meaning of the Uniform Commercial Code; and

- a "clearing agency" registered under Section 17A of the Exchange Act.

DTC was created to hold securities for its participants and to facilitate the clearance and settlement of securities transactions between its participants through electronic book-entry changes to the accounts of its participants. DTC's participants include securities brokers and dealers, including the underwriters; banks and trust companies; clearing corporations and other organizations. Indirect access to DTC's system is also available to others such as banks, brokers, dealers and trust companies; these indirect participants clear through or maintain a custodial relationship with a DTC participant, either directly or indirectly. Investors who are not DTC participants may beneficially own securities held by or on behalf of DTC only through DTC participants or indirect participants in DTC.

So long as DTC's nominee is the registered owner of a Global Note, that nominee will be considered the sole owner or holder of the Notes represented by that Global Note for all purposes under the indenture. Except as provided below, owners of beneficial interests in a Global Note:

will not be entitled to have Notes represented by the Global Note registered in their names;

Table of Contents

- will not receive or be entitled to receive physical, certificated Notes; and
- will not be considered the owners or holders of the Notes under the indenture for any purpose, including with respect to the giving of any direction, instruction or approval to the trustee under the indenture.

As a result, each investor who owns a beneficial interest in a Global Note must rely on the procedures of DTC to exercise any rights of a holder of Notes under the indenture (and, if the investor is not a participant or an indirect participant in DTC, on the procedures of the DTC participant through which the investor owns its interest).

Payments of principal and interest with respect to the Notes represented by a Global Note will be made by the trustee to DTC's nominee as the registered holder of the Global Note. Neither we nor the trustee will have any responsibility or liability for the payment of amounts to owners of beneficial interests in a Global Note, for any aspect of the records relating to or payments made on account of those interests by DTC, or for maintaining, supervising or reviewing any records of DTC relating to those interests.

Payments by participants and indirect participants in DTC to the owners of beneficial interests in a Global Note will be governed by standing instructions and customary industry practice and will be the responsibility of those participants or indirect participants and DTC.

Transfers between participants in DTC will be effected under DTC's procedures and will be settled in same-day funds.

Certificated Notes

Notes in physical, certificated form will be issued and delivered to each person that DTC identifies as a beneficial owner of the related Notes only if:

- DTC notifies us at any time that it is unwilling or unable to continue as depositary for the Global Notes and a successor depositary is not appointed within 90 days;
- DTC ceases to be registered as a clearing agency under the Exchange Act and a successor depositary is not appointed within 90 days; or
- an event of default with respect to the Notes has occurred and is continuing and such beneficial owner requests that its Notes be issued in physical, certificated form.

CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES

The following discussion is a summary of certain material U.S. federal income tax consequences relevant to the purchase, ownership and disposition of the Notes, but does not purport to be a complete analysis of all potential tax consequences. The discussion is based upon the Internal Revenue Code of 1986, as amended (the "Code"), the regulations promulgated thereunder by the U.S. Treasury (the "Treasury Regulations"), rulings and pronouncements issued by the Internal Revenue Service (the "IRS"), and judicial decisions, all as of the date hereof and all of which are subject to change at any time. Any such change may be applied retroactively in a manner that could adversely affect a holder of the Notes. We have not sought any ruling from the IRS with respect to the statements made and the conclusions reached in the following discussion, and there can be no assurance that the IRS will agree with such statements and conclusions.

This discussion does not address all of the U.S. federal income tax consequences that may be relevant to a holder in light of such holder's particular circumstances or to holders subject to special rules, including, without limitation:

- banks, insurance companies and other financial institutions;
- U.S. expatriates and certain former citizens or long-term residents of the United States;
- holders subject to the alternative minimum tax;
- dealers in securities or currencies;
- traders in securities;
- partnerships, S corporations or other pass-through entities;
- U.S. holders (as defined below) whose functional currency is not the U.S. dollar;
- controlled foreign corporations;
- tax-exempt organizations;
- passive foreign investment companies;
- persons holding the Notes as part of a "straddle," "hedge," "conversion transaction" or other risk reduction transaction; and
- persons deemed to sell the Notes under the constructive sale provisions of the Code.

In addition, this discussion is limited to persons purchasing the Notes for cash at original issue and at their original "issue price" within the meaning of Section 1273 of the Code (i.e., the first price at which a substantial amount of the Notes are sold to the public for cash). Moreover, the effects of other U.S. federal tax laws (such as estate and gift tax laws) and any applicable state, local or foreign tax laws are not discussed. The discussion deals only with notes held as "capital assets" within the meaning of Section 1221 of the Code.

If an entity taxable as a partnership holds the Notes, the tax treatment of an owner of the entity generally will depend on the status of the particular owner in question and the activities of the entity. Owners of any such entity should consult their tax advisors as to the specific tax consequences to them of holding the Notes indirectly through ownership of such entity.

YOU ARE URGED TO CONSULT YOUR TAX ADVISOR WITH RESPECT TO THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS TO YOUR PARTICULAR SITUATION AS WELL AS ANY TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF THE NOTES ARISING UNDER THE U.S. FEDERAL ESTATE OR GIFT TAX LAWS OR UNDER

Table of Contents

THE LAWS OF ANY STATE, LOCAL, FOREIGN OR OTHER TAXING JURISDICTION OR UNDER ANY APPLICABLE INCOME TAX TREATY.

U.S. Holders

The following is a summary of the material U.S. federal income tax consequences that will apply to you if you are a "U.S. holder" of the Notes. As used herein, "U.S. holder" means a beneficial owner of the Notes who is for U.S. federal income tax purposes:

- an individual who is a citizen or resident of the United States, including an alien individual who is a lawful permanent resident of the United States or meets the "substantial presence" test under Section 7701(b) of the Code;
- a corporation or other entity taxable as a corporation created or organized in or under the laws of the United States, any state thereof, or the District of Columbia;
- an estate, the income of which is subject to U.S. federal income tax regardless of its source; or
- a trust, if a U.S. court can exercise primary supervision over the administration of the trust and one or more "United States persons" within the meaning of Section 7701(a)(30) of the Code can control all substantial trust decisions, or, if the trust was in existence on August 20, 1996, and it has elected to continue to be treated as a United States person.

Payments of Interest

Stated interest on the Notes generally will be taxable to a U.S. holder as ordinary income at the time that such interest is received or accrued, in accordance with such U.S. holder's method of tax accounting for U.S. federal income tax purposes.

Sale or Other Taxable Disposition of Notes

A U.S. holder will recognize gain or loss on the sale, exchange, redemption, retirement or other taxable disposition of a note equal to the difference between the amount realized upon the disposition (less any portion allocable to any accrued and unpaid interest, which will be taxable as interest to the extent not previously included in income) and the U.S. holder's adjusted tax basis in the note. A U.S. holder's adjusted tax basis in a note generally will be equal to the amount that the U.S. holder paid for the note less any principal payments received by the U.S. holder. Any gain or loss will be a capital gain or loss, and will be a long-term capital gain or loss if the U.S. holder has held the note for more than one year at the time of disposition. Otherwise, such gain or loss will be a short-term capital gain or loss. Long-term capital gains recognized by certain non-corporate U.S. holders, including individuals, are currently subject to a reduced tax rate. The deductibility of capital losses is subject to limitations.

Information Reporting and Backup Withholding

A U.S. holder may be subject to information reporting and backup withholding when such U.S. holder receives interest payments on the Notes held or upon the proceeds received upon the sale or other disposition of such notes (including a redemption or retirement of the Notes). Certain U.S. holders generally are not subject to information reporting or backup withholding. A U.S. holder will be subject to backup withholding if such U.S. holder is not otherwise exempt and such U.S. holder:

- fails to furnish the U.S. holder's taxpayer identification number ("TIN"), which, for an individual, ordinarily is his or her social security number;
- furnishes an incorrect TIN;

- is notified by the IRS that the U.S. holder has failed properly to report payments of interest or dividends; or

- fails to certify, under penalties of perjury, on an IRS Form W-9 (Request for Taxpayer Identification Number and Certification) or a suitable substitute form (or other applicable certificate), that the U.S. holder has furnished a correct TIN and that the IRS has not notified the U.S. holder that the U.S. holder is subject to backup withholding.

U.S. holders should consult their tax advisors regarding their qualification for an exemption from backup withholding and the procedures for obtaining such an exemption, if applicable. Backup withholding is not an additional tax, and taxpayers may use amounts withheld as a credit against their U.S. federal income tax liability or may claim a refund if they timely provide certain information to the IRS.

Unearned Income Medicare Contribution

A tax of 3.8% will be imposed on certain "net investment income" (or "undistributed net investment income", in the case of estates and trusts) received by individuals with income in excess of $200,000 ($250,000 in the case of married individuals filing jointly) and certain estates and trusts. "Net investment income" as defined for U.S. federal Medicare contribution purposes generally includes interest payments and gain recognized from the sale or other disposition of the Notes. Tax-exempt trusts, which are not subject to income taxes generally, and foreign individuals will not be subject to this tax. U.S. holders should consult their own tax advisors regarding the effect, if any, of this tax on their ownership and disposition of the Notes.

Non-U.S. Holders

The following is a summary of certain material U.S. federal income tax consequences that will apply to you if you are a "Non-U.S. holder" of the Notes. A "Non-U.S. holder" is a beneficial owner of the Notes who is not a U.S. holder or a partnership for federal income tax purposes. Special rules may apply to Non-U.S. holders that are subject to special treatment under the Code, including controlled foreign corporations, passive foreign investment companies, U.S. expatriates, and foreign persons eligible for benefits under an applicable income tax treaty with the U.S. Such Non-U.S. holders should consult their tax advisors to determine the U.S. federal, state, local and other tax consequences that may be relevant to them including any reporting requirements.

Payments of Interest

Generally, interest income paid to a Non-U.S. holder that is not effectively connected with the Non-U.S. holder's conduct of a U.S. trade or business is subject to withholding tax at a rate of 30% (or, if applicable, a lower treaty rate). Nevertheless, interest paid on a note to a Non-U.S. holder that is not effectively connected with the Non-U.S. holder's conduct of a U.S. trade or business generally will not be subject to U.S. federal withholding tax provided that:

- such Non-U.S. holder does not directly or indirectly own 10% or more of the total combined voting power of all classes of our voting stock;

- such Non-U.S. holder is not a controlled foreign corporation that is related to us through actual or constructive stock ownership and is not a bank that received such note on an extension of credit made pursuant to a loan agreement entered into in the ordinary course of its trade or business; and

- either (1) the Non-U.S. holder certifies in a statement provided to us or the paying agent, under penalties of perjury, that it is the beneficial owner of the Notes and not a "United States person" within the meaning of the Code and provides its name and address, (2) a securities

Table of Contents

clearing organization, bank or other financial institution that holds customers' securities in the ordinary course of its trade or business and holds the note on behalf of the Non-U.S. holder certifies to us or the paying agent under penalties of perjury that it, or the financial institution between it and the Non-U.S. holder, has received from the Non-U.S. holder a statement, under penalties of perjury, that such Non-U.S. holder is the beneficial owner of the Notes and is not a United States person and provides us or the paying agent with a copy of such statement or (3) the Non-U.S. holder holds its note directly through a "qualified intermediary" and certain conditions are satisfied.

Even if the above conditions are not met, a Non-U.S. holder generally will be entitled to a reduction in or an exemption from withholding tax on interest if the Non-U.S. holder provides us or our paying agent with a properly executed IRS Form W-8BEN or IRS Form W-8BEN-E, as applicable, or a suitable substitute form (or other applicable certificate) claiming an exemption from or reduction of the withholding tax under the benefit of an income tax treaty between the United States and the Non-U.S. holder's country of residence. A Non-U.S. holder is required to inform the recipient of any change in the information on such statement within 30 days of such change. Special certification rules apply to Non-U.S. holders that are pass-through entities rather than corporations or individuals.

If interest paid to a Non-U.S. holder is effectively connected with the Non-U.S. holder's conduct of a U.S. trade or business (and, if required by an applicable income tax treaty, the Non-U.S. holder maintains a U.S. permanent establishment to which such interest is attributable), then, the Non-U.S. holder will be exempt from U.S. federal withholding tax, so long as the Non-U.S. holder has provided an IRS Form W-8ECI or substantially similar substitute form stating that the interest that the Non-U.S. holder receives on the Notes is effectively connected with the Non-U.S. holder's conduct of a trade or business in the United States. In such a case, a Non-U.S. holder will be subject to tax on the interest it receives on a net income basis in the same manner as if such Non-U.S. holder were a U.S. holder. In addition, if the Non-U.S. holder is a foreign corporation, such interest may be subject to a branch profits tax at a rate of 30% or lower applicable treaty rate.

Sale or Other Taxable Disposition of Notes

Any gain realized by a Non-U.S. holder on the sale, exchange, retirement, redemption or other taxable disposition of a note generally will not be subject to U.S. federal income tax unless:

- the gain is effectively connected with the Non-U.S. holder's conduct of a trade or business in the United States (and, if required by an applicable income tax treaty, the Non-U.S. holder maintains a U.S. permanent establishment to which such gain is attributable); or

- the Non-U.S. holder is an individual who is present in the United States for 183 days or more in the taxable year of sale, exchange or other disposition, certain conditions are met and the Non-U.S. holder is not eligible for relief under an applicable income tax treaty.

A Non-U.S. holder described in the first bullet point above will be required to pay U.S. federal income tax on the net gain derived from the sale or other taxable disposition generally in the same manner as if such Non-U.S. holder were a U.S. holder, and if such Non-U.S. holder is a foreign corporation, it may also be required to pay an additional branch profits tax at a 30% rate (or a lower rate if so specified by an applicable income tax treaty). A Non-U.S. holder described in the second bullet point above will be subject to U.S. federal income tax at a rate of 30% (or, if applicable, a lower treaty rate) on the gain derived from the sale or other taxable disposition, which may be offset by certain U.S. source capital losses, even though the Non-U.S. holder is not considered a resident of the United States.

Certain other exceptions may be applicable, and Non-U.S. holders should consult their own tax advisors with regard to whether taxes will be imposed on capital gain in their individual circumstances.

Table of Contents

Information Reporting and Backup Withholding

The amount of interest that we pay to any Non-U.S. holder on the Notes will be reported to the Non-U.S. holder and to the IRS annually on an IRS Form 1042-S, regardless of whether any tax was actually withheld. Copies of these information returns may also be made available under the provisions of a specific income tax treaty or agreement to the tax authorities of the country in which the Non-U.S. holder resides. However, a Non-U.S. holder generally will not be subject to backup withholding and certain other information reporting with respect to payments that we make to the Non-U.S. holder, provided that we do not have actual knowledge or reason to know that such Non-U.S. holder is a "United States person," within the meaning of the Code, and the Non-U.S. holder has given us the statement described above under "Non-U.S. holders Payments of Interest."

If a Non-U.S. holder sells or exchanges a note through a United States broker or the United States office of a foreign broker, the proceeds from such sale or exchange will be subject to information reporting and backup withholding unless the Non-U.S. holder provides a withholding certificate or other appropriate documentary evidence establishing that such holder is not a U.S. holder to the broker and such broker does not have actual knowledge or reason to know that such holder is a U.S. holder, or the Non-U.S. holder is an exempt recipient eligible for an exemption from information reporting and backup withholding. If a Non-U.S. holder sells or exchanges a note through the foreign office of a broker who is a United States person or has certain enumerated connections with the United States, the proceeds from such sale or exchange will be subject to information reporting unless the Non-U.S. holder provides to such broker a withholding certificate or other documentary evidence establishing that such holder is not a U.S. holder and such broker does not have actual knowledge or reason to know that such evidence is false, or the Non-U.S. holder is an exempt recipient eligible for an exemption from information reporting. In circumstances where information reporting by the foreign office of such a broker is required, backup withholding will be required only if the broker has actual knowledge that the holder is a U.S. holder.

A Non-U.S. holder generally will be entitled to credit any amounts withheld under the backup withholding rules against the Non-U.S. holder's U.S. federal income tax liability or may claim a refund provided that the required information is furnished to the IRS in a timely manner.

Non-U.S. holders are urged to consult their tax advisors regarding the application of information reporting and backup withholding in their particular situations, the availability of an exemption therefrom, and the procedures for obtaining such an exemption, if available.

Foreign Account Tax Compliance Act

The Foreign Account Tax Compliance Act, or FATCA, and U.S. Treasury Regulations and other IRS administrative guidance thereunder, when applicable, generally impose a U.S. federal withholding tax of 30% on interest on a debt obligation and, if paid after December 31, 2016, the gross proceeds from the disposition of a debt obligation, which, in each case, would include the Notes, to certain non-U.S. entities (including, in some circumstances, where such an entity is acting as an intermediary) that fail to comply with certain certification and information reporting requirements. Prospective investors in the Notes should consult their own tax advisors regarding the effect, if any, of the FATCA rules for them based on their particular circumstances.

Investors should consult their own tax advisors regarding the new withholding and reporting provisions.

Table of Contents

UNDERWRITING

Under the terms and subject to the conditions contained in an underwriting agreement dated , 2014, the underwriters named below, for whom RBC Capital Markets, LLC and Goldman, Sachs & Co. are acting as representatives, have severally agreed to purchase, and we have agreed to sell to them, the aggregate principal amount of Notes indicated below:

Name	Principal Amount
RBC Capital Markets, LLC	$
Goldman, Sachs & Co.	$
Keefe, Bruyette & Woods, Inc.	$
Total	$

The underwriting agreement provides that the obligations of the underwriters to pay for and accept delivery of the Notes offered hereby are subject to the approval of certain legal matters by their counsel and to certain other conditions. The underwriters are severally obligated to take and pay for all Notes offered hereby if any such Notes are taken. We have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act.

Commissions and Discounts

An underwriting discount of % per Note will be paid by us.

The following table shows the total underwriting discounts and commissions that we are to pay to the underwriters in connection with this offering.

	Per Note	Total
Public offering price	%	$
Underwriting discount	%	$
Proceeds, before expenses, to us	%	$

The underwriters propose to offer some of the Notes to the public at the public offering price set forth on the cover page of this prospectus supplement and some of the Notes to certain other broker-dealers at the public offering price less a concession not in excess of % of the aggregate principal amount of the Notes. The underwriters may allow, and the dealers may reallow, a discount not in excess of % of the aggregate principal amount of the Notes. After the initial offering of the Notes to the public, the public offering price and such concessions may be changed. No such change shall change the amount of proceeds to be received by us as set forth on the cover page of this prospectus supplement. The expenses of the offering, not including the underwriting discount, are estimated at $350,000 and are payable by us.

We expect that delivery of the Notes will be made against payment therefore on or about November , 2014, which will be the third business day following the date of the pricing of the Notes.

No Sales of Similar Securities

Subject to certain exceptions, we have agreed not to directly or indirectly, offer, pledge, sell, contract to sell, grant any option for the sale of, or otherwise transfer or dispose of any debt securities issued or guaranteed by the Company that are substantially similar to the Notes or any securities

Table of Contents

convertible into or exercisable or exchangeable for such debt securities until the settlement date of this offering without first obtaining the written consent of the representatives. This consent may be given at any time without public notice.

Listing

The Notes are a new issue of securities with no established trading market. The Notes will not be listed on any securities exchange or quoted on any automated dealer quotation system.

We have been advised by the underwriters that they presently intend to make a market in the Notes after completion of the offering as permitted by applicable laws and regulations. The underwriters are not obligated, however, to make a market in the Notes and any such market-making may be discontinued at any time in the sole discretion of the underwriters without any notice. Accordingly, no assurance can be given as to the liquidity of, or development of a public trading market for, the Notes. If an active public trading market for the Notes does not develop, the market price and liquidity of the Notes may be adversely affected.

Price Stabilization and Short Positions

In connection with the offering, the underwriters may purchase and sell Notes in the open market. These transactions may include short sales, purchases to cover positions created by short sales and stabilizing transactions. Short sales involve the sale by the underwriters of a greater number of Notes than required to be purchased in this offering. Covering transactions involve purchases of the Notes in the open market after the distribution has been completed in order to cover short positions. Stabilizing transactions consist of certain bids or purchases of Notes made for the purpose of preventing or retarding a decline in the market price of the Notes while the offering is in progress.

The underwriters also may impose a penalty bid. This occurs when a particular underwriter repays to the underwriters a portion of the underwriting discount received by it because the representative has repurchased Notes sold by or for the account of such underwriter in stabilizing or short covering transactions.

Any of these activities may cause the price of the Notes to be higher than the price that otherwise would exist in the open market in the absence of such transactions. These transactions may be discontinued at any time without any notice relating thereto.

Conflicts of Interest

Affiliates of RBC Capital Markets, LLC and Goldman, Sachs & Co., underwriters in this offering, act as lenders and/or agents under our Credit Facility. Certain of the net proceeds from the sale of our Notes, not including underwriting compensation, may be paid to such affiliates of RBC Capital Markets, LLC and Goldman, Sachs & Co. in connection with the repayment of debt owed under our Credit Facility. As a result, RBC Capital Markets, LLC and Goldman, Sachs & Co. and/or their affiliates may receive more than 5% of the net proceeds of this offering, not including underwriting compensation.

The underwriters and/or their affiliates from time to time provide and may in the future provide investment banking, commercial banking and financial advisory services to us, for which they have received and may receive customary compensation.

In addition, the underwriters and/or their affiliates may from time to time refer investment banking clients to us as potential portfolio investments. If we invest in those clients, we may indirectly utilize net proceeds from this offering to fund such investments, and the referring underwriter or its affiliate may receive placement fees from its client in connection with such financing, which placement fees may be paid out of the amount funded by us.

Table of Contents

The addresses of the underwriters are: RBC Capital Markets, LLC, Three World Financial Center, 8th Floor, 200 Vesey Street, New York, NY 10281; Goldman, Sachs & Co., 200 West Street, New York, NY 10282; and Keefe, Bruyette & Woods, Inc., 787 Seventh Avenue, New York, New York 10019.

LEGAL MATTERS

Certain legal matters regarding the Notes offered hereby will be passed upon for us by Sutherland Asbill & Brennan LLP, Washington D.C., and certain legal matters in connection with this offering will be passed upon for the underwriters by Morrison & Foerster LLP, Washington D.C.

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The consolidated financial statements, Schedule 12-14 and the schedule of Senior Securities of Main Street Capital Corporation, included in this prospectus supplement and the accompanying prospectus have been so included in reliance upon the reports of Grant Thornton LLP, independent registered public accountants, upon the authority of said firm as experts in giving said reports. Grant Thornton LLP's principal business address is 175 W. Jackson Blvd., 20th Floor, Chicago, Illinois 60604.

AVAILABLE INFORMATION

We have filed with the SEC a universal shelf registration statement on Form N-2, together with all amendments and related exhibits, under the Securities Act, with respect to the Notes offered by this prospectus supplement. The registration statement contains additional information about us and the Notes being offered by this prospectus supplement.

We file with or submit to the SEC annual, quarterly and current reports, proxy statements and other information meeting the informational requirements of the Exchange Act. You may inspect and copy these reports, proxy statements and other information, as well as the registration statement and related exhibits and schedules, at the Public Reference Room of the SEC at 100 F Street, N.E., Washington, D.C. 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800- SEC-0330. The SEC maintains an Internet site that contains reports, proxy and information statements and other information filed electronically by us with the SEC, which are available on the SEC's website at *www.sec.gov*. Copies of these reports, proxy and information statements and other information may be obtained, after paying a duplicating fee, by electronic request at the following e-mail address: *publicinfo@sec.gov*, or by writing the SEC's Public Reference Section, 100 F Street, N.E., Washington, D.C. 20549.

Table of Contents

INTERIM FINANCIAL STATEMENTS

MAIN STREET CAPITAL CORPORATION

Consolidated Balance Sheets

(in thousands, except shares and per share amounts)

	June 30, 2014 (Unaudited)	December 31, 2013
ASSETS		
Portfolio investments at fair value:		
Control investments (cost: $294,687 and $277,411 as of June 30, 2014 and December 31, 2013, respectively)	$ 395,985	$ 356,973
Affiliate investments (cost: $229,132 and $242,592 as of June 30, 2014 and December 31, 2013, respectively)	257,950	268,113
Non-Control/Non-Affiliate investments (cost: $763,484 and $643,068 as of June 30, 2014 and December 31, 2013, respectively)	780,464	661,102
Total portfolio investments (cost: $1,287,303 and $1,163,071 as of June 30, 2014 and December 31, 2013, respectively)	1,434,399	1,286,188
Marketable securities and idle funds investments (cost: $9,212 and $14,885 as of June 30, 2014 and December 31, 2013, respectively)	8,974	13,301
Total investments (cost: $1,296,515 and $1,177,956 as of June 30, 2014 and December 31, 2013, respectively)	1,443,373	1,299,489
Cash and cash equivalents	30,495	34,701
Interest receivable and other assets	20,665	16,054
Receivable for securities sold	43,983	
Deferred financing costs (net of accumulated amortization of $5,497 and $4,722 as of June 30, 2014 and December 31, 2013, respectively)	10,235	9,931
Total assets	$ 1,548,751	$ 1,360,175
LIABILITIES		
SBIC debentures (par: $225,000 as of June 30, 2014 and $200,200 as of December 31, 2013, par of $75,200 is recorded at a fair value of $64,079 and $62,050 as of June 30, 2014 and December 31, 2013, respectively)	$ 213,879	$ 187,050
Credit facility	253,000	237,000
6.125% Notes	90,882	90,882
Payable for securities purchased	18,711	27,088
Deferred tax liability, net	10,581	5,940
Dividend payable	7,403	6,577
Accounts payable and other liabilities	5,889	10,549
Interest payable	4,996	2,556
Total liabilities	605,341	567,642
Commitments and contingencies (Note M)		
NET ASSETS		
Common stock, $0.01 par value per share (150,000,000 shares authorized; 44,869,800 and 39,852,604 shares issued and outstanding as of June 30, 2014 and December 31, 2013, respectively)	449	398

Additional paid-in capital	842,813	694,981
Accumulated net investment income, net of cumulative dividends of $251,759 and $199,140 as of June 30, 2014 and December 31, 2013, respectively	14,478	22,778
Accumulated net realized gain from investments (accumulated net realized gain from investments of $12,194 before cumulative dividends of $45,021 as of June 30, 2014 and accumulated net realized gain from investments of $17,115 before cumulative dividends of $43,449 as of December 31, 2013)	(32,827)	(26,334)
Net unrealized appreciation, net of income taxes	118,497	100,710
Total net assets	943,410	792,533
Total liabilities and net assets	$ 1,548,751	$ 1,360,175
NET ASSET VALUE PER SHARE	$ 21.03	$ 19.89

The accompanying notes are an integral part of these financial statements

Table of Contents

MAIN STREET CAPITAL CORPORATION

Consolidated Statements of Operations

(in thousands, except per share amounts)

(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2014	**2013**	**2014**	**2013**
INVESTMENT INCOME:				
Interest, fee and dividend income:				
Control investments	$ 10,546	$ 8,169	$ 19,842	$ 14,703
Affiliate investments	6,085	5,399	11,725	11,060
Non-Control/Non-Affiliate investments	18,016	13,862	33,649	27,000
Interest, fee and dividend income	34,647	27,430	65,216	52,763
Interest, fee and dividend income from marketable securities and idle funds	230	370	437	681
Total investment income	34,877	27,800	65,653	53,444
EXPENSES:				
Interest	(5,473)	(5,542)	(10,759)	(9,424)
Compensation	(3,717)	(2,574)	(6,068)	(2,574)
General and administrative	(1,571)	(1,249)	(3,408)	(1,937)
Share-based compensation	(974)	(602)	(1,826)	(1,205)
Expenses charged to the External Investment Manager	436		727	
Expenses reimbursed to Internal Investment Manager				(3,189)
Total expenses	(11,299)	(9,967)	(21,334)	(18,329)
NET INVESTMENT INCOME	23,578	17,833	44,319	35,115
NET REALIZED GAIN (LOSS):				
Affiliate investments	(6,578)		(6,578)	
Non-Control/Non-Affiliate investments	239	483	1,672	140
Marketable securities and idle funds investments	(25)	322	(15)	263
Total net realized gain (loss)	(6,364)	805	(4,921)	403
NET REALIZED INCOME	17,214	18,638	39,398	35,518
NET CHANGE IN UNREALIZED APPRECIATION (DEPRECIATION):				
Portfolio investments	17,053	6,337	23,910	16,415
Marketable securities and idle funds investments	298	(743)	1,346	(810)
SBIC debentures	(840)	555	(2,029)	(657)
Total net change in unrealized appreciation	16,511	6,149	23,227	14,948
INCOME TAXES:				

Federal and state income, excise, and other taxes	(132)	(752)	(799)	(1,422)
Deferred taxes	(3,643)	(31)	(4,641)	(1,411)
Income tax provision	(3,775)	(783)	(5,440)	(2,833)
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	$ 29,950	$ 24,004	$ 57,185	$ 47,633
NET INVESTMENT INCOME PER SHARE BASIC AND DILUTED	$ 0.53	$ 0.51	$ 1.05	$ 1.01
NET REALIZED INCOME PER SHARE BASIC AND DILUTED	$ 0.39	$ 0.54	$ 0.94	$ 1.02
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS PER SHARE BASIC AND DILUTED	$ 0.68	$ 0.69	$ 1.36	$ 1.37
DIVIDENDS PAID PER SHARE:				
Regular monthly dividends	$ 0.495	$ 0.465	$ 0.990	$ 0.920
Supplemental dividends	0.275		0.275	0.350
Total dividends	$ 0.770	$ 0.465	$ 1.265	$ 1.270
WEIGHTED AVERAGE SHARES OUTSTANDING BASIC AND DILUTED	44,216,906	34,803,729	42,069,669	34,751,905

The accompanying notes are an integral part of these financial statements

Table of Contents

MAIN STREET CAPITAL CORPORATION

Consolidated Statements of Changes in Net Assets

(in thousands, except shares)

(Unaudited)

	Common Stock						
	Number of Shares	Par Value	Additional Paid-In Capital	Accumulated Net Investment Income, Net of Dividends	Accumulated Net Realized Gain From Investments, Net of Dividends	Net Unrealized Appreciation from Investments, Net of Income Taxes	Total Net Asset Value
Balances at December 31, 2012	34,589,484	$ 346	$ 544,136	$ 35,869	$ (19,155)	$ 81,780	$ 642,976
Share-based compensation			1,205				1,205
Purchase of vested stock for employee payroll tax withholding	(19,460)		(523)				(523)
Dividend reinvestment	173,926	2	5,580				5,582
Issuance of restricted stock	252,227	2	(2)				
Consolidation of Internal Investment Manager			2,037				2,037
Issuances of common stock	18,125		578				578
Dividends to stockholders				(44,105)			(44,105)
Net increase resulting from operations				35,115	403	12,115	47,633
Balances at June 30, 2013	35,014,302	$ 350	$ 553,011	$ 26,879	$ (18,752)	$ 93,895	$ 655,383
Balances at December 31, 2013	39,852,604	$ 398	$ 694,981	$ 22,778	$ (26,334)	$ 100,710	$ 792,533
Public offering of common stock, net of offering costs	4,600,000	46	139,651				139,697
Share-based compensation			1,826				1,826
Purchase of vested stock for employee payroll tax withholding	(36,425)		(1,149)				(1,149)
Dividend reinvestment	225,613	2	7,347				7,349
Amortization of directors' deferred compensation			160				160
Issuance of restricted stock	228,008	3	(3)				
Dividends to stockholders				(52,619)	(1,572)		(54,191)
Net increase (loss) resulting from operations				44,319	(4,921)	17,787	57,185
Balances at June 30, 2014	44,869,800	$ 449	$ 842,813	$ 14,478	$ (32,827)	$ 118,497	$ 943,410

The accompanying notes are an integral part of these financial statements

Table of Contents

MAIN STREET CAPITAL CORPORATION

Consolidated Statements of Cash Flows

(in thousands)

(Unaudited)

	Six Months Ended June 30, 2014	Six Months Ended June 30, 2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Net increase in net assets resulting from operations	$ 57,185	$ 47,633
Adjustments to reconcile net increase in net assets resulting from operations to net cash used in operating activities:		
Investments in portfolio companies	(396,660)	(353,620)
Proceeds from sales and repayments of debt investments in portfolio companies	226,804	178,750
Proceeds from sales of equity investments in portfolio companies	1,208	
Investments in marketable securities and idle funds investments	(11,901)	(52,503)
Proceeds from sales and repayments of marketable securities and idle funds investments	14,461	42,469
Net change in unrealized appreciation	(23,227)	(14,948)
Net realized (gain) loss	4,921	(403)
Accretion of unearned income	(6,020)	(5,079)
Payment-in-kind interest	(3,051)	(2,368)
Cumulative dividends	(752)	(467)
Share-based compensation expense	1,826	1,205
Amortization of deferred financing costs	776	538
Deferred taxes	4,641	1,411
Changes in other assets and liabilities:		
Interest receivable and other assets	(5,122)	2,913
Interest payable	2,440	2,064
Payable to affiliated Internal Investment Manager		(3,960)
Accounts payable and other liabilities	(4,573)	(330)
Deferred fees and other	586	1,500
Net cash used in operating activities	(136,458)	(155,195)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from public offering of common stock, net of offering costs	139,697	
Proceeds from public offering of 6.125% Notes		92,000
Dividends paid to stockholders	(46,016)	(38,787)
Proceeds from issuance of SBIC debentures	24,800	
Proceeds from credit facility	213,000	250,000
Repayments on credit facility	(197,000)	(167,000)
Payment of deferred loan costs and SBIC debenture fees	(1,080)	(3,370)
Purchase of vested stock for employee payroll tax withholding	(1,149)	(523)
Other		578
Net cash provided by financing activities	132,252	132,898
Net increase (decrease) in cash and cash equivalents	(4,206)	(22,297)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	34,701	63,517
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$ 30,495	$ 41,220

Supplemental cash flow disclosures:				
Interest paid	$	7,545	$	6,827
Taxes paid	$	3,089	$	4,466
Non-cash financing activities:				
Shares issued pursuant to the DRIP	$	7,349	$	5,580

The accompanying notes are an integral part of these financial statements

Table of Contents

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS

June 30, 2014

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
Control Investments(5)					
ASC Interests, LLC	Recreational and Educational Shooting Facility				
		11% Secured Debt (Maturity July 31, 2018)	3,275	3,219	3,219
		Member Units (Fully diluted 48.4%)(8)		1,500	1,660
				4,719	4,879
Bond-Coat, Inc.	Casing and Tubing Coating Services				
		12% Secured Debt (Maturity December 28, 2017)	13,570	13,430	13,570
		Common Stock (Fully diluted 43.8%)		6,350	10,500
				19,780	24,070
Café Brazil, LLC	Casual Restaurant Group				
		Member Units (Fully diluted 69.0%)(8)		1,742	6,980
California Healthcare Medical Billing, Inc.	Outsourced Billing and Revenue Cycle Management				
		9% Secured Debt (Maturity October 17, 2016)	8,703	8,535	8,703
		Warrants (Fully diluted 21.5%)		1,193	3,480
		Common Stock (Fully diluted 9.6%)		1,177	1,460
				10,905	13,643
CBT Nuggets, LLC	Produces and Sells IT Training Certification Videos				
		Member Units (Fully diluted 41.6%)(8)		1,300	20,450
Ceres Management, LLC (Lambs Tire & Automotive)	Aftermarket Automotive Services Chain				
		14% Secured Debt (Maturity May 31, 2018)	4,000	4,000	4,000
		Class B Member Units (12% cumulative)(8)		3,808	3,808
		Member Units (Fully diluted 65.0%)		5,273	1,190
		9.5% Secured Debt (Lamb's Real Estate Investment I, LLC) (Maturity October 1, 2025)	992	992	992
		Member Units (Lamb's Real Estate Investment I, LLC) (Fully diluted 100.0%)(8)		625	1,110

	14,698	11,100

Table of Contents

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

June 30, 2014

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
Datacom, LLC	Technology and Telecommunications Provider				
		8% Secured Debt (Maturity May 31, 2015)	360	356	356
		10.5% Secured Debt (Maturity May 31, 2019)	11,205	11,094	11,094
		Member Units (Fully diluted 37.6%)		6,030	6,030
				17,480	17,480
Garreco, LLC	Manufacturer and Supplier of Dental Products				
		14% Secured Debt (Maturity January 12, 2018)	5,700	5,605	5,605
		Member Units (Fully diluted 32.0%)(8)		1,200	1,200
				6,805	6,805
Gulf Manufacturing, LLC	Manufacturer of Specialty Fabricated Industrial Piping Products				
		9% PIK Secured Debt (Ashland Capital IX, LLC) (Maturity June 30, 2017)	744	744	744
		Member Units (Fully diluted 32.1%)(8)		2,980	14,800
				3,724	15,544
Harrison Hydra-Gen, Ltd.	Manufacturer of Hydraulic Generators				
		9% Secured Debt (Maturity June 4, 2015)	5,487	5,337	5,487
		Preferred Stock (8% cumulative)(8)		1,214	1,214
		Common Stock (Fully diluted 34.4%)(8)		718	1,760
				7,269	8,461
Hawthorne Customs and Dispatch Services, LLC	Facilitator of Import Logistics, Brokerage, and Warehousing.				
		Member Units (Fully diluted 47.6%)(8)		589	220
		Member Units (Wallisville Real Estate, LLC) (Fully diluted 59.2%)(8)		1,215	2,050
				1,804	2,270
Hydratec, Inc.	Designer and Installer of Micro-Irrigation Systems				

		Common Stock (Fully diluted 95.9%)(8)		7,095	13,720
IDX Broker, LLC	Provider of Marketing and CRM Tools for the Real Estate Industry				
		12.5% Secured Debt (Maturity November 18, 2018)	10,571	10,475	10,475
		Member Units (Fully diluted 60.1%)		5,029	5,029
				15,504	15,504

Table of Contents

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

June 30, 2014

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
Impact Telecom, Inc.	Telecommunications Services Provider				
		LIBOR Plus 6.50% (Floor 2.00%), Current Coupon 8.50%, Secured Debt (Maturity May 31, 2018)(9)	1,575	1,569	1,569
		13% Secured Debt (Maturity May 31, 2018)	22,500	15,207	15,207
		Warrants (Fully diluted 40.0%)		8,000	7,440
				24,776	24,216
Indianapolis Aviation Partners, LLC					
	Fixed Base Operator				
		15% Secured Debt (Maturity September 15, 2014)	3,250	3,228	3,250
		Warrants (Fully diluted 30.1%)		1,129	2,541
				4,357	5,791
Jensen Jewelers of Idaho, LLC					
	Retail Jewelry Store				
		Prime Plus 6.75% (Floor 3.25%), Current Coupon 10.00%, Secured Debt (Maturity November 14, 2016)(9)	3,955	3,906	3,955
		Member Units (Fully diluted 60.8%)(8)		811	3,440
				4,717	7,395
Lighting Unlimited, LLC	Commercial and Residential Lighting Products and Design Services				
		8% Secured Debt (Maturity August 22, 2014)	1,568	1,568	1,568
		Preferred Stock (non-voting)		442	442
		Warrants (Fully diluted 7.1%)		54	40
		Common Stock (Fully diluted 70.0%)(8)		100	360
				2,164	2,410
Marine Shelters Holdings, LLC (LoneStar Marine Shelters)	Fabricator of Marine and Industrial Shelters				
		12% Secured Debt (Maturity December 28, 2017)	10,250	10,094	10,094
		Preferred Stock (Fully diluted 26.7%)		3,750	3,750
				13,844	13,844
Mid-Columbia Lumber Products, LLC					

Manufacturer of Finger-Jointed Lumber Products				
	10% Secured Debt (Maturity December 18, 2017)	1,750	1,750	1,750
	12% Secured Debt (Maturity December 18, 2017)	3,900	3,900	3,900
	9.5% Secured Debt (Mid - Columbia Real Estate, LLC) (Maturity May 13, 2025)	949	949	949
	Member Units (Fully diluted 56.6%)(8)		1,244	10,650
	Member Units (Mid - Columbia Real Estate, LLC) (Fully diluted 50.0%)(8)		250	440
			8,093	17,689

Table of Contents

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

June 30, 2014

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
MSC Adviser I, LLC	Third Party Investment Advisory Services				
		Member Units (Fully diluted 100.0%)(8)			4,760
NAPCO Precast, LLC	Precast Concrete Manufacturing				
		Prime Plus 2% (Floor 7.00%), Current Coupon 9%, Secured Debt (Maturity September 1, 2015)(9)	2,750	2,717	2,750
		Prime Plus 2% (Floor 7.00%), Current Coupon 9%, Secured Debt (Maturity February 1, 2016)(9)	1,438	1,427	1,433
		18% Secured Debt (Maturity February 1, 2016)	4,468	4,429	4,468
		Member Units (Fully diluted 44.0%)(8)		2,975	6,240
				11,548	14,891
NRI Clinical Research, LLC	Clinical Research Service Provider				
		14% Secured Debt (Maturity September 8, 2016)	4,991	4,849	4,849
		Warrants (Fully diluted 10.0%)		252	160
		Member Units (Fully diluted 26.7%)		671	722
				5,772	5,731
NRP Jones, LLC	Manufacturer of Hoses, Fittings and Assemblies				
		12% Secured Debt (Maturity December 22, 2016)	12,151	11,482	12,151
		Warrants (Fully diluted 12.2%)		817	1,070
		Member Units (Fully diluted 43.2%)(8)		2,900	3,590
				15,199	16,811
OMi Holdings, Inc.	Manufacturer of Overhead Cranes				
		Common Stock (Fully diluted 48.0%)(8)		1,080	13,420
Pegasus Research Group, LLC (Televerde)	Provider of Telemarketing and Data Services				
		9% Secured Debt (Maturity January 6, 2016)	3,791	3,772	3,791
		Member Units (Fully diluted 42.7%)(8)		1,250	5,020
				5,022	8,811
PPL RVs, Inc.	Recreational Vehicle Dealer				

11.1% Secured Debt (Maturity June 10, 2015)	7,860	7,836	7,860
Common Stock (Fully diluted 51.1%)		2,150	8,160
		9,986	16,020

Table of Contents

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

June 30, 2014

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
Principle Environmental, LLC	Noise Abatement Service Provider				
		12% Secured Debt (Maturity April 30, 2017)	4,105	3,714	4,105
		12% Current / 2% PIK Secured Debt (Maturity April 30, 2017)	2,721	2,689	2,721
		Warrants (Fully diluted 5.0%)		1,200	720
		Preferred Equity (Fully diluted 65.6%)(8)		4,663	11,830
				12,266	19,376
River Aggregates, LLC	Processor of Construction Aggregates				
		12% Secured Debt (Maturity June 30, 2018)	500	500	500
		Zero Coupon Secured Debt (Maturity June 30, 2018)	750	448	448
		Member Units (Fully diluted 38.3%)		1,150	1,390
		Member Units (RA Properties, LLC) (Fully diluted 50.0%)		369	369
				2,467	2,707
Southern RV, LLC	Recreational Vehicle Dealer				
		13% Secured Debt (Maturity August 8, 2018)	11,400	11,252	11,252
		Member Units (Fully diluted 50.2%)(8)		1,680	3,460
		13% Secured Debt (Southern RV Real Estate, LLC) (Maturity August 8, 2018)	3,250	3,208	3,208
		Member Units (Southern RV Real Estate, LLC) (Fully diluted 55.7%)		480	470
				16,620	18,390
The MPI Group, LLC	Manufacturer of Custom Hollow Metal Doors, Frames and Accessories				
		4.5% Current / 4.5% PIK Secured Debt (Maturity July 1, 2014)	1,079	1,079	880
		6% Current / 6% PIK Secured Debt (Maturity July 1, 2014)	5,845	5,845	4,806
		Warrants (Fully diluted 52.3%)		1,096	
				8,020	5,686
Travis Acquisition LLC	Manufacturer of Aluminum Trailers				
		12% Secured Debt (Maturity August 30, 2018)	8,970	8,812	8,970

		Member Units (Fully diluted 65.5%)		7,100	11,410
				15,912	20,380
Uvalco Supply, LLC	Farm and Ranch Supply Store				
		9% Secured Debt (Maturity January 1, 2019)	1,987	1,987	1,987
		Member Units (Fully diluted 42.8%)(8)		1,113	3,680
				3,100	5,667

Table of Contents

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

June 30, 2014

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
Vision Interests, Inc.	Manufacturer / Installer of Commercial Signage				
		13% Secured Debt (Maturity December 23, 2016)	3,204	3,164	3,164
		Series A Preferred Stock (Fully diluted 50.9%)		3,000	2,100
		Common Stock (Fully diluted 19.1%)		3,706	
				9,870	5,264
Ziegler's NYPD, LLC					
	Casual Restaurant Group				
		Prime Plus 2% (Floor 7.00%), Current Coupon 9%, Secured Debt (Maturity October 1, 2018)(9)	1,000	1,000	1,000
		9% Current / 9% PIK Secured Debt (Maturity October 1, 2018)	5,449	5,449	4,820
		Warrants (Fully diluted 46.6%)		600	
				7,049	5,820
Subtotal Control Investments (27.4% of total investments at fair value)				294,687	395,985

Table of Contents

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

June 30, 2014

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
Affiliate Investments(6)					
American Sensor Technologies, Inc.	Manufacturer of Commercial / Industrial Sensors	Warrants (Fully diluted 20.9%)		50	10,450
Bridge Capital Solutions Corporation	Financial Services and Cash Flow Solutions Provider	13% Secured Debt (Maturity April 17, 2017)	6,000	5,809	5,809
		Warrants (Fully diluted 8.8%)		200	630
				6,009	6,439
Condit Exhibits, LLC	Tradeshow Exhibits / Custom Displays Provider	Member Units (Fully diluted 15%)(8)		100	610
Congruent Credit Opportunities Funds(12)(13)	Investment Partnerships	LP Interests (Congruent Credit Opportunities Fund II, LP) (Fully diluted 19.8%)(8)		22,230	22,407
		LP Interests (Congruent Credit Opportunities Fund III, LP) (Fully diluted 17.4%)(8)		5,382	5,382
				27,612	27,789
Daseke, Inc.	Specialty Transportation Provider	12% Current / 2.5% PIK Secured Debt (Maturity July 31, 2018)	20,461	20,110	20,350
		Common Stock (Fully diluted 12.6%)		5,213	12,261
				25,323	32,611
Dos Rios Partners(12)(13)	Investment Partnerships	LP Interests (Dos Rios Partners, LP) (Fully diluted 25.75%)		1,269	1,373
		LP Interests (Dos Rios Partners A, LP) (Fully diluted 8.18%)		403	435
				1,672	1,808
East Teak Fine Hardwoods, Inc.	Distributor of Hardwood Products	Common Stock (Fully diluted 5.0%)		480	810

Freeport Financial SBIC Fund LP(12)(13)	Investment Partnership	LP Interests (Fully diluted 9.9%)(8)		3,333	3,333
Gault Financial, LLC (RMB Capital, LLC)	Purchases and Manages Liquidation of Distressed Assets				
		6% Current / 11% PIK Secured Debt (Maturity November 21, 2016)	13,046	12,686	11,461
		Warrants (Fully diluted 22.5%)		400	
				13,086	11,461

Table of Contents

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

June 30, 2014

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
Glowpoint, Inc.(13)	Provider of Cloud Managed Video Collaboration Services				
		8% Secured Debt (Maturity October 18, 2018)	197	193	193
		12% Secured Debt (Maturity October 18, 2018)	9,000	8,900	8,900
		Common Stock (Fully diluted 21.7%) (GP Investment Holdings, LLC)		3,958	11,259
				13,051	20,352
Houston Plating and Coatings, LLC	Provider of Plating and Industrial Coating Services				
		Member Units (Fully diluted 11.9%)(8)		635	9,450
Indianhead Pipeline Services, LLC	Provider of Pipeline Support Services				
		12% Secured Debt (Maturity February 6, 2017)	7,382	7,009	7,382
		Preferred Equity (8% cumulative)(8)		1,912	1,912
		Warrants (Fully diluted 10.6%)		459	
		Member Units (Fully diluted 12.1%)(8)		1	
				9,381	9,294
Integrated Printing Solutions, LLC					
	Specialty Card Printing				
		Member Units (Fully diluted 10.0%)		1,130	1,130
irth Solutions, LLC	Provider of Damage Prevention Information Technology Services				
		Member Units (Fully diluted 12.8%)(8)		624	3,720
KBK Industries, LLC	Specialty Manufacturer of Oilfield and Industrial Products				
		12.5% Secured Debt (Maturity September 28, 2017)	8,250	8,191	8,250
		Member Units (Fully diluted 18.3%)(8)		341	5,820
				8,532	14,070
L.F. Manufacturing Holdings, LLC(10)	Manufacturer of Fiberglass Products				
		Member Units (Fully diluted 12.9%)(8)		2,019	2,374

Table of Contents

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

June 30, 2014

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
OnAsset Intelligence, Inc.	Provider of Transportation Monitoring / Tracking Products and Services				
		12% PIK Secured Debt (Maturity September 30, 2014)	3,343	3,343	3,343
		Preferred Stock (7% cumulative) (Fully diluted 3.3%)(8)		1,879	2,666
		Warrants (Fully diluted 16.6%)		1,919	502
				7,141	6,511
OPI International Ltd.(13)	Provider of Man Camp and Industrial Storage Services				
		Common Equity (Fully diluted 11.5%)		1,371	4,971
PCI Holding Company, Inc.	Manufacturer of Industrial Gas Generating Systems				
		12% Current / 4% PIK Secured Debt (Maturity December 18, 2017)	4,031	3,973	4,031
		Preferred Stock (20% cumulative) (Fully diluted 19.4%)(8)		2,041	3,505
				6,014	7,536
Quality Lease and Rental Holdings, LLC	Provider of Rigsite Accommodation Unit Rentals and Related Services				
		12% Secured Debt (Maturity January 8, 2018)(14)	36,577	36,073	14,230
		Preferred Member Units (Rocaciea, LLC) (Fully diluted 22.2%)		2,500	
				38,573	14,230
Radial Drilling Services Inc.	Oil and Gas Technology Provider				
		12% Secured Debt (Maturity November 22, 2016)	4,200	3,705	3,705
		Warrants (Fully diluted 24.0%)		758	
				4,463	3,705
Samba Holdings, Inc.	Provider of Intelligent Driver Record Monitoring Software and Services				

		12.5% Secured Debt (Maturity November 17, 2016)	10,418	10,318	10,418
		Common Stock (Fully diluted 19.4%)		1,707	4,660
				12,025	15,078
Spectrio LLC	Provider of Audio and Digital Messaging Services				
		LIBOR Plus 7.50% (Floor 1.00%), Current Coupon 8.50%, Secured Debt (Maturity November 19, 2018)	17,878	17,535	17,878
		Warrants (Fully diluted 9.8%)		887	3,850
				18,422	21,728

Table of Contents

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

June 30, 2014

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
SYNEO, LLC	Manufacturer of Automation Machines, Specialty Cutting Tools and Punches				
		12% Secured Debt (Maturity July 13, 2016)	3,600	3,557	3,557
		10% Secured Debt (Leadrock Properties, LLC) (Maturity May 4, 2026)	1,440	1,414	1,414
		Member Units (Fully diluted 10.7%)		1,097	801
				6,068	5,772
Texas Reexcavation LC	Provider of Hydro Excavation Services				
		12% Current / 3% PIK Secured Debt (Maturity December 31, 2017)	6,279	6,186	6,186
		Class A Member Units (Fully diluted 16.3%)		2,900	3,600
				9,086	9,786
Tin Roof Acquisition Company					
	Casual Restaurant Group				
		12% Secured Debt (Maturity November 30, 2018)	11,000	10,802	10,802
		Class C Preferred Member Units (10% cumulative) (Fully diluted 10.0%)(8)		2,130	2,130
				12,932	12,932
Subtotal Affiliate Investments (17.9% of total investments at fair value)				229,132	257,950

Table of Contents

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

June 30, 2014

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
Non-Control/Non-Affiliate Investments(7)					
Ability Network, Inc.(11)	Health Care Information Technology	LIBOR Plus 5.00% (Floor 1.00%), Current Coupon 6.00%, Secured Debt (Maturity May 14, 2021)(9)	5,250	5,147	5,243
Accuvant Finance, LLC(11)	Cyber Security Value Added Reseller	LIBOR Plus 5.00% (Floor 1.00%), Current Coupon 6.00%, Secured Debt (Maturity October 22, 2020)(9)	8,625	8,541	8,582
Allflex Holdings III Inc.(11)	Manufacturer of Livestock Identification Products	LIBOR Plus 7.00% (Floor 1.00%), Current Coupon 8.00%, Secured Debt (Maturity July 19, 2021)(9)	5,000	4,955	5,056
Alvogen Pharma US, Inc.(11)	Pharmaceutical Company Focused on Generics	LIBOR Plus 5.75% (Floor 1.25%), Current Coupon 7.00%, Secured Debt (Maturity May 23, 2018)(9)	1,846	1,822	1,885
AM General LLC(11)	Specialty Vehicle Manufacturer	LIBOR Plus 9.00% (Floor 1.25%), Current Coupon 10.25%, Secured Debt (Maturity March 22, 2018)(9)	2,775	2,708	2,591
AM3 Pinnacle Corporation(10)	Provider of Comprehensive Internet, TV and Voice Services for Multi-Dwelling Unit Properties	10% Secured Debt (Maturity October 22, 2018)	22,420	22,256	22,256
		Common Stock (Fully diluted 3.2%)		2,000	2,000
				24,256	24,256
AmeriTech College, LLC	For-Profit Nursing and Healthcare College	18% Secured Debt (Maturity March 9, 2017)	6,050	5,971	6,050
AMF Bowling Centers, Inc.(11)	Bowling Alley Operator	LIBOR Plus 7.50% (Floor 1.25%), Current Coupon 8.75%, Secured Debt (Maturity June 29, 2018)(9)	4,875	4,748	4,982
Anchor Hocking, LLC(11)	Household Products Manufacturer	LIBOR Plus 6.25% (Floor 1.25%), Current Coupon 7.50%, Secured Debt (Maturity May 21, 2020)(9)	6,948	6,887	5,112

Ancile Solutions, Inc.(11)	Provider of eLearning Solutions				
		LIBOR Plus 5.00% (Floor 1.25%), Current Coupon 6.25%, Secured Debt (Maturity July 15, 2018)(9)	9,384	9,335	9,443

Table of Contents

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

June 30, 2014

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
Answers Corporation(11)	Consumer Internet Search Services Provider				
		LIBOR Plus 5.50% (Floor 1.00%), Current Coupon 6.50%, Secured Debt (Maturity December 20, 2018)(9)	6,419	6,360	6,435
AP Gaming I, LLC(10)	Developer, Manufacturer, and Operator of Gaming Machines				
		LIBOR Plus 8.25% (Floor 1.00%), Current Coupon 9.25%, Secured Debt (Maturity December 20, 2020)(9)	6,983	6,784	7,105
Aptean, Inc.(11)	Enterprise Application Software Provider				
		LIBOR Plus 4.25% (Floor 1.00%), Current Coupon 5.25%, Secured Debt (Maturity February 26, 2020)(9)	12,718	12,673	12,798
Artel, LLC(11)	Land-Based and Commercial Satellite Provider				
		LIBOR Plus 6.00% (Floor 1.25%), Current Coupon 7.25%, Secured Debt (Maturity November 27, 2017)(9)	4,828	4,774	4,659
Ascend Learning, LLC(11)	Technology-based Healthcare Learning Solutions				
		LIBOR Plus 5.00% (Floor 1.00%), Current Coupon 6.00%, Secured Debt (Maturity July 31, 2019)(9)	4,239	4,220	4,298
ATS Workholding, Inc.(10)	Manufacturer of Machine Cutting Tools and Accessories				
		LIBOR Plus 7.00% (Floor 1.00%), Current Coupon 8.00%, Secured Debt (Maturity March 10, 2019)(9)	5,870	6,125	6,125
B. J. Alan Company	Retailer and Distributor of Consumer Fireworks				
		12.75% Current / 2.75% PIK Secured Debt (Maturity June 22, 2017)	10,560	10,497	10,497
BBTS Borrower LP(11)	Oil & Gas Exploration and Midstream Services				
		LIBOR Plus 6.50% (Floor 1.25%), Current Coupon 7.75%, Secured Debt (Maturity June 4, 2019)(9)	7,930	7,871	8,016
Beers Enterprises, Inc.(10)	Provider of Broadcast Video Transport Services				
		Prime Plus 6.50% (Floor 3.25%), Current Coupon 9.75%, Secured Debt (Maturity March 19, 2019)(9)	5,526	5,468	5,468

Table of Contents

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

June 30, 2014

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
Blackhawk Specialty Tools LLC(11)	Oilfield Equipment & Services				
		LIBOR Plus 5.25% (Floor 1.25%), Current Coupon 6.50%, Secured Debt (Maturity August 1, 2019)(9)	6,390	6,351	6,406
Blue Bird Body Company(11)					
	School Bus Manufacturer				
		LIBOR Plus 5.50% (Floor 1.00%), Current Coupon 6.50%, Secured Debt (Maturity June 26, 2020)(9)	11,500	11,329	11,356
Bluestem Brands, Inc.(11)	Multi-Channel Retailer of General Merchandise				
		LIBOR Plus 6.50% (Floor 1.00%), Current Coupon 7.50%, Secured Debt (Maturity December 6, 2018)(9)	3,289	3,229	3,314
Brasa Holdings Inc.(11)	Upscale Full Service Restaurants				
		LIBOR Plus 9.50% (Floor 1.50%), Current Coupon 11.00%, Secured Debt (Maturity January 20, 2020)(9)	2,143	2,125	2,176
California Pizza Kitchen, Inc.(11)	Casual Dining Restaurant Chain				
		LIBOR Plus 4.25% (Floor 1.00%), Current Coupon 5.25%, Secured Debt (Maturity March 29, 2018)(9)	9,062	8,740	8,677
Calloway Laboratories, Inc.(10)	Health Care Testing Facilities				
		12.00% PIK Secured Debt (Maturity September 30, 2014)(14)	7,011	6,962	3,376
		Warrants (Fully diluted 1.5%)		17	
				6,979	3,376
Cedar Bay Generation Company LP(11)	Coal-Fired Cogeneration Plant				
		LIBOR Plus 5.00% (Floor 1.25%), Current Coupon 6.25%, Secured Debt (Maturity April 23, 2020)(9)	7,576	7,511	7,670
CGSC of Delaware Holdings Corp.(11)(13)	Insurance Brokerage Firm				
		LIBOR Plus 7.00% (Floor 1.25%), Current Coupon 8.25%, Secured Debt (Maturity October 16, 2020)(9)	2,000	1,974	1,933
Charlotte Russe, Inc(11)	Fast-Fashion Retailer to Young Women				
		LIBOR Plus 5.50% (Floor 1.25%), Current Coupon 6.75%, Secured Debt (Maturity May 22, 2019)(9)	4,963	4,921	4,944
CHI Overhead Doors, Inc.(11)	Manufacturer of Overhead Garage Doors				
		LIBOR Plus 9.50%, (Floor 1.50%), Current Coupon 11.00%, Secured Debt	2,500	2,465	2,513

(Maturity September 18, 2019)(9)

Table of Contents

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

June 30, 2014

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
Clarius ASIG, LLC(10)	Prints & Advertising Film Financing				
		12% Secured Debt (Maturity September 14, 2014)	3,667	3,544	3,538
Compact Power Equipment, Inc.					
	Equipment / Tool Rental				
		6% Current / 6% PIK Secured Debt (Maturity October 1, 2017)	4,038	4,021	4,038
		Series A Stock (8% cumulative) (Fully diluted 4.2%)(8)		1,038	2,360
				5,059	6,398
CST Industries Inc.(11)	Storage Tank Manufacturer				
		LIBOR Plus 6.25% (Floor 1.50%), Current Coupon 7.75%, Secured Debt (Maturity May 22, 2017)(9)	12,418	12,297	12,107
Darr Equipment LP(10)					
	Heavy Equipment Dealer				
		11.75% Current / 2.00% PIK Secured Debt (Maturity April 15, 2020)	20,086	19,431	19,431
		Warrants (Fully diluted 1.5%)		474	474
				19,905	19,905
Digity Media LLC(11)					
	Radio Station Operator				
		LIBOR Plus 4.75% (Floor 1.25%), Current Coupon 6.00%, Secured Debt (Maturity February 10, 2019)(9)	7,500	7,425	7,463
Drilling Info, Inc.	Information Services for the Oil and Gas Industry				
		Common Stock (Fully diluted 2.1%)		1,335	9,920
Emerald Performance Materials, Inc.(11)	Specialty Chemicals Manufacturer				
		LIBOR Plus 5.50% (Floor 1.25%), Current Coupon 6.75%, Secured Debt (Maturity May 18, 2018)(9)	4,411	4,382	4,433
EnCap Energy Fund Investments(12)(13)	Investment Partnerships				
		LP Interests (EnCap Energy Capital Fund VIII, L.P.) (Fully diluted 0.1%)(8)		3,354	3,571
		LP Interests (EnCap Energy Capital Fund VIII Co- Investors, L.P.) (Fully diluted 0.3%)		1,572	1,863
		LP Interests (EnCap Energy Capital Fund IX, L.P.) (Fully diluted 0.1%)(8)		997	997
		LP Interests (EnCap Flatrock Midstream Fund II, L.P.) (Fully diluted 0.8%)		3,950	4,270

	9,873	10,701

Table of Contents

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

June 30, 2014

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
e-Rewards, Inc.(11)	Provider of Digital Data Collection				
		LIBOR Plus 5.00% (Floor 1.00%), Current Coupon 6.00%, Secured Debt (Maturity October 29, 2018)(9)	12,850	12,658	12,850
Evergreen Skills Lux S.á r.l. (d/b/a Skillsoft)(11)	Technology-based Performance Support Solutions				
		LIBOR Plus 6.75% (Floor 1.00%), Current Coupon 7.75%, Secured Debt (Maturity August 2, 2022)(9)	3,000	2,978	2,983
Excelitas Technologies Corp.(11)	Lighting and Sensor Components				
		LIBOR Plus 5.00% (Floor 1.00%), Current Coupon 6.00%, Secured Debt (Maturity November 2, 2020)(9)	3,938	3,901	3,976
FC Operating, LLC(10)	Christian Specialty Retail Stores				
		LIBOR Plus 10.75%, (Floor 1.25%) Current Coupon 12.00%, Secured Debt (Maturity November 14, 2017)(9)	5,400	5,320	4,692
Fender Musical Instruments Corporation(11)	Manufacturer of Musical Instruments				
		LIBOR Plus 4.50% (Floor 1.25%), Current Coupon 5.75%, Secured Debt (Maturity April 3, 2019)(9)	445	441	449
FishNet Security, Inc.(11)	Information Technology Value-Added Reseller				
		LIBOR Plus 5.00% (Floor 1.25%), Current Coupon 6.25%, Secured Debt (Maturity November 30, 2017)(9)	7,880	7,823	7,860
Fram Group Holdings, Inc.(11)	Manufacturer of Automotive Maintenance Products				
		LIBOR Plus 5.00% (Floor 1.50%), Current Coupon 6.50%, Secured Debt (Maturity July 31, 2017)(9)	5,954	5,946	5,980
		LIBOR Plus 9.00% (Floor 1.50%), Current Coupon 10.50%, Secured Debt (Maturity January 29, 2018)(9)	1,000	997	955
				6,943	6,935
Grupo Hima San Pablo, Inc.(11)					
	Tertiary Care Hospitals				
		LIBOR Plus 7.00% (Floor 1.50%), Current Coupon 8.50%, Secured Debt (Maturity January 31, 2018)(9)	4,938	4,861	4,715
		13.75% Secured Debt (Maturity July 31, 2018)	2,000	1,918	1,910

	6,779	6,625

Table of Contents

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

June 30, 2014

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
Guitar Center, Inc.(11)	Musical Instruments Retailer				
		6.50% Secured Debt (Maturity April 15, 2019)	5,000	4,904	4,950
Healogics, Inc.(11)	Wound Care Management				
		Common Equity (Fully diluted 0.02%)		50	50
ICON Health & Fitness, Inc.(11)	Producer of Fitness Products				
		11.875% Secured Debt (Maturity October 15, 2016)	2,500	2,459	2,462
iEnergizer Limited(11)(13)	Provider of Business Outsourcing Solutions				
		LIBOR Plus 6.00% (Floor 1.25%), Current Coupon 7.25%, Secured Debt (Maturity May 1, 2019)(9)	10,616	10,473	10,404
Inn of the Mountain Gods Resort and Casino(11)	Hotel & Casino Owner & Operator				
		9.25% Secured Debt (Maturity November 30, 2020)	3,851	3,677	3,822
Ipreo Holdings LLC(11)	Application Software for Capital Markets				
		LIBOR Plus 4.00% (Floor 1.00%), Current Coupon 5.00%, Secured Debt (Maturity August 7, 2017)(9)	2,609	2,609	2,610
iQor US Inc.(11)	Business Process Outsourcing Services Provider				
		LIBOR Plus 5.00% (Floor 1.00%), Current Coupon 6.00%, Secured Debt (Maturity April 1, 2021)(9)	10,012	9,801	9,636
Jackson Hewitt Tax Service Inc.(11)	Tax Preparation Service Provider				
		LIBOR Plus 8.50% (Floor 1.50%), Current Coupon 10.00%, Secured Debt (Maturity October 16, 2017)(9)	4,509	4,380	4,498
Joerns Healthcare, LLC(11)	Health Care Equipment & Supplies				
		LIBOR Plus 5.00% (Floor 1.00%), Current Coupon 6.00%, Secured Debt (Maturity May 9, 2020)(9)	10,000	9,901	9,963
Keypoint Government Solutions, Inc.(11)	Pre-Employment Screening Services				
		LIBOR Plus 6.00% (Floor 1.25%), Current Coupon 7.25%, Secured Debt (Maturity November 13, 2017)(9)	4,358	4,296	4,361
Lansing Trade Group LLC(11)	Commodity Merchandiser				
		9.25% Unsecured Debt (Maturity February 15, 2019)	6,000	6,000	5,880

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

June 30, 2014

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
Larchmont Resources, LLC(11)	Oil & Gas Exploration and Production				
		LIBOR Plus 7.25% (Floor 1.00%), Current Coupon 8.25%, Secured Debt (Maturity August 7, 2019)(9)	6,930	6,872	7,086
Learning Care Group (US) No. 2 Inc.(11)	Provider of Early Childhood Education				
		LIBOR Plus 4.50% (Floor 1.00%), Current Coupon 5.50%, Secured Debt (Maturity May 5, 2021)(9)	5,250	5,198	5,342
LJ Host Merger Sub, Inc.(11)	Managed Services and Hosting Provider				
		LIBOR Plus 4.75% (Floor 1.25%), Current Coupon 6.00%, Secured Debt (Maturity December 13, 2019)(9)	9,875	9,786	9,838
		LIBOR Plus 8.75% (Floor 1.25%), Current Coupon 10.00%, Secured Debt (Maturity December 13, 2020)(9)	5,000	4,909	4,975
				14,695	14,813
LTI Flexible Products Inc.(11)	Manufacturer of Environmental & Energy Management Components				
		LIBOR Plus 4.50% (Floor 1.00%), Current Coupon 5.50%, Secured Debt (Maturity May 1, 2021)(9)	1,500	1,493	1,502
LKCM Distribution Holdings, L.P.	Distributor of Industrial Process Equipment				
		12% Current / 2.5% PIK Secured Debt (Maturity December 23, 2018)	16,417	16,266	16,266
LKCM Headwater Investments I, L.P.(12)(13)	Investment Partnership				
		LP Interests (Fully diluted 2.27%)(8)		2,250	4,766
MAH Merger Corporation(11)	Sports-Themed Casual Dining Chain				
		LIBOR Plus 4.50% (Floor 1.25%), Current Coupon 5.75%, Secured Debt (Maturity July 19, 2019)(9)	7,295	7,228	7,313
MediMedia USA, Inc.(11)	Provider of Healthcare Media and Marketing				
		LIBOR Plus 6.75% (Floor 1.25%), Current Coupon 8.00%, Secured Debt (Maturity November 20, 2018)(9)	5,411	5,278	5,303
MedSolutions Holdings, Inc.(11)	Specialty Benefit Management				
		LIBOR Plus 5.25% (Floor 1.25%), Current Coupon 6.50%, Secured Debt (Maturity July 8, 2019)(9)	3,800	3,767	3,817

Table of Contents

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

June 30, 2014

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
Metal Services LLC(11)	Steel Mill Services	LIBOR Plus 5.00% (Floor 1.00%), Current Coupon 6.00%, Secured Debt (Maturity June 30, 2017)(9)	5,287	5,287	5,338
Milk Specialties Company(11)	Processor of Nutrition Products	LIBOR Plus 6.25% (Floor 1.25%), Current Coupon 7.50%, Secured Debt (Maturity November 9, 2018)(9)	4,880	4,842	4,855
Miramax Film NY, LLC(11)	Motion Picture Producer and Distributor	Class B Units (Fully diluted 0.2%)		500	721
Modern VideoFilm, Inc.(10)	Post-Production Film Studio	LIBOR Plus 3.50% (Floor 1.50%), Current Coupon 5.00% / 8.50% PIK, Current Coupon Plus PIK 13.50%, Secured Debt (Maturity September 25, 2017)(9)	5,952	5,766	3,617
		Warrants (Fully diluted 2.5%)		151	1
				5,917	3,618
Mood Media Corporation(11)(13)	Electronic Equipment & Instruments	LIBOR Plus 6.00% (Floor 1.00%), Current Coupon 7.00%, Secured Debt (Maturity May 1, 2019)(9)	4,239	4,198	4,253
MP Assets Corporation(11)	Manufacturer of Battery Components	LIBOR Plus 4.50% (Floor 1.00%), Current Coupon 5.50%, Secured Debt (Maturity December 19, 2019)(9)	4,508	4,466	4,508
New Media Holdings II LLC(11)(13)	Local Newspaper Operator	LIBOR Plus 6.00% (Floor 1.00%), Current Coupon 7.00%, Secured Debt (Maturity June 30, 2020)(9)	15,000	14,703	14,775
NCP Investment Holdings, Inc.	Management of Outpatient Cardiac Cath Labs	Class A and C Units (Fully diluted 2.9%)		20	6,290
Nice-Pak Products, Inc.(11)	Pre-Moistened Wipes Manufacturer	LIBOR Plus 5.25% (Floor 1.50%), Current Coupon 6.75%, Secured Debt (Maturity June 18, 2015)(9)	12,862	12,818	12,862
North Atlantic Trading Company, Inc.(11)	Marketer/Distributor of Tobacco Products	LIBOR Plus 6.50% (Floor 1.25%), Current Coupon 7.75%, Secured Debt (Maturity January 13, 2020)(9)	7,462	7,392	7,528

Table of Contents

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

June 30, 2014

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
Ospemifene Royalty Sub LLC (QuatRx)(10)	Estrogen-Deficiency Drug Manufacturer and Distributor	11.50% Secured Debt (Maturity November 15, 2026)	5,205	5,205	5,205
Panolam Industries International, Inc.(11)	Decorative Laminate Manufacturer	LIBOR Plus 6.00% (Floor 1.25%), Current Coupon 7.25%, Secured Debt (Maturity August 23, 2017)(9)	7,191	7,137	7,196
Permian Holdings, Inc.(11)	Storage Tank Manufacturer	10.50% Secured Debt (Maturity January 15, 2018)	3,150	3,120	3,237
PeroxyChem LLC(11)	Chemical Manufacturer	LIBOR Plus 6.50% (Floor 1.00%), Current Coupon 7.50%, Secured Debt (Maturity February 28, 2020)(9)	8,978	8,806	9,067
Philadelphia Energy Solutions Refining and Marketing LLC(11)	Oil & Gas Refiner	LIBOR Plus 5.00% (Floor 1.25%), Current Coupon 6.25%, Secured Debt (Maturity April 4, 2018)(9)	2,963	2,928	2,758
Pitney Bowes Management Services Inc.(11)	Provider of Document Management Services	LIBOR Plus 6.25% (Floor 1.25%), Current Coupon 7.50%, Secured Debt (Maturity October 1, 2019)(9)	5,955	5,901	6,022
Polyconcept Financial B.V.(11)	Promotional Products to Corporations and Consumers	LIBOR Plus 4.75% (Floor 1.25%), Current Coupon 6.00%, Secured Debt (Maturity June 28, 2019)(9)	8,391	8,362	8,370
Printpack Holdings, Inc.(11)	Manufacturer of Flexible and Rigid Packaging	LIBOR Plus 5.00% (Floor 1.00%), Current Coupon 6.00%, Secured Debt (Maturity May 29, 2020)(9)	7,500	7,426	7,538
Primesight Limited(10)(13)	Outdoor Advertising Operator	10.00% Secured Debt (Maturity October 22, 2016)	8,973	8,893	9,197
Prowler Acquisition Corp.(11)	Specialty Distributor to the Energy Sector	LIBOR Plus 4.50% (Floor 1.00%), Current Coupon 5.50%, Secured Debt (Maturity January 28, 2020)(9)	1,247	1,235	1,259

Table of Contents

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

June 30, 2014

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
PT Network, LLC(10)	Provider of Outpatient Physical Therapy and Sports Medicine Services				
		LIBOR Plus 7.00% (Floor 1.50%), Current Coupon 8.50%, Secured Debt (Maturity November 1, 2018)(9)	13,054	12,913	12,913
Radio One, Inc.(11)(13)					
	Radio Broadcasting				
		LIBOR Plus 6.00% (Floor 1.50%), Current Coupon 7.50%, Secured Debt (Maturity March 31, 2016)(9)	2,872	2,849	2,940
Ravago Holdings America, Inc.(11)					
	Polymers Distributor				
		LIBOR Plus 4.50% (Floor 1.00%), Current Coupon 5.50%, Secured Debt (Maturity December 20, 2020)(9)	6,234	6,176	6,297
RCHP, Inc.(11)	Regional Non-Urban Hospital Owner/Operator				
		LIBOR Plus 5.00% (Floor 1.00%), Current Coupon 6.00%, Secured Debt (Maturity April 23, 2019)(9)	6,500	6,436	6,504
		LIBOR Plus 9.50% (Floor 1.00%), Current Coupon 10.50%, Secured Debt (Maturity October 23, 2019)(9)	4,000	3,941	3,983
				10,377	10,487
Recorded Books Inc.(11)	Audiobook and Digital Content Publisher				
		LIBOR Plus 4.25% (Floor 1.00%), Current Coupon 5.25%, Secured Debt (Maturity March 3, 2020)(9)	12,344	12,226	12,344
Renaissance Learning, Inc.(11)	Technology-based K-12 Learning Solutions				
		LIBOR Plus 7.00% (Floor 1.00%), Current Coupon 8.00%, Secured Debt (Maturity April 11, 2022)(9)	3,000	2,971	2,998
Rentpath, Inc.(11)	Online Apartment Aggregator				
		LIBOR Plus 5.00% (Floor 1.25%), Current Coupon 6.25%, Secured Debt (Maturity May 29, 2020)(9)	120	120	121
Relativity Media, LLC(10)	Full-scale Film and Television Production and Distribution				
		10.00% Secured Debt (Maturity May 30, 2015)	5,787	5,755	5,801
		15.00% PIK Secured Debt (Maturity May 30, 2015)	6,866	6,739	7,004
		Class A Units (Fully diluted 0.2%)		292	1,588

	12,786	14,393

Table of Contents

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

June 30, 2014

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
The SI Organization, Inc.(11)	Manufacturer of Telecom Structures and Equipment				
		LIBOR Plus 4.75% (Floor 1.00%), Current Coupon 5.75%, Secured Debt (Maturity November 23, 2019)(9)	1,865	1,847	1,874
SAExploration, Inc.(10)(13)	Geophysical Services Provider				
		11.00% Current / 2.50% PIK Secured Debt (Maturity November 28, 2016)	8,137	8,220	8,137
		Common Stock (Fully diluted 0.01%)(8)		65	52
				8,285	8,189
Sagittarius Restaurants LLC (d/b/a Del Taco)(11)	Mexican/American QSR Restaurant Chain				
		LIBOR Plus 4.50% (Floor 1.00%), Current Coupon 5.50%, Secured Debt (Maturity October 1, 2018)(9)	4,909	4,885	4,921
SCE Partners, LLC(10)	Hotel & Casino Operator				
		LIBOR Plus 7.25% (Floor 1.00%), Current Coupon 8.25%, Secured Debt (Maturity August 14, 2019)(9)	7,500	7,434	6,862
Sotera Defense Solutions, Inc.(11)	Defense Industry Intelligence Services				
		LIBOR Plus 6.00% (Floor 1.50%), Current Coupon 7.50%, Secured Debt (Maturity April 21, 2017)(9)	11,554	11,068	10,630
Sutherland Global Services, Inc.(11)	Business Process Outsourcing Provider				
		LIBOR Plus 6.00% (Floor 1.25%), Current Coupon 7.25%, Secured Debt (Maturity March 6, 2019)(9)	6,563	6,456	6,604
Synagro Infrastructure Company, Inc(11)	Waste Management Services				
		LIBOR Plus 5.25% (Floor 1.00%), Current Coupon 6.25%, Secured Debt (Maturity August 22, 2020)(9)	6,948	6,823	6,913
Targus Group International(11)	Protective Cases for Mobile Devices				
		LIBOR Plus 9.50% (Floor 1.50%), Current Coupon 11.00% / 1.00% PIK, Current Coupon Plus PIK 12.00%, Secured Debt (Maturity May 24, 2016)(9)	4,335	4,349	3,717

Table of Contents

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

June 30, 2014

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
TeleGuam Holdings, LLC(11)	Cable and Telecom Services Provider				
		LIBOR Plus 4.00% (Floor 1.25%), Current Coupon 5.25%, Secured Debt (Maturity December 10, 2018)(9)	6,925	6,906	6,930
		LIBOR Plus 7.50% (Floor 1.25%), Current Coupon 8.75%, Secured Debt (Maturity June 10, 2019)(9)	2,500	2,479	2,519
				9,385	9,449
Templar Energy LLC(11)	Oil & Gas Exploration and Production				
		LIBOR Plus 7.00% (Floor 1.00%), Current Coupon 8.00%, Secured Debt (Maturity November 25, 2020)(9)	5,000	4,941	4,975
The Tennis Channel, Inc.(10)	Television-Based Sports Broadcasting				
		Warrants (Fully diluted 0.1%)		235	301
The Topps Company, Inc.(11)	Trading Cards & Confectionary				
		LIBOR Plus 6.00% (Floor 1.25%), Current Coupon 7.25%, Secured Debt (Maturity October 2, 2018)(9)	1,990	1,973	1,970
ThermaSys Corporation(11)	Manufacturer of Industrial Heat Exchanges				
		LIBOR Plus 4.00% (Floor 1.25%), Current Coupon 5.25%, Secured Debt (Maturity May 3, 2019)(9)	11,184	11,118	11,177
Therakos, Inc.(11)	Immune System Disease Treatment				
		LIBOR Plus 6.25% (Floor 1.25%), Current Coupon 7.50%, Secured Debt (Maturity December 27, 2017)(9)	6,278	6,163	6,325
Travel Leaders Group, LLC(11)	Travel Agency Network Provider				
		LIBOR Plus 6.00% (Floor 1.00%), Current Coupon 7.00%, Secured Debt (Maturity December 5, 2018)(9)	12,798	12,638	12,821
UniTek Global Services, Inc.(11)(13)	Provider of Outsourced Infrastructure Services				
		LIBOR Plus 9.50% (Floor 1.50%), Current Coupon 11.00% / 4.00% PIK, Current Coupon Plus PIK 15.00%, Secured Debt (Maturity April 15, 2018)(9)	10,189	9,561	10,342
		Warrants (Fully diluted 1.4%)		449	110
				10,010	10,452

S-96

Table of Contents

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

June 30, 2014

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
Universal Fiber Systems, LLC(10)	Manufacturer of Synthetic Fibers				
		LIBOR Plus 4.25% (Floor 1.00%), Current Coupon 5.25%, Secured Debt (Maturity January 31, 2019)(9)	5,159	5,147	5,172
US Joiner Holding Company(11)	Marine Interior Design and Installation				
		LIBOR Plus 6.00% (Floor 1.00%), Current Coupon 7.00%, Secured Debt (Maturity April 16, 2020)(9)	7,481	7,445	7,463
Vantage Oncology, LLC(11)	Outpatient Radiation Oncology Treatment Centers				
		9.50% Secured Bond (Maturity June 5, 2017)	7,000	7,000	6,930
Virtex Enterprises, LP(10)	Specialty, Full-Service Provider of Complex Electronic Manufacturing Services				
		12.00% Secured Debt (Maturity December 27, 2018)	1,667	1,463	1,463
		Preferred Class A Units (5% cumulative) (Fully diluted 1.4%)(8)		336	336
		Warrants (Fully diluted 1.1%)		186	186
				1,985	1,985
Visant Corporation(11)	School Affinity Stores				
		LIBOR Plus 4.00% (Floor 1.25%), Current Coupon 5.25%, Secured Debt (Maturity December 22, 2016)(9)	3,882	3,882	3,871
Vision Solutions, Inc.(11)	Provider of Information Availability Software				
		LIBOR Plus 4.50% (Floor 1.50%), Current Coupon 6.00%, Secured Debt (Maturity July 23, 2016)(9)	4,087	4,008	4,109
		LIBOR Plus 8.00% (Floor 1.50%), Current Coupon 9.50%, Secured Debt (Maturity July 23, 2017)(9)	5,000	4,973	5,025
				8,981	9,134
Walker & Dunlop Inc.(11)(13)	Real Estate Financial Services				
		LIBOR Plus 4.50% (Floor 1.00%), Current Coupon 5.50%, Secured Debt (Maturity December 20, 2020)(9)	3,231	3,201	3,288
Western Dental Services, Inc.(11)	Dental Care Services				

LIBOR Plus 5.00% (Floor 1.00%), Current Coupon 6.00%, Secured Debt (Maturity November 1, 2018)(9)	5,423	5,418	5,451

Table of Contents

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

June 30, 2014

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
Wilton Brands LLC(11)	Specialty Housewares Retailer				
		LIBOR Plus 6.25% (Floor 1.25%), Current Coupon 7.50%, Secured Debt (Maturity August 30, 2018)(9)	1,800	1,773	1,741
YP Holdings LLC(11)	Online and Offline Advertising Operator				
		LIBOR Plus 6.75% (Floor 1.25%), Current Coupon 8.00%, Secured Debt (Maturity June 4, 2018)(9)	3,418	3,371	3,443
Zilliant Incorporated	Price Optimization and Margin Management Solutions				
		Warrants (Fully diluted 2.7%)		1,071	1,071
Subtotal Non-Control/Non-Affiliate Investments (54.1% of total investments at fair value)				763,484	780,464
Total Portfolio Investments, June 30, 2014				1,287,303	1,434,399
Marketable Securities and Idle Funds Investments					
	Investments in Marketable Securities and Diversified, Registered Bond Funds				
Other Marketable Securities and Idle Funds Investments(13)				9,212	8,974
Subtotal Marketable Securities and Idle Funds Investments (0.6% of total investments at fair value)				9,212	8,974
Total Investments, June 30, 2014				$ 1,296,515	$ 1,443,373

(1)

All investments are Lower Middle Market portfolio investments, unless otherwise noted. All of the Company's assets are encumbered either as security for the Company's credit agreement or in support of the SBA-guaranteed debentures issued by the Funds.

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

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

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

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

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

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

(8) Income producing through dividends or distributions.

(9) Index based floating interest rate is subject to contractual minimum interest rate.

(10) Private Loans portfolio investment. See Note B for summary of Private Loan.

(11) Middle Market portfolio investment. See Note B for summary of Middle Market.

(12) Other Portfolio investment. See Note B for summary of Other Portfolio.

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

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

Table of Contents

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS

December 31, 2013

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
Control Investments(5)					
ASC Interests, LLC	Recreational and Educational Shooting Facility				
		11% Secured Debt (Maturity July 31, 2018)	3,500	3,434	3,434
		Member Units (Fully diluted 48.4%)		1,500	1,500
				4,934	4,934
Bond-Coat, Inc.	Casing and Tubing Coating Services				
		12% Secured Debt (Maturity December 28, 2017)	14,750	14,581	14,750
		Common Stock (Fully diluted 42.9%)		6,220	8,850
				20,801	23,600
Café Brazil, LLC	Casual Restaurant Group				
		Member Units (Fully diluted 69.0%)(8)		1,742	6,770
California Healthcare Medical Billing, Inc.	Outsourced Billing and Revenue Cycle Management				
		12% Secured Debt (Maturity October 17, 2015)	8,103	7,973	8,103
		Warrants (Fully diluted 21.3%)		1,193	3,380
		Common Stock (Fully diluted 9.8%)		1,177	1,560
				10,343	13,043
CBT Nuggets, LLC	Produces and Sells IT Training Certification Videos				
		Member Units (Fully diluted 41.6%)(8)		1,300	16,700
Ceres Management, LLC (Lambs)	Aftermarket Automotive Services Chain				
		14% Secured Debt (Maturity May 31, 2018)	4,000	4,000	4,000
		Class B Member Units (12% cumulative)(8)		3,586	3,586
		Member Units (Fully diluted 65.0%)		5,273	1,190
		9.5% Secured Debt (Lamb's Real Estate Investment I, LLC) (Maturity October 1, 2025)	1,017	1,017	1,017
				625	1,060

		Member Units (Lamb's Real Estate Investment I, LLC) (Fully diluted 100.0%)(8)			
				14,501	10,853
Garreco, LLC	Manufacturer and Supplier of Dental Products				
		14% Secured Debt (Maturity January 12, 2018)	5,800	5,693	5,693
		Member Units (Fully diluted 32.0%)		1,200	1,200
				6,893	6,893

Table of Contents

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

December 31, 2013

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
Gulf Manufacturing, LLC	Manufacturer of Specialty Fabricated Industrial Piping Products				
		9% PIK Secured Debt (Ashland Capital IX, LLC) (Maturity June 30, 2017)	919	919	919
		Member Units (Fully diluted 34.2%)(8)		2,980	13,220
				3,899	14,139
Harrison Hydra-Gen, Ltd.	Manufacturer of Hydraulic Generators				
		12% Secured Debt (Maturity June 4, 2015)	4,896	4,659	4,896
		Preferred Stock (8% cumulative)(8)		1,167	1,167
		Common Stock (Fully diluted 34.4%)		718	1,340
				6,544	7,403
Hawthorne Customs and Dispatch Services, LLC	Facilitator of Import Logistics, Brokerage, and Warehousing				
		Member Units (Fully diluted 47.6%)(8)		589	440
		Member Units (Wallisville Real Estate, LLC) (Fully diluted 59.1%)(8)		1,215	2,050
				1,804	2,490
Hydratec, Inc.	Designer and Installer of Micro-Irrigation Systems				
		Common Stock (Fully diluted 95.9%)(8)		7,095	13,720
IDX Broker, LLC	Provider of Marketing and CRM Tools for Real Estate				
		12.5% Secured Debt (Maturity November 18, 2018)	10,571	10,467	10,467
		Member Units (Fully diluted 63.9%)		5,029	5,029
				15,496	15,496
Impact Telecom, Inc.	Telecommunications Services				
		LIBOR Plus 4.50%, (Floor 2.00%) Current Coupon 6.50%, Secured Debt (Maturity May 31, 2018)(9)	1,575	1,568	1,568
		13% Secured Debt (Maturity May 31, 2018)	22,500	14,690	14,690

		Warrants (Fully diluted 40.0%)		8,000	8,760
				24,258	25,018
Indianapolis Aviation Partners, LLC	Fixed Base Operator				
		15% Secured Debt (Maturity September 15, 2014)	3,550	3,483	3,550
		Warrants (Fully diluted 30.1%)		1,129	2,200
				4,612	5,750

Table of Contents

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

December 31, 2013

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
Jensen Jewelers of Idaho, LLC	Retail Jewelry Store				
		Prime Plus 6.75%, (Floor 3.25%) Current Coupon 10.00%, Secured Debt (Maturity November 14, 2016)(9)	4,255	4,193	4,255
		Member Units (Fully diluted 60.8%)(8)		811	3,310
				5,004	7,565
Lighting Unlimited, LLC	Commercial and Residential Lighting Products and Design Services				
		8% Secured Debt (Maturity August 22, 2014)	1,676	1,676	1,676
		Preferred Stock (non-voting)		459	470
		Warrants (Fully diluted 7.1%)		54	30
		Common Stock (Fully diluted 70.0%)		100	250
				2,289	2,426
Marine Shelters Holdings, LLC	Fabricator of Marine and Industrial Shelters				
		12% Secured Debt (Maturity December 28, 2017)	10,250	10,076	10,076
		Preferred Stock (Fully diluted 26.7%)		3,750	3,750
				13,826	13,826
Mid-Columbia Lumber Products, LLC	Manufacturer of Finger-Jointed Lumber Products				
		10% Secured Debt (Maturity December 18, 2017)	1,750	1,750	1,750
		12% Secured Debt (Maturity December 18, 2017)	3,900	3,900	3,900
		9.5% Secured Debt (Mid-Columbia Real Estate, LLC) (Maturity May 13, 2025)	972	972	972
		Member Units (Fully diluted 54.0%)(8)		1,132	8,280
		Member Units (Mid-Columbia Real Estate, LLC) (Fully diluted 50.0%)(8)		250	440
				8,004	15,342
MSC Adviser I, LLC	Investment Partnership				

Member Units (Fully diluted 100.0%)	1,064

Table of Contents

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

December 31, 2013

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
NAPCO Precast, LLC	Precast Concrete Manufacturing				
		Prime Plus 2%, (Floor 7.00%) Current Coupon 9%, Secured Debt (Maturity September 1, 2015)(9)	2,750	2,703	2,750
		Prime Plus 2%, (Floor 7.00%) Current Coupon 9%, Secured Debt (Maturity February 1, 2016)(9)	2,923	2,893	2,923
		18% Secured Debt (Maturity February 1, 2016)	4,468	4,418	4,468
		Member Units (Fully diluted 44.0%)(8)		2,975	5,920
				12,989	16,061
NRI Clinical Research, LLC	Clinical Research Center				
		14% Secured Debt (Maturity September 8, 2016)	4,394	4,226	4,226
		Warrants (Fully diluted 12.5%)		252	440
		Member Units (Fully diluted 24.8%)		500	870
				4,978	5,536
NRP Jones, LLC	Manufacturer of Hoses, Fittings and Assemblies				
		12% Secured Debt (Maturity December 22, 2016)	12,100	11,382	12,100
		Warrants (Fully diluted 12.2%)		817	1,420
		Member Units (Fully diluted 43.2%)(8)		2,900	5,050
				15,099	18,570
OMi Holdings, Inc.	Manufacturer of Overhead Cranes				
		Common Stock (Fully diluted 48.0%)(8)		1,080	13,420
Pegasus Research Group, LLC (Televerde)	Telemarketing and Data Services				
		15% Secured Debt (Maturity January 6, 2016)	4,791	4,760	4,791
		Member Units (Fully diluted 43.7%)(8)		1,250	4,860
				6,010	9,651
PPL RVs, Inc.	Recreational Vehicle Dealer				

11.1% Secured Debt (Maturity June 10, 2015)	7,860	7,827	7,860
Common Stock (Fully diluted 51.1%)		2,150	7,990
		9,977	15,850

Table of Contents

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

December 31, 2013

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
Principle Environmental, LLC	Noise Abatement Services				
		12% Secured Debt (Maturity February 1, 2016)	3,506	3,070	3,506
		12% Current / 2% PIK Secured Debt (Maturity February 1, 2016)	4,674	4,617	4,656
		Warrants (Fully diluted 14.6%)		1,200	2,620
		Member Units (Fully diluted 22.6%)(8)		1,863	4,180
				10,750	14,962
River Aggregates, LLC	Processor of Construction Aggregates				
		12% Secured Debt (Maturity June 30, 2018)	500	500	500
		Zero Coupon Secured Debt (Maturity June 30, 2018)	750	421	421
		Member Units (Fully diluted 38.3%)		1,150	
		Member Units (RA Properties, LLC) (Fully diluted 50.0%)		369	369
				2,440	1,290
Southern RV, LLC	Recreational Vehicle Dealer				
		13% Secured Debt (Maturity August 8, 2018)	11,400	11,239	11,239
		Member Units (Fully diluted 50.2%)		1,680	1,680
		13% Secured Debt (Southern RV Real Estate, LLC) (Maturity August 8, 2018)	3,250	3,204	3,204
		Member Units (Southern RV Real Estate, LLC) (Fully diluted 55.69%)		480	480
				16,603	16,603
The MPI Group, LLC	Manufacturer of Custom Hollow Metal Doors, Frames and Accessories				
		4.5% Current / 4.5% PIK Secured Debt (Maturity July 1, 2014)	1,079	1,079	880
		6% Current / 6% PIK Secured Debt (Maturity July 1, 2014)	5,639	5,639	4,600
		Warrants (Fully diluted 52.3%)		1,096	
				7,814	5,480

Travis Acquisition LLC	Manufacturer of Aluminum Trailers				
		12% Secured Debt (Maturity August 30, 2018)	9,200	9,025	9,025
		Member Units (Fully diluted 65.5%)		7,100	7,100
				16,125	16,125
Uvalco Supply, LLC	Farm and Ranch Supply Store				
		9% Secured Debt (Maturity January 1, 2019)	2,175	2,175	2,175
		Member Units (Fully diluted 42.8%)(8)		1,113	3,730
				3,288	5,905

Table of Contents

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

December 31, 2013

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
Vision Interests, Inc.	Manufacturer / Installer of Commercial Signage				
		13% Secured Debt (Maturity December 23, 2016)	3,204	3,158	3,158
		Series A Preferred Stock (Fully diluted 50.9%)		3,000	1,510
		Common Stock (Fully diluted 19.1%)		3,706	
				9,864	4,668
Ziegler's NYPD, LLC	Casual Restaurant Group				
		Prime Plus 2%, (Floor 7.00%) Current Coupon 9%, Secured Debt (Maturity October 1, 2018)(9)	1,000	1,000	1,000
		9% Current / 9% PIK Secured Debt (Maturity October 1, 2018)	5,449	5,449	4,820
		Warrants (Fully diluted 46.6%)		600	
				7,049	5,820
Subtotal Control Investments (27.5% of total investments at fair value)				277,411	356,973

Table of Contents

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

December 31, 2013

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
Affiliate Investments(6)					
American Sensor Technologies, Inc.	Manufacturer of Commercial / Industrial Sensors				
		Warrants (Fully diluted 19.6%)		50	10,100
Bridge Capital Solutions Corporation	Financial Services and Cash Flow Solutions				
		13% Secured Debt (Maturity April 17, 2017)	5,000	4,799	4,799
		Warrants (Fully diluted 7.5%)		200	530
				4,999	5,329
Buffalo Composite Materials Holdings, LLC	Manufacturer of Fiberglass Products				
		Member Units (Fully diluted 23.1%)		2,035	2,035
Condit Exhibits, LLC	Tradeshow Exhibits / Custom Displays				
		12% Secured Debt (Maturity July 31, 2018)	3,750	3,750	3,750
		Warrants (Fully diluted 15.0%)(8)		100	540
				3,850	4,290
Congruent Credit Opportunities Funds(12)(13)	Investment Partnership				
		LP Interests (Congruent Credit Opportunities Fund II, LP) (Fully diluted 19.8%)(8)		22,060	22,692
		LP Interests (Congruent Credit Opportunities Fund III, LP) (Fully diluted 17.4%)		4,128	4,128
				26,188	26,820
Daseke, Inc.	Specialty Transportation Provider				
		12% Current / 2.5% PIK Secured Debt (Maturity July 31, 2018)	20,206	19,828	19,828
		Common Stock (Fully diluted 12.6%)		4,642	11,689
				24,470	31,517

Dos Rios Partners(12)(13)	Investment Partnership			
		LP Interests (Dos Rios Partners, LP) (Fully diluted 27.69%)	1,269	1,269
		LP Interests (Dos Rios Partners A, LP) (Fully diluted 9.14%)	403	403
			1,672	1,672
East Teak Fine Hardwoods, Inc.	Hardwood Products			
		Common Stock (Fully diluted 5.0%)	480	450
Freeport Financial SBIC Fund LP(12)(13)	Investment Partnership			
		LP Interests (Fully diluted 9.9%)	1,618	1,618

Table of Contents

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

December 31, 2013

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
Gault Financial, LLC (RMB Capital, LLC)	Purchases and Manages Liquidation of Distressed Assets				
		14% Secured Debt (Maturity November 21, 2016)	12,165	11,747	10,550
		Warrants (Fully diluted 22.5%)		400	
				12,147	10,550
Glowpoint, Inc.	Cloud Managed Video Collaboration Services				
		8% Secured Debt (Maturity October 18, 2018)	300	294	294
		12% Secured Debt (Maturity October 18, 2018)	9,000	8,892	8,892
		Common Stock (Fully diluted 21.8%) (GP Investment Holdings, LLC)		3,800	10,235
				12,986	19,421
Houston Plating and Coatings, LLC	Plating and Industrial Coating Services				
		Member Units (Fully diluted 11.1%)(8)		635	9,160
Indianhead Pipeline Services, LLC	Pipeline Support Services				
		12% Secured Debt (Maturity February 6, 2017)	7,800	7,394	7,800
		Preferred Equity (8% cumulative)(8)		1,832	1,832
		Warrants (Fully diluted 10.6%)		459	470
		Member Units (Fully diluted 12.1%)(8)		1	530
				9,686	10,632
Integrated Printing Solutions, LLC	Specialty Card Printing				
		8% PIK Secured Debt (Maturity January 31, 2014)(14)	750	750	750
		13% PIK Secured Debt (Maturity September 23, 2016)(14)	12,500	11,918	8,365
		Preferred Equity (Fully diluted 11.0%)		2,000	
		Warrants (Fully diluted 8.0%)		600	
				15,268	9,115
irth Solutions, LLC	Damage Prevention Technology Information Services				

		Member Units (Fully diluted 12.8%)(8)		624	3,300
KBK Industries, LLC	Specialty Manufacturer of Oilfield and Industrial Products				
		12.5% Secured Debt (Maturity September 28, 2017)	9,000	8,927	9,000
		Member Units (Fully diluted 17.5%)(8)		341	5,740
				9,268	14,740

Table of Contents

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

December 31, 2013

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
OnAsset Intelligence, Inc.	Transportation Monitoring / Tracking Services				
		12% PIK Secured Debt (Maturity June 30, 2014)	2,330	1,788	1,788
		Preferred Stock (7% cumulative) (Fully diluted 3.6%)(8)		1,815	2,602
		Warrants (Fully diluted 14.2%)		1,787	370
				5,390	4,760
OPI International Ltd.(13)	Oil and Gas Construction Services				
		Common Equity (Fully diluted 11.5%)		1,371	4,971
PCI Holding Company, Inc.	Manufacturer of Industrial Gas Generating Systems				
		12% Current / 4% PIK Secured Debt (Maturity December 18, 2017)	4,449	4,376	4,449
		Preferred Stock (20% cumulative) (Fully diluted 19.4%)(8)		1,847	3,311
				6,223	7,760
Quality Lease and Rental Holdings, LLC	Rigsite Accommodation Unit Rental and Related Services				
		12% Secured Debt (Maturity January 8, 2018)(14)	37,350	36,843	20,000
		Preferred Member Units (Rocaciea, LLC) (Fully diluted 20.0%)		2,500	
				39,343	20,000
Radial Drilling Services Inc.	Oil and Gas Technology				
		12% Secured Debt (Maturity November 22, 2016)	4,200	3,626	3,626
		Warrants (Fully diluted 24.0%)		758	
				4,384	3,626
Samba Holdings, Inc.	Intelligent Driver Record Monitoring Software and Services				
		12.5% Secured Debt (Maturity November 17, 2016)	11,453	11,325	11,453

		Common Stock (Fully diluted 19.4%)		1,707	4,510
				13,032	15,963
Spectrio LLC	Audio Messaging Services				
		LIBOR Plus 7.50%, Current Coupon 8.50%, Secured Debt (Maturity November 19, 2018)	17,878	17,504	17,878
		Warrants (Fully diluted 9.8%)		887	3,850
				18,391	21,728

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

December 31, 2013

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
SYNEO, LLC	Manufacturer of Specialty Cutting Tools and Punches				
		12% Secured Debt (Maturity July 13, 2016)	4,300	4,238	4,238
		10% Secured Debt (Leadrock Properties, LLC) (Maturity May 4, 2026)	1,440	1,414	1,414
		Member Units (Fully diluted 10.8%)		1,036	740
				6,688	6,392
Texas Reexcavation LC	Hydro Excavation Services				
		12% Current / 3% PIK Secured Debt (Maturity December 31, 2017)	6,185	6,082	6,082
		Class A Member Units (Fully diluted 16.3%)		2,900	3,270
				8,982	9,352
Tin Roof Acquisition Company	Casual Restaurant Group				
		12% Secured Debt (Maturity November 30, 2018)	11,000	10,785	10,785
		Class C Preferred Member Units (10% cumulative) (Fully diluted 10.0%)(8)		2,027	2,027
				12,812	12,812
Subtotal Affiliate Investments (20.6% of total investments at fair value)				242,592	268,113

Table of Contents

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

December 31, 2013

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
Non-Control/Non-Affiliate Investments(7)					
ABG Intermediate Holdings 2, LLC(11)	Trademark Licensing of Clothing				
		LIBOR Plus 5.00%, (Floor 1.00%) Current Coupon 6.00%, Secured Debt (Maturity June 28, 2019)(9)	7,500	7,463	7,463
Allflex Holdings III Inc.(11)	Manufacturer of Livestock Identification Products				
		LIBOR Plus 7.00%, (Floor 1.00%) Current Coupon 8.00%, Secured Debt (Maturity July 19, 2021)(9)	5,000	4,952	5,076
Alvogen Pharma US, Inc.(11)	Pharmaceutical Company Focused on Generics				
		LIBOR Plus 5.75%, (Floor 1.25%) Current Coupon 7.00%, Secured Debt (Maturity May 23, 2018)(9)	1,966	1,938	1,996
AM General LLC(11)	Specialty Vehicle Manufacturer				
		LIBOR Plus 9.00%, (Floor 1.25%) Current Coupon 10.25%, Secured Debt (Maturity March 22, 2018)(9)	2,850	2,775	2,501
AM3 Pinnacle Corporation	Provider of Comprehensive Internet, TV and Voice Services for Multi-Dwelling Unit Properties				
		10% Secured Debt (Maturity October 22, 2018)	22,500	22,320	22,320
		Common Stock (Fully diluted 3.2%)		2,000	2,000
				24,320	24,320
American Beacon Advisors Inc.(11)	Provider of Sub-Advised Investment Products				
		LIBOR Plus 3.75%, (Floor 1.00%) Current Coupon 4.75%, Secured Debt (Maturity November 22, 2019)(9)	6,500	6,436	6,534
AmeriTech College, LLC	For-Profit Nursing and Healthcare College				
		18% Secured Debt (Maturity March 9, 2017)	6,050	5,960	6,050
AMF Bowling Centers, Inc.(11)	Bowling Alley Operator				
		LIBOR Plus 7.50%, (Floor 1.25%) Current Coupon 8.75%, Secured Debt	4,938	4,799	4,975

		(Maturity June 29, 2018)(9)			
Anchor Hocking, LLC(11)	Household Products Manufacturer				
		LIBOR Plus 6.25%, (Floor 1.25%) Current Coupon 7.50%, Secured Debt (Maturity May 21, 2020)(9)	6,965	6,900	7,078

Table of Contents

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

December 31, 2013

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
Ancile Solutions, Inc.(11)	Provider of eLearning Solutions				
		LIBOR Plus 5.00%, (Floor 1.25%) Current Coupon 6.25%, Secured Debt (Maturity July 15, 2018)(9)	9,628	9,571	9,652
Answers Corporation(11)	Consumer Internet Search Services Provider				
		LIBOR Plus 5.50%, (Floor 1.00%) Current Coupon 6.50%, Secured Debt (Maturity December 20, 2018)(9)	8,500	8,415	8,436
AP Gaming I, LLC	Developer, Manufacturer, and Operator of Gaming Machines				
		LIBOR Plus 8.25%, (Floor 1.00%) Current Coupon 9.25%, Secured Debt (Maturity December 20, 2020)(9)	7,000	6,790	6,913
Apria Healthcare Group, Inc.(11)	Provider of Home Healthcare Equipment				
		LIBOR Plus 5.50%, (Floor 1.25%) Current Coupon 6.75%, Secured Debt (Maturity April 6, 2020)(9)	5,473	5,441	5,500
Artel, LLC(11)	Land-Based and Commercial Satellite Provider				
		LIBOR Plus 6.00%, (Floor 1.25%) Current Coupon 7.25%, Secured Debt (Maturity November 27, 2017)(9)	5,953	5,878	5,864
Atkins Nutritionals Holdings II, Inc.(11)	Weight Management Food Products				
		LIBOR Plus 5.00%, (Floor 1.25%) Current Coupon 6.25%, Secured Debt (Maturity January 2, 2019)(9)	1,985	1,985	2,010
B. J. Alan Company	Retailer and Distributor of Consumer Fireworks				
		12.5% Current / 2.5% PIK Secured Debt (Maturity June 22, 2017)	11,235	11,158	11,158
BBTS Borrower LP(11)	Oil & Gas Exploration and Midstream Services				
		LIBOR Plus 6.50%, (Floor 1.25%) Current Coupon 7.75%, Secured Debt (Maturity June 4, 2019)(9)	6,948	6,883	7,013
Blackhawk Specialty Tools LLC(11)	Oilfield Equipment & Services				
		LIBOR Plus 5.25%, (Floor 1.25%) Current Coupon 6.50%, Secured Debt	5,413	5,375	5,399

(Maturity August 1, 2019)(9)

S-110

Table of Contents

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

December 31, 2013

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
Bluestem Brands, Inc.(11)	Multi-Channel Retailer of General Merchandise				
		LIBOR Plus 6.50%, (Floor 1.00%) Current Coupon 7.50%, Secured Debt (Maturity December 6, 2018)(9)	4,000	3,921	3,960
Brand Connections, LLC	Venue-Based Marketing and Media				
		12% Secured Debt (Maturity April 30, 2015)	7,063	6,983	7,063
Brasa Holdings, Inc.(11)	Upscale Full Service Restaurants				
		LIBOR Plus 4.75%, (Floor 1.00%) Current Coupon 5.75%, Secured Debt (Maturity July 19, 2019)(9)	3,456	3,379	3,498
		LIBOR Plus 9.50%, (Floor 1.50%) Current Coupon 11.00%, Secured Debt (Maturity January 20, 2020)(9)	3,857	3,820	3,896
				7,199	7,394
Calloway Laboratories, Inc.(10)	Health Care Testing Facilities				
		12.00% PIK Secured Debt (Maturity September 30, 2014)	6,336	6,276	4,738
		Warrants (Fully diluted 1.5%)		17	
				6,293	4,738
CDC Software Corporation(11)	Enterprise Application Software				
		LIBOR Plus 6.00%, (Floor 1.50%) Current Coupon 7.50%, Secured Debt (Maturity August 6, 2018)(9)	4,197	4,163	4,244
Cedar Bay Generation Company LP(11)	Coal-Fired Cogeneration Plant				
		LIBOR Plus 5.00%, (Floor 1.25%) Current Coupon 6.25%, Secured Debt (Maturity April 23, 2020)(9)	7,964	7,891	8,028
Charlotte Russe, Inc.(11)	Fast-Fashion Retailer to Young Women				
		LIBOR Plus 5.50%, (Floor 1.25%) Current Coupon 6.75%, Secured Debt (Maturity May 22, 2019)(9)	4,988	4,942	4,919
CHI Overhead Doors, Inc.(11)					

Manufacturer of Overhead Garage Doors				
	LIBOR Plus 9.50%, (Floor 1.50%) Current Coupon 11.00%, Secured Debt (Maturity September 18, 2019)(9)	2,500	2,462	2,513

Table of Contents

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

December 31, 2013

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
Collective Brands Finance, Inc.(11)	Specialty Footwear Retailer				
		LIBOR Plus 6.00%, (Floor 1.25%) Current Coupon 7.25%, Secured Debt (Maturity October 9, 2019)(9)	2,481	2,481	2,494
Compact Power Equipment, Inc.	Equipment / Tool Rental				
		6% Current / 6% PIK Secured Debt (Maturity October 1, 2017)	3,918	3,901	3,918
		Series A Stock (8% cumulative) (Fully diluted 4.2%)(8)		998	2,230
				4,899	6,148
CGSC of Delaware Holdings Corp.(11)(13)	Insurance Brokerage Firm				
		LIBOR Plus 7.00%, (Floor 1.25%) Current Coupon 8.25%, Secured Debt (Maturity October 16, 2020)(9)	2,000	1,972	1,940
Connolly Holdings, Inc.(11)	Audit Recovery Software				
		LIBOR Plus 5.25%, (Floor 1.25%) Current Coupon 6.50%, Secured Debt (Maturity July 13, 2018)(9)	2,395	2,376	2,405
		LIBOR Plus 9.25%, (Floor 1.25%) Current Coupon 10.50%, Secured Debt (Maturity January 15, 2019)(9)	2,000	1,967	2,045
				4,343	4,450
CST Industries(11)	Storage Tank Manufacturer				
		LIBOR Plus 6.25%, (Floor 1.50%) Current Coupon 7.75%, Secured Debt (Maturity May 22, 2017)(9)	11,563	11,436	11,389
Drilling Info, Inc.	Information Services for the Oil and Gas Industry				
		Common Stock (Fully diluted 2.1%)		1,335	9,470
Emerald Performance Materials, Inc.(11)	Specialty Chemicals Manufacturer				
		LIBOR Plus 5.50%, (Floor 1.25%) Current Coupon 6.75%, Secured Debt (Maturity May 18, 2018)(9)	4,434	4,401	4,467

Table of Contents

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

December 31, 2013

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
EnCap Energy Fund Investments(12)(13)	Investment Partnership				
		LP Interests (EnCap Energy Capital Fund VIII, L.P.) (Fully diluted 0.1%)(8)		2,868	2,985
		LP Interests (EnCap Energy Capital Fund VIII Co- Investors, L.P.) (Fully diluted 0.3%)		1,192	1,301
		LP Interests (EnCap Energy Capital Fund IX, L.P.) (Fully diluted 0.1%)		646	646
		LP Interests (EnCap Flatrock Midstream Fund II, L.P.) (Fully diluted 0.8%)		2,723	2,723
				7,429	7,655
e-Rewards, Inc.(11)	Provider of Digital Data Collection	LIBOR Plus 5.00%, (Floor 1.00%) Current Coupon 6.00%, Secured Debt (Maturity October 29, 2018)(9)	11,000	10,786	10,931
Excelitas Technologies Corp.(11)	Lighting and Sensor Components	LIBOR Plus 5.00%, (Floor 1.00%) Current Coupon 6.00%, Secured Debt (Maturity November 2, 2020)(9)	3,958	3,919	3,987
Fender Musical Instruments Corporation(11)	Manufacturer of Musical Instruments	LIBOR Plus 4.50%, (Floor 1.25%) Current Coupon 5.75%, Secured Debt (Maturity April 3, 2019)(9)	448	443	455
FC Operating, LLC(10)	Christian Specialty Retail Stores	LIBOR Plus 10.75%, (Floor 1.25%) Current Coupon 12.00%, Secured Debt (Maturity November 14, 2017)(9)	5,550	5,459	5,437
FishNet Security, Inc.(11)	Information Technology Value-Added Reseller	LIBOR Plus 5.00%, (Floor 1.25%) Current Coupon 6.25%, Secured Debt (Maturity November 30, 2017)(9)	7,920	7,856	7,965

Table of Contents

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

December 31, 2013

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
Fram Group Holdings, Inc.(11)	Manufacturer of Automotive Maintenance Products				
		LIBOR Plus 5.00%, (Floor 1.50%) Current Coupon 6.50%, Secured Debt (Maturity July 31, 2017)(9)	964	961	958
		LIBOR Plus 9.00%, (Floor 1.50%) Current Coupon 10.50%, Secured Debt (Maturity January 29, 2018)(9)	1,000	996	953
				1,957	1,911
Gastar Exploration USA, Inc.(11)	Oil & Gas Exploration & Production				
		8.63% Secured Bond (Maturity May 15, 2018)	1,000	1,000	983
Getty Images, Inc.(11)	Digital Photography and Video Content Marketplace				
		LIBOR Plus 3.50%, (Floor 1.25%) Current Coupon 4.75%, Secured Debt (Maturity October 18, 2019)(9)	4,987	4,501	4,665
Golden Nugget, Inc.(11)	Owner & Operator of Hotels & Casinos				
		LIBOR Plus 4.50%, (Floor 1.00%) Current Coupon 5.50%, Secured Debt (Maturity November 21, 2019)(9)	1,400	1,380	1,424
Grupo Hima San Pablo, Inc.(11)	Tertiary Care Hospitals				
		LIBOR Plus 7.00%, (Floor 1.50%) Current Coupon 8.50%, Secured Debt (Maturity January 31, 2018)(9)	4,963	4,877	4,714
		13.75 Secured Debt (Maturity July 31, 2018)	2,000	1,911	1,900
				6,788	6,614
Healogics, Inc.(11)	Wound Care Management				
		Common Equity (Fully diluted 0.02%)(8)		50	50
iEnergizer Limited(11)	Provider of Business Outsourcing Solutions				
		LIBOR Plus 6.00%, (Floor 1.25%) Current Coupon 7.25%, Secured Debt (Maturity May 1, 2019)(9)	8,150	8,020	8,028

Inn of the Mountain Gods Resort and Casino(11)	Hotel & Casino				
		9.25% Secured Debt (Maturity November 30, 2020)	4,096	3,901	3,953

Table of Contents

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

December 31, 2013

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
Ipreo Holdings LLC(11)	Application Software for Capital Markets				
		LIBOR Plus 4.00%, (Floor 1.00%) Current Coupon 5.00%, Secured Debt (Maturity August 5, 2017)(9)	5,637	5,630	5,721
Ivy Hill Middle Market Credit Fund III, Ltd.(12)(13)	Investment Partnership				
		LIBOR Plus 6.50%, (Floor 0.28%) Current Coupon 6.78%, Secured Debt (Maturity January 15, 2022)	2,000	1,704	2,000
Jackson Hewitt Tax Services, Inc.(11)	Tax Preparation Services				
		LIBOR Plus 8.50%, (Floor 1.50%) Current Coupon 10.00%, Secured Debt (Maturity October 16, 2017)(9)	4,844	4,688	4,820
Joerns Healthcare, LLC(11)	Health Care Equipment & Supplies				
		LIBOR Plus 5.00%, (Floor 1.25%) Current Coupon 6.25%, Secured Debt (Maturity March 28, 2018)(9)	6,451	6,395	6,322
Keypoint Government Solutions, Inc.(11)	Pre-Employment Screening Services				
		LIBOR Plus 6.00%, (Floor 1.25%) Current Coupon 7.25%, Secured Debt (Maturity November 13, 2017)(9)	4,483	4,411	4,439
Larchmont Resources, LLC(11)	Oil & Gas Exploration & Production				
		LIBOR Plus 7.25%, (Floor 1.25%) Current Coupon 8.50%, Secured Debt (Maturity August 7, 2019)(9)	6,965	6,899	7,096
Learning Care Group (US) No. 2 Inc.(11)	Provider of Early Childhood Education				
		LIBOR Plus 4.75%, (Floor 1.25%) Current Coupon 6.00%, Secured Debt (Maturity May 8, 2019)(9)	5,486	5,436	5,521
LJ Host Merger Sub, Inc.(11)	Managed Services and Hosting Provider				
		LIBOR Plus 4.75%, (Floor 1.25%) Current Coupon 6.00%, Secured Debt (Maturity December 23, 2019)(9)	10,000	9,901	9,950
		LIBOR Plus 8.75%, (Floor 1.25%) Current Coupon 10.00%, Secured Debt (Maturity December 23, 2020)(9)	5,000	4,901	4,975
				14,802	14,925

Table of Contents

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

December 31, 2013

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
LKCM Distribution Holdings, L.P.	Distributor of Industrial Process Equipment	12% Current / 2.5% PIK Secured Debt (Maturity December 23, 2018)	16,506	16,342	16,342
LKCM Headwater Investments I, L.P.(12)(13)	Investment Partnership	LP Interests (Fully diluted 2.27%)(8)		1,500	3,033
MAH Merger Corporation(11)	Sports-Themed Casual Dining Chain	LIBOR Plus 4.50%, (Floor 1.25%) Current Coupon 5.75%, Secured Debt (Maturity July 19, 2019)(9)	7,350	7,277	7,313
Media Holdings, LLC(11)	Internet Traffic Generator	14% Secured Debt (Maturity October 18, 2018)	5,894	5,781	5,952
MediMedia USA, Inc.(11)	Provider of Healthcare Media and Marketing	LIBOR Plus 6.75%, (Floor 1.25%) Current Coupon 8.00%, Secured Debt (Maturity November 20, 2018)(9)	5,473	5,339	5,351
Medpace Intermediateco, Inc.(11)	Clinical Trial Development and Execution	LIBOR Plus 4.00%, (Floor 1.25%) Current Coupon 5.25%, Secured Debt (Maturity June 19, 2017)(9)	2,924	2,896	2,924
MedSolutions Holdings, Inc.(11)	Specialty Benefit Management	LIBOR Plus 5.25%, (Floor 1.25%) Current Coupon 6.50%, Secured Debt (Maturity July 8, 2019)(9)	3,900	3,864	3,912
Metal Services LLC(11)	Steel Mill Services	LIBOR Plus 5.00%, (Floor 1.00%) Current Coupon 6.00%, Secured Debt (Maturity June 30, 2017)(9)	5,313	5,313	5,365
Milk Specialties Company(11)	Processor of Nutrition Products	LIBOR Plus 5.75%, (Floor 1.25%) Current Coupon 7.00%, Secured Debt (Maturity November 9, 2018)(9)	4,905	4,863	4,911
Miramax Film NY, LLC(11)	Motion Picture Producer and Distributor	Class B Units (Fully diluted 0.2%)		500	871

Table of Contents

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

December 31, 2013

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
Modern VideoFilm, Inc.(10)	Post-Production Film Studio				
		LIBOR Plus 3.50%, (Floor 1.50%) Current Coupon 5.00% / 8.50% PIK, Current Coupon Plus PIK 13.50%, Secured Debt (Maturity December 19, 2017)(9)	5,397	5,198	4,749
		Warrants (Fully diluted 2.5%)		151	1
				5,349	4,750
MP Assets Corporation(11)	Manufacturer of Battery Components				
		LIBOR Plus 4.50%, (Floor 1.25%) Current Coupon 5.50%, Secured Debt (Maturity December 19, 2019)(9)	4,600	4,554	4,589
National Vision, Inc.(11)	Discount Optical Retailer				
		LIBOR Plus 5.75%, (Floor 1.25%) Current Coupon 7.00%, Secured Debt (Maturity August 2, 2018)(9)	3,163	3,125	3,173
NCP Investment Holdings, Inc.	Management of Outpatient Cardiac Cath Labs				
		Class A and C Units (Fully diluted 3.3%)		20	3,170
NGPL PipeCo, LLC(11)	Natural Gas Pipelines and Storage Facilities				
		LIBOR Plus 5.50%, (Floor 1.25%) Current Coupon 6.75%, Secured Debt (Maturity September 15, 2017)(9)	9,805	9,660	9,163
Nice-Pak Products, Inc.(11)	Pre-Moistened Wipes Manufacturer				
		LIBOR Plus 6.50%, (Floor 1.50%) Current Coupon 8.00%, Secured Debt (Maturity June 18, 2014)(9)	5,701	5,650	5,530
North American Breweries Holdings, LLC(11)	Operator of Specialty Breweries				
		LIBOR Plus 6.25%, (Floor 1.25%) Current Coupon 7.50%, Secured Debt (Maturity December 11, 2018)(9)	3,960	3,892	3,881
NRC US Holding Company LLC(11)	Environmental Services Provider				
		LIBOR Plus 4.50%, (Floor 1.00%) Current Coupon 5.50%, Secured Debt (Maturity July 30, 2019)(9)	3,413	3,396	3,421

Nuverra Environmental Solutions, Inc.(11)	Water Treatment and Disposal Services				
		9.88% Unsecured Bond (Maturity April 15, 2018)	3,500	3,500	3,413

Table of Contents

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

December 31, 2013

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
Ospemifene Royalty Sub LLC (QuatRx)(10)	Estrogen-Deficiency Drug Manufacturer and Distributor	11.50% Secured Debt (Maturity November 15, 2026)	5,000	5,000	5,000
Panolam Industries International, Inc.(11)	Decorative Laminate Manufacturer	LIBOR Plus 6.00%, (Floor 1.25%) Current Coupon 7.25%, Secured Debt (Maturity August 23, 2017)(9)	7,499	7,435	7,255
Permian Holdings, Inc.(11)	Storage Tank Manufacturer	10.50% Secured Bond (Maturity January 15, 2018)	3,150	3,116	3,103
Philadelphia Energy Solutions Refining and Marketing LLC(11)	Oil & Gas Refiner	LIBOR Plus 5.00%, (Floor 1.25%) Current Coupon 6.25%, Secured Debt (Maturity April 4, 2018)(9)	2,978	2,939	2,625
Pitney Bowes Management Services Inc.(11)	Provider of Document Management Services	LIBOR Plus 6.25%, (Floor 1.25%) Current Coupon 7.50%, Secured Debt (Maturity October 1, 2019)(9)	5,985	5,927	6,030
Polyconcept Financial B.V.(11)	Promotional Products to Corporations and Consumers	LIBOR Plus 4.75%, (Floor 1.25%) Current Coupon 6.00%, Secured Debt (Maturity June 28, 2019)(9)	3,413	3,381	3,425
Primesight Limited(10)	Outdoor Advertising Operator	11.25% Secured Debt (Maturity October 17, 2015)	7,378	7,378	8,163
PT Network, LLC(10)	Provider of Outpatient Physical Therapy and Sports Medicine Services	LIBOR Plus 7.00%, (Floor 1.50%) Current Coupon 8.50%, Secured Debt (Maturity November 1, 2018)(9)	8,597	8,499	8,499
Radio One, Inc.(11)	Radio Broadcasting	LIBOR Plus 6.00%, (Floor 1.50%) Current Coupon 7.50%, Secured Debt (Maturity March 31, 2016)(9)	2,902	2,873	2,977

Table of Contents

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

December 31, 2013

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
Ravago Holdings America Inc(11)	Polymers Distributor				
		LIBOR Plus 4.50%, (Floor 1.00%) Current Coupon 5.50%, Secured Debt (Maturity December 20, 2020)(9)	6,250	6,188	6,266
Relativity Media, LLC(10)	Full-scale Film and Television Production and Distribution				
		10.00% Secured Debt (Maturity May 24, 2015)	5,787	5,739	6,026
		15.00% PIK Secured Debt (Maturity May 24, 2015)	6,370	6,189	6,449
		Class A Units (Fully diluted 0.2%)		292	1,521
				12,220	13,996
Sabre Industries, Inc.(11)	Manufacturer of Telecom Structures and Equipment				
		LIBOR Plus 4.75%, (Floor 1.00%) Current Coupon 5.75%, Secured Debt (Maturity August 24, 2018)(9)	2,975	2,948	2,975
SAExploration, Inc.	Geophysical Services Provider				
		11.00% Current / 2.50% PIK Secured Debt (Maturity November 28, 2016)	8,075	8,173	8,075
		Common Stock (Fully diluted 0.01%)(8)		65	55
				8,238	8,130
SCE Partners, LLC(10)	Hotel & Casino Operator				
		LIBOR Plus 7.25%, (Floor 1.00%) Current Coupon 8.25%, Secured Debt (Maturity August 8, 2019)(9)	7,500	7,429	6,975
Sotera Defense Solutions, Inc.(11)	Defense Industry Intelligence Services				
		LIBOR Plus 6.00%, (Floor 1.50%) Current Coupon 7.50%, Secured Debt (Maturity April 21, 2017)(9)	11,651	11,086	10,486
Sourcehov LLC(11)	Business Process Services				
		LIBOR Plus 7.50%, (Floor 1.25%) Current Coupon 8.75%, Secured Debt (Maturity April 30, 2019)(9)	1,500	1,486	1,523
Sutherland Global Services(11)	Business Process Outsourcing Provider				
			6,738	6,619	6,754

	LIBOR Plus 6.00%, (Floor 1.25%) Current Coupon 7.25%, Secured Debt (Maturity March 6, 2019)(9)

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

December 31, 2013

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
Synagro Infrastructure Company, Inc(11)	Waste Management Services				
		LIBOR Plus 5.25%, (Floor 1.00%) Current Coupon 6.25%, Secured Debt (Maturity August 22, 2020)(9)	6,983	6,849	6,924
Targus Group International(11)	Protective Cases for Mobile Devices				
		LIBOR Plus 9.50%, (Floor 1.50%) Current Coupon 11.00% / 1.00% PIK, Current Coupon Plus PIK 12.00%, Secured Debt (Maturity May 24, 2016)(9)	4,426	4,445	3,696
Technimark LLC(11)	Injection Molding				
		LIBOR Plus 4.25%, (Floor 1.25%) Current Coupon 5.50%, Secured Debt (Maturity April 17, 2019)(9)	3,734	3,701	3,753
TeleGuam Holdings, LLC(11)	Cable and Telecom Services Provider				
		LIBOR Plus 4.00%, (Floor 1.25%) Current Coupon 5.25%, Secured Debt (Maturity December 10, 2018)(9)	6,965	6,933	6,948
		LIBOR Plus 7.50%, (Floor 1.25%) Current Coupon 8.75%, Secured Debt (Maturity June 10, 2019)(9)	2,500	2,477	2,513
				9,410	9,461
Templar Energy LLC(11)	Oil & Gas Exploration & Production				
		LIBOR Plus 7.00%, (Floor 1.00%) Current Coupon 8.00%, Secured Debt (Maturity November 25, 2020)(9)	3,000	2,941	3,017
Tervita Corporation(11)	Oil and Gas Environmental Services				
		LIBOR Plus 5.00%, (Floor 1.25%) Current Coupon 6.25%, Secured Debt (Maturity May 15, 2018)(9)	5,474	5,427	5,507
The Tennis Channel, Inc.	Television-Based Sports Broadcasting				
		Warrants (Fully diluted 0.1%)		235	301
The Topps Company, Inc.(11)	Trading Cards & Confectionary				
		LIBOR Plus 6.00%, (Floor 1.25%) Current Coupon 7.25%, Secured Debt (Maturity October 2, 2018)(9)	2,000	1,981	2,005

Table of Contents

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

December 31, 2013

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
ThermaSys Corporation(11)	Manufacturer of Industrial Heat Exchanges				
		LIBOR Plus 4.00%, (Floor 1.25%) Current Coupon 5.25%, Secured Debt (Maturity May 3, 2019)(9)	6,395	6,336	6,326
Therakos, Inc.(11)	Immune System Disease Treatment				
		LIBOR Plus 6.25%, (Floor 1.25%) Current Coupon 7.50%, Secured Debt (Maturity December 27, 2017)(9)	6,446	6,314	6,470
Totes Isotoner Corporation(11)	Weather Accessory Retail				
		LIBOR Plus 5.75%, (Floor 1.50%) Current Coupon 7.25%, Secured Debt (Maturity July 7, 2017)(9)	4,275	4,228	4,299
Travel Leaders Group, LLC(11)	Travel Agency Network Provider				
		LIBOR Plus 6.00%, (Floor 1.00%) Current Coupon 7.00%, Secured Debt (Maturity December 5, 2018)(9)	7,500	7,352	7,406
UniTek Global Services, Inc.(11)	Provider of Outsourced Infrastructure Services				
		LIBOR Plus 9.50%, (Floor 1.50%) Current Coupon 11.00% / 4.00% PIK, Current Coupon Plus PIK 15.00%, Secured Debt (Maturity April 15, 2018)(9)	10,034	9,328	10,016
		Warrants (Fully diluted 1.4%)		466	450
				9,794	10,466
Univeral Fiber Systems, LLC	Manufacturer of Synthetic Fibers				
		LIBOR Plus 5.75%, (Floor 1.75%) Current Coupon 7.50%, Secured Debt (Maturity June 26, 2015)(9)	10,192	10,141	10,243
US Xpress Enterprises, Inc.(11)	Truckload Carrier				
		LIBOR Plus 7.88%, (Floor 1.50%) Current Coupon 9.38%, Secured Debt (Maturity November 13, 2016)(9)	6,078	5,985	6,048
Vantage Oncology, LLC(11)	Outpatient Radiation Oncology Treatment Centers				
		9.50% Secured Bond (Maturity August 7, 2017)	7,000	7,000	7,175

Table of Contents

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

December 31, 2013

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
Virtex Enterprises, LP(10)	Specialty, Full-Service Provider of Complex Electronic Manufacturing Services				
		12.00% Secured Debt (Maturity December 27, 2018)	1,667	1,612	1,612
		Preferred Class A Units (5% cumulative) (Fully diluted 1.4%)(8)		327	327
		Warrants (Fully diluted 1.1%)		22	22
				1,961	1,961
Visant Corporation(11)	School Affinity Stores				
		LIBOR Plus 4.00%, (Floor 1.25%) Current Coupon 5.25%, Secured Debt (Maturity December 22, 2016)(9)	3,882	3,882	3,837
Vision Solutions, Inc.(11)	Provider of Information Availability Software				
		LIBOR Plus 4.50%, (Floor 1.50%) Current Coupon 6.00%, Secured Debt (Maturity July 23, 2016)(9)	2,348	2,235	2,347
		LIBOR Plus 8.00%, (Floor 1.50%) Current Coupon 9.50%, Secured Debt (Maturity July 23, 2017)(9)	5,000	4,969	5,050
				7,204	7,397
Walker & Dunlop Inc.(11)(13)	Real Estate Financial Services				
		LIBOR Plus 4.50%, (Floor 1.00%) Current Coupon 5.50%, Secured Debt (Maturity December 20, 2020)(9)	4,250	4,208	4,229
Western Dental Services, Inc.(11)	Dental Care Services				
		LIBOR Plus 7.00%, (Floor 1.25%) Current Coupon 8.25%, Secured Debt (Maturity November 1, 2018)(9)	4,950	4,825	4,996
Willbros Group, Inc.(11)(13)	Engineering and Construction Contractor				
		LIBOR Plus 9.75%, (Floor 1.25%) Current Coupon 11.00%, Secured Debt (Maturity August 5, 2019)(9)	2,993	2,893	3,037
Wilton Brands, LLC(11)	Specialty Housewares Retailer				
		LIBOR Plus 6.25%, (Floor 1.25%) Current Coupon 7.50%, Secured Debt	1,875	1,844	1,792

		(Maturity August 30, 2018)(9)			
Wireco Worldgroup, Inc.(11)	Manufacturer of Synthetic Lifting Products	LIBOR Plus 4.75%, (Floor 1.25%) Current Coupon 6.00%, Secured Debt (Maturity February 15, 2017)(9)	2,469	2,451	2,492

Table of Contents

MAIN STREET CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)

December 31, 2013

(in thousands)

(Unaudited)

Portfolio Company(1)	Business Description	Type of Investment(2)(3)	Principal(4)	Cost(4)	Fair Value
YP Holdings LLC(11)	Online and Offline Advertising Operator				
		LIBOR Plus 6.75%, (Floor 1.25%) Current Coupon 8.00%, Secured Debt (Maturity June 4, 2018)(9)	2,800	2,737	2,834
Zilliant Incorporated	Price Optimization and Margin Management Solutions				
		12% Secured Debt (Maturity June 15, 2017)	8,000	7,056	7,056
		Warrants (Fully diluted 2.7%)		1,071	1,071
				8,127	8,127
Subtotal Non-Control/Non-Affiliate Investments (50.9% of total investments at fair value)				643,068	661,102
Total Portfolio Investments, December 31, 2013				1,163,071	1,286,188
Marketable Securities and Idle Funds Investments					
	Investments in Marketable Securities and Diversified, Registered Bond Funds				
Other Marketable Securities and Idle Funds Investments(13)				14,885	13,301
Subtotal Marketable Securities and Idle Funds Investments (1.0% of total investments at fair value)				14,885	13,301
Total Investments, December 31, 2013				$ 1,177,956	$ 1,299,489

(1)

All investments are Lower Middle Market portfolio investments, unless otherwise noted. All of the Company's assets are encumbered either as security for the Company's credit agreement or in support of the SBA-guaranteed debentures issued by the Funds.

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

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

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

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

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

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

(8) Income producing through dividends or distributions.

(9) Index based floating interest rate is subject to contractual minimum interest rate.

(10) Private Loans portfolio investment. See Note B for summary of Private Loan.

(11) Middle Market portfolio investment. See Note B for summary of Middle Market.

(12) Other Portfolio investment. See Note B for summary of Other Portfolio.

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

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

Table of Contents

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements

(Unaudited)

NOTE A ORGANIZATION AND BASIS OF PRESENTATION

1. Organization

Main Street Capital Corporation ("MSCC") was formed in March 2007 for the purpose of (i) acquiring 100% of the equity interests of Main Street Mezzanine Fund, LP ("MSMF") and its general partner, Main Street Mezzanine Management, LLC, (ii) acquiring 100% of the equity interests of Main Street Capital Partners, LLC (the "Internal Investment Manager"), (iii) raising capital in an initial public offering, which was completed in October 2007 (the "IPO"), and (iv) thereafter operating as an internally managed business development company ("BDC") under the Investment Company Act of 1940, as amended (the "1940 Act"). MSMF is licensed as a Small Business Investment Company ("SBIC") by the United States Small Business Administration ("SBA") and the Internal Investment Manager acts as MSMF's manager and investment adviser. Because the Internal Investment Manager, which employs all of the executive officers and other employees of MSCC, is wholly owned by MSCC, MSCC does not pay any external investment advisory fees but instead incurs the operating costs associated with employing investment and portfolio management professionals through the Internal Investment Manager. The IPO and related transactions discussed above were consummated in October 2007 and are collectively termed the "Formation Transactions."

During January 2010, MSCC acquired (the "Exchange Offer") approximately 88% of the total dollar value of the limited partner interests in Main Street Capital II, LP ("MSC II" and, together with MSMF, the "Funds") and 100% of the membership interests in the general partner of MSC II, Main Street Capital II GP, LLC ("MSC II GP"). MSC II is an investment fund that operates as an SBIC and commenced operations in January 2006. During the first quarter of 2012, MSCC acquired all of the remaining minority ownership in the total dollar value of the MSC II limited partnership interests (the "Final MSC II Exchange"). The Exchange Offer and related transactions, including the acquisition of MSC II GP interests and the Final MSC II Exchange, are collectively termed the "Exchange Offer Transactions."

MSC Adviser I, LLC (the "External Investment Manager" and, together with the Internal Investment Manager, the "Investment Managers") was formed in November 2013 as a wholly owned subsidiary of MSCC to provide investment management and other services to parties other than MSCC and its subsidiaries ("External Parties") and receive fee income for such services. MSCC has been granted no-action relief by the Securities and Exchange Commission ("SEC") to allow the External Investment Manager to register as a registered investment adviser ("RIA") under Investment Advisers Act of 1940, as amended (the "Advisers Act"). The External Investment Manager is accounted for as a portfolio investment of MSCC, since the External Investment Manager conducts all of its investment management activities for parties outside of MSCC and its consolidated subsidiaries.

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

MSCC has direct and indirect wholly owned subsidiaries that have elected to be taxable entities (the "Taxable Subsidiaries"). The primary purpose of these entities is to hold certain investments that generate "pass through" income for tax purposes. Each of the Investment Managers is also a direct

Table of Contents

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

NOTE A ORGANIZATION AND BASIS OF PRESENTATION (Continued)

wholly owned subsidiary that has elected to be a taxable entity. The Taxable Subsidiaries and the Investment Managers are each taxed at their normal corporate tax rates based on their taxable income.

Unless otherwise noted or the context otherwise indicates, the terms "we," "us," "our" and "Main Street" refer to MSCC and its consolidated subsidiaries, which include the Funds, the Taxable Subsidiaries and, beginning April 1, 2013, the Internal Investment Manager (see Note A.2. for further discussion).

2. Basis of Presentation

Main Street's financial statements are prepared in accordance with generally accepted accounting principles in the United States of America ("U.S. GAAP"). For each of the periods presented herein, Main Street's consolidated financial statements include the accounts of MSCC and its consolidated subsidiaries (which, as noted above and discussed in detail below, include the Funds and the Taxable Subsidiaries and, beginning April 1, 2013, include the Internal Investment Manager which was previously treated as a portfolio investment). The Investment Portfolio, as used herein, refers to all of Main Street's investments in LMM portfolio companies, investments in Middle Market portfolio companies, Private Loan portfolio investments, Other Portfolio investments, the investment in the External Investment Manager and, for all periods up to and including March 31, 2013, the investment in the Internal Investment Manager, but excludes all "Marketable securities and idle funds investments", and, for all periods after March 31, 2013, the Investment Portfolio also excludes the investment in the Internal Investment Manager (see Note C Fair Value Hierarchy for Investments and Debentures Portfolio Composition Portfolio Investment Composition for additional discussion of Main Street's Investment Portfolio and definitions for the terms LMM, Middle Market, Private Loan and Other Portfolio). For all periods up to and including the period ending March 31, 2013, the Internal Investment Manager was accounted for as a portfolio investment (see Note D) and was not consolidated with MSCC and its consolidated subsidiaries. For all periods after March 31, 2013, the Internal Investment Manager is consolidated with MSCC and its other consolidated subsidiaries. "Marketable securities and idle funds investments" are classified as financial instruments and are reported separately on Main Street's Consolidated Balance Sheets and Consolidated Schedules of Investments due to the nature of such investments (see Note B.11.). Main Street's results of operations for the three and six months ended June 30, 2014 and 2013, cash flows for the six months ended June 30, 2014 and 2013, and financial position as of June 30, 2014 and December 31, 2013, are presented on a consolidated basis. The effects of all intercompany transactions between Main Street and its consolidated subsidiaries have been eliminated in consolidation. Certain reclassifications have been made to prior period balances to conform with the current presentation, including reclassifying the expenses charged to the External Investment Manager.

The accompanying unaudited consolidated financial statements of Main Street are presented in conformity with U.S. GAAP for interim financial information and pursuant to the requirements for reporting on Form 10-Q and Article 10 of Regulation S-X. Accordingly, certain disclosures accompanying annual financial statements prepared in accordance with U.S. GAAP are omitted. In the opinion of management, the unaudited consolidated financial results included herein contain all adjustments, consisting solely of normal recurring accruals, considered necessary for the fair presentation of financial statements for the interim periods included herein. The results of operations

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

NOTE A ORGANIZATION AND BASIS OF PRESENTATION (Continued)

for the three and six months ended June 30, 2014 and 2013 are not necessarily indicative of the operating results to be expected for the full year. Also, the unaudited financial statements and notes should be read in conjunction with the audited financial statements and notes thereto for the year ended December 31, 2013. Financial statements prepared on a U.S. GAAP basis require management to make estimates and assumptions that affect the amounts and disclosures reported in the financial statements and accompanying notes. Such estimates and assumptions could change in the future as more information becomes known, which could impact the amounts reported and disclosed herein.

Under the 1940 Act, the regulations pursuant to Article 6 of Regulation S-X and Accounting Standards Codification ("Codification" or "ASC") 946, *Financial Services Investment Companies* ("ASC 946"), Main Street is precluded from consolidating portfolio company investments, including those in which it has a controlling interest, unless the portfolio company is another investment company. An exception to this general principle in ASC 946 occurs if Main Street holds a controlling interest in an operating company that provides all or substantially all of its services directly to Main Street or to its portfolio companies. None of the portfolio investments made by Main Street qualify for this exception, including the investment in the External Investment Manager, except as discussed below with respect to the Internal Investment Manager. Therefore, Main Street's Investment Portfolio is carried on the balance sheet at fair value, as discussed further in Note B, with any adjustments to fair value recognized as "Net Change in Unrealized Appreciation (Depreciation)" on the Consolidated Statements of Operations until the investment is realized, usually upon exit, resulting in any gain or loss being recognized as a "Net Realized Gain (Loss)." For all periods prior to and including March 31, 2013, the Internal Investment Manager was accounted for as a portfolio investment and included as part of the Investment Portfolio in the consolidated financial statements of Main Street (see Note D for further discussion of the Internal Investment Manager). The Internal Investment Manager was consolidated with MSCC and its other consolidated subsidiaries prospectively beginning April 1, 2013 as the controlled operating subsidiary is providing substantially all of its services directly or indirectly to Main Street or its portfolio companies.

Portfolio Investment Classification

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

NOTE B SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Valuation of the Investment Portfolio

Main Street accounts for its Investment Portfolio at fair value. As a result, Main Street follows the provisions of the Financial Accounting Standards Board ("FASB") ASC 820, *Fair Value Measurements and Disclosures* ("ASC 820"). ASC 820 defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs used to measure fair value and

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

NOTE B SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

enhances disclosure requirements for fair value measurements. ASC 820 requires Main Street to assume that the portfolio investment is to be sold in the principal market to independent market participants, which may be a hypothetical market. Market participants are defined as buyers and sellers in the principal market that are independent, knowledgeable and willing and able to transact.

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

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

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

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

NOTE B SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Under the Waterfall valuation method, Main Street estimates the enterprise value of a portfolio company using a combination of market and income approaches or other appropriate valuation methods, such as considering recent transactions in the equity securities of the portfolio company or third-party valuations of the portfolio company, and then performs a waterfall calculation by using the enterprise value over the portfolio company's securities in order of their preference relative to one another. The Waterfall method assumes the loans and equity securities are sold to the same market participant, which Main Street believes is consistent with its past transaction history and standard industry practices. The enterprise value is the fair value at which an enterprise could be sold in a transaction between two willing parties, other than through a forced or liquidation sale. Typically, private companies are bought and sold based on multiples of earnings before interest, taxes, depreciation and amortization ("EBITDA"), cash flows, net income, revenues, or in limited cases, book value. There is no single methodology for estimating enterprise value. For any one portfolio company, enterprise value is generally described as a range of values from which a single estimate of enterprise value is derived. In estimating the enterprise value of a portfolio company, Main Street analyzes various factors including the portfolio company's historical and projected financial results. The operating results of a portfolio company may include unaudited, projected, budgeted or pro forma financial information and may require adjustments for non-recurring items or to normalize the operating results that may require significant judgment in its determination. In addition, projecting future financial results requires significant judgment regarding future growth assumptions. In evaluating the operating results, Main Street also analyzes the impact of exposure to litigation, loss of customers or other contingencies. After determining the appropriate enterprise value, Main Street allocates the enterprise value to investments in order of the legal priority of the various components of the portfolio company's capital structure. In applying the Waterfall valuation method, Main Street assumes the loans are paid off at the principal amount in a change in control transaction and are not assumed by the buyer.

These valuation approaches consider the value associated with Main Street's ability to control the capital structure of the portfolio company, as well as the timing of a potential exit. For valuation purposes, "control" portfolio investments are composed of debt and equity securities in companies for which Main Street has a controlling interest in the portfolio company or the ability to nominate a majority of the portfolio company's board of directors. For valuation purposes, "non-control" portfolio investments are generally composed of debt and equity securities in companies for which Main Street does not have a controlling interest in the portfolio company or the ability to nominate a majority of the portfolio company's board of directors.

Under the Yield-to-Maturity valuation method, Main Street also uses the income approach to determine the fair value of debt securities based on projections of the discounted future free cash flows that the debt security will likely generate, including analyzing the discounted cash flows of interest and principal amounts for the debt security, as set forth in the associated loan agreements, as well as the financial position and credit risk of the portfolio investments. Main Street's estimate of the expected repayment date of its debt securities is generally the legal maturity date of the instrument, as Main Street generally intends to hold its loans and debt securities to maturity. The Yield-to-Maturity analysis also considers changes in leverage levels, credit quality, portfolio company performance and other factors. Main Street will generally use the value determined by the Yield-to-Maturity analysis as the fair value for that security; however, because of Main Street's general intent to hold its loans to maturity,

Table of Contents

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

NOTE B SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

the fair value will not exceed the principal amount of the debt security valued using the Yield-to-Maturity valuation method. A change in the assumptions that Main Street uses to estimate the fair value of its debt securities using the Yield-to-Maturity valuation method could have a material impact on the determination of fair value. If there is deterioration in credit quality or if a debt security is in workout status, Main Street may consider other factors in determining the fair value of the debt security, including the value attributable to the debt security from the enterprise value of the portfolio company or the proceeds that would most likely be received in a liquidation analysis.

Under the NAV valuation method, for an investment in an investment fund that does not have a readily determinable fair value, Main Street measures the fair value of the investment predominately based on the NAV of the investment fund as of the measurement date. However, in determining the fair value of the investment, Main Street may consider whether adjustments to the NAV are necessary in certain circumstances, based on the analysis of any restrictions on redemption of Main Street's investment as of the measurement date, recent actual sales or redemptions of interests in the investment fund, and expected future cash flows available to equity holders, including the rate of return on those cash flows compared to an implied market return on equity required by market participants, or other uncertainties surrounding Main Street's ability to realize the full NAV of its interests in the investment fund.

Pursuant to its internal valuation process and the requirements under the 1940 Act, Main Street performs valuation procedures on its investments in each LMM portfolio company quarterly. In addition to its internal valuation process, in arriving at estimates of fair value for its investments in its LMM portfolio companies, Main Street, among other things, consults with a nationally recognized independent financial advisory services firm. The nationally recognized independent advisor is generally consulted relative to Main Street's investments in each LMM portfolio company at least once every calendar year, and for Main Street's investments in new LMM portfolio companies, at least once in the twelve-month period subsequent to the initial investment. In certain instances, Main Street may determine that it is not cost-effective, and as a result is not in its stockholders' best interest, to consult with the nationally recognized independent advisor on its investments in one or more LMM portfolio companies. Such instances include, but are not limited to, situations where the fair value of Main Street's investment in a LMM portfolio company is determined to be insignificant relative to the total Investment Portfolio. Main Street consulted with its independent advisor in arriving at Main Street's determination of fair value on its investments in a total of 31 LMM portfolio companies for the six months ended June 30, 2014, representing approximately 50% of the total LMM portfolio at fair value as of June 30, 2014, and on a total of 26 LMM portfolio companies for the six months ended June 30, 2013, representing approximately 40% of the total LMM portfolio at fair value as of June 30, 2013. Excluding Main Street's investments in new LMM portfolio companies that were not reviewed because their equity is publicly traded or they had not been in the Investment Portfolio for at least twelve months subsequent to the initial investment as of June 30, 2014 and 2013, as applicable, the percentage of the LMM portfolio reviewed for the six months ended June 30, 2014 and 2013 was 53% and 44% of total LMM portfolio at fair value as of June 30, 2014 and 2013, respectively.

For valuation purposes, all of Main Street's Middle Market portfolio investments are non-control investments. To the extent sufficient observable inputs are available to determine fair value, Main Street uses observable inputs to determine the fair value of these investments through obtaining

Table of Contents

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

NOTE B SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

For valuation purposes, all of Main Street's Other Portfolio investments are non-control investments. Main Street's Other Portfolio investments comprised 3.4% and 3.3%, respectively, of Main Street's Investment Portfolio at fair value as of June 30, 2014 and December 31, 2013. Similar to the LMM investment portfolio, market quotations for Other Portfolio equity investments are generally not readily available. For its Other Portfolio equity investments, Main Street generally determines the fair value of its investments using the NAV valuation method. For Other Portfolio debt investments, Main Street determines the fair value of these investments through obtaining third-party quotes or other independent pricing to the extent the use of these inputs are available and appropriate to determine fair value. For Other Portfolio debt investments for which it has determined that third-party quotes or other independent pricing are not available or appropriate, Main Street generally estimates the fair value based on the assumptions that it believes hypothetical market participants would use to value its Other Portfolio debt investments in a current hypothetical sale using the Yield-to-Maturity valuation method.

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

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

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

NOTE B SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Main Street uses a standard internal portfolio investment rating system in connection with its investment oversight, portfolio management and analysis and investment valuation procedures for its LMM portfolio companies. This system takes into account both quantitative and qualitative factors of the LMM portfolio company and the investments held therein.

The Board of Directors of Main Street has the final responsibility for reviewing and approving, in good faith, Main Street's determination of the fair value for its Investment Portfolio, as well as its valuation procedures, consistent with the 1940 Act requirements. Main Street believes its Investment Portfolio as of June 30, 2014 and December 31, 2013 approximates fair value as of those dates based on the markets in which Main Street operates and other conditions in existence on those reporting dates.

2. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results may differ from these estimates under different conditions or assumptions. Additionally, as explained in Note B.1., the financial statements include investments in the Investment Portfolio whose values have been estimated by Main Street with the oversight, review and approval by Main Street's Board of Directors in the absence of readily ascertainable market values. Because of the inherent uncertainty of the Investment Portfolio valuations, those estimated values may differ significantly from the values that would have been used had a readily available market for the investments existed, and it is reasonably possible that the differences could be material.

3. Cash and Cash Equivalents

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

At June 30, 2014, cash balances totaling $27.2 million exceeded FDIC insurance protection levels, subjecting the Company to risk related to the uninsured balance. All of the Company's cash deposits are held at large, established, high credit quality financial institutions and management believes that the risk of loss associated with any uninsured balances is remote.

4. Marketable Securities and Idle Funds Investments

Marketable securities and idle funds investments include intermediate-term secured debt investments, independently rated debt investments and publicly traded debt and equity investments.

5. Interest, Dividend and Fee Income (Structuring and Advisory Services)

Main Street records interest and dividend income on the accrual basis to the extent amounts are expected to be collected. Dividend income is recorded as dividends are declared by the portfolio company or at the point an obligation exists for the portfolio company to make a distribution. In

Table of Contents

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

NOTE B SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

accordance with Main Street's valuation policy, Main Street evaluates accrued interest and dividend income periodically for collectability. When a loan or debt security becomes 90 days or more past due, and if Main Street otherwise does not expect the debtor to be able to service all of its debt or other obligations, Main Street will generally place the loan or debt security on non-accrual status and cease recognizing interest income on that loan or debt security until the borrower has demonstrated the ability and intent to pay contractual amounts due. If a loan or debt security's status significantly improves regarding the debtor's ability to service the debt or other obligations, or if a loan or debt security is fully impaired, sold or written off, Main Street removes it from non-accrual status.

Main Street holds debt and preferred equity instruments in its Investment Portfolio that contain payment-in-kind ("PIK") interest and cumulative dividend provisions. The PIK interest, computed at the contractual rate specified in each debt agreement, is periodically added to the principal balance of the debt and is recorded as interest income. Thus, the actual collection of this interest may be deferred until the time of debt principal repayment. Cumulative dividends are recorded as dividend income, and any dividends in arrears are added to the balance of the preferred equity investment. The actual collection of these dividends in arrears may be deferred until such time as the preferred equity is redeemed. To maintain RIC tax treatment (as discussed in Note B.9. below), these non-cash sources of income may need to be paid out to stockholders in the form of distributions, even though Main Street may not have collected the PIK interest and cumulative dividends in cash. For the three months ended June 30, 2014 and 2013, (i) approximately 4.0% and 3.7%, respectively, of Main Street's total investment income was attributable to PIK interest income not paid currently in cash and (ii) approximately 1.1% and 1.0%, respectively, of Main Street's total investment income was attributable to cumulative dividend income not paid currently in cash. For the six months ended June 30, 2014 and 2013, (i) approximately 4.6% and 4.4%, respectively, of Main Street's total investment income was attributable to PIK interest income not paid currently in cash and (ii) approximately 1.1% and 0.9%, respectively, of Main Street's total investment income was attributable to cumulative dividend income not paid currently in cash.

As of June 30, 2014, Main Street had two investments on non-accrual status, which comprised approximately 1.2% of the total Investment Portfolio at fair value and 3.5% of the total Investment Portfolio at cost, and no fully impaired investments. As of December 31, 2013, Main Street had two investments on non-accrual status, which comprised approximately 2.3% of the total Investment Portfolio at fair value and 4.7% of the total Investment Portfolio at cost, and no fully impaired investments.

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

Table of Contents

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

NOTE B SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2014	2013	2014	2013
	(in thousands)		(in thousands)	
Interest, fee and dividend income:				
Interest income	$ 27,929	$ 22,858	$ 53,663	$ 44,343
Dividend income	5,432	3,193	9,476	5,615
Fee income	1,286	1,379	2,077	2,805
Total interest, fee and dividend income	$ 34,647	$ 27,430	$ 65,216	$ 52,763

6. Deferred Financing Costs

Deferred financing costs include SBIC debenture commitment fees and SBIC debenture leverage fees on the SBIC debentures which are not accounted for under the fair value option under ASC 825 (as discussed further in Note B.11.). These fees are approximately 3.4% of the total commitment and draw amounts, as applicable. These deferred financing costs have been capitalized and are being amortized into interest expense over the term of the debenture agreement (ten years).

Deferred financing costs also include commitment fees and other costs related to Main Street's multi-year investment credit facility (the "Credit Facility", as discussed further in Note F). These costs have been capitalized and are amortized into interest expense over the term of the Credit Facility.

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

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

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

Main Street may also purchase debt securities at a discount or at a premium to the par value of the debt security. In the case of a purchase at a discount, Main Street records the investment at the par

Table of Contents

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

NOTE B SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

To maintain RIC tax treatment (as discussed below in Note B.9.), these non-cash sources of income may need to be paid out to stockholders in the form of distributions, even though Main Street may not have collected them. For the three months ended June 30, 2014 and 2013, approximately 4.1% and 3.3%, respectively, of Main Street's total investment income was attributable to interest income from the accretion of discounts, net of any premium reduction, associated with debt investments. For the six months ended June 30, 2014 and 2013, approximately 4.1% and 3.1%, respectively, of Main Street's total investment income was attributable to interest income from the accretion of discounts, net of any premium reduction, associated with debt investments.

8. Share-Based Compensation

Main Street accounts for its share-based compensation plans using the fair value method, as prescribed by ASC 718, *Compensation Stock Compensation.* Accordingly, for restricted stock awards, Main Street measures the grant date fair value based upon the market price of its common stock on the date of the grant and amortizes the fair value of the awards as share-based compensation expense over the requisite service period or vesting term.

9. Income Taxes

MSCC has elected and intends to continue to qualify for the tax treatment applicable to a RIC under the Code, and, among other things, intends to make the required distributions to its stockholders as specified therein. In order to qualify as a RIC, MSCC is required to timely distribute to its stockholders at least 90% of investment company taxable income, as defined by the Code, each year. Depending on the level of taxable income earned in a tax year, MSCC may choose to carry forward taxable income in excess of current year distributions into the next tax year and pay a 4% excise tax on such income. As part of maintaining RIC status, undistributed taxable income (subject to a 4% excise tax) pertaining to a given fiscal year may be distributed up to 12 months subsequent to the end of that fiscal year, provided such dividends are declared prior to the filing of the federal income tax return for the applicable fiscal year.

The Taxable Subsidiaries hold certain portfolio investments of Main Street. The Taxable Subsidiaries are consolidated for U.S. GAAP reporting purposes, and the portfolio investments held by them are included in the consolidated financial statements as portfolio investments and recorded at fair value. The Taxable Subsidiaries permit Main Street to hold equity investments in portfolio companies which are "pass through" entities for tax purposes and continue to comply with the "source income" requirements contained in the RIC tax provisions of the Code. The Taxable Subsidiaries are not consolidated with Main Street for income tax purposes and may generate income tax expense, or benefit, and the related tax assets and liabilities, as a result of their ownership of certain portfolio investments. This income tax expense, or benefit, if any, and the related tax assets and liabilities, are reflected in Main Street's consolidated financial statements.

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

NOTE B SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Internal Investment Manager has elected, for tax purposes, to be treated as a taxable entity, is not consolidated with Main Street for income tax purposes and is taxed at normal corporate tax rates based on its taxable income and, as a result of its activities, may generate income tax expense or benefit. The Internal Investment Manager elected to be treated as a taxable entity to enable it to receive fee income and to allow MSCC to continue to comply with the "source income" requirements contained in the RIC tax provisions of the Code. The taxable income, or loss, of the Internal Investment Manager may differ from its book income, or loss, due to temporary book and tax timing differences and permanent differences. Through June 30, 2013, the Internal Investment Manager provided for any income tax expense, or benefit, and any related tax assets or liabilities, in its separate financial statements. Beginning April 1, 2013, the Internal Investment Manager is included in Main Street's consolidated financial statements and reflected as a consolidated subsidiary and any income tax expense, or benefit, and any related tax assets and liabilities, are reflected in Main Street's consolidated financial statements.

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

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

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

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

11. Fair Value of Financial Instruments

Fair value estimates are made at discrete points in time based on relevant information. These estimates may be subjective in nature and involve uncertainties and matters of significant judgment and, therefore, cannot be determined with precision. Main Street believes that the carrying amounts of its financial instruments, consisting of cash and cash equivalents, receivables, accounts payable and accrued liabilities approximate the fair values of such items due to the short term nature of these instruments. Marketable securities and idle funds investments may include investments in certificates of deposit, U.S. government agency securities, independently rated debt investments, diversified bond funds and publicly

Table of Contents

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

NOTE B SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

traded debt and equity investments and the fair value determination for these investments under the provisions of ASC 820 generally consists of Level 1 and 2 observable inputs, similar in nature to those discussed further in Note C.

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

12. Earnings per Share

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

13. Recently Issued or Adopted Accounting Standards

In February 2013, the FASB issued Accounting Standards Update ("ASU") 2013-04, *Liabilities (Topic 405): Obligations Resulting from Joint and Several Liability Arrangements for Which the Total Amount of the Obligation Is Fixed at the Reporting Date* ("ASU 2013-04"). ASU 2013-04 provides additional guidance for the recognition, measurement and disclosure of obligations resulting from joint and several liability arrangements for which the total amount of the obligation within the scope of this guidance is fixed at the reporting date. Public companies are required to apply ASU 2013-04 prospectively for interim and annual reporting periods beginning after December 15, 2013. The adoption of this standard did not have a material effect on Main Street's consolidated financial statements.

In June 2013, the FASB issued ASU 2013-08, *Financial Services Investment Companies (Topic 946): Amendments to the Scope, Measurement, and Disclosure Requirements* ("ASU 2013-08"). ASU 2013-08 amends the criteria that define an investment company, clarifies the measurement guidance and requires certain additional disclosures. Public companies are required to apply ASU 2013-08 prospectively for interim and annual reporting periods beginning after December 15, 2013. The adoption of this standard did not have a material effect on Main Street's consolidated financial statements.

In July 2013, the FASB issued ASU 2013-11, *Presentation of an Unrecognized Tax Benefit When a Net Operating Loss Carryforward, a Similar Tax Loss, or a Tax Credit Carryforward Exists*

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

NOTE B SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

("ASU 2013-11"). ASU 2013-11 provides guidance on the balance sheet presentation of an unrecognized tax benefit when a net operating loss carryforward, similar tax loss, or tax credit carryforward exists as of the reporting date. The update is effective prospectively for fiscal years, and interim periods within those years, beginning after December 15, 2013. Retrospective application is permitted. The adoption of this standard did not have a material effect on Main Street's consolidated financial statements.

In May 2014, the FASB issued Accounting Standards Update 2014-09, *Revenue from Contracts with Customers (Topic 606)*. ASU 2014-9 supersedes the revenue recognition requirements under ASC Topic 605, *Revenue Recognition*, and most industry-specific guidance throughout the Industry Topics of the ASC. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services. Under the new guidance, an entity is required to perform the following five steps: (1) identify the contract(s) with a customer; (2) identify the performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenue when (or as) the entity satisfies a performance obligation. The new guidance will significantly enhance comparability of revenue recognition practices across entities, industries, jurisdictions and capital markets. Additionally, the guidance requires improved disclosures as to the nature, amount, timing and uncertainty of revenue that is recognized. The new Guidance is effective for the annual reporting period beginning after December 15, 2016, including interim periods within that reporting period. Early adoption is not permitted. We are currently evaluating the impact the adoption of this new accounting standard will have on our Consolidated Financial Statements.

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

NOTE C FAIR VALUE HIERARCHY FOR INVESTMENTS AND DEBENTURES PORTFOLIO COMPOSITION

ASC 820 defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs used to measure fair value, and enhances disclosure requirements for fair value measurements. Main Street accounts for its investments at fair value.

Fair Value Hierarchy

In accordance with ASC 820, Main Street has categorized its investments based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical investments (Level 1) and the lowest priority to unobservable inputs (Level 3).

Table of Contents

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

NOTE C FAIR VALUE HIERARCHY FOR INVESTMENTS AND DEBENTURES PORTFOLIO COMPOSITION (Continued)

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

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

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

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

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

As required by ASC 820, when the inputs used to measure fair value fall within different levels of the hierarchy, the level within which the fair value measurement is categorized is based on the lowest level input that is significant to the fair value measurement in its entirety. For example, a Level 3 fair value measurement may include inputs that are observable (Levels 1 and 2) and unobservable (Level 3). Therefore, unrealized appreciation and depreciation related to such investments categorized within the Level 3 tables below may include changes in fair value that are attributable to both observable inputs (Levels 1 and 2) and unobservable inputs (Level 3). Main Street conducts reviews of fair value hierarchy classifications on a quarterly basis. During the classification process, Main Street may determine that it is appropriate to transfer investments between fair value hierarchy Levels. These transfers occur when the company has concluded that it is appropriate for the classification of an individual asset to be changed due to a change in the factors used to determine the selection of the Level. Any such changes are deemed to be effective during the quarter in which the transfer occurs.

As of June 30, 2014 and December 31, 2013, all except for one of Main Street's LMM portfolio investments consisted of illiquid securities issued by private companies. The remaining investment was a publicly traded equity security. As a result, the fair value determination for the LMM portfolio

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

NOTE C FAIR VALUE HIERARCHY FOR INVESTMENTS AND DEBENTURES PORTFOLIO COMPOSITION (Continued)

investments primarily consisted of unobservable inputs. The fair value determination for the publicly traded equity security consisted of observable inputs in non-active markets for which sufficient observable inputs were available to determine the fair value. As a result, all of Main Street's LMM portfolio investments were categorized as Level 3 as of June 30, 2014 and December 31, 2013, except for the one publicly traded equity security which was categorized as Level 2.

As of June 30, 2014, Main Street's Middle Market portfolio investments consisted primarily of investments in secured and unsecured debt investments and independently rated debt investments. The fair value determination for these investments consisted of a combination of observable inputs in non-active markets for which sufficient observable inputs were not available to determine the fair value of these investments and unobservable inputs. As a result, Main Street's Middle Market portfolio investments were categorized as Level 3 as of June 30, 2014. As of December 31, 2013, Main Street's Middle Market portfolio investments consisted primarily of investments in secured and unsecured debt investments and independently rated debt investments. The fair value determination for these investments consisted of a combination of observable inputs in non-active markets for which sufficient observable inputs were available to determine the fair value of these investments, observable inputs in the non-active markets for which sufficient observable inputs were not available to determine the fair value of these investments and unobservable inputs. As a result, a portion of Main Street's Middle Market portfolio investments were categorized as Level 2 as of December 31, 2013. For those Middle Market portfolio investments for which sufficient observable inputs were not available to determine fair value of the investments, Main Street categorized such investments as Level 3 as of December 31, 2013.

As of June 30, 2014 and December 31, 2013, Main Street's Private Loan portfolio investments primarily consisted of investments in interest-bearing secured debt investments. The fair value determination for these investments consisted of a combination of observable inputs in non-active markets for which sufficient observable inputs were not available to determine the fair value of these investments and unobservable inputs. As a result, all of Main Street's Private Loan portfolio investments were categorized as Level 3 as of June 30, 2014 and December 31, 2013.

As of December 31, 2013, Main Street's Other Portfolio debt investments consisted of investments in secured debt investments. The fair value determination for Other Portfolio debt investments consisted of observable inputs in non-active markets and, as such, were categorized as Level 2 as of December 31, 2013. There were no Other Portfolio debt investments as of June 30, 2014.

As of June 30, 2014 and December 31, 2013, Main Street's Other Portfolio equity investments consisted of illiquid securities issued by private companies. The fair value determination for these investments primarily consisted of unobservable inputs. As a result, all of Main Street's Other Portfolio equity investments were categorized as Level 3 as of June 30, 2014 and December 31, 2013.

As of June 30, 2014 and December 31, 2013, Main Street's Marketable securities and idle funds investments consisted primarily of investments in publicly traded debt and equity investments. The fair value determination for these investments consisted of a combination of observable inputs in active markets for which sufficient observable inputs were available to determine the fair value of these investments. As a result, all of Main Street's Marketable securities and idle funds investments were categorized as Level 1 as of June 30, 2014 and December 31, 2013.

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

NOTE C FAIR VALUE HIERARCHY FOR INVESTMENTS AND DEBENTURES PORTFOLIO COMPOSITION (Continued)

The fair value determination of each portfolio investment categorized as Level 3 required one or more of the following unobservable inputs:

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

- Contractual rights, obligations or restrictions associated with the investment; and

- Other factors deemed relevant.

The significant unobservable inputs used in the fair value measurement of Main Street's LMM equity securities, which are generally valued through an average of the discounted cash flow technique and the market comparable/enterprise value technique (unless one of these approaches is determined to not be appropriate), are (i) EBITDA multiples and (ii) the weighted average cost of capital ("WACC"). Significant increases (decreases) in EBITDA multiple inputs in isolation would result in a significantly higher (lower) fair value measurement. On the contrary, significant increases (decreases) in WACC inputs in isolation would result in a significantly lower (higher) fair value measurement. The significant unobservable inputs used in the fair value measurement of Main Street's LMM, Middle Market, Private Loan and Other Portfolio debt securities are (i) risk adjusted discount rates used in the Yield-to-Maturity valuation technique (described in Note B.1. Valuation of the Investment Portfolio) and (ii) the percentage of expected principal recovery. Significant increases (decreases) in any of these discount rates in isolation would result in a significantly lower (higher) fair value measurement.

Table of Contents

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

NOTE C FAIR VALUE HIERARCHY FOR INVESTMENTS AND DEBENTURES PORTFOLIO COMPOSITION (Continued)

Significant increases (decreases) in any of these expected principal recovery percentages in isolation would result in a significantly higher (lower) fair value measurement. However, due to the nature of certain investments, fair value measurements may be based on other criteria, such as third-party appraisals of collateral and fair values as determined by independent third parties, which are not presented in the tables below.

The following table provides a summary of the significant unobservable inputs used to fair value Main Street's Level 3 portfolio investments as of June 30, 2014:

Type of Investment	Fair Value as of June 30, 2014 (in thousands)	Valuation Technique	Significant Unobservable Inputs	Range(3)	Weighted Average(3)
Equity investments	$ 354,051	Discounted cash flow	Weighted average cost of capital	10.5% - 21.5%	13.9%
		Market comparable / Enterprise Value	EBITDA multiple(1)	4.0x - 7.8x(2)	6.2x
Debt investments	$ 464,634	Discounted cash flow	Risk adjusted discount factor	8.5% - 16.6%(2)	13.6%
			Expected principal recovery percentage	90.0% - 100.0%(2)	97.9%
Debt investments	$ 604,455	Market approach	Third party quote	71.8 - 102.8	
Total Level 3 investments	$ 1,423,140				

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

(2) Range excludes outliers that are greater than one standard deviation from the mean. Including these outliers, the range for EBITDA multiple is 3.5x - 17.5x, the range for risk adjusted discount factor is 7.0% - 26.4% and the range for the expected principal recovery percentage is 48.2 - 100.0.

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

Table of Contents

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

NOTE C FAIR VALUE HIERARCHY FOR INVESTMENTS AND DEBENTURES PORTFOLIO COMPOSITION (Continued)

The following table provides a summary of the significant unobservable inputs used to fair value Main Street's Level 3 portfolio investments as of December 31, 2013:

Type of Investment	Fair Value as of December 31, 2013 (in thousands)	Valuation Technique	Significant Unobservable Inputs	Range(3)	Weighted Average(3)
Equity investments	$ 307,322	Discounted cash flow	Weighted average cost of capital	11.1% - 19.0%	14.3%
		Market comparable / Enterprise Value	EBITDA multiple(1)	4.0x - 7.2x(2)	6.0x
Debt investments	$ 467,396	Discounted cash flow	Risk adjusted discount factor	6.5% - 26.4%(2)	14.3%
			Expected principal recovery percentage	66.9% - 100.0%	97.8%
Debt investments	$ 430,172	Market approach	Third party quote	82.3 - 102.9	
Total Level 3 investments	$ 1,204,890				

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

(2) Range excludes outliers that are greater than one standard deviation from the mean. Including these outliers, the range for EBITDA multiple is 4.0x - 11.5x and the range for risk adjusted discount factor is 6.5% - 96.0%.

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

The following table provides a summary of changes in fair value of Main Street's Level 3 portfolio investments for the six months ended June 30, 2014 (amounts in thousands). All transfers that occurred between fair value hierarchy levels during the six months ended June 30, 2014 were transfers out of Level 2 into Level 3. Net unrealized appreciation (depreciation) is included in the Net change in unrealized appreciation (depreciation) portfolio investments on the Consolidated Statements of Operations.

Type of Investment	Fair Value as of December 31, 2013	Transfers Into Level 3 Hierarchy	Redemptions/ Repayments(1)	New Investments(1)	Net Changes from Unrealized to Realized	Net Unrealized Appreciation (Depreciation)	Other(1)	Fair Value as of June 30, 2014
Debt	897,568	55,102	(256,107)	376,656	6,434	(7,794)	(2,770)	1,069,089
Equity	270,764		(3,252)	16,120	2,008	31,780	3,092	320,512
Equity Warrant	36,558		(600)	771	600	(3,873)	83	33,539
	1,204,890	55,102	(259,959)	393,547	9,042	20,113	405	1,423,140

(1) Includes the impact of non-cash conversions.

Table of Contents

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

NOTE C FAIR VALUE HIERARCHY FOR INVESTMENTS AND DEBENTURES PORTFOLIO COMPOSITION (Continued)

The following table provides a summary of changes in fair value of Main Street's Level 3 portfolio investments for the six months ended June 30, 2013 (amounts in thousands). All transfers that occurred between fair value hierarchy levels during the six months ended June 30, 2013 were transfers out of Level 2 into Level 3. Net unrealized appreciation (depreciation) is included in the Net change in unrealized appreciation (depreciation) portfolio investments on the Consolidated Statements of Operations.

Type of Investment	Fair Value as of December 31, 2012	Transfers Into Level 3 Hierarchy	Redemptions/ Repayments(1)	New Investments(1)	Net Changes from Unrealized to Realized	Net Unrealized Appreciation (Depreciation)	Other(1)	Fair Value as of June 30, 2013
Debt	477,272	4,992	(84,294)	290,261	(1,375)	793	2,663	690,312
Equity	191,764		154	15,436		14,782	839	222,975
Equity Warrant	28,595		(159)	8,813		2,743	(833)	39,159
	$ 697,631	$ 4,992	$ (84,299)	$ 314,510	$ (1,375)	$ 18,318	$ 2,669	$ 952,446

(1) Includes the impact of non-cash conversions.

As of June 30, 2014 and December 31, 2013, the fair value determination for the SBIC debentures recorded at fair value primarily consisted of unobservable inputs. As a result, the SBIC debentures which are recorded at fair value were categorized as Level 3. Main Street determines the fair value of these instruments primarily using a Yield-to-Maturity approach that analyzes the discounted cash flows of interest and principal for each SBIC debenture recorded at fair value based on estimated market interest rates for debt instruments of similar structure, terms, and maturity. Main Street's estimate of the expected repayment date of principal for each SBIC debenture recorded at fair value is the legal maturity date of the instrument.

The significant unobservable inputs used in the fair value measurement of Main Street's SBIC debentures recorded at fair value are the estimated market interest rates used to fair value each debenture using the yield valuation technique described above. Significant increases (decreases) in the Yield-to-Maturity valuation inputs in isolation would result in a significantly lower (higher) fair value measurement.

The following table provides a summary of the significant unobservable inputs used to fair value Main Street's Level 3 SBIC debentures as of June 30, 2014 (amounts in thousands):

Type of Instrument	Fair Value as of June 30, 2014 (in thousands)	Valuation Technique	Significant Unobservable Inputs	Range	Weighted Average
SBIC debentures	$ 64,079	Discounted cash flow	Estimated market interest rates	7.3% - 9.1%	8.3%

Type of Instrument	**Fair Value as of December 31, 2013 (in thousands)**	**Valuation Technique**	**Significant Unobservable Inputs**	**Range**	**Weighted Average**
SBIC debentures	$ 62,050	Discounted cash flow	Estimated market interest rates	8.5% - 9.1%	8.9%

Table of Contents

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

NOTE C FAIR VALUE HIERARCHY FOR INVESTMENTS AND DEBENTURES PORTFOLIO COMPOSITION (Continued)

The following table provides a summary of the significant unobservable inputs used to fair value Main Street's Level 3 SBIC debentures as of December 31, 2013 (amounts in thousands):

Type of Instrument	Fair Value as of December 31, 2013	Repayments	New SBIC Debentures	Net Unrealized (Appreciation) Depreciation	Fair Value as of June 30, 2014
SBIC debentures at fair value	$ 62,050	$	$	$ 2,029	$ 64,079

The following table provides a summary of changes for the Level 3 SBIC debentures recorded at fair value for the six months ended June 30, 2014 (amounts in thousands):

The following table provides a summary of changes for the Level 3 SBIC debentures recorded at fair value for the six months ended June 30, 2013 (amounts in thousands):

Type of Instrument	Fair Value as of December 31, 2012	Repayments	New SBIC Debentures	Net Unrealized (Appreciation) Depreciation	Fair Value as of June 30, 2013
SBIC debentures at fair value	$ 86,467	$	$	$ 657	$ 87,124

At June 30, 2014 and December 31, 2013, Main Street's investments and SBIC debentures at fair value were categorized as follows in the fair value hierarchy for ASC 820 purposes:

		Fair Value Measurements (in thousands)		
At June 30, 2014	**Fair Value**	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
LMM portfolio investments	$ 670,363	$	$ 11,259	$ 659,104
Middle Market portfolio investments	566,205			566,205
Private Loan portfolio investments	144,673			144,673
Other Portfolio investments	48,398			48,398
External Investment Manager	4,760			4,760
Total portfolio investments	1,434,399		11,259	1,423,140
Marketable securities and idle funds investments	8,974	8,974		

Total investments	$ 1,443,373	$ 8,974	$ 11,259	$ 1,423,140
SBIC debentures at fair value	$ 64,079	$	$	$ 64,079

Table of Contents

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

NOTE C FAIR VALUE HIERARCHY FOR INVESTMENTS AND DEBENTURES PORTFOLIO COMPOSITION (Continued)

		Fair Value Measurements (in thousands)		
At December 31, 2013	**Fair Value**	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
LMM portfolio investments	$ 659,405	$	$ 10,235	$ 649,170
Middle Market portfolio investments	471,458		69,063	402,395
Private Loan portfolio investments	111,463			111,463
Other Portfolio investments	42,798		2,000	40,798
External Investment Manager	1,064			1,064
Total portfolio investments	1,286,188		81,298	1,204,890
Marketable securities and idle funds investments	13,301	13,301		
Total investments	$ 1,299,489	$ 13,301	$ 81,298	$ 1,204,890
SBIC debentures at fair value	$ 62,050	$	$	$ 62,050

Portfolio Investment Composition

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

Main Street's middle market ("Middle Market") portfolio investments primarily consist of direct investments in or secondary purchases of interest-bearing debt securities in privately held companies based in the United States that are generally larger in size than the LMM companies included in Main Street's LMM portfolio. Main Street's Middle Market portfolio companies generally have annual revenues between $150 million and $1.5 billion, and its Middle Market investments generally range in size from $3 million to $15 million. Main Street's Middle Market portfolio debt investments are generally secured by either a first or second priority lien on the assets of the company and typically have a term of between three and seven years from the original investment date.

Main Street's Private Loan ("Private Loan") portfolio investments primarily consist of investments in interest-bearing debt securities in companies that are consistent with the size of companies in its LMM portfolio or its Middle Market portfolio, but are investments which have been originated through strategic relationships with other investment funds on a collaborative basis. Main Street's Private Loan

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

NOTE C FAIR VALUE HIERARCHY FOR INVESTMENTS AND DEBENTURES PORTFOLIO COMPOSITION (Continued)

portfolio debt investments are generally secured by either a first or second priority lien and typically have a term of between three and seven years from the original investment date.

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

Main Street's external asset management business is conducted through its External Investment Manager. Main Street has entered into an agreement through the Internal Investment Manager to provide the External Investment Manager with asset management service support for HMS Income Fund, Inc. ("HMS Income"). Through this agreement, Main Street provides management and other services to the External Investment Manager, as well as access to Main Street's employees, infrastructure, business relationships, management expertise and capital raising capabilities. Beginning in the first quarter of 2014, Main Street charges the External Investment Manager for the use of these services, and Main Street's total expenses for the three and six months ended 2014 include an offset of $0.4 million and $0.7 million, respectively, for the expenses charged to the External Investment Manager (see Note D for additional information). The External Investment Manager earns management fees based on the assets of the funds under management and may earn incentive fees, or a carried interest, based on the performance of the funds managed.

Investment income, consisting of interest, dividends and fees, can fluctuate dramatically due to various factors, including the level of new investment activity, repayments of debt investments or sales of equity interests. Investment income in any given year could also be highly concentrated among several portfolio companies. For the three and six months ended June 30, 2014 and 2013, Main Street did not record investment income from any single portfolio company in excess of 10% of total investment income.

As of June 30, 2014, Main Street had debt and equity investments in 62 LMM portfolio companies with an aggregate fair value of approximately $670.4 million, with a total cost basis of approximately $529.4 million, and a weighted average annual effective yield on its LMM debt investments of approximately 14.9%. As of June 30, 2014, approximately 73% of Main Street's total LMM portfolio investments at cost were in the form of debt investments and approximately 85% of such debt investments at cost were secured by first priority liens on the assets of Main Street's LMM portfolio companies. At June 30, 2014, Main Street had equity ownership in approximately 95% of its LMM portfolio companies and the average fully diluted equity ownership in those portfolio companies was approximately 34%. As of December 31, 2013, Main Street had debt and equity investments in 62 LMM portfolio companies with an aggregate fair value of approximately $659.4 million, with a total cost basis of approximately $543.3 million, and a weighted average annual effective yield on its LMM debt investments of approximately 14.7%. As of December 31, 2013, approximately 76% of Main Street's total LMM portfolio investments at cost were in the form of debt investments and approximately 86% of such debt investments at cost were secured by first priority liens on the assets of Main Street's LMM portfolio companies. At December 31, 2013, Main Street had equity ownership in approximately 94% of its LMM portfolio companies and the average fully diluted equity ownership in

Table of Contents

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

NOTE C FAIR VALUE HIERARCHY FOR INVESTMENTS AND DEBENTURES PORTFOLIO COMPOSITION (Continued)

those portfolio companies was approximately 33%. The weighted average annual yields were computed using the effective interest rates for all debt investments at cost as of June 30, 2014 and December 31, 2013, including amortization of deferred debt origination fees and accretion of original issue discount but excluding fees payable upon repayment of the debt instruments and any debt investments on non-accrual status.

As of June 30, 2014, Main Street had Middle Market portfolio investments in 93 companies, collectively totaling approximately $566.2 million in fair value with a total cost basis of approximately $564.0 million. The weighted average EBITDA for the 93 Middle Market portfolio companies was approximately $68.8 million as of June 30, 2014. As of June 30, 2014, substantially all of Main Street's Middle Market portfolio investments were in the form of debt investments and approximately 92% of such debt investments at cost were secured by first priority liens on portfolio company assets. The weighted average annual effective yield on Main Street's Middle Market portfolio debt investments was approximately 7.5% as of June 30, 2014. As of December 31, 2013, Main Street had Middle Market portfolio investments in 92 companies, collectively totaling approximately $471.5 million in fair value with a total cost basis of approximately $468.3 million. The weighted average EBITDA for the 92 Middle Market portfolio companies was approximately $79.0 million as of December 31, 2013. As of December 31, 2013, substantially all of its Middle Market portfolio investments were in the form of debt investments and approximately 92% of such debt investments at cost were secured by first priority liens on portfolio company assets. The weighted average annual effective yield on Main Street's Middle Market portfolio debt investments was approximately 7.8% as of December 31, 2013. The weighted average annual yields were computed using the effective interest rates for all debt investments at cost as of June 30, 2014 and December 31, 2013, including amortization of deferred debt origination fees and accretion of original issue discount but excluding fees payable upon repayment of the debt instruments.

As of June 30, 2014, Main Street had Private Loan portfolio investments in 19 companies, collectively totaling approximately $144.7 million in fair value with a total cost basis of approximately $149.2 million. The weighted average EBITDA for the 19 Private Loan portfolio companies was approximately $12.1 million as of June 30, 2014. As of June 30, 2014, approximately 96% of Main Street's Private Loan portfolio investments were in the form of debt investments and approximately 82% of such debt investments at cost were secured by first priority liens on portfolio company assets. The weighted average annual effective yield on Main Street's Private Loan portfolio debt investments was approximately 11.3% as of June 30, 2014. As of December 31, 2013, Main Street had Private Loan portfolio investments in 15 companies, collectively totaling approximately $111.5 million in fair value with a total cost basis of approximately $111.3 million. The weighted average EBITDA for the 15 Private Loan portfolio companies was approximately $18.4 million as of December 31, 2013. As of December 31, 2013, approximately 95% of its Private Loan portfolio investments were in the form of debt investments and approximately 98% of such debt investments at cost were secured by first priority liens on portfolio company assets. The weighted average annual effective yield on Main Street's Private Loan portfolio debt investments was approximately 11.3% as of December 31, 2013. The weighted average annual yields were computed using the effective interest rates for all debt investments at cost as of June 30, 2014 and December 31, 2013, including amortization of deferred debt origination fees

Table of Contents

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

NOTE C FAIR VALUE HIERARCHY FOR INVESTMENTS AND DEBENTURES PORTFOLIO COMPOSITION (Continued)

and accretion of original issue discount but excluding fees payable upon repayment of the debt instruments.

As of June 30, 2014, Main Street had Other Portfolio investments in 5 companies, collectively totaling approximately $48.4 million in fair value and approximately $44.7 million in cost basis and which comprised 3.4% of Main Street's Investment Portfolio at fair value as of June 30, 2014. As of December 31, 2013, Main Street had Other Portfolio investments in 6 companies, collectively totaling approximately $42.8 million in fair value and approximately $40.1 million in cost basis and which comprised 3.3% of Main Street's Investment Portfolio at fair value as of December 31, 2013.

As discussed further above, Main Street holds an investment in the External Investment Manager, a wholly owned subsidiary that is treated as a portfolio investment. As of June 30, 2014, there was no cost basis in this investment and the investment had a fair value of $4.8 million, which comprised 0.3% of Main Street's Investment Portfolio at fair value. As of December 31, 2013, there was no cost basis in this investment and the investment had a fair value of $1.1 million, which comprised 0.1% of Main Street's Investment Portfolio at fair value.

The following tables summarize the composition of Main Street's total combined LMM portfolio investments, Middle Market portfolio investments and Private Loan portfolio investments at cost and fair value by type of investment as a percentage of the total combined LMM portfolio investments, Middle Market portfolio investments and Private Loan portfolio investments, as of June 30, 2014 and December 31, 2013 (this information excludes Other Portfolio investments and the External Investment Manager).

Cost:	**June 30, 2014**	**December 31, 2013**
First lien debt	77.6%	79.0%
Equity	10.2%	10.4%
Second lien debt	10.0%	8.4%
Equity warrants	1.7%	1.9%
Other	0.5%	0.3%
	100.0%	100.0%

Fair Value:	**June 30, 2014**	**December 31, 2013**
First lien debt	67.9%	69.9%
Equity	20.2%	19.3%
Second lien debt	9.1%	7.6%
Equity warrants	2.4%	2.9%
Other	0.4%	0.3%
	100.0%	100.0%

The following tables summarize the composition of Main Street's total combined LMM portfolio investments, Middle Market portfolio investments and Private Loan portfolio investments by geographic region of the United States and other countries at cost and fair value as a percentage of the total

Table of Contents

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

NOTE C FAIR VALUE HIERARCHY FOR INVESTMENTS AND DEBENTURES PORTFOLIO COMPOSITION (Continued)

combined LMM portfolio investments, Middle Market portfolio investments and Private Loan portfolio investments, as of June 30, 2014 and December 31, 2013 (this information excludes Other Portfolio investments and the External Investment Manager). The geographic composition is determined by the location of the corporate headquarters of the portfolio company.

Cost:	June 30, 2014	December 31, 2013
Southwest	25.8%	27.8%
Northeast	20.9%	18.0%
West	18.7%	19.1%
Southeast	17.1%	15.6%
Midwest	14.3%	15.4%
Canada	0.7%	1.2%
Other Non-United States	2.5%	2.9%
	100.0%	100.0%

Fair Value:	June 30, 2014	December 31, 2013
Southwest	29.8%	30.9%
Northeast	20.2%	17.6%
West	20.0%	20.1%
Southeast	13.7%	12.6%
Midwest	13.5%	15.0%
Canada	0.6%	1.1%
Other Non-United States	2.2%	2.7%
	100.0%	100.0%

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

Table of Contents

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

NOTE C FAIR VALUE HIERARCHY FOR INVESTMENTS AND DEBENTURES PORTFOLIO COMPOSITION (Continued)

as of June 30, 2014 and December 31, 2013 (this information excludes Other Portfolio investments and the External Investment Manager).

Cost:	June 30, 2014	December 31, 2013
Media	9.9%	7.8%
Energy Equipment & Services	9.1%	10.7%
Health Care Providers & Services	6.2%	5.8%
IT Services	6.0%	6.1%
Hotels, Restaurants & Leisure	5.8%	5.8%
Specialty Retail	5.5%	7.2%
Machinery	4.9%	3.3%
Diversified Telecommunication Services	4.5%	3.3%
Construction & Engineering	3.4%	4.1%
Commercial Services & Supplies	3.3%	5.1%
Electronic Equipment, Instruments & Components	3.3%	2.3%
Software	3.1%	3.8%
Diversified Consumer Services	3.0%	2.4%
Internet Software & Services	2.7%	2.5%
Oil, Gas & Consumable Fuels	2.3%	3.2%
Road & Rail	2.0%	2.7%
Auto Components	1.8%	1.6%
Chemicals	1.6%	1.3%
Containers & Packaging	1.6%	1.0%
Textiles, Apparel & Luxury Goods	1.4%	1.6%
Trading Companies & Distributors	1.3%	1.5%
Professional Services	1.2%	1.4%
Food Products	1.3%	0.9%
Building Products	1.2%	1.4%
Health Care Equipment & Supplies	1.3%	1.2%
Consumer Finance	1.1%	1.1%
Household Products	1.0%	0.5%
Other(1)	10.2%	10.4%
	100.0%	100.0%

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

Table of Contents

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

NOTE C FAIR VALUE HIERARCHY FOR INVESTMENTS AND DEBENTURES PORTFOLIO COMPOSITION (Continued)

Fair Value:	June 30, 2014	December 31, 2013
Media	9.2%	7.6%
Energy Equipment & Services	8.6%	10.2%
Machinery	6.5%	5.3%
Health Care Providers & Services	5.9%	5.6%
Hotels, Restaurants & Leisure	5.5%	5.6%
IT Services	5.4%	5.6%
Specialty Retail	4.9%	6.5%
Diversified Telecommunication Services	4.6%	3.6%
Diversified Consumer Services	4.5%	3.9%
Construction & Engineering	3.8%	4.6%
Electronic Equipment, Instruments & Components	3.5%	2.4%
Commercial Services & Supplies	3.3%	4.6%
Software	3.2%	4.0%
Internet Software & Services	3.1%	2.9%
Road & Rail	2.4%	3.0%
Oil, Gas & Consumable Fuels	2.1%	2.9%
Auto Components	2.0%	1.5%
Chemicals	1.4%	1.2%
Containers & Packaging	1.4%	0.9%
Paper & Forest Products	1.3%	1.3%
Textiles, Apparel & Luxury Goods	1.2%	1.4%
Trading Companies & Distributors	1.2%	1.3%
Food Products	1.1%	0.8%
Health Care Equipment & Supplies	1.1%	1.0%
Professional Services	1.1%	1.2%
Building Products	0.9%	1.0%
Other(1)	10.8%	10.1%
	100.0%	100.0%

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

At June 30, 2014 and December 31, 2013, Main Street had no portfolio investment that was greater than 10% of the Investment Portfolio at fair value.

Table of Contents

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

NOTE D WHOLLY OWNED INVESTMENT MANAGERS

External Investment Manager

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

During May 2012, MSCC entered into an investment sub-advisory agreement with HMS Adviser, LP ("HMS Adviser"), which is the investment advisor to HMS Income Fund, Inc. ("HMS Income"), a non publicly-traded BDC whose registration statement on Form N-2 was declared effective by the SEC in June 2012, to provide certain investment advisory services to HMS Adviser. In December 2013, after obtaining no-action relief from the SEC to allow it to own a registered investment adviser, MSCC assigned the sub-advisory agreement to the External Investment Manager since the fees received from such arrangement could otherwise have negative consequences on MSCC's ability to meet the source-of-income requirement necessary for it to maintain its RIC tax treatment. Under the investment sub-advisory agreement, the External Investment Manager is entitled to 50% of the base management fee and the incentive fees earned by HMS Adviser under its advisory agreement with HMS Income. However, MSCC and the External Investment Manager agreed to waive all such fees from the effective date of HMS Adviser's registration statement on Form N-2 through December 31, 2013. As a result, as of December 31, 2013, neither MSCC nor the External Investment Manager had received any base management fee or incentive fees under the investment sub-advisory agreement and neither was due any unpaid compensation for any base management fee or incentive fees under the investment sub-advisory agreement through December 31, 2013. Neither MSCC nor the External Investment Manager has waived the External Investment Manager's base management fees or incentive fees after December 31, 2013 and, as a result, the External Investment Manager began accruing such fees on January 1, 2014. During the three and six months ended June 30, 2014, the External Investment Manager earned $0.5 million and $0.8 million, respectively, of management fees under the sub-advisory agreement with HMS Adviser.

The investment in the External Investment Manager is accounted for using fair value accounting, with the fair value determined by Main Street and approved, in good faith, by Main Street's Board of Directors. Main Street determines the fair value of the External Investment Manager using the Waterfall methodology under the market approach (see further discussion in Note B.1.). Any change in fair value of the investment in the External Investment Manager is recognized on Main Street's statement of operations in "Net Change in Unrealized appreciation (depreciation) Portfolio investments".

The External Investment Manager has elected, for tax purposes, to be treated as a taxable entity, is not consolidated with Main Street for income tax purposes and is taxed at normal corporate tax rates based on its taxable income, or loss, and, as a result of its activities, may generate income tax expense or benefit. The External Investment Manager has elected to be treated as a taxable entity to enable it to receive fee income and to allow MSCC to continue to comply with the "source income" requirements contained in the RIC tax provisions of the Code. The taxable income, or loss, of the External Investment Manager may differ from its book income, or loss, due to temporary book and tax timing differences and permanent differences. The External Investment Manager provides for any income tax expense, or benefit, and any tax assets or liabilities in its separate financial statements.

Table of Contents

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

NOTE D WHOLLY OWNED INVESTMENT MANAGERS (Continued)

The Internal Investment Manager provides services to the External Investment Manager and charges the expenses necessary to perform these services to the External Investment Manager generally based on a combination of the direct time spent, new investment origination activity and assets under management, depending on the nature of the expense. For the three and six months ended June 30, 2014, the Internal Investment Manager charged $0.4 and $0.7 million of total expenses, respectively, to the External Investment Manager.

Summarized financial information from the separate financial statements of the External Investment Manager as of June 30, 2014 and December 31, 2013 and for the three and six months ended June 30, 2014 is as follows:

	As of June 30, 2014 (in thousands)	As of December 31, 2013 (in thousands)
Accounts receivable HMS Income	$ 543	$
Total assets	$ 543	$
Accounts Payable to Internal Investment Manager	$ 438	$
Dividend payable to MSCC	63	
Taxes Payable	42	
Equity		
Total liabilities and equity	$ 543	$

	Three Months Ended June 30, 2014 (in thousands)	Six Months Ended June 30, 2014 (in thousands)
Management fee income	$ 543	$ 834
Expenses allocated from Internal Investment Manager:		
Salaries, share-based compensation and other personnel costs	(307)	(555)
Other G&A expenses	(129)	(172)
Total allocated expenses	(436)	(727)

Other direct G&A expenses	(2)	(2)
Total expenses	(438)	(729)
Pre-tax income	105	105
Tax expense	42	42
Net income	$ 63	$ 63

Table of Contents

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

NOTE D WHOLLY OWNED INVESTMENT MANAGERS (Continued)

Internal Investment Manager

The Internal Investment Manager is a wholly owned subsidiary of MSCC. However, through March 31, 2013, the Internal Investment Manager was accounted for as a portfolio investment since the Internal Investment Manager is not an investment company and since it had historically conducted a significant portion of its investment management activities for parties outside of MSCC and its consolidated subsidiaries. Effective April 1, 2013, the Internal Investment Manager was consolidated prospectively as the controlled operating subsidiary is considered to be providing substantially all of its services directly or indirectly to Main Street or its portfolio companies.

The Internal Investment Manager receives recurring investment management and other fees, in addition to a reimbursement of certain expenses, from MSCC and certain direct and indirect wholly owned subsidiaries of MSCC. Through March 31, 2013, the Internal Investment Manager also received certain management, consulting and advisory fees for providing these services to third parties (the "External Services").

As of March 31, 2013 (the last date the Internal Investment Manager was considered to be a portfolio investment for accounting purposes), the fair value of the investment in the Internal Investment Manager was zero. Beginning April 1, 2013, the Internal Investment Manager was fully consolidated with MSCC and its other consolidated subsidiaries in Main Street's consolidated financial statements and, as of April 1, 2013, all assets and liabilities were included in the consolidated balance sheet at fair value.

The Internal Investment Manager has elected, for tax purposes, to be treated as a taxable entity, is not consolidated with Main Street for income tax purposes and is taxed at normal corporate tax rates based on its taxable income, or loss, and, as a result of its activities, may generate income tax expense or benefit. The Internal Investment Manager initially elected to be treated as a taxable entity to enable it to receive fee income and to allow MSCC to continue to comply with the "source income" requirements contained in the RIC tax provisions of the Code. The taxable income, or loss, of the Internal Investment Manager may differ from its book income, or loss, due to temporary book and tax timing differences and permanent differences. Through March 31, 2013, the Internal Investment Manager provided for any income tax expense, or benefit, and any tax assets or liabilities in its separate financial statements. Beginning April 1, 2013, the Internal Investment Manager is included in Main Street's consolidated financial statements and reflected as a consolidated subsidiary and any income tax expense, or benefit, and any tax assets or liabilities are reflected in Main Street's consolidated financial statements.

Pursuant to a historical support services agreement with MSCC, the Internal Investment Manager was reimbursed each quarter by MSCC for its cash operating expenses, less fees that the Internal Investment Manager received from MSC II and third parties, associated with providing investment management and other services to MSCC, its subsidiaries and third parties. Through March 31, 2013, these fees paid by MSC II to the Internal Investment Manager were reflected as "Expenses reimbursed to affiliated Internal Investment Manager" on the Consolidated Statements of Operations along with any additional net costs reimbursed by MSCC and its consolidated subsidiaries to the Internal Investment Manager pursuant to the support services agreement. Beginning April 1, 2013, the expenses of the Internal Investment Manager are included in Main Street's consolidated financial statements,

Table of Contents

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

NOTE D WHOLLY OWNED INVESTMENT MANAGERS (Continued)

after elimination of any intercompany activity, in the Consolidated Statements of Operations as either compensation expenses or as a part of general and administrative expenses.

In the separate stand-alone financial statements of the Internal Investment Manager as summarized below, as part of the Formation Transactions the Internal Investment Manager recognized an $18 million intangible asset related to the investment advisory agreement with MSC II consistent with Staff Accounting Bulletin No. 54, Application of "Pushdown" Basis of Accounting in Financial Statements of Subsidiaries Acquired by Purchase ("SAB 54"). Under SAB 54, push-down accounting is required in "purchase transactions that result in an entity becoming substantially wholly owned." In this case, MSCC acquired 100% of the equity interests in the Internal Investment Manager in the Formation Transactions. Because the $18 million value attributed to MSCC's investment in the Internal Investment Manager was derived from the long-term, recurring management fees under the investment advisory agreement with MSC II, the same methodology used to determine the $18 million valuation of the Internal Investment Manager in connection with the Formation Transactions was utilized to establish the push-down accounting basis for the intangible asset. The intangible asset is being amortized over the estimated economic life of the investment advisory agreement with MSC II. Through March 31, 2013, amortization expense was recorded by the Internal Investment Manager in its separate financial statements, but this amortization expense was not included in the expenses reimbursed by MSCC to the Internal Investment Manager based upon the support services agreement since it is non-cash and non-operating in nature. Upon consolidation of the Internal Investment Manager, effective April 1, 2013, and for all periods thereafter, the effects of the intangible asset and related amortization expense have been fully eliminated in Main Street's consolidated financial statements.

Summarized financial information from the separate financial statements of the Internal Investment Manager through March 31, 2013 is as follows:

	As of March 31, 2013 (in thousands) (Unaudited)
Cash	$ 524
Accounts receivable	79
Accounts receivable MSCC	106
Intangible asset (net of accumulated amortization of $6,021)	11,979
Deposits and other	556
Total assets	$ 13,244
Accounts payable and accrued liabilities	$ 1,410
Equity	11,834
Total liabilities and equity	$ 13,244

Table of Contents

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

NOTE D WHOLLY OWNED INVESTMENT MANAGERS (Continued)

	Three Months Ended March 31, 2013 (in thousands) (Unaudited)
Management fee income from MSC II	$ 776
Other management advisory fees	
Total income	776
Salaries, benefits and other personnel costs	(2,731)
Occupancy expense	(108)
Professional expenses	(77)
Amortization expense intangible asset	(340)
Other expenses	(273)
Expense reimbursement from MSCC	2,413
Total net expenses	(1,116)
Net Loss	$ (340)

As a result of the consolidation of the Internal Investment Manager effective April 1, 2013, beginning in the second quarter of 2013, the balance sheet and income statement accounts of the Internal Investment Manager are included in Main Street's consolidated financial statements and the "Expenses reimbursed to affiliated Internal Investment Manager" accounts included in Main Street's historical consolidated financial statements has a zero balance. In addition, as a result of the consolidation of the accounts of the Internal Investment Manager effective April 1, 2013, beginning with the second quarter of 2013, the expenses on Main Street's income statement that were included in "Expenses reimbursed to affiliated Internal Investment Manager" in prior periods are now included in "Compensation" or "General and administrative" expenses. The consolidation of the Internal Investment Manager has no net effect on net investment income or total expenses reported in any of the comparable periods presented.

The following unaudited supplemental pro forma information has been provided for illustrative purposes only to show the effects on the individual line items in Main Street's consolidated statements of operations affected for these periods prior to consolidation of the Internal Investment Manager. Future results may vary significantly from the results reflected in the following pro forma financial information because of future events and transactions, as well as other factors. No per share amounts are shown as the consolidation of the Internal Investment Manager would not have changed any per share results. The following pro forma information has been provided for the six months ended

Table of Contents

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

NOTE D WHOLLY OWNED INVESTMENT MANAGERS (Continued)

June 30, 2014 and 2013 as though the Internal Investment Manager had been consolidated as of the beginning of each period presented.

	Six Months Ended June 30, 2014 (Actual)	Six Months Ended June 30, 2013 (Pro-forma)(1)
	(in thousands) (Unaudited)	
Compensation	(6,068)	(5,305)
General and administrative	(3,408)	(2,395)
Expenses reimbursed to affiliated Internal Investment Manager		
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	$ 57,185	$ 47,633

(1) Represents pro-forma information for the three months ended March 31, 2013 and actual information for the period from April 1, 2013 through June 30, 2013.

NOTE E SBIC DEBENTURES

SBIC debentures payable at June 30, 2014 and December 31, 2013 were $225.0 million and $200.2 million, respectively. The SBIC debentures provide for interest to be paid semi-annually, with principal due at the applicable 10-year maturity date of each debenture. The weighted average annual interest rate on the SBIC debentures as of June 30, 2014 and December 31, 2013 was 4.2% and 3.8%, respectively. Main Street issued $24.8 million of new SBIC debentures under the SBIC program in the first quarter of 2014 to reach the regulatory maximum amount of $225.0 million. The first principal maturity due under the existing SBIC debentures is in 2017, and the remaining weighted average duration as of June 30, 2014 is approximately 7.1 years. For the three months ended June 30, 2014 and 2013, Main Street recognized interest expense attributable to the SBIC debentures of $2.5 million and $2.8 million, respectively. For the six months ended June 30, 2014 and 2013, Main Street recognized interest expense attributable to the SBIC debentures of $4.5 million and $5.5 million, respectively. Main Street has incurred leverage and other miscellaneous fees of approximately 3.4% of the debenture principal amount. In accordance with SBA regulations, the Funds are precluded from incurring additional non-SBIC debt without the prior approval of the SBA. The Funds are subject to annual compliance examinations by the SBA. There have been no historical findings resulting from these examinations.

As of June 30, 2014, the recorded value of the SBIC debentures was $213.9 million which consisted of (i) $64.1 million recorded at fair value, or $11.1 million less than the $75.2 million face value of the SBIC debentures held in MSC II, and (ii) $149.8 million reported at face value and held in MSMF. As of June 30, 2014, if Main Street had adopted the fair value option under ASC 825 for all of its SBIC debentures, Main Street estimates the fair value of its SBIC debentures would be approximately $173.6 million, or $51.4 million less than the $225.0 million face value of the SBIC debentures.

Table of Contents

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

NOTE F CREDIT FACILITY

Main Street maintains the Credit Facility to provide additional liquidity to support its investment and operational activities. The Credit Facility provides for total commitments of $502.5 million from a diversified group of fourteen lenders. The Credit Facility contains an accordion feature which allows Main Street to increase the total commitments under the facility up to $600.0 million from new or existing lenders on the same terms and conditions as the existing commitments.

Borrowings under the Credit Facility bear interest, subject to Main Street's election, on a per annum basis equal to (i) the applicable LIBOR rate (0.15%, as of June 30, 2014) plus 2.25% or (ii) the applicable base rate (Prime Rate, 3.25% as of June 30, 2014) plus 1.25%. Main Street pays unused commitment fees of 0.25% per annum on the unused lender commitments under the Credit Facility. The Credit Facility is secured by a first lien on the assets of MSCC and its subsidiaries, excluding the assets of the Funds. The Credit Facility contains certain affirmative and negative covenants, including but not limited to: (i) maintaining a minimum availability of at least 10% of the borrowing base, (ii) maintaining an interest coverage ratio of at least 2.0 to 1.0, (iii) maintaining an asset coverage ratio of at least 1.5 to 1.0, and (iv) maintaining a minimum tangible net worth. The Credit Facility is provided on a revolving basis through its final maturity date in September 2018, and contains two, one-year extension options which could extend the final maturity by up to two years, subject to certain conditions, including lender approval.

At June 30, 2014, Main Street had $253.0 million in borrowings outstanding under the Credit Facility. Main Street recognized interest expense related to the Credit Facility, including unused commitment fees and amortization of deferred loan costs, of $1.5 million and $1.2 million, respectively, for the three months ended June 30, 2014 and 2013 and of $3.3 million and $2.4 million, respectively, for the six months ended June 30, 2014 and 2013. As of June 30, 2014, the interest rate on the Credit Facility was 2.4%, and Main Street was in compliance with all financial covenants of the Credit Facility.

NOTE G NOTES

In April 2013, Main Street issued $92.0 million, including the underwriters full exercise of their option to purchase additional principal amounts to cover over-allotments, in aggregate principal amount of 6.125% Notes due 2023 (the "6.125% Notes"). The 6.125% Notes are unsecured obligations and rank pari passu with its current and future unsecured indebtedness; senior to any of its future indebtedness that expressly provides it is subordinated to the 6.125% Notes; effectively subordinated to all of its existing and future secured indebtedness, to the extent of the value of the assets securing such indebtedness, including borrowings under its Credit Facility; and structurally subordinated to all existing and future indebtedness and other obligations of any of its subsidiaries, including without limitation, the indebtedness of the Funds. The 6.125% Notes mature on April 1, 2023, and may be redeemed in whole or in part at any time or from time to time at Main Street's option on or after April 1, 2018. The 6.125% Notes bear interest at a rate of 6.125% per year payable quarterly on January 1, April 1, July 1 and October 1 of each year, beginning July 1, 2013. The total net proceeds to Main Street from the 6.125% Notes, after underwriting discounts and estimated offering expenses payable by Main Street, were approximately $89.0 million. Main Street has listed the 6.125% Notes on the New York Stock Exchange under the trading symbol "MSCA". Main Street may from time to time repurchase the 6.125% Notes in accordance with the 1940 Act and the rules promulgated thereunder. As of June 30, 2014, the outstanding balance of the 6.125% Notes was $90.9 million. Main Street recognized interest

Table of Contents

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

NOTE G NOTES (Continued)

expense related to the 6.125% Notes, including amortization of deferred loan costs, of $1.5 million for the each of three months ended June 30, 2014 and 2013 and $2.9 million and $1.5 million for the six months ended June 30, 2014 and 2013, respectively.

The indenture governing the 6.125% Notes (the "Notes Indenture") contains certain covenants, including covenants requiring Main Street's compliance with (regardless of whether Main Street is subject to) the asset coverage requirements set forth in Section 18(a)(1)(A) as modified by Section 61(a)(1) of the 1940 Act, as well as covenants requiring Main Street to provide financial information to the holders of the 6.125% Notes and the Trustee if Main Street ceases to be subject to the reporting requirements of the Securities Exchange Act of 1934. These covenants are subject to limitations and exceptions that are described in the Notes Indenture.

NOTE H FINANCIAL HIGHLIGHTS

	Six Months Ended June 30,	
	2014	**2013**
Per Share Data:		
NAV at the beginning of the period	$ 19.89	$ 18.59
Net investment income(1)	1.05	1.01
Net realized gain (loss)(1)(2)	(0.11)	0.01
Net change in unrealized appreciation(1)(2)	0.55	0.43
Income tax provision(1)(2)	(0.13)	(0.08)
Net increase in net assets resulting from operations(1)	1.36	1.37
Dividends paid to stockholders from net investment income	(1.23)	(1.27)
Dividends paid to stockholders from realized gains/losses	(0.04)	
Total dividends paid	(1.27)	(1.27)
Impact of the net change in monthly dividends declared prior to the end of the period and paid in the subsequent period		(0.01)
Accretive effect of public stock offerings (issuing shares above NAV per share)	1.07	
Accretive effect of DRIP issuance (issuing shares above NAV per share)	0.06	0.07
Other(3)	(0.08)	(0.03)
NAV at the end of the period	$ 21.03	$ 18.72
Market value at the end of the period	$ 32.93	$ 27.69
Shares outstanding at the end of the period	44,869,800	35,014,302

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

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

Table of Contents

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

NOTE H FINANCIAL HIGHLIGHTS (Continued)

(3)
Includes the impact of the different share amounts as a result of calculating certain per share data based on the weighted average basic shares outstanding during the period and certain per share data based on the shares outstanding as of a period end or transaction date.

	Six Months Ended June 30,	
	2014	2013
	(in thousands, except percentages)	
NAV at end of period	$ 943,410	$ 655,383
Average net asset value	$ 846,783	$ 647,856
Average outstanding debt	$ 533,225	$ 411,857
Ratio of total expenses, including income tax expense, to average net asset value(1)(2)	3.16%	3.27%
Ratio of operating expenses to average net asset value(2)	2.52%	2.83%
Ratio of operating expenses, excluding interest expense, to average net asset value(2)	1.25%	1.37%
Ratio of net investment income to average net asset value(2)	5.23%	5.42%
Portfolio turnover ratio(2)	14.68%	18.51%
Total investment return(2)(3)	4.72%	-5.52%
Total return based on change in net asset value(2)(4)	7.22%	7.41%

(1)
Total expenses are the sum of operating expenses and income tax expense. Income tax expense includes deferred taxes and certain other tax items which are non-cash in nature and may vary significantly from period to period. Main Street is required to include deferred taxes in calculating its total expenses even though these deferred taxes are not currently payable.

(2)
Not annualized.

(3)
Total investment return based on purchase of stock at the current market price on the first day and a sale at the current market price on the last day of each period reported on the table and assumes reinvestment of dividends at prices obtained by Main Street's dividend reinvestment plan during the period. The return does not reflect sales load.

(4)
Total return based on change in net asset value was calculated using the sum of ending net asset value plus dividends to stockholders and other non-operating changes during the period, as divided by the beginning net asset value.

NOTE I DIVIDENDS, DISTRIBUTIONS AND TAXABLE INCOME

Main Street paid regular monthly dividends of $0.165 per share for each month of January through June 2014, totaling approximately $21.3 million, or $0.495 per share, for the three months ended June 30, 2014, and $41.0 million, or $0.99 per share, for the six months ended June 30, 2014. The second quarter 2014 regular monthly dividends represent a 6% increase from the monthly dividends paid for the second quarter of 2013. Additionally, Main Street paid a $0.275 per share supplemental

Table of Contents

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

NOTE I DIVIDENDS, DISTRIBUTIONS AND TAXABLE INCOME (Continued)

semi-annual dividend, totaling $12.3 million, in June 2014. The regular monthly dividends equal a total of approximately $16.2 million, or $0.465 per share, for the three months ended June 30, 2013, and $31.8 million, or $0.915 per share, for the six months ended June 30, 2013.

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

The determination of the tax attributes for Main Street's distributions is made annually, based upon its taxable income for the full year and distributions paid for the full year. Therefore, a determination made on an interim basis may not be representative of the actual tax attributes of distributions for a full year. Ordinary dividend distributions from a RIC do not qualify for the 20% maximum tax rate (plus a 3.8% Medicare surtax, if applicable) on dividend income from domestic corporations and qualified foreign corporations, except to the extent that the RIC received the income in the form of qualifying dividends from domestic corporations and qualified foreign corporations. The tax attributes for dividends will generally include both ordinary income and capital gains, but may also include qualified dividends or return of capital.

Table of Contents

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

NOTE I DIVIDENDS, DISTRIBUTIONS AND TAXABLE INCOME (Continued)

Listed below is a reconciliation of "Net increase in net assets resulting from operations" to taxable income and to total distributions declared to common stockholders for the six months ended June 30, 2014 and 2013.

	Six Months Ended June 30,	
	2014	2013
	(estimated, amounts in thousands)	
Net increase in net assets resulting from operations	$ 57,185	$ 47,633
Share-based compensation expense	1,826	1,205
Net change in unrealized appreciation	(23,227)	(14,948)
Income tax provision	5,440	2,833
Pre-tax book (income) loss not consolidated for tax purposes(1)	2,635	4,959
Book income and tax income differences, including debt origination, structuring fees, dividends, realized gains and changes in estimates	596	(1,017)
Estimated taxable income(2)	44,455	40,665
Taxable income earned in prior year and carried forward for distribution in current year	37,046	44,415
Taxable income earned prior to period end and carried forward for distribution next period	(34,714)	(46,402)
Dividend accrued as of period end and paid in the following period	7,404	5,427
Total distributions accrued or paid to common stockholders	$ 54,191	$ 44,105

(1) As discussed further in Note D, the Internal Investment Manager was consolidated effective April 1, 2013. Thus, all periods prior to this date do not include a reconciling item for the income (loss) of the Internal Investment Manager as these periods did not include the results from operations of the Internal Investment Manager in the Net increase in net assets resulting from operations.

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

The Taxable Subsidiaries hold certain portfolio investments for Main Street. The Taxable Subsidiaries are consolidated with Main Street for financial reporting purposes, and the investments held by the Taxable Subsidiaries are included in Main Street's consolidated financial statements as portfolio investments and recorded at fair value. The principal purpose of the Taxable Subsidiaries is to permit Main Street to hold equity investments in portfolio companies which are "pass through" entities for tax purposes in order to continue to comply with the "source income" requirements contained in the RIC tax provisions of the Code. The Taxable Subsidiaries are not consolidated with Main Street for

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

NOTE I DIVIDENDS, DISTRIBUTIONS AND TAXABLE INCOME (Continued)

income tax purposes and may generate income tax expense, or benefit, and tax assets and liabilities, as a result of their ownership of certain portfolio investments. This income tax expense, or benefit, if any, and the related tax assets and liabilities, are reflected in Main Street's consolidated financial statements.

The Internal Investment Manager currently provides investment management and other services to MSCC and its subsidiaries and receives fee income for such services. In addition, it gets reimbursed for the expenses it charges to the External Investment Manager (see further discussion of the Investment Managers in Note D). Beginning April 1, 2013, the Internal Investment Manager is included in Main Street's consolidated financial statements and reflected as a consolidated subsidiary, but the Internal Investment Manager has elected, for tax purposes, to be treated as a taxable entity and is not consolidated with Main Street for income tax purposes and as a result may generate income tax expense, or benefit, and tax assets and liabilities, as a result of its activities. The Internal Investment Manager elected to be treated as a taxable entity to enable it to receive fee income and to allow MSCC to continue to comply with the "source income" requirements contained in the RIC tax provisions of the Code.

The income tax expense, or benefit, and the related tax assets and liabilities, generated by the Taxable Subsidiaries and the Investment Manager, if any, are reflected in Main Street's Consolidated Statement of Operations. For the three months ended June 30, 2014 and 2013, Main Street recognized a net income tax provision of $3.8 million and $0.8 million, respectively, related to deferred taxes of $3.6 million and $0.1 million, respectively, and other taxes of $0.2 million and $0.7 million, respectively, for the three months ended June 30, 2014 and 2013. For the six months ended June 30, 2014 and 2013, Main Street recognized a net income tax provision of $5.4 million and $2.8 million, respectively, related to deferred taxes of $4.6 million and $1.4 million, respectively, and other taxes of $0.8 and $1.4 million, respectively, for the six months ended June 30, 2014 and 2013. For the three months ended June 30, 2014 and 2013, the other taxes include $0.1 million and $0.5 million, respectively, related to an accrual for excise tax on Main Street's estimated spillover taxable income and $0.1 million and $0.2 million, respectively, related to accruals for state and other taxes. For the six months ended June 30, 2014 and 2013, the other taxes include $0.3 million and $0.9 million, respectively, related to an accrual for excise tax on Main Street's estimated spillover taxable income and $0.5 million and $0.5 million, respectively, related to accruals for state and other taxes.

The net deferred tax liability at June 30, 2014 and December 31, 2013 was $10.6 million and $5.9 million, respectively, primarily related to timing differences from net unrealized appreciation of portfolio investments held by the Taxable Subsidiaries, partially offset by net loss carryforwards (primarily resulting from historical realized losses on portfolio investments held by the Taxable Subsidiaries and the operating activities of the Internal Investment Manager), basis differences of portfolio investments held by the Taxable Subsidiaries which are "pass through" entities for tax purposes and excess deductions resulting from the restricted stock plans (see further discussion in Note L). Due to the consolidation of the Internal Investment Manager (see further discussion in Note D) on April 1, 2013, the Company recorded a deferred tax asset of $2.2 million through additional paid-in capital relating to the prior periods through March 31, 2013.

In accordance with the realization requirements of ASC 718, *Compensation Stock Compensation*, Main Street uses tax law ordering when determining when tax benefits related to equity compensation

Table of Contents

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

NOTE I DIVIDENDS, DISTRIBUTIONS AND TAXABLE INCOME (Continued)

greater than equity compensation recognized for financial reporting should be realized. For the three months ended June 30, 2014, Main Street realized a $0.3 million decrease to paid-in-capital due to tax deductions related to equity compensation greater than equity compensation recognized for financial reporting. Additional paid-in capital increases of $2.7 million will be recognized in future periods when such tax benefits are ultimately realized by reducing taxes payable.

NOTE J COMMON STOCK

During April 2014, Main Street completed a follow-on public equity offering of 4,600,000 shares of common stock, including the underwriters' full exercise of their option to purchase 600,000 additional shares, at a price to the public of $31.50 per share, resulting in total gross proceeds of approximately $144.9 million, less underwriters' commissions of approximately $5.1 million and other expenses of approximately $0.2 million.

During the three months ended September 30, 2013, Main Street completed a follow-on public equity offering of 4,600,000 shares of common stock, including the underwriters' full exercise of their option to purchase 600,000 additional shares, at a price to the public of $29.75 per share, resulting in total gross proceeds of approximately $136.9 million, less underwriters' commissions of approximately $5.1 million and offering costs of approximately $0.3 million.

NOTE K DIVIDEND REINVESTMENT PLAN ("DRIP")

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

For the six months ended June 30, 2014, $8.3 million of the total $53.4 million in dividends paid to stockholders represented DRIP participation. During this period, the DRIP participation requirements were satisfied with the issuance of 225,613 newly issued shares and with the purchase of 31,825 shares of common stock in the open market. For the six months ended June 30, 2013, $8.3 million of the total $43.9 million in dividends paid to stockholders represented DRIP participation. During this period, the DRIP participation requirements were satisfied with the issuance of 173,926 newly issued shares and with the purchase of 92,679 shares of common stock in the open market. The shares disclosed above relate only to Main Street's DRIP and exclude any activity related to broker-managed dividend reinvestment plans.

Table of Contents

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

NOTE L SHARE-BASED COMPENSATION

Main Street accounts for its share-based compensation plans using the fair value method, as prescribed by ASC 718, *Compensation Stock Compensation.* Accordingly, for restricted stock awards, Main Street measured the grant date fair value based upon the market price of its common stock on the date of the grant and amortizes the fair value of the awards as share-based compensation expense over the requisite service period, which is generally the vesting term.

Main Street's Board of Directors approves the issuance of shares of restricted stock to Main Street employees pursuant to the Main Street Capital Corporation 2008 Equity Incentive Plan. These shares generally vest over a four-year period from the grant date. The fair value is expensed over the service period, starting on the grant date. The following table summarizes the restricted stock issuances approved by Main Street's Board of Directors, net of shares forfeited, and the remaining shares of restricted stock available for issuance as of June 30, 2014.

Restricted stock authorized under the plan	2,000,000
Less net restricted stock (granted)/forfeited:	
July 1, 2008	(245,645)
July 1, 2009	(98,993)(1)
July 1, 2010	(149,357)
June 20, 2011	(117,728)
June 20, 2012	(133,973)
Quarter ended December 31, 2012	(12,476)
Quarter ended March 31, 2013	(1,100)
June 20, 2013	(246,823)
Quarter ended September 30, 2013	(21,688)
Quarter ended December 31, 2013	1,093(1)
Quarter ended March 31, 2014	(397)
Quarter ended June 30, 2014	(222,836)
Restricted stock available for issuance as of June 30, 2014	750,077

(1) Shares indicated are net of forfeited shares.

The following table summarizes the restricted stock issued to Main Street's independent directors pursuant to the Main Street Capital Corporation 2008 Non-Employee Director Restricted Stock Plan. These shares are granted upon appointment or election to the board and vest on the day immediately

Table of Contents

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

NOTE L SHARE-BASED COMPENSATION (Continued)

preceding the annual meeting of stockholders following the respective grant date and are expensed over such service period.

Restricted stock authorized under the plan	200,000
Less restricted stock granted on:	
July 1, 2008	(20,000)
July 1, 2009	(8,512)
July 1, 2010	(7,920)
June 20, 2011	(6,584)
August 3, 2011	(1,658)
June 20, 2012	(5,060)
June 13, 2013	(4,304)
August 6, 2013	(980)
May 29, 2014	(4,775)
Restricted stock available for issuance as of June 30, 2014	140,207

For the three months ended June 30, 2014 and 2013, Main Street recognized total share-based compensation expense of $1.0 million and $0.6 million, respectively, related to the restricted stock issued to Main Street employees and independent directors, and for the six months ended June 30, 2014 and 2013, Main Street recognized total share-based compensation expense of $1.8 million and $1.2 million, respectively, related to the restricted stock issued to Main Street employees and independent directors.

As of June 30, 2014, there was $13.9 million of total unrecognized compensation expense related to Main Street's non-vested restricted shares. This compensation expense is expected to be recognized over a remaining weighted-average period of approximately 3.3 years as of June 30, 2014.

NOTE M COMMITMENTS AND CONTINGENCIES

At June 30, 2014, Main Street had a total of $134.3 million in outstanding commitments comprised of (i) 17 commitments to fund revolving loans that had not been fully drawn or term loans with additional commitments not yet funded and (ii) six capital commitments that had not been fully called.

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

NOTE N RELATED PARTY TRANSACTIONS

As discussed further in Note D, the External Investment Manager is treated as a wholly owned portfolio company of MSCC and is included as part of Main Street's Investment Portfolio. At June 30,

Table of Contents

MAIN STREET CAPITAL CORPORATION

Notes to Consolidated Financial Statements (Continued)

(Unaudited)

NOTE N RELATED PARTY TRANSACTIONS (Continued)

2014, Main Street had a receivable of $0.5 million due from the External Investment Manager related to operating expenses incurred by the Internal Investment Manager required to support the External Investment Manager's business and for dividends declared but not paid by the External Investment Manager.

In June 2013, Main Street adopted a deferred compensation plan for the non-employee members of its board of directors, which allows the directors at their option to defer all or a portion of the fees paid for their services as directors and have such deferred fees paid in shares of Main Street common stock within 90 days after the participant's end of service as a director. As of June 30, 2014, $0.6 million of directors' fees had been deferred under this plan. These deferred fees represented 18,672 shares of Main Street common shares. These shares will not be issued or included as outstanding on the consolidated statement of changes in net assets until each applicable participant's end of service as a director, but will be included in operating expenses and weighted average shares outstanding on Main Street's consolidated statement of operations as earned.

NOTE O SUBSEQUENT EVENTS

During August 2014, Main Street declared regular monthly dividends of $0.17 per share for each month of October, November and December of 2014. These regular monthly dividends equal a total of $0.51 per share for the fourth quarter of 2014 and represent a 6% increase from the regular monthly dividends declared for the fourth quarter of 2013. Including the regular monthly dividends declared for the fourth quarter of 2014, Main Street will have paid $12.96 per share in cumulative dividends since its October 2007 initial public offering.

Table of Contents

PROSPECTUS

$800,000,000

Main Street Capital Corporation

Common Stock
Preferred Stock
Warrants
Subscription Rights
Debt Securities
Units

We may offer, from time to time in one or more offerings, up to $800,000,000 of our common stock, preferred stock, warrants representing rights to purchase shares of our common stock, preferred stock, or debt securities, subscription rights, debt securities or units, which we refer to, collectively, as the "securities." Our securities may be offered at prices and on terms to be disclosed in one or more supplements to this prospectus. The offering price per share of our common stock, less any underwriting commissions or discounts, will not be less than the net asset value per share of our common stock at the time of the offering, except (i) with the requisite approval of our common stockholders or (ii) under such other circumstances as the Securities and Exchange Commission may permit. We did not seek stockholder authorization to issue common stock at a price below net asset value per share at our 2013 Annual Meeting of Stockholders, and we are not seeking such authorization at our 2014 Annual Meeting of Stockholders, because our common stock price per share has been trading significantly above the current net asset value per share of our common stock, but we may seek such authorization at future Annual Meetings or Special Meetings of Stockholders. Sales of common stock at prices below net asset value per share dilute the interests of existing stockholders, have the effect of reducing our net asset value per share and may reduce our market price per share. In addition, we have received stockholder approval to issue warrants, options or rights to subscribe for, convert to, or purchase shares of our common stock at a price per share below the net asset value per share subject to the applicable requirements of the Investment Company Act of 1940. There is no expiration date on our ability to issue such warrants, options, rights or convertible securities based on this stockholder approval. Moreover, continuous sales of common stock below net asset value may have a negative impact on total returns and could have a negative impact on the market price of our shares of common stock. See "Sales of Common Stock Below Net Asset Value."

Shares of closed-end investment companies such as us frequently trade at a discount to their net asset value. This risk is separate and distinct from the risk that our net asset value per share may decline. We cannot predict whether our common stock will trade above, at or below net asset value. You should read this prospectus and the applicable prospectus supplement carefully before you invest in our common stock.

Our securities may be offered directly to one or more purchasers through agents designated from time to time by us, or to or through underwriters or dealers. The prospectus supplement relating to the offering will identify any agents or underwriters involved in the sale of our securities, and will disclose any applicable purchase price, fee, commission or discount arrangement between us and our agents or underwriters or among our underwriters or the basis upon which such amount may be calculated. See "Plan of Distribution." We may not sell any of our securities through agents, underwriters or dealers without delivery of a prospectus supplement describing the method and terms of the offering of such securities, which must be delivered to each purchaser at, or prior to, the earlier of delivery of a confirmation of sale or delivery of the securities.

We are a principal investment firm primarily focused on providing customized debt and equity financing to lower middle market ("LMM") companies and debt capital to middle market ("Middle Market") companies. Our LMM companies generally have annual revenues between $10 million and $150 million, and our LMM portfolio investments generally range in size from $5 million to $25 million. Our Middle Market investments are made in businesses that are generally larger in size than our LMM portfolio companies, with annual revenues typically between $150 million and $1.5 billion, and our Middle Market investments generally range in size from $3 million to $15 million.

The LMM and Middle Market securities in which we invest generally would be rated below investment grade if they were rated by rating agencies. Below investment grade securities, which are often referred to as "junk," have predominantly speculative characteristics with respect to the issuer's capacity to pay interest and repay principal. They may also be difficult to value and are illiquid.

Our principal investment objective is to maximize our portfolio's total return by generating current income from our debt investments and capital appreciation from our equity and equity related investments, including warrants, convertible securities and other rights to acquire equity securities in a portfolio company.

We are an internally managed, closed-end, non-diversified management investment company that has elected to be treated as a business development company under the Investment Company Act of 1940.

Our common stock is listed on the New York Stock Exchange under the symbol "MAIN." On May 6, 2014, the last reported sale price of our common stock on the New York Stock Exchange was $31.02 per share, and the net asset value per share of our common stock on December 31, 2013 (the last date prior to the date of this prospectus on which we determined our net asset value per share) was $19.89.

Investing in our securities involves a high degree of risk, and should be considered highly speculative. See "Risk Factors" beginning on page 16 to read about factors you should consider, including the risk of leverage and dilution, before investing in our securities.

This prospectus and the accompanying prospectus supplement contain important information about us that a prospective investor should know before investing in our securities. Please read this prospectus and the accompanying prospectus supplement before investing and keep them for future reference. We file annual, quarterly and current reports, proxy statements and other information with the Securities and Exchange Commission. This information is available free of charge by contacting us at 1300 Post Oak Boulevard, Suite 800, Houston, Texas 77056 or by telephone at (713) 350-6000 or on our website at *www.mainstcapital.com*. Information contained on our website is not incorporated by reference into this prospectus, and you should not consider that information to be part of this prospectus. The Securities and Exchange Commission also maintains a website at *www.sec.gov* that contains such information.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is May 7, 2014

Table of Contents

TABLE OF CONTENTS

This prospectus is part of a registration statement that we have filed with the Securities and Exchange Commission, or SEC, using the "shelf" registration process. Under the shelf registration process, we may offer, from time to time, up to $800,000,000 of our securities on terms to be determined at the time of the offering. This prospectus provides you with a general description of the securities that we may offer. Each time we use this prospectus to offer securities, we will provide a prospectus supplement that will contain specific information about the terms of that offering. The prospectus supplement may also add, update or change information contained in this prospectus. To the extent required by law, we will amend or supplement the information contained in this prospectus and any accompanying prospectus supplement to reflect any material changes to such information subsequent to the date of the prospectus and any accompanying prospectus supplement and prior to the completion of any offering pursuant to the prospectus and any accompanying prospectus supplement. Please carefully read this prospectus and any accompanying prospectus supplement together with the additional information described under "Available Information" and "Risk Factors" before you make an investment decision.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this prospectus or any accompanying supplement to this prospectus. You must not rely on any unauthorized information or representations not contained in this prospectus or

Table of Contents

any accompanying prospectus supplement as if we had authorized it. This prospectus and any accompanying prospectus supplement do not constitute an offer to sell or a solicitation of any offer to buy any security other than the registered securities to which they relate, nor do they constitute an offer to sell or a solicitation of an offer to buy any securities in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction. The information contained in this prospectus and any accompanying prospectus supplement is accurate as of the dates on their covers.

Table of Contents

PROSPECTUS SUMMARY

This summary highlights some of the information in this prospectus. It is not complete and may not contain all of the information that you may want to consider. You should read the entire prospectus and any prospectus supplement carefully, including the section entitled "Risk Factors." Yield information contained in this prospectus related to debt investments in our investment portfolio is not intended to approximate a return on your investment in us and does not take into account other aspects of our business, including our operating and other expenses, or other costs incurred by you in connection with your investment in us.

Organization

Main Street Capital Corporation ("MSCC") was formed in March 2007 for the purpose of (i) acquiring 100% of the equity interests of Main Street Mezzanine Fund, LP ("MSMF") and its general partner, Main Street Mezzanine Management, LLC ("MSMF GP"), (ii) acquiring 100% of the equity interests of Main Street Capital Partners, LLC (the "Internal Investment Manager"), (iii) raising capital in an initial public offering, which was completed in October 2007 (the "IPO"), and (iv) thereafter operating as an internally managed business development company ("BDC") under the Investment Company Act of 1940, as amended (the "1940 Act"). MSMF is licensed as a Small Business Investment Company ("SBIC") by the United States Small Business Administration ("SBA") and the Internal Investment Manager acts as MSMF's manager and investment adviser. Because the Internal Investment Manager, which employs all of the executive officers and other employees of MSCC, is wholly owned by us, we do not pay any external investment advisory fees, but instead we incur the operating costs associated with employing investment and portfolio management professionals through the Internal Investment Manager. The IPO and related transactions discussed above were consummated in October 2007 and are collectively termed the "Formation Transactions."

During January 2010, MSCC acquired (the "Exchange Offer") approximately 88% of the total dollar value of the limited partner interests in Main Street Capital II, LP ("MSC II" and, together with MSMF, the "Funds") and 100% of the membership interests in the general partner of MSC II, Main Street Capital II GP, LLC ("MSC II GP"). MSC II is an investment fund that operates as an SBIC and commenced operations in January 2006. During the first quarter of 2012, MSCC acquired all of the remaining minority ownership in the total dollar value of the MSC II limited partnership interests (the "Final MSC II Exchange"). The Exchange Offer and related transactions, including the acquisition of MSC II GP interests and the Final MSC II Exchange, are collectively termed the "Exchange Offer Transactions."

MSC Adviser I, LLC (the "External Investment Manager" and, together with the Internal Investment Manager, the "Investment Managers") was formed in November 2013 as a wholly owned subsidiary of MSCC to provide investment management advisory and other services to parties other than MSCC and its subsidiaries ("External Parties") and receive fee income for such services. MSCC has been granted no-action relief by the Securities and Exchange Commission to allow the External Investment Manager to register as a registered investment adviser ("RIA") under Investment Advisers Act of 1940, as amended (the "Advisers Act"), to provide investment management services to External Parties. The External Investment Manager is accounted for as a portfolio investment of MSCC, since the External Investment Manager conducts all of its investment management activities for parties outside of MSCC and its consolidated subsidiaries.

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

MSCC has direct and indirect wholly owned subsidiaries that have elected to be taxable entities (the "Taxable Subsidiaries"). The primary purpose of these entities is to hold certain investments that generate "pass through" income for tax purposes. The Investment Managers are both also direct wholly

Table of Contents

owned subsidiaries that have elected to be taxable entities. The Taxable Subsidiaries and the Investment Managers are each taxed at their normal corporate tax rates based on their taxable income.

Unless otherwise noted or the context otherwise indicates, the terms "we," "us," "our" and "Main Street" refer to MSCC and its consolidated subsidiaries, which include the Funds, the Taxable Subsidiaries and, beginning April 1, 2013, the Internal Investment Manager.

The following diagram depicts Main Street's organizational structure:

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*
Each of the Taxable Subsidiaries is directly or indirectly wholly owned by MSCC.

**
Accounted for as a portfolio investment at fair value, as opposed to a consolidated subsidiary.

Overview

We are a principal investment firm primarily focused on providing customized debt and equity financing to lower middle market ("LMM") companies and debt capital to middle market ("Middle Market") companies. Our portfolio investments are typically made to support management buyouts, recapitalizations, growth financings, refinancings and acquisitions of companies that operate in diverse industry sectors. We seek to partner with entrepreneurs, business owners and management teams and generally provide "one stop" financing alternatives within our LMM portfolio. We invest primarily in secured debt investments, equity investments, warrants and other securities of LMM companies based in the United States and in secured debt investments of Middle Market companies generally headquartered in the United States.

Our principal investment objective is to maximize our portfolio's total return by generating current income from our debt investments and capital appreciation from our equity and equity related investments, including warrants, convertible securities and other rights to acquire equity securities in a portfolio company. Our LMM companies generally have annual revenues between $10 million and $150 million, and our LMM portfolio investments generally range in size from $5 million to $25 million. Our Middle Market investments are made in businesses that are generally larger in size than our LMM portfolio companies, with annual revenues typically between $150 million and $1.5 billion, and our Middle Market investments generally range in size from $3 million to $15 million. Our private loan ("Private Loan") investments are made in businesses that are consistent with the size of companies in our LMM portfolio or our Middle Market portfolio, but are investments which have been originated through strategic relationships with other investment funds on a collaborative basis. The structure, terms and conditions for these Private Loan investments are typically consistent with the structure, terms and conditions for the loans made in our LMM portfolio or Middle Market portfolio.

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

2

in other investment companies or private funds. The Investment Portfolio, as used herein, refers to all of our LMM portfolio investments, Middle Market portfolio investments, Private Loan portfolio investments, Other Portfolio investments, the investment in the External Investment Manager and, for all periods up to and including March 31, 2013, the investment in the Internal Investment Manager, but excludes all "Marketable securities and idle funds investments", and for all periods after March 31, 2013, the Investment Portfolio also excludes the Internal Investment Manager.

Our external asset management business is conducted through our External Investment Manager. We have entered into an agreement through the Internal Investment Manager to provide the External Investment Manager with asset management service support for HMS Income Fund, Inc. ("HMS Income"). Through this agreement, we provide management and other services to the External Investment Manager, as well as access to our employees, infrastructure, business relationships, management expertise and capital raising capabilities. Beginning in the first quarter of 2014, we charge the External Investment Manager a fee for the use of these services. The External Investment Manager earns management fees based on the assets of the funds under management and may earn incentive fees, or a carried interest, based on the performance of the funds managed.

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

As of December 31, 2013, we had debt and equity investments in 62 LMM portfolio companies with an aggregate fair value of approximately $659.4 million, with a total cost basis of approximately $543.3 million and a weighted average annual effective yield on our LMM debt investments of approximately 14.7%. As of December 31, 2013, approximately 76% of our total LMM portfolio investments at cost were in the form of debt investments and approximately 86% of such debt investments at cost were secured by first priority liens on the assets of our LMM portfolio companies. At December 31, 2013, we had equity ownership in approximately 94% of our LMM portfolio companies and the average fully diluted equity ownership in those portfolio companies was approximately 33%. As of December 31, 2012, we had debt and equity investments in 56 LMM portfolio companies with an aggregate fair value of approximately $482.9 million, with a total cost basis of approximately $380.5 million, and a weighted average annual effective yield on our LMM debt investments of approximately 14.3%. As of December 31, 2012, approximately 75% of our total LMM portfolio investments at cost were in the form of debt investments and approximately 93% of such debt investments at cost were secured by first priority liens on the assets of our LMM portfolio companies. At December 31, 2012, we had equity ownership in approximately 93% of our LMM portfolio companies and the average fully diluted equity ownership in those portfolio companies was approximately 33%. The weighted average annual yields were computed using the effective interest rates for all debt investments at cost as of December 31, 2013 and 2012, including amortization of deferred debt origination fees and accretion of original issue discount but excluding fees payable upon repayment of the debt investments and any debt investments on non-accrual status.

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

As of December 31, 2013, we had Middle Market portfolio investments in 92 companies collectively totaling approximately $471.5 million in fair value with a total cost basis of approximately $468.3 million. The weighted average EBITDA for the 92 Middle Market portfolio company investments was approximately $79.0 million as of December 31, 2013. As of December 31, 2013, substantially all of our Middle Market portfolio investments were in the form of debt investments and approximately 92% of such debt investments at cost were secured by first priority liens on portfolio company assets. The weighted average annual effective yield on our Middle Market portfolio debt investments was approximately 7.8% as of December 31, 2013. As of December 31, 2012, we had Middle Market portfolio investments in 79 companies, collectively totaling approximately $352.0 million in fair value with a total cost basis of approximately $348.1 million. The weighted average EBITDA for the 79 Middle Market portfolio company investments was approximately $93.5 million as of December 31, 2012. As of December 31, 2012, substantially all of our Middle Market portfolio investments were in the form of debt investments and approximately 91% of such debt investments at cost were secured by first priority liens on portfolio company assets. The weighted average annual effective yield on our Middle Market portfolio debt investments was approximately 8.0% as of December 31, 2012. The weighted average annual yields were computed using the effective interest rates for all debt investments at cost as of December 31, 2013 and 2012, including amortization of deferred debt origination fees and accretion of original issue discount but excluding fees payable upon repayment of the debt investments.

Our Private Loan portfolio investments primarily consist of investments in interest-bearing debt securities in companies that are consistent with the size of the companies included in our LMM portfolio or our Middle Market portfolio. Our Private Loan portfolio debt investments are generally secured by either a first or second priority lien on the assets of the portfolio company and typically have a term of between three and seven years.

As of December 31, 2013, we had Private Loan portfolio investments in 15 companies, collectively totaling approximately $111.5 million in fair value with a total cost basis of approximately $111.3 million. The weighted average EBITDA for the 15 Private Loan portfolio company investments was approximately $18.4 million as of December 31, 2013. As of December 31, 2013, 95% of our Private Loan portfolio investments were in the form of debt investments and 98% of such debt investments at cost were secured by first priority liens on portfolio company assets. The weighted average annual effective yield on our Private Loan portfolio debt investments was approximately 11.3% as of December 31, 2013. As of December 31, 2012, we had Private Loan portfolio investments in 9 companies, collectively totaling approximately $65.5 million in fair value with a total cost basis of approximately $64.9 million. The weighted average EBITDA for the 9 Private Loan portfolio company investments was approximately $45.6 million as of December 31, 2012. As of December 31, 2012, approximately 99% of our Private Loan portfolio investments were in the form of debt investments and all such debt investments at cost were secured by first priority liens on portfolio company assets. The weighted average annual effective yield on our Private Loan portfolio debt investments was approximately 14.8% as of December 31, 2012. The weighted average annual yields were computed using the effective interest rates for all debt investments at cost as of December 31, 2013 and 2012, including amortization of deferred debt origination fees and accretion of original issue discount but excluding fees payable upon repayment of the debt investments.

As of December 31, 2013, we had Other Portfolio investments in six companies, collectively totaling approximately $42.8 million in fair value and approximately $40.1 million in cost basis and which comprised 3.3% of our Investment Portfolio at fair value as of December 31, 2013. As of December 31, 2012, we had Other Portfolio investments in three companies, collectively totaling approximately $24.1 million in fair value and approximately $23.6 million in cost basis and which comprised 2.6% of our Investment Portfolio at fair value as of December 31, 2012.

As discussed above, we hold an investment in the External Investment Manager, a wholly owned subsidiary that is treated as a portfolio investment. As of December 31, 2013, we had no cost basis in this investment and the investment had a fair value of $1.1 million, which comprised 0.1% of our Investment Portfolio.

During 2013, we began categorizing certain of our portfolio investments that were previously categorized as LMM portfolio investments or Middle Market portfolio investments as Private Loan portfolio investments to provide a separate classification based upon the nature in which such investments are originated. During the year ended December 31, 2013, there were ten portfolio company investment transfers from the LMM and Middle Market portfolio investment categories to the Private Loan portfolio investment category totaling $69.6 million in fair value and $69.0 million in cost on the date of transfer.

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

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

MSCC and its consolidated subsidiaries are internally managed by the Internal Investment Manager, a wholly owned subsidiary of MSCC, which employs all of the executive officers and other employees of Main Street. Because the Internal Investment Manager is wholly owned by MSCC, Main Street does not pay any external investment advisory fees, but instead incurs the operating costs associated with employing investment and portfolio management professionals through the Internal Investment Manager. We believe that our internally managed structure provides us with a beneficial operating expense structure when compared to other publicly-traded and privately-held investment firms which are externally managed, and our internally managed structure allows us the opportunity to leverage our non-interest operating expenses as we grow our investment portfolio. For the year ended December 31, 2013, the ratio of our total operating expenses, excluding interest expense and excluding the effect of the accelerated vesting of restricted stock (as discussed further below in "Management's Discussion and Analysis of Financial Condition and Results of Operations Discussion and Analysis of Results of Operations Comparison of the years ended December 31, 2013 and 2012"), as a percentage of our quarterly average total assets was 1.7% compared to 1.8% for the year ended December 31, 2012. Including the effect of the accelerated vesting of restricted stock, the ratio for the year ended 2013 would have been 1.8%.

During May 2012, MSCC entered into an investment sub-advisory agreement with HMS Adviser, LP ("HMS Adviser"), which is the investment advisor to HMS Income, a non publicly-traded BDC whose registration statement on Form N-2 was declared effective by the SEC in June 2012, to

Table of Contents

provide certain investment advisory services to HMS Adviser. In December 2013, after obtaining no-action relief from the SEC to allow us to own a registered investment adviser, MSCC assigned the sub-advisory agreement to the External Investment Manager since the fees received from such arrangement could otherwise have negative consequences on MSCC's ability to meet the source-of-income requirement necessary for it to maintain its RIC tax treatment. Under the investment sub-advisory agreement, the External Investment Manager is entitled to 50% of the base management fee and the incentive fees earned by HMS Adviser under its advisory agreement with HMS Income. However, MSCC and the External Investment Manager agreed to waive all such fees from the effective date of HMS Adviser's registration statement on Form N-2 through December 31, 2013. As a result, as of December 31, 2013, neither MSCC nor the External Investment Manager had received any base management fee or incentive fees under the investment sub-advisory agreement and neither is due any unpaid compensation for any base management fee or incentive fees under the investment sub-advisory agreement. Neither MSCC nor the External Investment Manager has waived the External Investment Manager's management or incentive fees after December 31, 2013 and, as a result, the External Investment Manager began accruing such fees on January 1, 2014.

You should be aware that investments in our portfolio companies carry a number of risks including, but not limited to, investing in companies which may have limited operating histories and financial resources and other risks common to investing in below investment grade debt and equity investments in private, smaller companies. Please see "Risk Factors Risks Related to Our Investments" for a more complete discussion of the risks involved with investing in our portfolio companies.

Our principal executive offices are located at 1300 Post Oak Boulevard, Suite 800, Houston, Texas 77056, and our telephone number is (713) 350-6000. We maintain a website at *http://www.mainstcapital.com*. Information contained on our website is not incorporated by reference into this prospectus or any prospectus supplement, and you should not consider that information to be part of this prospectus or any prospectus supplement.

Business Strategies

Our principal investment objective is to maximize our portfolio's total return by generating current income from our debt investments and realizing capital appreciation from our equity and equity-related investments, including warrants, convertible securities and other rights to acquire equity securities in a portfolio company. We have adopted the following business strategies to achieve our investment objective. Please see "Business Business Strategies" for a more complete discussion of our business strategies.

Deliver Customized Financing Solutions in the Lower Middle Market. We offer to our LMM portfolio companies customized debt financing solutions with equity components that are tailored to the facts and circumstances of each situation.

Focus on Established Companies. We generally invest in companies with established market positions, experienced management teams and proven revenue streams.

Leverage the Skills and Experience of Our Investment Team. Our investment team has significant experience in lending to and investing in LMM and Middle Market companies.

Invest Across Multiple Companies, Industries, Regions and End Markets. We seek to maintain a portfolio of investments that is appropriately balanced among various companies, industries, geographic regions and end markets.

Capitalize on Strong Transaction Sourcing Network. Our investment team seeks to leverage its extensive network of referral sources for portfolio company investments.

Benefit from Lower, Fixed, Long-Term Cost of Capital. The SBIC licenses held by the Funds have allowed them to issue SBA-guaranteed debentures. SBA-guaranteed debentures carry long-term fixed interest rates that are generally lower than interest rates on comparable bank loans and other debt.

6

Table of Contents

Risk Factors

Investing in our securities involves a high degree of risk. You should consider carefully the information found in "Risk Factors," including the following risks:

- Deterioration in the economy and financial markets increases the likelihood of adverse effects on our financial position and results of operations. Such economic adversity could impair our portfolio companies' financial positions and operating results and affect the industries in which we invest, which could, in turn, harm our operating results.

- Our Investment Portfolio is and will continue to be recorded at fair value, with our Board of Directors having final responsibility for overseeing, reviewing and approving, in good faith, our determination of fair value and, as a result, there is and will continue to be uncertainty as to the value of our portfolio investments.

  - Typically, there is not a public market for the securities of the privately held LMM companies in which we have invested and will generally continue to invest. As a result, we value these securities quarterly at fair value based on inputs from management, a nationally recognized independent financial advisory services firm (on a rotational basis) and our audit committee with the oversight, review and approval of our Board of Directors.

  - In addition, the market for investments in Middle Market companies is generally not a liquid market, and therefore, we primarily use observable inputs to determine the fair value of these investments quarterly through obtaining third party quotes and other independent pricing, which are reviewed by our audit committee with the oversight, review and approval of our Board of Directors.

- Our financial condition and results of operations depends on our ability to effectively manage and deploy capital.

- We may face increasing competition for investment opportunities.

- Regulations governing our operation as a BDC will affect our ability to, and the way in which we, raise additional capital.

- The Funds are licensed by the SBA, and therefore subject to SBA regulations.

- Because we borrow money, the potential for gain or loss on amounts invested in us is magnified and may increase the risk of investing in us.

  - We, through the Funds, issue debt securities guaranteed by the SBA and sold in the capital markets. As a result of its guarantee of the debt securities, the SBA has fixed dollar claims on the assets of the Funds that are superior to the claims of our securities holders.

- We will be subject to corporate-level income tax if we are unable to qualify as a RIC under Subchapter M of the Code.

- We may not be able to pay distributions to our stockholders, our distributions may not grow over time, and a portion of distributions paid to our stockholders may be a return of capital, which is a distribution of the stockholders' invested capital.

We may have difficulty paying the distributions required to maintain RIC tax treatment under the Code if we recognize income before or without receiving cash representing such income, including from amortization of original issue discount, contractual payment-in-kind, or PIK, interest, contractual preferred dividends, or amortization of market discount. Investments structured with these features may represent a higher level of credit risk compared to investments generating income which must be paid in cash on a current basis.

Table of Contents

Because we intend to distribute substantially all of our income to our stockholders to maintain our status as a RIC, we will continue to need additional capital to finance our growth, and regulations governing our operation as a BDC will affect our ability to, and the way in which we, raise additional capital and make distributions.

Stockholders may incur dilution if we sell shares of our common stock in one or more offerings at prices below the then current net asset value per share of our common stock or issue securities to subscribe to, convert to or purchase shares of our common stock.

Our investments in portfolio companies involve higher levels of risk, and we could lose all or part of our investment. Investing in our portfolio companies involves a number of significant risks. Among other things, these companies:

- may have limited financial resources and may be unable to meet their obligations under their debt instruments that we hold, which may be accompanied by a deterioration in the value of any collateral and a reduction in the likelihood of us realizing any guarantees from subsidiaries or affiliates of our portfolio companies that we may have obtained in connection with our investment, as well as a corresponding decrease in the value of the equity components of our investments;

- may have shorter operating histories, narrower product lines, smaller market shares and/or significant customer concentrations than larger businesses, which tend to render them more vulnerable to competitors' actions and market conditions, as well as general economic downturns;

- are more likely to depend on the management talents and efforts of a small group of persons; therefore, the death, disability, resignation, termination or significant under-performance of one or more of these persons could have a material adverse impact on our portfolio company and, in turn, on us;

- generally have less predictable operating results, may from time to time be parties to litigation, may be engaged in rapidly changing businesses with products subject to a substantial risk of obsolescence, and may require substantial additional capital to support their operations, finance expansion or maintain their competitive position; and

- generally have less publicly available information about their businesses, operations and financial condition. We are required to rely on the ability of our management team and investment professionals to obtain adequate information to evaluate the potential returns from investing in these companies. If we are unable to uncover all material information about these companies, we may not make a fully informed investment decision, and may lose all or part of our investment.

Our portfolio companies may incur debt that ranks equally with, or senior to, our investments in such companies.

We are a non-diversified investment company within the meaning of the 1940 Act, and therefore we are not limited with respect to the proportion of our assets that may be invested in securities of a single issuer.

Shares of closed-end investment companies, including BDCs, may trade at a discount to their net asset value.

We may be unable to invest a significant portion of the net proceeds from an offering or from exiting an investment or other capital on acceptable terms, which could harm our financial condition and operating results.

The market price of our securities may be volatile and fluctuate significantly.

Table of Contents

Investment Criteria

Our investment team has identified the following investment criteria that it believes are important in evaluating prospective portfolio companies. Our investment team uses these criteria in evaluating investment opportunities. However, not all of these criteria have been, or will be, met in connection with each of our investments. Please see "Business Investment Criteria" for a more complete discussion of our investment criteria.

Proven Management Team with Meaningful Equity Stake. We look for operationally-oriented management with direct industry experience and a successful track record. In addition, we expect the management team of each LMM portfolio company to have meaningful equity ownership in the portfolio company to better align our respective economic interests.

Established Companies with Positive Cash Flow. We seek to invest in established companies with sound historical financial performance.

Defensible Competitive Advantages/Favorable Industry Position. We primarily focus on companies having competitive advantages in their respective markets and/or operating in industries with barriers to entry, which may help to protect their market position and profitability.

Exit Alternatives. We exit our debt investments primarily through the repayment of our investment from internally generated cash flow of the portfolio company and/or refinancing. In addition, we seek to invest in companies whose business models and expected future cash flows may provide alternate methods of repaying our investment, such as through a strategic acquisition by other industry participants or a recapitalization.

Recent Developments

During February 2014, we declared regular monthly dividends of $0.165 per share for each of April, May and June 2014. These regular monthly dividends equal a total of $0.495 per share for the second quarter of 2014. The second quarter 2014 regular monthly dividends represent a 6.5% increase from the dividends declared for the second quarter of 2013. Including the dividends declared for the second quarter of 2014, we will have paid $11.68 per share in cumulative dividends since our October 2007 initial public offering.

During April 2014, we completed a follow-on public equity offering of 4,600,000 shares of common stock, including the underwriters' full exercise of their option to purchase 600,000 additional shares, at a price to the public of $31.50 per share, resulting in total gross proceeds of approximately $144.9 million, less underwriters' commissions of approximately $5.1 million and other expenses of approximately $0.2 million.

During April 2014, we received an exemptive order from the SEC permitting co-investments by us and HMS Income in certain negotiated transactions where co-investing would otherwise be prohibited under the 1940 Act, and we intend to make such co-investments with HMS Income in accordance with the conditions of the order. The order requires, among other things, that we and the External Investment Manager consider whether each such investment opportunity is appropriate for HMS Income and, if it is appropriate, to propose an allocation of the investment opportunity between us and HMS Income.

During April 2014, we declared a semi-annual supplemental cash dividend of $0.275 per share payable in June 2014. This supplemental cash dividend is in addition to the previously announced regular monthly cash dividends that we declared for the second quarter of 2014 of $0.165 per share for each of April, May and June 2014, and represents a 38% increase from the semi-annual supplemental cash dividend paid in mid-year 2013.

Table of Contents

During May 2014, we declared regular monthly dividends of $0.165 per share for each month of July, August and September of 2014. These regular monthly dividends equal a total of $0.495 per share for the third quarter of 2014. The third quarter 2014 regular monthly dividends represent a 6% increase from the regular monthly dividends declared for the third quarter of 2013.

The Offering

We may offer, from time to time, up to $800,000,000 of our securities, on terms to be determined at the time of the offering. Our securities may be offered at prices and on terms to be disclosed in one or more prospectus supplements.

Our securities may be offered directly to one or more purchasers by us or through agents designated from time to time by us, or to or through underwriters or dealers. The prospectus supplement relating to the offering will disclose the terms of the offering, including the name or names of any agents or underwriters involved in the sale of our securities by us, the purchase price, and any fee, commission or discount arrangement between us and our agents or underwriters or among our underwriters or the basis upon which such amount may be calculated. See "Plan of Distribution." We may not sell any of our securities through agents, underwriters or dealers without delivery of a prospectus supplement describing the method and terms of the offering of our securities.

Set forth below is additional information regarding the offering of our securities:

Use of proceeds	We intend to use the net proceeds from any offering to make investments in accordance with our investment objective and strategies described in this prospectus or any prospectus supplement, to make investments in marketable securities and idle funds investments, which may include investments in secured intermediate term bank debt, rated debt securities and other income producing investments, to pay our operating expenses and other cash obligations, and for general corporate purposes. See "Use of Proceeds."
New York Stock Exchange symbols	"MAIN" (common stock); and "MSCA" (6.125% notes due 2023).
Dividends	Our dividends and other distributions, if any, will be determined by our Board of Directors from time to time. Our ability to declare dividends depends on our earnings, our overall financial condition (including our liquidity position), maintenance of our RIC status and such other factors as our Board of Directors may deem relevant from time to time. From our IPO through the third quarter of 2008 we paid quarterly dividends, but in the fourth quarter of 2008 we began paying, and we intend to continue paying, monthly dividends to our stockholders.

Table of Contents

	When we make monthly distributions, we will be required to determine the extent to which such distributions are paid out of current or accumulated earnings, recognized capital gains or capital. To the extent there is a return of capital (a distribution of the stockholders' invested capital), investors will be required to reduce their basis in our stock for federal tax purposes. In the future, our distributions may include a return of capital.
Taxation	MSCC has elected to be treated for federal income tax purposes as a RIC under Subchapter M of the Code. Accordingly, we generally will not pay corporate-level federal income taxes on any net ordinary income or capital gains that we distribute to our stockholders as dividends. To maintain our RIC tax treatment, we must meet specified source-of-income and asset diversification requirements and distribute annually at least 90% of our net ordinary income and realized net short-term capital gains in excess of realized net long-term capital losses, if any. Depending on the level of taxable income earned in a tax year, we may choose to carry forward taxable income in excess of current year distributions into the next tax year and pay a 4% excise tax on such income. Any such carryover taxable income must be distributed through a dividend declared prior to filing the final tax return related to the year which generated such taxable income. See "Material U.S. Federal Income Tax Considerations."
Dividend reinvestment plan	We have adopted a dividend reinvestment plan for our stockholders. The dividend reinvestment plan is an "opt out" reinvestment plan. As a result, if we declare dividends, then stockholders' cash dividends will be automatically reinvested in additional shares of our common stock, unless they specifically "opt out" of the dividend reinvestment plan so as to receive cash dividends. Stockholders who receive dividends in the form of stock will be subject to the same federal, state and local tax consequences as stockholders who elect to receive their dividends in cash. See "Dividend Reinvestment Plan."
Trading at a discount	Shares of closed-end investment companies frequently trade at a discount to their net asset value. This risk is separate and distinct from the risk that our net asset value per share may decline. We cannot predict whether our shares will trade above, at or below net asset value.

Sales of common stock below net asset value	The offering price per share of our common stock, less any underwriting commissions or discounts, will not be less than the net asset value per share of our common stock at the time of the offering, except (i) with the requisite approval of our common stockholders or (ii) under such other circumstances as the Securities and Exchange Commission may permit. In addition, we cannot issue shares of our common stock below net asset value unless our Board of Directors determines that it would be in our and our stockholders' best interests to do so. We did not seek stockholder authorization to issue common stock at a price below net asset value per share at our 2013 Annual Meeting of Stockholders, and we are not seeking such authorization at our 2014 Annual Meeting of Stockholders, because our common stock price per share has been trading significantly above the current net asset value per share of our common stock, but we may seek such authorization at future Annual Meetings or Special Meetings of Stockholders. In addition, we have received stockholder approval to issue warrants, options or rights to subscribe for, convert to, or purchase shares of our common stock at a price per share below the net asset value per share subject to the applicable requirements of the 1940 Act. There is no expiration date on our ability to issue such warrants, options, rights or convertible securities based on this stockholder approval. Sales by us of our common stock at a discount from our net asset value pose potential risks for our existing stockholders whether or not they participate in the offering, as well as for new investors who participate in the offering. See "Sales of Common Stock Below Net Asset Value."

Table of Contents

Available Information	We file annual, quarterly and current reports, proxy statements and other information with the SEC under the Securities Exchange Act of 1934, or the "Exchange Act." You can inspect any materials we file with the SEC, without charge, at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the Public Reference Room. The information we file with the SEC is available free of charge by contacting us at 1300 Post Oak Boulevard, Suite 800, Houston, TX 77056, by telephone at (713) 350-6000 or on our website at *http://www.mainstcapital.com*. The SEC also maintains a website that contains reports, proxy statements and other information regarding registrants, including us, that file such information electronically with the SEC. The address of the SEC's website is *http://www.sec.gov*. Information contained on our website or on the SEC's website about us is not incorporated into this prospectus, and you should not consider information contained on our website or on the SEC's website to be part of this prospectus.

Table of Contents

FEES AND EXPENSES

The following table is intended to assist you in understanding the costs and expenses that an investor in this offering will bear directly or indirectly. We caution you that some of the percentages indicated in the table below are estimates and may vary. Except where the context suggests otherwise, whenever this prospectus contains a reference to fees or expenses paid by "you," "us" or "Main Street," or that "we" will pay fees or expenses, stockholders will indirectly bear such fees or expenses as investors in us.

Stockholder Transaction Expenses:	
Sales load (as a percentage of offering price)	%(1)
Offering expenses (as a percentage of offering price)	%(2)
Dividend reinvestment plan expenses	%(3)
Total stockholder transaction expenses (as a percentage of offering price)	%(4)
Annual Expenses (as a percentage of net assets attributable to common stock):	
Operating expenses	2.63%(5)
Interest payments on borrowed funds	2.84%(6)
Income tax expense	%(7)
Acquired fund fees and expenses	0.38%(8)
Total annual expenses	5.85%

(1) In the event that our securities are sold to or through underwriters, a corresponding prospectus supplement will disclose the applicable sales load.

(2) In the event that we conduct an offering of our securities, a corresponding prospectus supplement will disclose the estimated offering expenses.

(3) The expenses of administering our dividend reinvestment plan are included in operating expenses.

(4) Total stockholder transaction expenses may include sales load and will be disclosed in a future prospectus supplement, if any.

(5) Operating expenses in this table represent the estimated expenses of MSCC and its consolidated subsidiaries, including the Internal Investment Manager.

(6) Interest payments on borrowed funds represent our estimated annual interest payments on borrowed funds based on current debt levels as adjusted for projected increases (but not decreases) in debt levels over the next twelve months.

(7) Income tax expense relates to the accrual of (a) deferred tax provision (benefit) on the net unrealized appreciation (depreciation) from portfolio investments held in Taxable Subsidiaries and (b) excise, state and other taxes. Deferred taxes are non-cash in nature and may vary significantly from period to period. We are required to include deferred taxes in calculating our annual expenses even though deferred taxes are not currently payable or receivable. Due to the variable nature of deferred tax expense, which can be a large portion of the income tax expense, and the difficulty in providing an estimate for future periods, this income tax expense estimate is based upon the actual amount of income tax expense for the year ended December 31, 2013.

(8)

Acquired fund fees and expenses represent the estimated indirect expense incurred due to investments in other investment companies and private funds.

Table of Contents

Example

The following example demonstrates the projected dollar amount of total cumulative expenses that would be incurred over various periods with respect to a hypothetical investment in our common stock. In calculating the following expense amounts, we have assumed we would have no additional leverage and that our annual operating expenses would remain at the levels set forth in the table above. In the event that shares to which this prospectus relates are sold to or through underwriters, a corresponding prospectus supplement will restate this example to reflect the applicable sales load.

	1 Year	3 Years	5 Years	10 Years
You would pay the following expenses on a $1,000 investment, assuming a 5.0% annual return	$ 58	$ 173	$ 286	$ 561

The example and the expenses in the table above should not be considered a representation of our future expenses, and actual expenses may be greater or less than those shown. While the example assumes, as required by the SEC, a 5.0% annual return, our performance will vary and may result in a return greater or less than 5.0%. In addition, while the example assumes reinvestment of all dividends at net asset value, participants in our dividend reinvestment plan will receive a number of shares of our common stock, determined by dividing the total dollar amount of the dividend payable to a participant by (i) the market price per share of our common stock at the close of trading on the dividend payment date in the event that we use newly issued shares to satisfy the share requirements of the dividend reinvestment plan or (ii) the average purchase price of all shares of common stock purchased by the administrator of the dividend reinvestment plan in the event that shares are purchased in the open market to satisfy the share requirements of the dividend reinvestment plan, which may be at, above or below net asset value. See "Dividend Reinvestment Plan" for additional information regarding our dividend reinvestment plan.

Table of Contents

RISK FACTORS

Investing in our securities involves a number of significant risks. In addition to the other information contained in this prospectus and any accompanying prospectus supplement, you should consider carefully the following information before making an investment in our securities. The risks set out below are not the only risks we face. Additional risks and uncertainties not presently known to us or not presently deemed material by us might also impair our operations and performance. If any of the following events occur, our business, financial condition and results of operations could be materially and adversely affected. In such case, our net asset value and the trading price of our common stock could decline or the value of our other securities may decline, and you may lose all or part of your investment.

Risks Relating to Economic Conditions

Deterioration in the economy and financial markets increases the likelihood of adverse effects on our financial position and results of operations. Such economic adversity could impair our portfolio companies' financial positions and operating results and affect the industries in which we invest, which could, in turn, harm our operating results.

As a result of the recent recession, the broader fundamentals of the United States economy remain mixed, and unemployment remains elevated. In the event that the United States economy contracts, it is likely that the financial results of small to mid-sized companies, like those in which we invest, could experience deterioration or limited growth from current levels, which could ultimately lead to difficulty in meeting their debt service requirements and an increase in defaults. Consequently, we can provide no assurance that the performance of certain portfolio companies will not be negatively impacted by economic cycles or other conditions, which could also have a negative impact on our future results.

Although we have been able to secure access to additional liquidity, including through the Credit Facility, periodic follow-on equity offerings, public debt issuances and the leverage available through the SBIC program, the potential for volatility in the debt and equity capital markets provides no assurance that debt or equity capital will be available to us in the future on favorable terms, or at all. Further, if the price of our common stock falls below our net asset value per share, we will be limited in our ability to sell new shares if we do not have stockholder authorization to sell shares at a price below net asset value per share. We did not seek stockholder authorization to issue common stock at a price below net asset value per share at our 2013 Annual Meeting of Stockholders, and we are not seeking such authorization at our 2014 Annual Meeting of Stockholders, because our common stock price per share has been trading significantly above the current net asset value per share of our common stock, but we may seek such authorization at future Annual Meetings or Special Meetings of Stockholders.

Risks Relating to Our Business and Structure

Our Investment Portfolio is and will continue to be recorded at fair value, with our Board of Directors having final responsibility for overseeing, reviewing and approving, in good faith, our determination of fair value and, as a result, there is and will continue to be uncertainty as to the value of our portfolio investments.

Under the 1940 Act, we are required to carry our portfolio investments at market value or, if there is no readily available market value, at fair value as determined by us with our Board of Directors having final responsibility for overseeing, reviewing and approving, in good faith, our determination of fair value as well as our valuation procedures. Typically, there is not a public market for the securities of the privately held LMM companies in which we have invested and will generally continue to invest. As a result, we value these securities quarterly at fair value based on inputs from management, a nationally recognized independent financial advisory services firm (on a rotational basis) and our audit committee with the oversight, review and approval of our Board of Directors. In addition, the market for investments in Middle Market companies is generally not a liquid market, and therefore, we

Table of Contents

primarily use observable inputs to determine the fair value of these investments quarterly through obtaining third party quotes and other independent pricing, which are reviewed by our audit committee with the oversight, review and approval of our Board of Directors. See "Business Determination of Net Asset Value and Portfolio Valuation Process" for a more detailed description of our valuation process.

The determination of fair value and consequently, the amount of unrealized gains and losses in our portfolio, are to a certain degree, subjective and dependent on a valuation process approved by our Board of Directors. Certain factors that may be considered in determining the fair value of our investments include external events, such as private mergers, sales and acquisitions involving comparable companies. Because such valuations, and particularly valuations of private securities and private companies, are inherently uncertain, may fluctuate over short periods of time and may be based on estimates, our determinations of fair value may differ materially from the values that would have been used if a ready market for these securities existed. Due to this uncertainty, our fair value determinations may cause our net asset value on a given date to materially understate or overstate the value that we may ultimately realize on one or more of our investments. As a result, investors purchasing our securities based on an overstated net asset value would pay a higher price than the value of our investments might warrant. Conversely, investors selling our securities during a period in which the net asset value understates the value of our investments may receive a lower price for their securities than the value of our investments might warrant.

Our financial condition and results of operations depends on our ability to effectively manage and deploy capital.

Our ability to achieve our investment objective of maximizing our portfolio's total return by generating current income from our debt investments and capital appreciation from our equity and equity-related investments, including warrants, convertible securities and other rights to acquire equity securities in a portfolio company, depends on our ability to effectively manage and deploy capital, which depends, in turn, on our investment team's ability to identify, evaluate and monitor, and our ability to finance and invest in, companies that meet our investment criteria.

Accomplishing our investment objective on a cost-effective basis is largely a function of our investment team's handling of the investment process, its ability to provide competent, attentive and efficient services and our access to investments offering acceptable terms. In addition to monitoring the performance of our existing investments, members of our investment team are also called upon, from time to time, to provide managerial assistance to some of our portfolio companies. These demands on their time may distract them or slow the rate of investment.

Even if we are able to grow and build upon our investment operations, any failure to manage our growth effectively could have a material adverse effect on our business, financial condition, results of operations and prospects. The results of our operations will depend on many factors, including the availability of opportunities for investment, readily accessible short and long-term funding alternatives in the financial markets and economic conditions. Furthermore, if we cannot successfully operate our business or implement our investment policies and strategies as described herein, it could negatively impact our ability to pay dividends.

We may face increasing competition for investment opportunities.

We compete for investments with other investment funds (including private equity funds, mezzanine funds, BDCs, and SBICs), as well as traditional financial services companies such as commercial banks and other sources of funding. Many of our competitors are substantially larger and have considerably greater financial, technical and marketing resources than we do. For example, some competitors may have a lower cost of capital and access to funding sources that are not available to us.

Table of Contents

In addition, some of our competitors may have higher risk tolerances or different risk assessments than we have. These characteristics could allow our competitors to consider a wider variety of investments, establish more relationships and offer better pricing and more flexible structuring than we are able to do. We may lose investment opportunities if we do not match our competitors' pricing, terms and structure. If we are forced to match our competitors' pricing, terms and structure, we may not be able to achieve acceptable returns on our investments or may bear substantial risk of capital loss. A significant part of our competitive advantage stems from the fact that the market for investments in LMM companies is underserved by traditional commercial banks and other financing sources. A significant increase in the number and/or the size of our competitors in this target market could force us to accept less attractive investment terms. Furthermore, many of our competitors have greater experience operating under, or are not subject to, the regulatory restrictions that the 1940 Act imposes on us as a BDC.

We are dependent upon our key investment personnel for our future success.

We depend on the members of our investment team, particularly Vincent D. Foster, Dwayne L. Hyzak, Curtis L. Hartman, David L. Magdol, Travis L. Haley, Nicholas T. Meserve, Robert M. Shuford, and Rodger A. Stout for the identification, review, final selection, structuring, closing and monitoring of our investments. These employees have significant investment expertise and relationships that we rely on to implement our business plan. Although we have entered into a non-compete agreement with Mr. Foster, we have no guarantee that he or any other employees will remain employed with us. If we lose the services of these individuals, we may not be able to operate our business as we expect, and our ability to compete could be harmed, which could cause our operating results to suffer.

Our success depends on attracting and retaining qualified personnel in a competitive environment.

Our growth will require that we retain new investment and administrative personnel in a competitive market. Our ability to attract and retain personnel with the requisite credentials, experience and skills depends on several factors including, but not limited to, our ability to offer competitive wages, benefits and professional growth opportunities. Many of the entities, including investment funds (such as private equity funds and mezzanine funds) and traditional financial services companies, with which we compete for experienced personnel have greater resources than we have.

The competitive environment for qualified personnel may require us to take certain measures to ensure that we are able to attract and retain experienced personnel. Such measures may include increasing the attractiveness of our overall compensation packages, altering the structure of our compensation packages through the use of additional forms of compensation, or other steps. The inability to attract and retain experienced personnel would have a material adverse effect on our business.

Our business model depends to a significant extent upon strong referral relationships, and our inability to maintain or develop these relationships, as well as the failure of these relationships to generate investment opportunities, could adversely affect our business.

We expect that members of our management team will maintain their relationships with intermediaries, financial institutions, investment bankers, commercial bankers, financial advisors, attorneys, accountants, consultants and other individuals within our network, and we will rely to a significant extent upon these relationships to provide us with potential investment opportunities. If our management team fails to maintain its existing relationships or develop new relationships with sources of investment opportunities, we will not be able to grow our Investment Portfolio. In addition, individuals with whom members of our management team have relationships are not obligated to provide us with investment opportunities, and, therefore, there is no assurance that such relationships will generate investment opportunities for us.

Table of Contents

There are significant potential conflicts of interest which could impact our investment returns.

Our executive officers and employees, through the External Investment Manager, may manage other investment funds that operate in the same or a related line of business as we do. Accordingly, they may have obligations to such other entities, the fulfillment of which obligations may not be in the best interests of us or our stockholders. During May 2012, MSCC entered into an investment sub-advisory agreement with HMS Adviser, LP ("HMS Adviser"), which is the investment advisor to HMS Income Fund, Inc. ("HMS Income"), a non publicly-traded BDC whose registration statement on Form N-2 was declared effective by the SEC in June 2012, to provide certain investment advisory services to HMS Adviser. In December 2013, after obtaining no-action relief from the SEC to allow us to own a registered investment company, MSCC assigned the sub-advisory agreement to the External Investment Manager since the fees received from such arrangement could otherwise have negative consequences on MSCC's ability to meet the source-of-income requirement necessary for it to maintain its RIC tax treatment. Under the investment sub-advisory agreement, the External Investment Manager is entitled to 50% of the base management fee and the incentive fees earned by HMS Adviser under its advisory agreement with HMS Income. However, MSCC and the External Investment Manager agreed to waive all such fees from the effective date of HMS Adviser's registration statement on Form N-2 through December 31, 2013. As a result, as of December 31, 2013, neither MSCC nor the External Investment Manager had received any base management fee or incentive fees under the investment sub-advisory agreement and neither is due any unpaid compensation for any base management fee or incentive fees under the investment sub-advisory agreement through December 31, 2013. Neither MSCC nor the External Investment Manager has waived the External Investment Manager's management or incentive fees after December 31, 2013 and, as a result, the External Investment Manager began accruing such fees on January 1, 2014. The sub-advisory relationship requires us to commit resources to achieving HMS Income's investment objective, while such resources were previously solely devoted to achieving our investment objective. Our investment objective and investment strategies are very similar to those of HMS Income and it is likely that an investment appropriate for us or HMS Income would be appropriate for the other entity. As a result, we and HMS Income requested an exemptive order from the SEC permitting co-investments by us and HMS Income in certain negotiated transactions where our co-investing would otherwise be prohibited under the 1940 Act. The SEC granted the exemptive order in April 2014, and we intend to make such co-investments with HMS Income in accordance with the conditions of the order. The order requires, among other things, that we and the External Investment Manager consider whether each such investment opportunity is appropriate for HMS Income and, if it is appropriate, to propose an allocation of the investment opportunity between us and HMS Income. As a consequence, it may be more difficult for us to maintain or increase the size of our investment portfolio in the future. Although we will endeavor to allocate investment opportunities in a fair and equitable manner, including in accordance with the conditions set forth in any exemptive order issued by the SEC when relying on such order, we may face conflicts in allocating investment opportunities between us and HMS Income. We have implemented an allocation policy to ensure the equitable distribution of investment opportunities and, as a result, may be unable to participate in certain investments prior to receiving such relief.

Table of Contents

Regulations governing our operation as a BDC will affect our ability to, and the way in which we, raise additional capital.

Our business will require capital to operate and grow. We may acquire such additional capital from the following sources:

Senior Securities. We may issue debt securities or preferred stock and/or borrow money from banks or other financial institutions, which we refer to collectively as senior securities. As a result of issuing senior securities, we will be exposed to additional risks, including the following:

- Under the provisions of the 1940 Act, we are permitted, as a BDC, to issue senior securities only in amounts such that our asset coverage, as defined in the 1940 Act, equals at least 200% immediately after each issuance of senior securities. If the value of our assets declines, we may be unable to satisfy this test. If that happens, we will be prohibited from issuing debt securities or preferred stock and/or borrowing money from banks or other financial institutions and may not be permitted to declare a dividend or make any distribution to stockholders or repurchase shares until such time as we satisfy this test.

- Any amounts that we use to service our debt or make payments on preferred stock will not be available for dividends to our common stockholders.

- It is likely that any senior securities or other indebtedness we issue will be governed by an indenture or other instrument containing covenants restricting our operating flexibility. Additionally, some of these securities or other indebtedness may be rated by rating agencies, and in obtaining a rating for such securities and other indebtedness, we may be required to abide by operating and investment guidelines that further restrict operating and financial flexibility.

- We and, indirectly, our stockholders will bear the cost of issuing and servicing such securities and other indebtedness.

- Preferred stock or any convertible or exchangeable securities that we issue in the future may have rights, preferences and privileges more favorable than those of our common stock, including separate voting rights and could delay or prevent a transaction or a change in control to the detriment of the holders of our common stock.

Additional Common Stock. We are not generally able to issue and sell our common stock at a price below net asset value per share. We may, however, sell our common stock, warrants, options or rights to acquire our common stock, at a price below the current net asset value of the common stock if our Board of Directors determines that such sale is in the best interests of our stockholders, and our stockholders approve such sale. See " Stockholders may incur dilution if we sell shares of our common stock in one or more offerings at prices below the then current net asset value per share of our common stock or issue securities to subscribe to, convert to or purchase shares of our common stock" for a discussion of the risks related to us issuing shares of our common stock below net asset value. Our stockholders have authorized us to issue warrants, options or rights to subscribe for, convert to, or purchase shares of our common stock at a price per share below the net asset value per share, subject to the applicable requirements of the 1940 Act. There is no expiration date on our ability to issue such warrants, options, rights or convertible securities based on this stockholder approval. If we raise additional funds by issuing more common stock or senior securities convertible into, or exchangeable for, our common stock, the percentage ownership of our stockholders at that time would decrease, and they may experience dilution. Moreover, we can offer no assurance that we will be able to issue and sell additional equity securities in the future, on favorable terms or at all.

Table of Contents

The Funds are licensed by the SBA, and therefore subject to SBA regulations.

MSMF and MSC II, our wholly owned subsidiaries, are licensed to act as SBICs and are regulated by the SBA. The SBA also places certain limitations on the financing terms of investments by SBICs in portfolio companies and prohibits SBICs from providing funds for certain purposes or to businesses in a few prohibited industries. Compliance with SBA requirements may cause the Funds to forego attractive investment opportunities that are not permitted under SBA regulations.

Further, the SBA regulations require that a licensed SBIC be periodically examined and audited by the SBA to determine its compliance with the relevant SBA regulations. The SBA prohibits, without prior SBA approval, a "change of control" of an SBIC or transfers that would result in any person (or a group of persons acting in concert) owning 10% or more of a class of capital stock of a licensed SBIC. If the Funds fail to comply with applicable SBIC regulations, the SBA could, depending on the severity of the violation, limit or prohibit their use of SBIC debentures, declare outstanding SBIC debentures immediately due and payable, and/or limit them from making new investments. In addition, the SBA can revoke or suspend a license for willful or repeated violation of, or willful or repeated failure to observe, any provision of the Small Business Investment Act of 1958 or any rule or regulation promulgated thereunder. Such actions by the SBA would, in turn, negatively affect us.

Because we borrow money, the potential for gain or loss on amounts invested in us is magnified and may increase the risk of investing in us.

Borrowings, also known as leverage, magnify the potential for loss on investments in our indebtedness and gain or loss on investments in our equity capital. As we use leverage to partially finance our investments, you will experience increased risks of investing in our securities. We, through the Funds, issue debt securities guaranteed by the SBA and sold in the capital markets. As a result of its guarantee of the debt securities, the SBA has fixed dollar claims on the assets of the Funds that are superior to the claims of our securities holders. We may also borrow from banks and other lenders, including under our Credit Facility, and may issue debt securities or enter into other types of borrowing arrangements in the future. See "Management's Discussion and Analysis of Financial Condition and Results of Operations Capital Resources" for a discussion regarding our outstanding indebtedness. If the value of our assets decreases, leveraging would cause net asset value to decline more sharply than it otherwise would have had we not leveraged our business. Similarly, any increase in our income in excess of interest payable on the borrowed funds would cause our net investment income to increase more than it would without the leverage, while any decrease in our income would cause net investment income to decline more sharply than it would have had we not borrowed. Such a decline could negatively affect our ability to pay common stock dividends, scheduled debt payments or other payments related to our securities. Leverage is generally considered a speculative investment technique.

As of December 31, 2013, we, through the Funds, had $200.2 million of outstanding indebtedness guaranteed by the SBA, which had a weighted average annualized interest cost of approximately 3.8% (exclusive of deferred financing costs). The debentures guaranteed by the SBA have a maturity of ten years, with a current weighted average remaining maturity of 7.3 years as of December 31, 2013, and require semi-annual payments of interest. We will need to generate sufficient cash flow to make required interest payments on the debentures. If we are unable to meet the financial obligations under the debentures, the SBA, as a creditor, will have a superior claim to the assets of the Funds over our stockholders in the event we liquidate or the SBA exercises its remedies under such debentures as the result of a default by us.

In addition, as of December 31, 2013, we had $237.0 million outstanding under our Credit Facility. Borrowings under the Credit Facility bear interest, subject to our election, on a per annum basis equal to (i) the applicable LIBOR rate (0.17% as of December 31, 2013) plus 2.25% or (ii) the applicable base rate (Prime Rate, 3.25% as of December 31, 2013) plus 1.25%. Main Street pays unused commitment fees of 0.25% per annum on the average unused lender commitments under the Credit Facility. If we are unable to meet the financial obligations under the Credit Facility, the Credit Facility lending group will have a superior claim to the assets of MSCC and its subsidiaries (excluding the assets of the Funds) over our stockholders in the event we liquidate or the lending group exercises its remedies under the Credit Facility as the result of a default by us.

In April 2013, we issued $92.0 million in aggregate principal amount of 6.125% Notes due 2023 (the "Notes"). As of December 31, 2013, the outstanding balance of the Notes was $90.9 million. The Notes are unsecured obligations and rank pari passu with our current and future senior unsecured indebtedness; senior to any of our future indebtedness that expressly provides it is subordinated to the Notes; effectively subordinated to all of our existing and future secured indebtedness, to the extent of the value of the assets securing such indebtedness, including borrowings under our Credit Facility; and structurally subordinated to all existing and future indebtedness and other obligations of any of our subsidiaries, including without limitation, the indebtedness of the Funds. The Notes mature on April 1, 2023, and may be redeemed in whole or in part at any time or from time to time at Main Street's option on or after April 1, 2018. The Notes bear interest at a rate of 6.125%.

Illustration. The following table illustrates the effect of leverage on returns from an investment in our common stock assuming various annual returns, net of expenses. The calculations in the table below are hypothetical and actual returns may be higher or lower than those appearing below.

Assumed Return on Our Portfolio(1)
(net of expenses)

	(10.0)%	**(5.0)%**	**0.0%**	**5.0%**	**10.0%**
Corresponding net return to common stockholder(2)	(19.5)%	(11.0)%	(2.4)%	6.2%	14.8%

(1) Assumes $1.36 billion in total assets, $528.1 million in debt outstanding, $792.5 million in net assets, and a weighted average interest rate of 3.6%. Actual interest payments may be different.

(2) In order for us to cover our annual interest payments on indebtedness, we must achieve annual returns on our December 31, 2013 total assets of at least 1.4%.

Our ability to achieve our investment objective may depend in part on our ability to access additional leverage on favorable terms by issuing debentures guaranteed by the SBA through the Funds, by borrowing from banks or insurance companies or by issuing other debt securities and there can be no assurance that such additional leverage can in fact be achieved.

All of our assets are subject to security interests under our secured Credit Facility or subject to a superior claim over our stockholders by the SBA and if we default on our obligations under the Credit Facility or with respect to our SBA-guaranteed debentures, we may suffer adverse consequences, including foreclosure on our assets.

All of our assets are currently pledged as collateral under our Credit Facility or subject to a superior claim over our stockholders by the SBA. If we default on our obligations under the Credit Facility or our SBA-guaranteed debentures, the lenders and/or the SBA may have the right to foreclose upon and sell, or otherwise transfer, the collateral subject to their security interests or their superior claim. In such event, we may be forced to sell our investments to raise funds to repay our outstanding borrowings in order to avoid foreclosure and these forced sales may be at times and at prices we would not consider advantageous. Moreover, such deleveraging of our company could significantly impair our ability to effectively operate our business in the manner in which we have historically operated. As a result, we could be forced to curtail or cease new investment activities and lower or eliminate the dividends that we have historically paid to our stockholders. In addition, if the lenders exercise their right to sell the assets pledged under our Credit Facility, such sales may be completed at distressed sale prices, thereby diminishing or potentially eliminating the amount of cash available to us after repayment of the amounts outstanding under the Credit Facility.

Pending legislation may allow us to incur additional leverage.

As a BDC, under the 1940 Act we generally are not permitted to incur indebtedness unless immediately after such borrowing we have an asset coverage for total borrowings of at least 200% (i.e., the amount of debt may not exceed 50% of the value of our assets). Recent legislation introduced in the U.S. House of Representatives, if passed, would modify this section of the 1940 Act and increase the amount of debt that BDCs may incur by modifying the asset coverage percentage from 200% to 150%. In addition, recent legislation introduced in the U.S. Senate would modify SBA regulations in a manner that may permit us to issue additional SBIC debentures above the current regulatory maximum amount of $225.0 million. As a result, we may be able to incur additional indebtedness in the future and therefore your risk of an investment in our securities may increase.

Further downgrades of the U.S. credit rating, automatic spending cuts or another government shutdown could negatively impact our liquidity, financial condition and earnings.

Recent U.S. debt ceiling and budget deficit concerns have increased the possibility of additional credit-rating downgrades and economic slowdowns, or a recession in the U.S. Although U.S. lawmakers passed legislation to raise the federal debt ceiling on multiple occasions, ratings agencies have lowered or threatened to lower the long-term sovereign credit rating on the United States. The impact of this or any further downgrades to the U.S. government's sovereign credit rating or its perceived creditworthiness could adversely affect the U.S. and global financial markets and economic conditions. Absent further quantitative easing by the Federal Reserve, these developments could cause interest rates and borrowing costs to rise, which may negatively impact our ability to access the debt markets on favorable terms. In addition, disagreement over the federal budget has caused the U.S. federal government to shut down for periods of time. Continued adverse political and economic conditions could have a material adverse effect on our business, financial condition and results of operations.

It is unclear how increased regulatory oversight and changes in the method for determining LIBOR may affect the value of the financial obligations to be held or issued by us that are linked to LIBOR, or how such changes could affect our results of operations or financial condition.

As a result of concerns about the accuracy of the calculation of LIBOR, a number of British Bankers' Association, or BBA, member banks entered into settlements with certain regulators and law enforcement agencies with respect to the alleged manipulation of LIBOR, and there are ongoing investigations by regulators and governmental authorities in various jurisdictions. Following a review of LIBOR conducted at the request of the U.K. government, on September 28, 2012, recommendations for reforming the setting and governing of LIBOR were released, which are referred to as the Wheatley Review. The Wheatley Review made a number of recommendations for changes with respect to LIBOR, including the introduction of S-5 statutory regulation of LIBOR, the transfer of responsibility for LIBOR from the BBA to an independent administrator, changes to the method of the compilation of lending rates and new regulatory oversight and enforcement mechanisms for rate-setting and a reduction in the number of currencies and tenors for which LIBOR is published. Based on the Wheatley Review and on a subsequent public and governmental consultation process, on March 25, 2013, the U.K. Financial Services Authority published final rules for the U.K. Financial Conduct Authority's regulation and supervision of LIBOR, which are referred to as the FCA Rules. In particular, the FCA Rules include requirements that (1) an independent LIBOR administrator monitor and survey LIBOR submissions to identify breaches of practice standards and/or potentially manipulative behavior, and (2) firms submitting data to LIBOR establish and maintain a clear conflicts

Table of Contents

of interest policy and appropriate systems and controls. The FCA Rules took effect on April 2, 2013, and on July 9, 2013, NYSE Euronext was chosen to serve as the independent LIBOR administrator commencing in 2014. It is uncertain what additional regulatory changes or what changes, if any, in the method of determining LIBOR may be required or made by the U.K. government or other governmental or regulatory authorities. Accordingly, uncertainty as to the nature of such changes may adversely affect the market for or value of any LIBOR-linked securities, loans, derivatives and other financial obligations or extensions of credit held by or due to us or on our overall financial condition or results of operations. In addition, any further changes or reforms to the determination or supervision of LIBOR may result in a sudden or prolonged increase or decrease in reported LIBOR, which could have an adverse impact on the market for or value of any LIBOR-linked securities, loans, derivatives and other financial obligations or extensions of credit held by or due to us or on our overall financial condition or results of operations.

We may experience fluctuations in our quarterly results.

We could experience fluctuations in our quarterly operating results due to a number of factors, including our ability or inability to make investments in companies that meet our investment criteria, the interest rate payable on the debt securities we acquire, the level of portfolio dividend and fee income, the level of our expenses, variations in and the timing of the recognition of realized and unrealized gains or losses, the degree to which we encounter competition in our markets and general economic conditions. As a result of these factors, results for any period should not be relied upon as being indicative of performance in future periods.

Our Board of Directors may change our operating policies and strategies without prior notice or stockholder approval, the effects of which may be adverse.

Our Board of Directors has the authority to modify or waive our current operating policies, investment criteria and strategies without prior notice and without stockholder approval. We cannot predict the effect any changes to our current operating policies, investment criteria and strategies would have on our business, net asset value, operating results and value of our stock. However, the effects might be adverse, which could negatively impact our ability to pay interest and principal payments to holders of our debt instruments and dividends to our stockholders and cause our investors to lose all or part of their investment in us.

We will be subject to corporate-level income tax if we are unable to qualify as a RIC under Subchapter M of the Code.

To maintain RIC tax treatment under the Code, we must meet the following annual distribution, income source and asset diversification requirements:

- The annual distribution requirement for a RIC will be satisfied if we distribute to our stockholders on an annual basis at least 90% of our net ordinary income and realized net short-term capital gains in excess of realized net long-term capital losses, if any. Depending on the level of taxable income earned in a tax year, we may choose to carry forward taxable income in excess of current year distributions into the next tax year and pay a 4% excise tax on such income. Any such carryover taxable income must be distributed through a dividend declared prior to filing the final tax return related to the year which generated such taxable income. For more information regarding tax treatment, see "Material U.S. Federal Income Tax Considerations Taxation as a Regulated Investment Company." Because we use debt financing, we are subject to certain asset coverage ratio requirements under the 1940 Act and are (and may in the future become) subject to certain financial covenants under loan and credit agreements that could, under certain circumstances, restrict us from making distributions necessary to satisfy the distribution requirement. In addition, because we receive non-cash sources of income such as PIK interest which involves us recognizing income without receiving the cash representing such income, we may have difficulty meeting the distribution requirement. If we are unable to obtain cash from other sources, we could fail to qualify for RIC tax treatment and thus become subject to corporate-level income tax.

The source income requirement will be satisfied if we obtain at least 90% of our income for each year from distributions, interest, gains from the sale of stock or securities or similar sources.

The asset diversification requirement will be satisfied if we meet certain asset diversification requirements at the end of each quarter of our taxable year. To satisfy this requirement, at least 50% of the value of our assets must consist of cash, cash equivalents, U.S. Government securities, securities of other RICs, and other acceptable securities; and no more than 25% of the value of our assets can be invested in the securities, other than U.S. government securities or securities of other RICs, (i) of one issuer, (ii) of two or more issuers that are controlled, as determined under applicable Code rules, by us and that are engaged in the same or similar or related trades or businesses or (iii) of certain "qualified publicly traded partnerships."

Failure to meet these requirements may result in our having to dispose of certain investments quickly in order to prevent the loss of RIC status. Because most of our investments will be in private companies, and therefore will be illiquid, any such dispositions could be made at disadvantageous prices and could result in substantial losses. Moreover, if we fail to maintain RIC tax treatment for any reason and are subject to corporate income tax, the resulting corporate taxes could substantially reduce our net assets, the amount of income available for distribution and the amount of our distributions.

We may not be able to pay distributions to our stockholders, our distributions may not grow over time, and a portion of distributions paid to our stockholders may be a return of capital, which is a distribution of the stockholders' invested capital.

We intend to pay monthly distributions to our stockholders out of assets legally available for distribution. We cannot assure you that we will achieve investment results that will allow us to pay a specified level of cash distributions, previously projected distributions for future periods, or year-to-year increases in cash distributions. Our ability to pay distributions might be adversely affected by, among other things, the impact of one or more of the risk factors described herein. In addition, the inability to satisfy the asset coverage test applicable to us as a BDC could limit our ability to pay distributions. All distributions will be paid at the discretion of our Board of Directors and will depend on our earnings, our financial condition, maintenance of our RIC status, compliance with applicable BDC regulations, each of the Funds' compliance with applicable SBIC regulations and such other factors as our Board of Directors may deem relevant from time to time. We cannot assure you that we will pay distributions to our stockholders in the future.

When we make monthly distributions, we will be required to determine the extent to which such distributions are paid out of current or accumulated earnings, recognized capital gains or capital. To the extent there is a return of capital, investors will be required to reduce their basis in our stock for federal tax purposes, which may result in higher tax liability when the shares are sold, even if they have not increased in value or have lost value. In addition, any return of capital will be net of any sales load and offering expenses associated with sales of shares of our common stock. In the future, our distributions may include a return of capital.

We may have difficulty paying the distributions required to maintain RIC tax treatment under the Code if we recognize income before or without receiving cash representing such income.

We will include in income certain amounts that we have not yet received in cash, such as: (i) amortization of original issue discount, which may arise if we receive warrants in connection with

Table of Contents

the origination of a loan such that ascribing a value to the warrants creates original issue discount in the debt instrument, if we invest in a debt investment at a discount to the par value of the debt security or possibly in other circumstances; (ii) contractual payment-in-kind, or PIK, interest, which represents contractual interest added to the loan balance and due at the end of the loan term; (iii) contractual preferred dividends, which represents contractual dividends added to the preferred stock and due at the end of the preferred stock term, subject to adequate profitability at the portfolio company; or (iv) amortization of market discount, which is associated with loans purchased in the secondary market at a discount to par value. Such amortization of original issue discounts, increases in loan balances as a result of contractual PIK arrangements, cumulative preferred dividends, or amortization of market discount will be included in income before we receive the corresponding cash payments. We also may be required to include in income certain other amounts before we receive such amounts in cash. Investments structured with these features may represent a higher level of credit risk compared to investments generating income which must be paid in cash on a current basis. For the year ended December 31, 2013, (i) approximately 4.3% of our total investment income was attributable to PIK income not paid currently in cash, (ii) approximately 3.3% of our total investment income was attributable to amortization of original issue discount, (iii) approximately 1.2% of our total investment income was attributable to cumulative dividend income not paid currently in cash, and (iv) approximately 1.3% of our total investment income was attributable to amortization of market discount on loans purchased in the secondary market at a discount.

Since, in certain cases, we may recognize income before or without receiving cash representing such income, we may have difficulty meeting the annual distribution requirement necessary to maintain RIC tax treatment under the Code. Accordingly, we may have to sell some of our investments at times and/or at prices we would not consider advantageous, raise additional debt or equity capital or forgo new investment opportunities for this purpose. If we are not able to obtain cash from other sources, we may fail to qualify for RIC tax treatment and thus become subject to corporate-level income tax. For additional discussion regarding the tax implications of a RIC, please see "Material U.S. Federal Income Tax Considerations Taxation as a Regulated Investment Company."

We may in the future choose to pay dividends in our own stock, in which case you may be required to pay tax in excess of the cash you receive.

We may distribute taxable dividends that are payable in part in our stock. Under certain applicable provisions of the Code and the Treasury regulations, distributions payable by us in cash or in shares of stock (at the stockholders election) would satisfy the Annual Distribution Requirement. The IRS has issued private letter rulings providing that a dividend payable in stock or in cash at the election of the stockholders will be treated as a taxable dividend eligible for the dividends paid deduction provided that at least 20% of the total dividend is payable in cash and certain other requirements are satisfied. Taxable stockholders receiving such dividends will be required to include the full amount of the dividend as ordinary income (or as long-term capital gain to the extent such dividend is properly reported as a capital gain dividend) to the extent of our current and accumulated earnings and profits for U.S. federal income tax purposes. As a result, a U.S. stockholder may be required to pay tax with respect to such dividends in excess of any cash received. If a U.S. stockholder sells the stock it receives as a dividend in order to pay this tax, the sales proceeds may be less than the amount included in income with respect to the dividend, depending on the market price of our stock at the time of the sale. Furthermore, with respect to non-U.S. stockholders, we may be required to withhold U.S. tax with respect to such dividends, including in respect of all or a portion of such dividend that is payable in stock. In addition, if a significant number of our stockholders determine to sell shares of our stock in order to pay taxes owed on dividends, it may put downward pressure on the trading price of our stock.

Table of Contents

Each of the Funds, as an SBIC, may be unable to make distributions to us that will enable us to meet or maintain RIC status, which could result in the imposition of an entity-level tax.

In order for us to continue to qualify for RIC tax treatment and to minimize corporate-level taxes, we will be required to distribute substantially all of our net ordinary income and net capital gain income, including income from certain of our subsidiaries, which includes the income from the Funds. We will be partially dependent on the Funds for cash distributions to enable us to meet the RIC distribution requirements. The Funds may be limited by the Small Business Investment Act of 1958, and SBIC regulations governing SBICs, from making certain distributions to us that may be necessary to enable us to maintain our status as a RIC. We may have to request a waiver of the SBA's restrictions for the Funds to make certain distributions to maintain our eligibility for RIC status. We cannot assure you that the SBA will grant such waiver and if the Funds are unable to obtain a waiver, compliance with the SBIC regulations may result in loss of RIC tax treatment and a consequent imposition of an entity-level tax on us.

Because we intend to distribute substantially all of our income to our stockholders to maintain our status as a RIC, we will continue to need additional capital to finance our growth, and regulations governing our operation as a BDC will affect our ability to, and the way in which we, raise additional capital and make distributions.

In order to satisfy the requirements applicable to a RIC and to minimize corporate-level taxes, we intend to distribute to our stockholders substantially all of our net ordinary income and net capital gain income. We may carry forward excess undistributed taxable income into the next year, net of the 4% excise tax. Any such carryover taxable income must be distributed through a dividend declared prior to filing the final tax return related to the year which generated such taxable income. As a BDC, we generally are required to meet an asset coverage ratio, as defined in the 1940 Act, of at least 200% immediately after each issuance of senior securities. This requirement limits the amount that we may borrow and may prohibit us from making distributions. Because we will continue to need capital to grow our Investment Portfolio, this limitation may prevent us from incurring debt and require us to raise additional equity at a time when it may be disadvantageous to do so.

While we expect to be able to borrow and to issue additional debt and equity securities, we cannot assure you that debt and equity financing will be available to us on favorable terms, or at all. In addition, as a BDC, we generally are not permitted to issue equity securities priced below net asset value without stockholder approval. If additional funds are not available to us, we could be forced to curtail or cease new investment activities, and our net asset value could decline.

Stockholders may incur dilution if we sell shares of our common stock in one or more offerings at prices below the then current net asset value per share of our common stock or issue securities to subscribe to, convert to or purchase shares of our common stock.

The 1940 Act prohibits us from selling shares of our common stock at a price below the current net asset value per share of such stock, with certain exceptions. One such exception is prior stockholder approval of issuances below net asset value provided that our Board of Directors makes certain determinations. We did not seek stockholder authorization to issue common stock at a price below net asset value per share at our 2013 Annual Meeting of Stockholders, and we are not seeking such authorization at our 2014 Annual Meeting of Stockholders, because our common stock price per share has been trading significantly above the current net asset value per share of our common stock. We may, however, seek such authorization at future annual meetings or special meetings of stockholders. At our 2008 annual meeting of stockholders, our stockholders approved a proposal to authorize us to issue securities to subscribe to, convert to, or purchase shares of our common stock in one or more offerings. Any decision to sell shares of our common stock below the then current net asset value per share of our common stock or securities to subscribe to, convert to, or purchase shares of our common

Table of Contents

stock would be subject to the determination by our Board of Directors that such issuance is in our and our stockholders' best interests.

If we were to sell shares of our common stock below net asset value per share, such sales would result in an immediate dilution to the net asset value per share. This dilution would occur as a result of the sale of shares at a price below the then current net asset value per share of our common stock and a proportionately greater decrease in a stockholder's interest in our earnings and assets and voting interest in us than the increase in our assets resulting from such issuance. In addition, if we issue securities to subscribe to, convert to or purchase shares of common stock, the exercise or conversion of such securities would increase the number of outstanding shares of our common stock. Any such exercise would be dilutive on the voting power of existing stockholders, and could be dilutive with regard to dividends and our net asset value, and other economic aspects of the common stock.

Because the number of shares of common stock that could be so issued and the timing of any issuance is not currently known, the actual dilutive effect cannot be predicted; however, the example below illustrates the effect of dilution to existing stockholders resulting from the sale of common stock at prices below the net asset value of such shares. Please see "Sales of Common Stock Below Net Asset Value" for a more complete discussion of the potentially dilutive impacts of an offering at a price less than net asset value, or NAV, per share.

Illustration: Example of Dilutive Effect of the Issuance of Shares Below Net Asset Value. Assume that Company XYZ has 1,000,000 total shares outstanding, $15,000,000 in total assets and $5,000,000 in total liabilities. The net asset value per share of the common stock of Company XYZ is $10.00. The following table illustrates the reduction to net asset value, or NAV, and the dilution experienced by Stockholder A following the sale of 40,000 shares of the common stock of Company XYZ at $9.50 per share, a price below its NAV per share.

	Prior to Sale Below NAV	Following Sale Below NAV	Percentage Change
Reduction to NAV			
Total Shares Outstanding	1,000,000	1,040,000	4.0%
NAV per share	$ 10.00	$ 9.98	(0.2)%
Dilution to Existing Stockholder			
Shares Held by Stockholder A	10,000	10,000(1)	0.0%
Percentage Held by Stockholder A	1.00%	0.96%	(3.8)%
Total Interest of Stockholder A in NAV	$ 100,000	$ 99,808	(0.2)%

(1) Assumes that Stockholder A does not purchase additional shares in the sale of shares below NAV.

Changes in laws or regulations governing our operations may adversely affect our business or cause us to alter our business strategy.

We, the Funds, and our portfolio companies are subject to applicable local, state and federal laws and regulations, including, without limitation, federal immigration laws and regulations. New legislation may be enacted or new interpretations, rulings or regulations could be adopted, including those governing the types of investments we are permitted to make, any of which could harm us and our stockholders, potentially with retroactive effect. In addition, any change to the SBA's current debenture SBIC program could have a significant impact on our ability to obtain lower-cost leverage, through the Funds, and therefore, our ability to compete with other finance companies.

Additionally, any changes to the laws and regulations governing our operations relating to permitted investments may cause us to alter our investment strategy in order to avail ourselves of new

Table of Contents

or different opportunities. Such changes could result in material differences to the strategies and plans set forth herein and may result in our investment focus shifting from the areas of expertise of our investment team to other types of investments in which our investment team may have less expertise or little or no experience. Thus, any such changes, if they occur, could have a material adverse effect on our results of operations and the value of your investment.

Terrorist attacks, acts of war or natural disasters may affect any market for our securities, impact the businesses in which we invest and harm our business, operating results and financial condition.

Terrorist acts, acts of war or natural disasters may disrupt our operations, as well as the operations of the businesses in which we invest. Such acts have created, and continue to create, economic and political uncertainties and have contributed to global economic instability. Future terrorist activities, military or security operations, or natural disasters could further weaken the domestic/global economies and create additional uncertainties, which may negatively impact the businesses in which we invest directly or indirectly and, in turn, could have a material adverse impact on our business, operating results and financial condition. Losses from terrorist attacks and natural disasters are generally uninsurable.

We are highly dependent on information systems and systems failures could significantly disrupt our business, which may, in turn, negatively affect the market price of our common stock and our ability to pay dividends.

Our business is highly dependent on our and third parties' communications and information systems. Any failure or interruption of those systems, including as a result of the termination of an agreement with any third-party service providers, could cause delays or other problems in our activities. Our financial, accounting, data processing, backup or other operating systems and facilities may fail to operate properly or become disabled or damaged as a result of a number of factors including events that are wholly or partially beyond our control and adversely affect our business. There could be:

- sudden electrical or telecommunications outages;
- natural disasters such as earthquakes, tornadoes and hurricanes;
- disease pandemics;
- events arising from local or larger scale political or social matters, including terrorist acts; and
- cyber attacks.

These events, in turn, could have a material adverse effect on our operating results and negatively affect the market price of our common stock and our ability to pay dividends to our stockholders.

Risks Related to Our Investments

Our investments in portfolio companies involve higher levels of risk, and we could lose all or part of our investment.

Investing in our portfolio companies involves a number of significant risks. Among other things, these companies:

- may have limited financial resources and may be unable to meet their obligations under their debt instruments that we hold, which may be accompanied by a deterioration in the value of any collateral and a reduction in the likelihood of us realizing any guarantees from subsidiaries or affiliates of our portfolio companies that we may have obtained in connection with our investment, as well as a corresponding decrease in the value of the equity components of our investments;

- may have shorter operating histories, narrower product lines, smaller market shares and/or significant customer concentrations than larger businesses, which tend to render them more vulnerable to competitors' actions and market conditions, as well as general economic downturns;

- are more likely to depend on the management talents and efforts of a small group of persons; therefore, the death, disability, resignation, termination, or significant under-performance of one or more of these persons could have a material adverse impact on our portfolio company and, in turn, on us;

- generally have less predictable operating results, may from time to time be parties to litigation, may be engaged in rapidly changing businesses with products subject to a substantial risk of obsolescence, and may require substantial additional capital to support their operations, finance expansion or maintain their competitive position; and

- generally have less publicly available information about their businesses, operations and financial condition. We are required to rely on the ability of our management team and investment professionals to obtain adequate information to evaluate the potential returns from investing in these companies. If we are unable to uncover all material information about these companies, we may not make a fully informed investment decision, and may lose all or part of our investment.

In addition, in the course of providing significant managerial assistance to certain of our portfolio companies, certain of our officers and directors may serve as directors on the boards of such companies. To the extent that litigation arises out of our investments in these companies, our officers and directors may be named as defendants in such litigation, which could result in an expenditure of funds (through our indemnification of such officers and directors) and the diversion of management time and resources.

The lack of liquidity in our investments may adversely affect our business.

We invest, and will continue to invest in companies whose securities are not publicly traded, and whose securities will be subject to legal and other restrictions on resale or will otherwise be less liquid than publicly traded securities. The illiquidity of these investments may make it difficult for us to sell these investments when desired. In addition, if we are required to liquidate all or a portion of our portfolio quickly, we may realize significantly less than the value at which we had previously recorded these investments. As a result, we do not expect to achieve liquidity in our investments in the near-term. Our investments are usually subject to contractual or legal restrictions on resale or are otherwise illiquid because there is usually no established trading market for such investments. The illiquidity of most of our investments may make it difficult for us to dispose of them at a favorable price, and, as a result, we may suffer losses.

We may not have the funds or ability to make additional investments in our portfolio companies.

We may not have the funds or ability to make additional investments in our portfolio companies. After our initial investment in a portfolio company, we may be called upon from time to time to provide additional funds to such company or have the opportunity to increase our investment through the extension of additional loans, the exercise of a warrant to purchase equity securities, or the funding of additional equity investments. There is no assurance that we will make, or will have sufficient funds to make, follow-on investments. Any decisions not to make a follow-on investment or any inability on our part to make such an investment may have a negative impact on a portfolio company in need of such an investment, may result in a missed opportunity for us to increase our participation in a successful operation or may reduce the expected yield on the investment.

Table of Contents

Our portfolio companies may incur debt that ranks equally with, or senior to, our investments in such companies.

We invest primarily in the secured term debt of LMM and Middle Market companies and equity issued by LMM companies. Our portfolio companies may have, or may be permitted to incur, other debt that ranks equally with, or senior to, the debt in which we invest. By their terms, such debt instruments may entitle the holders to receive payment of interest or principal on or before the dates on which we are entitled to receive payments with respect to the debt instruments in which we invest. Also, in the event of insolvency, liquidation, dissolution, reorganization or bankruptcy of a portfolio company, holders of debt instruments ranking senior to our investment in that portfolio company would typically be entitled to receive payment in full before we receive any distribution. After repaying such senior creditors, such portfolio company may not have any remaining assets to use for repaying its obligation to us. In the case of debt ranking equally with debt instruments in which we invest, we would have to share on an equal basis any distributions with other creditors holding such debt in the event of an insolvency, liquidation, dissolution, reorganization or bankruptcy of the relevant portfolio company.

There may be circumstances where our debt investments could be subordinated to claims of other creditors or we could be subject to lender liability claims.

Even though we may have structured certain of our investments as secured loans, if one of our portfolio companies were to go bankrupt, depending on the facts and circumstances, and based upon principles of equitable subordination as defined by existing case law, a bankruptcy court could subordinate all or a portion of our claim to that of other creditors and transfer any lien securing such subordinated claim to the bankruptcy estate. The principles of equitable subordination defined by case law have generally indicated that a claim may be subordinated only if its holder is guilty of misconduct or where the senior loan is re-characterized as an equity investment and the senior lender has actually provided significant managerial assistance to the bankrupt debtor. We may also be subject to lender liability claims for actions taken by us with respect to a borrower's business or instances where we exercise control over the borrower. It is possible that we could become subject to a lender's liability claim, including as a result of actions taken in rendering significant managerial assistance or actions to compel and collect payments from the borrower outside the ordinary course of business.

Second priority liens on collateral securing loans that we make to our portfolio companies may be subject to control by senior creditors with first priority liens. If there is a default, the value of the collateral may not be sufficient to repay in full both the first priority creditors and us.

Certain loans that we make are secured by a second priority security interest in the same collateral pledged by a portfolio company to secure senior debt owed by the portfolio company to commercial banks or other traditional lenders. Often the senior lender has procured covenants from the portfolio company prohibiting the incurrence of additional secured debt without the senior lender's consent. Prior to and as a condition of permitting the portfolio company to borrow money from us secured by the same collateral pledged to the senior lender, the senior lender will require assurances that it will control the disposition of any collateral in the event of bankruptcy or other default. In many such cases, the senior lender will require us to enter into an "intercreditor agreement" prior to permitting the portfolio company to borrow from us. Typically the intercreditor agreements we are requested to execute expressly subordinate our debt instruments to those held by the senior lender and further provide that the senior lender shall control: (1) the commencement of foreclosure or other proceedings to liquidate and collect on the collateral; (2) the nature, timing and conduct of foreclosure or other collection proceedings; (3) the amendment of any collateral document; (4) the release of the security interests in respect of any collateral; and (5) the waiver of defaults under any security agreement. Because of the control we may cede to senior lenders under intercreditor agreements we may enter, we may be unable to realize the proceeds of any collateral securing some of our loans.

Table of Contents

Finally, the value of the collateral securing our debt investment will ultimately depend on market and economic conditions, the availability of buyers and other factors. Therefore, there can be no assurance that the proceeds, if any, from the sale or sales of all of the collateral would be sufficient to satisfy the loan obligations secured by our first or second priority liens. There is also a risk that such collateral securing our investments will decrease in value over time, will be difficult to sell in a timely manner, will be difficult to appraise and will fluctuate in value based upon the success of the portfolio company and market conditions. If such proceeds are not sufficient to repay amounts outstanding under the loan obligations secured by our second priority liens, then we, to the extent not repaid from the proceeds of the sale of the collateral, will only have an unsecured claim against the company's remaining assets, if any.

We are a non-diversified investment company within the meaning of the 1940 Act, and therefore we are not limited with respect to the proportion of our assets that may be invested in securities of a single issuer.

We are classified as a non-diversified investment company within the meaning of the 1940 Act, which means that we are not limited by the 1940 Act with respect to the proportion of our assets that we may invest in securities of a single issuer. To the extent that we assume large positions in the securities of a small number of issuers, our net asset value may fluctuate to a greater extent than that of a diversified investment company as a result of changes in the financial condition or the market's assessment of the issuer. We may also be more susceptible to any single economic or regulatory occurrence than a diversified investment company. Beyond our RIC asset diversification requirements, we do not have fixed guidelines for diversification, and our investments could be concentrated in relatively few portfolio companies.

We generally will not control our portfolio companies.

We do not, and do not expect to, control the decision making in many of our portfolio companies, even though we may have board representation or board observation rights, and our debt agreements may contain certain restrictive covenants. As a result, we are subject to the risk that a portfolio company in which we invest will make business decisions with which we disagree and the management of such company, as representatives of the holders of their common equity, will take risks or otherwise act in ways that do not serve our interests as debt investors. Due to the lack of liquidity for our investments in non-traded companies, we may not be able to dispose of our interests in our portfolio companies as readily as we would like or at an appropriate valuation. As a result, a portfolio company may make decisions that would decrease the value of our portfolio holdings.

Defaults by our portfolio companies will harm our operating results.

A portfolio company's failure to satisfy financial or operating covenants imposed by us or other lenders could lead to non-payment of interest and other defaults and, potentially, termination of its loans and foreclosure on its secured assets, which could trigger cross-defaults under other agreements and jeopardize a portfolio company's ability to meet its obligations under the debt or equity securities that we hold. We may incur expenses to the extent necessary to seek recovery upon default or to negotiate new terms, which may include the waiver of certain financial covenants, with a defaulting portfolio company.

Any unrealized depreciation we experience in our portfolio may be an indication of future realized losses, which could reduce our income and gains available for distribution.

As a BDC, we are required to carry our investments at market value or, if no market value is ascertainable, at the fair value as determined in good faith by our Board of Directors. Decreases in the market values or fair values of our investments will be recorded as unrealized depreciation. Any unrealized depreciation in our portfolio could be an indication of a portfolio company's inability to

Table of Contents

meet its repayment obligations to us with respect to affected loans or a potential impairment of the value of affected equity investments. This could result in realized losses in the future and ultimately in reductions of our income and gains available for distribution in future periods.

Prepayments of our debt investments by our portfolio companies could adversely impact our results of operations and reduce our return on equity.

We are subject to the risk that the investments we make in our portfolio companies may be repaid prior to maturity. When this occurs, we will generally reinvest these proceeds in temporary investments, pending their future investment in new portfolio companies. These temporary investments will typically have substantially lower yields than the debt being prepaid and we could experience significant delays in reinvesting these amounts. Any future investment in a new portfolio company may also be at lower yields than the debt that was repaid. As a result, our results of operations could be materially adversely affected if one or more of our portfolio companies elect to prepay amounts owed to us. Additionally, prepayments could negatively impact our return on equity, which could result in a decline in the market price of our securities.

Changes in interest rates may affect our cost of capital and net investment income.

Some of our debt investments will bear interest at variable rates and the interest income from these investments could be negatively affected by decreases in market interest rates. In addition, an increase in interest rates would make it more expensive for us to use debt to finance our investments. As a result, a significant increase in market interest rates could increase our cost of capital, which would reduce our net investment income. Also, an increase in interest rates available to investors could make an investment in our securities less attractive than alternative investments, a situation which could reduce the value of our securities. Conversely, a decrease in interest rates may have an adverse impact on our returns by requiring us to seek lower yields on our debt investments and by increasing the risk that our portfolio companies will prepay our debt investments, resulting in the need to redeploy capital at potentially lower rates. A decrease in market interest rates may also adversely impact our returns on idle funds, which would reduce our net investment income.

We may not realize gains from our equity investments.

Certain investments that we have made in the past and may make in the future include warrants or other equity securities. Investments in equity securities involve a number of significant risks, including the risk of further dilution as a result of additional issuances, inability to access additional capital and failure to pay current distributions. Investments in preferred securities involve special risks, such as the risk of deferred distributions, credit risk, illiquidity and limited voting rights. In addition, we may from time to time make non-control, equity investments in portfolio companies. Our goal is ultimately to realize gains upon our disposition of such equity interests. However, the equity interests we receive may not appreciate in value and, in fact, may decline in value. Accordingly, we may not be able to realize gains from our equity interests, and any gains that we do realize on the disposition of any equity interests may not be sufficient to offset any other losses we experience. We also may be unable to realize any value if a portfolio company does not have a liquidity event, such as a sale of the business, recapitalization or public offering, which would allow us to sell the underlying equity interests. We often seek puts or similar rights to give us the right to sell our equity securities back to the portfolio company issuer; however, we may be unable to exercise these puts rights for the consideration provided in our investment documents if the issuer is in financial distress.

Table of Contents

Our Marketable securities and idle funds investments are subject to risks similar to our portfolio company investments.

Marketable securities and idle funds investments can include, among other things, secured and unsecured debt investments, independently rated debt investments, diversified bond funds and publicly traded debt and equity securities. Many of these investments in debt obligations are, or would be if rated, below investment grade quality. Indebtedness of below investment grade quality is regarded as having predominantly speculative characteristics with respect to the issuer's capacity to pay interest and repay principal, similar to our portfolio investments in our portfolio companies. See " Our investments in portfolio companies involve higher levels of risk, and we could lose all or part of our investment." Many of these Marketable securities and idle funds investments are purchased through over the counter or other markets and are therefore liquid at the time of purchase but may subsequently become illiquid due to events relating to the issuer of the securities, market events, economic conditions or investor perceptions. See " The lack of liquidity in our investments may adversely affect our business" for a description of risks related to holding illiquid investments. In addition, domestic and foreign markets are complex and interrelated, so that events in one sector of the world markets or economy, or in one geographical region, can reverberate and have materially negative consequences for other market, economic or regional sectors in a manner that may not be foreseen and which may materially affect the market price of our Marketable securities and idle funds investments. Other risks that our portfolio investments are subject to are also applicable to these Marketable securities and idle funds investments.

Our investments in foreign securities may involve significant risks in addition to the risks inherent in U.S. investments.

Our investments in foreign securities may involve significant risks in addition to the risks inherent in investments in U.S. securities. Our investment strategy contemplates potential investments in debt securities of foreign companies. Investing in foreign companies may expose us to additional risks not typically associated with investing in securities of U.S. companies. These risks include changes in exchange control regulations, political and social instability, expropriation, imposition of foreign taxes, less liquid markets and less available information than is generally the case in the U.S., higher transaction costs, less government supervision of exchanges, brokers and issuers, less developed bankruptcy laws, difficulty in enforcing contractual obligations, lack of uniform accounting and auditing standards and greater price volatility.

Although most of our investments will be U.S. dollar denominated, any investments denominated in a foreign currency will be subject to the risk that the value of a particular currency will change in relation to one or more other currencies. Among the factors that may affect currency values are trade balances, the level of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation, and political developments.

Risks Relating to Our Securities

Shares of closed-end investment companies, including BDCs, may trade at a discount to their net asset value.

Shares of closed-end investment companies, including BDCs, may trade at a discount to net asset value. This characteristic of closed-end investment companies and BDCs is separate and distinct from the risk that our net asset value per share may decline. We cannot predict whether our common stock will trade at, above or below net asset value. In addition, if our common stock trades below net asset value, we will generally not be able to issue additional common stock at the market price unless our stockholders approve such a sale and our Board of Directors makes certain determinations. See " Risks Relating to Our Business and Structure Stockholders may incur dilution if we sell shares of

Table of Contents

our common stock in one or more offerings at prices below the then current net asset value per share of our common stock or issue securities to subscribe to, convert to or purchase shares of our common stock" for a discussion of a proposal approved by our stockholders that permits us to issue shares of our common stock below net asset value.

We may be unable to invest a significant portion of the net proceeds from an offering or from exiting an investment or other capital on acceptable terms, which could harm our financial condition and operating results.

Delays in investing the net proceeds raised in an offering or from exiting an investment or other capital may cause our performance to be worse than that of other fully invested BDCs or other lenders or investors pursuing comparable investment strategies. We cannot assure you that we will be able to identify any investments that meet our investment objective or that any investment that we make will produce a positive return. We may be unable to invest the net proceeds of any offering or from exiting an investment or other capital on acceptable terms within the time period that we anticipate or at all, which could harm our financial condition and operating results.

We anticipate that, depending on market conditions and the amount of the capital, it may take us a substantial period of time to invest substantially all the capital in securities meeting our investment objective. During this period, we will invest the capital primarily in Marketable securities and idle funds investments, which may produce returns that are significantly lower than the returns which we expect to achieve when our portfolio is fully invested in securities meeting our investment objective. As a result, any distributions that we pay during such period may be substantially lower than the distributions that we may be able to pay when our portfolio is fully invested in securities meeting our investment objective. In addition, until such time as the net proceeds of any offering or from exiting an investment or other capital are invested in new securities meeting our investment objective, the market price for our securities may decline. Thus, the initial return on your investment may be lower than when, if ever, our portfolio is fully invested in securities meeting our investment objective.

Investing in our securities may involve an above average degree of risk.

The investments we make in accordance with our investment objective may result in a higher amount of risk than alternative investment options and a higher risk of volatility or loss of principal. Our investments in portfolio companies involve higher levels of risk, and therefore, an investment in our securities may not be suitable for someone with lower risk tolerance.

The market price of our securities may be volatile and fluctuate significantly.

Fluctuations in the trading prices of our securities may adversely affect the liquidity of the trading market for our securities and, if we seek to raise capital through future securities offerings, our ability to raise such capital. The market price and liquidity of the market for our securities may be significantly affected by numerous factors, some of which are beyond our control and may not be directly related to our operating performance. These factors include:

- significant volatility in the market price and trading volume of securities of BDCs or other companies in our sector, which are not necessarily related to the operating performance of these companies;

- changes in regulatory policies, accounting pronouncements or tax guidelines, particularly with respect to RICs, BDCs or SBICs;

- the exclusion of our common stock from certain market indices, such as the Russell 2000 Financial Services Index, could reduce the ability of certain investment funds to own our common stock and put short term selling pressure on our common stock;

Table of Contents

- inability to obtain any exemptive relief that may be required by us in the future from the SEC;
- loss of our BDC or RIC status or either of the Funds' status as an SBIC;
- changes in our earnings or variations in our operating results;
- changes in the value of our portfolio of investments;
- any shortfall in our investment income or net investment income or any increase in losses from levels expected by investors or securities analysts;
- loss of a major funding source;
- fluctuations in interest rates;
- the operating performance of companies comparable to us;
- departure of our key personnel;
- global or national credit market changes; and
- general economic trends and other external factors.

Provisions of the Maryland General Corporation Law and our articles of incorporation and bylaws could deter takeover attempts and have an adverse impact on the price of our common stock.

The Maryland General Corporation Law and our articles of incorporation and bylaws contain provisions that may have the effect of discouraging, delaying or making difficult a change in control of our company or the removal of our incumbent directors. The existence of these provisions, among others, may have a negative impact on the price of our common stock and may discourage third-party bids for ownership of our company. These provisions may prevent any premiums being offered to you for our common stock.

Table of Contents

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

Some of the statements in this prospectus and any accompanying prospectus supplement constitute forward-looking statements because they relate to future events or our future performance or financial condition. The forward-looking statements contained in this prospectus and any accompanying prospectus supplement may include statements as to:

- our future operating results and dividend projections;
- our business prospects and the prospects of our portfolio companies;
- the impact of the investments that we expect to make;
- the ability of our portfolio companies to achieve their objectives;
- our expected financings and investments;
- the adequacy of our cash resources and working capital; and
- the timing of cash flows, if any, from the operations of our portfolio companies.

In addition, words such as "anticipate," "believe," "expect" and "intend" indicate a forward-looking statement, although not all forward-looking statements include these words. The forward-looking statements contained in this prospectus and any accompanying prospectus supplement involve risks and uncertainties. Our actual results could differ materially from those implied or expressed in the forward-looking statements for any reason, including the factors set forth in "Risk Factors" and elsewhere in this prospectus and any accompanying prospectus supplement. Other factors that could cause actual results to differ materially include:

- changes in the economy;
- risks associated with possible disruption in our operations or the economy generally due to terrorism or natural disasters; and
- future changes in laws or regulations and conditions in our operating areas.

We have based the forward-looking statements included in this prospectus and will base the forward-looking statements included in any accompanying prospectus supplement on information available to us on the date of this prospectus and any accompanying prospectus supplement, as appropriate, and we assume no obligation to update any such forward-looking statements, except as required by law. Although we undertake no obligation to revise or update any forward-looking statements, whether as a result of new information, future events or otherwise, you are advised to consult any additional disclosures that we may make directly to you, including in the form of a prospectus supplement or post-effective amendment to the registration statement, or through reports that we in the future may file with the SEC, including annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K.

Table of Contents

USE OF PROCEEDS

We intend to use the net proceeds from any offering to make investments in accordance with our investment objective and strategies described in this prospectus or any prospectus supplement, to make investments in marketable securities and idle funds investments, which may include investments in secured intermediate term bank debt, rated debt securities and other income producing investments, to pay our operating expenses and other cash obligations, and for general corporate purposes. Our ability to achieve our investment objective may be limited to the extent that the net proceeds from an offering, pending full investment, are held in interest-bearing deposits or other short-term instruments. See "Risk Factors Risks Relating to Our Securities We may be unable to invest a significant portion of the net proceeds from an offering or from exiting an investment or other capital on acceptable terms, which could harm our financial condition and operating results." The supplement to this prospectus relating to an offering will more fully identify the use of proceeds from such an offering.

Table of Contents

PRICE RANGE OF COMMON STOCK AND DISTRIBUTIONS

Our common stock is traded on the New York Stock Exchange ("NYSE") under the symbol "MAIN." Prior to October 14, 2010, our common stock was traded on the NASDAQ Global Select Market under the same symbol "MAIN." Our common stock began trading on the NASDAQ Global Select Market on October 5, 2007. Prior to that date, there was no established public trading market for our common stock.

The following table sets forth, for each fiscal quarter during 2014, 2013 and 2012, the range of high and low closing prices of our common stock as reported on the NYSE, and the sales price as a percentage of the net asset value per share of our common stock.

		Price Range		Premium of High Sales Price to	Premium of Low Sales Price to
	NAV(1)	High	Low	NAV(2)	NAV(2)
Year ending December 31, 2014					
Second Quarter (through May 6, 2014)	*	$ 33.54	$ 31.02	*	*
First Quarter	*	35.69	32.23	*	*
Year ending December 31, 2013					
Fourth Quarter	$ 19.89	$ 33.13	$ 29.70	67%	49%
Third Quarter	20.01	31.08	27.41	55%	37%
Second Quarter	18.72	32.13	26.43	72%	41%
First Quarter	18.55	34.38	30.44	85%	64%
Year ending December 31, 2012					
Fourth Quarter	$ 18.59	$ 30.84	$ 27.50	66%	48%
Third Quarter	17.49	29.53	24.25	69%	39%
Second Quarter	16.89	26.68	22.04	58%	30%
First Quarter	15.72	25.61	21.18	63%	35%

(1) Net asset value per share, or NAV, is determined as of the last day in the relevant quarter and therefore may not reflect the net asset value per share on the date of the high and low sales prices. The net asset values shown are based on outstanding shares at the end of each period. Net asset value has not yet been determined for the first or second quarters of 2014.

(2) Represents the premium of the respective high or low share price to the NAV for such quarter.

On May 6, 2014 the last sale price of our common stock on the NYSE was $31.02 per share, and there were approximately 195 holders of record of the common stock which did not include stockholders for whom shares are held in "nominee" or "street name." The net asset value per share of our common stock on December 31, 2013 (the last date prior to the date of this prospectus on which we determined our net asset value per share) was $19.89, and the May 6, 2014 closing price of our common stock was a 56% premium to this net asset value per share.

Shares of BDCs may trade at a market price that is less than the value of the net assets attributable to those shares. The possibility that our shares of common stock will trade at a discount from net asset value per share or at premiums that are unsustainable over the long term are separate and distinct from the risk that our net asset value per share will decrease. It is not possible to predict whether our common stock will trade at, above, or below net asset value per share. Since our IPO in October 2007, our shares of common stock have traded at prices both less than and exceeding our net asset value per share.

We currently pay monthly dividends to our stockholders. Our monthly dividends, if any, will be determined by our Board of Directors on a quarterly basis. In addition to our monthly dividends, in January 2013 we began paying periodic supplemental dividends out of our undistributed taxable income, or spillover income. Our future supplemental dividends, if any, will be determined by our Board of Directors on a periodic basis.

Table of Contents

The following table summarizes our dividends declared to date:

Date Declared	Record Date	Payment Date	Amount(1)
Fiscal year 2014			
May 6, 2014	August 20, 2014	September 15, 2014	$ 0.165
May 6, 2014	July 21, 2014	August 15, 2014	$ 0.165
May 6, 2014	June 30, 2014	July 15, 2014	$ 0.165
April 21, 2014	June 20, 2014	June 25, 2014	$ 0.275(2)
February 26, 2014	May 20, 2014	June 16, 2014	$ 0.165
February 26, 2014	April 21, 2014	May 15, 2014	$ 0.165
February 26, 2014	March 20, 2014	April 15, 2014	$ 0.165
November 6, 2013	February 20, 2014	March 14, 2014	$ 0.165
November 6, 2013	January 21, 2014	February 14, 2014	$ 0.165
November 6, 2013	December 30, 2013	January 15, 2014	$ 0.165(3)
Total			$ 1.760
Fiscal year 2013			
November 20, 2013	December 19, 2013	December 24, 2013	$ 0.250(2)(3)
August 6, 2013	November 21, 2013	December 16, 2013	$ 0.160(3)
August 6, 2013	October 21, 2013	November 15, 2013	$ 0.160(3)
August 6, 2013	September 20, 2013	October 15, 2013	$ 0.160(3)
May 13, 2013	July 22, 2013	July 26, 2013	$ 0.200(2)(3)
May 8, 2013	May 21, 2013	September 16, 2013	$ 0.155(3)
May 8, 2013	July 17, 2013	August 15, 2013	$ 0.155(3)
May 8, 2013	June 18, 2013	July 15, 2013	$ 0.155(3)
March 5, 2013	May 21, 2013	June 14, 2013	$ 0.155(3)
March 5, 2013	April 19, 2013	May 15, 2013	$ 0.155(3)
March 5, 2013	March 21, 2013	April 15, 2013	$ 0.155(3)
November 6, 2012	February 21, 2013	March 15, 2013	$ 0.150(3)
November 6, 2012	January 18, 2013	February 15, 2013	$ 0.150(3)
November 6, 2012	January 4, 2013	January 23, 2013	$ 0.350(2)(3)
November 6, 2012	December 20, 2012	January 15, 2013	$ 0.150(4)
Total			$ 2.660
Fiscal year 2012			
July 31, 2012	November 21, 2012	December 14, 2012	$ 0.150(4)
July 31, 2012	October 19, 2012	November 15, 2012	$ 0.150(4)
July 31, 2012	September 20, 2012	October 15, 2012	$ 0.150(4)
May 1, 2012	August 21, 2012	September 14, 2012	$ 0.145(4)
May 1, 2012	July 20, 2012	August 15, 2012	$ 0.145(4)
May 1, 2012	June 21, 2012	July 16, 2012	$ 0.145(4)
March 6, 2012	May 21, 2012	June 15, 2012	$ 0.140(4)
March 6, 2012	April 20, 2012	May 15, 2012	$ 0.140(4)
March 6, 2012	March 21, 2012	April 16, 2012	$ 0.140(4)
December 8, 2011	February 22, 2012	March 15, 2012	$ 0.135(4)
December 8, 2011	January 18, 2012	February 15, 2012	$ 0.135(4)
December 8, 2011	December 21, 2011	January 16, 2012	$ 0.135(5)

Total			$	1.710

Fiscal year 2011

August 4, 2011	November 21, 2011	December 15, 2011	$	0.135(5)
August 4, 2011	October 20, 2011	November 15, 2011	$	0.135(5)
August 4, 2011	September 21, 2011	October 14, 2011	$	0.135(5)
June 7, 2011	June 22, 2011	July 15, 2011	$	0.130(5)
June 7, 2011	July 21, 2011	August 15, 2011	$	0.130(5)
June 7, 2011	August 19, 2011	September 15, 2011	$	0.130(5)
March 9, 2011	March 24, 2011	April 15, 2011	$	0.130(5)
March 9, 2011	April 21, 2011	May 16, 2011	$	0.130(5)
March 9, 2011	May 20, 2011	June 15, 2011	$	0.130(5)
December 9, 2010	February 22, 2011	March 15, 2011	$	0.125(5)
December 9, 2010	January 20, 2011	February 15, 2011	$	0.125(5)
December 9, 2010	January 6, 2011	January 14, 2011	$	0.125(5)
Total			$	1.560

Table of Contents

Date Declared	Record Date	Payment Date	Amount(1)
Fiscal year 2010			
Total			$ 1.500(6)
Fiscal year 2009			
Total			$ 1.500(7)(8)
Fiscal year 2008			
Total			$ 1.425(8)
Fiscal year 2007			
Total			$ 0.330(9)
Cumulative dividends declared or paid			$ 12.445

(1) The determination of the tax attributes of Main Street's distributions is made annually, based upon its taxable income for the full year and distributions paid for the full year. Ordinary dividend distributions from a RIC do not qualify for the tax rate applicable to "qualified dividend income" from domestic corporations and qualified foreign corporations, except to the extent that the RIC received the income in the form of qualifying dividends from domestic corporations and qualified foreign corporations.

(2) Supplemental dividends paid out of our undistributed taxable income, or spillover income.

(3) These dividends attributable to fiscal year 2013 were comprised of ordinary income of $1.872 per share, long term capital gain of $0.346 per share, and qualified dividend income of $0.457 per share, and included dividends with a record date during fiscal year 2013, including the dividend declared and accrued as of December 31, 2013 and paid on January 15, 2014, pursuant to the Code.

(4) These dividends attributable to fiscal year 2012 were comprised of ordinary income of $0.923 per share, long term capital gain of $0.748 per share, and qualified dividend income of $0.054 per share, and included dividends with a record date during fiscal year 2012, including the dividend declared and accrued as of December 31, 2012 and paid on January 15, 2013, pursuant to the Code.

(5) These dividends attributable to fiscal year 2011 were comprised of ordinary income of $1.253 per share, long term capital gain of $0.373 per share, and qualified dividend income of $0.069 per share, and included dividends with a record date during fiscal year 2011, including the dividend declared and accrued as of December 31, 2011 and paid on January 16, 2012, pursuant to the Code.

(6) These dividends attributable to fiscal year 2010 were comprised of ordinary income of $1.220 per share, long term capital gain of $0.268 per share, and qualified dividend income of $0.012 per share.

(7) These dividends attributable to fiscal year 2009 were comprised of ordinary income of $1.218 per share and long term capital gain of $0.157 per share, and excluding the $0.125 per share dividend paid on January 15, 2009 that had been declared and accrued as of December 31, 2008, pursuant to the Code.

(8) These dividends attributable to fiscal year 2008 were comprised of ordinary income of $0.953 per share and long term capital gain of $0.597 per share, and included dividends with a record date during fiscal year 2008, including the $0.125 per share dividend declared and accrued as of December 31, 2008 and paid on January 15, 2009, pursuant to the Code.

(9) This quarterly dividend attributable to fiscal year 2007 was comprised of ordinary income of $0.105 per share and long term capital gain of $0.225 per share.

To obtain and maintain RIC tax treatment, we must, among other things, distribute at least 90% of our net ordinary income and realized net short-term capital gains in excess of realized net long-term capital losses, if any. We will be subject to a 4% nondeductible federal excise tax on certain undistributed taxable income unless we distribute in a timely manner an amount at least equal to the sum of (1) 98% of our net ordinary income for each calendar year, (2) 98.2% of our capital gain net income for the one-year period ending December 31 in that calendar year and (3) any income recognized, but not distributed, in preceding years (the "Excise Tax Avoidance Requirement"). Dividends declared and paid by us in a year will generally differ from taxable income for that year, as such dividends may include the distribution of current year taxable income, less amounts carried over into the following year, and the distribution of prior year taxable income carried over into and distributed in the current year. For amounts we carry over into the following year, we will be required to pay a 4% excise tax on the amount by which 98% of our annual ordinary taxable income and 98.2% of capital gains exceeds our distributions for the year. We may retain for investment some or all of our

Table of Contents

net capital gains (i.e., realized net long-term capital gains in excess of realized net short-term capital losses) and treat such amounts as deemed distributions to our stockholders. If we do this, our stockholders will be treated as if they had received actual distributions of the capital gains we retained and then reinvested the net after-tax proceeds in our common stock. In general, our stockholders also would be eligible to claim a tax credit (or, in certain circumstances, a tax refund) equal to their allocable shares of the tax we paid on the capital gains deemed distributed to them. We can offer no assurance that we will achieve results that will permit the payment of any cash distributions and, if we issue senior securities, we may be prohibited from making distributions if doing so causes us to fail to maintain the asset coverage ratios stipulated by the 1940 Act or if distributions are limited by the terms of any of our borrowings.

We may distribute taxable dividends that are payable in part in our stock. Under certain applicable provisions of the Code and the Treasury regulations, distributions payable by us in cash or in shares of stock (at the stockholders election) would satisfy the Annual Distribution Requirement. The IRS has issued private letter rulings providing that a dividend payable in stock or in cash at the election of the stockholders will be treated as a taxable dividend eligible for the dividends paid deduction provided that at least 20% of the total dividend is payable in cash and certain other requirements are satisfied. Taxable stockholders receiving such dividends will be required to include the full amount of the dividend as ordinary income (or as long-term capital gain to the extent such dividend is properly reported as a capital gain dividend), to the extent of our current and accumulated earnings and profits for United States federal income tax purposes. As a result, a U.S. stockholder may be required to pay tax with respect to such dividends in excess of any cash received. If a U.S. stockholder sells the stock it receives as a dividend in order to pay this tax, the sales proceeds may be less than the amount included in income with respect to the dividend, depending on the market price of our stock at the time of the sale. Furthermore, with respect to non-U.S. stockholders, we may be required to withhold U.S. tax with respect to such dividends, including in respect of all or a portion of such dividend that is payable in stock. In addition, if a significant number of our stockholders determine to sell shares of our stock in order to pay taxes owed on dividends, it may put downward pressure on the trading price of our stock.

Table of Contents

RATIOS OF EARNINGS TO FIXED CHARGES

The following table contains our ratio of earnings to fixed charges for the periods indicated, computed as set forth below. You should read these ratios of earnings to fixed charges in connection with our consolidated financial statements, including the notes to those statements, included in this prospectus.

	For the Year Ended December 31, 2013	For the Year Ended December 31, 2012	For the Year Ended December 31, 2011	For the Year Ended December 31, 2010	For the Year Ended December 31, 2009
Earnings to Fixed Charges(1)	5.78	8.37	6.21	5.52	3.55

(1) Earnings include net realized and unrealized gains or losses. Net realized and unrealized gains or losses can vary substantially from period to period.

For purposes of computing the ratios of earnings to fixed charges, earnings represent net increase in net assets resulting from operations plus (or minus) income tax expense (benefit) including excise tax expense plus fixed charges. Fixed charges include interest and credit facility fees expense and amortization of debt issuance costs.

Table of Contents

SELECTED FINANCIAL DATA

The selected financial and other data as of and for the years ended December 31, 2013, 2012, 2011, 2010 and 2009 have been derived from consolidated financial statements that have been audited by Grant Thornton LLP, an independent registered public accounting firm. You should read this selected financial and other data in conjunction with our "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Senior Securities" and the financial statements and related notes included in this prospectus.

	Years Ended December 31,				
	2013	2012	2011	2010	2009
	(dollars in thousands)				
Statement of operations data:					
Investment income:					
Total interest, fee and dividend income	$ 115,158	$ 88,858	$ 65,045	$ 35,645	$ 14,514
Interest from idle funds and other	1,339	1,662	1,195	863	1,488
Total investment income	116,497	90,520	66,240	36,508	16,002