



MVC Capital Announces the Closing of the Sale of Dakota Growers to Viterra

PURCHASE, N.Y., May 06, 2010 (BUSINESS WIRE) -- MVC Capital, Inc. (NYSE: MVC) (the "Fund"), a publicly traded business development company that makes private debt and equity investments, today announced the closing of the sale of Dakota Growers Pasta Company, Inc. ("Dakota Growers"), a MVC portfolio company, to Viterra, Inc. ("Viterra") for \$240 million in cash.

With the closing of the transaction, the Fund will be receiving net proceeds of approximately \$38 million posting a six year IRR of 27.6% including dividends received and fees earned over the life of the investment. The \$38 million of cash includes all transaction expenses and reflects a 6.2% premium over the Fund's last publicly reported fair market value for the investment (as of January 31, 2010).

With the increased liquidity, the Fund may explore several uses for the cash including redeployment into new and existing investments and buying back shares of the Fund in accordance with the Fund's share repurchase program authorized by the Board of Directors on April 23, 2010.

"We are continuously reviewing our portfolio to take advantage of opportunities for realizing value assuming the portfolio company is sufficiently matured and the market timing appropriate, said Michael Tokarz, Chairman and Portfolio Manager of MVC. "As a result of Dakota Growers' strong management team, which fueled its operational success over our six-year relationship, we felt that the timing was appropriate for exiting this investment. Throughout the two completed quarters in fiscal 2010, we have exited five portfolio companies (comprised of both equity and debt investments) at or above our previously reported fair value for these investments. These exits generated proceeds of \$81.2 million, which we believe position the Fund for further growth through 2010 and beyond."

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About MVC Capital, Inc.

MVC is a business development company traded on the New York Stock Exchange that provides long-term debt and equity investment capital to fund growth, acquisitions and recapitalizations of companies in a variety of industries. For additional information about MVC, please visit the MVC's website at www.mvccapital.com.

Forward-Looking Statements

The information contained in this press release contains forward-looking statements. These forward-looking statements are subject to the inherent uncertainties in predicting future results and conditions. Certain factors could cause actual results and conditions to differ materially from those projected in these forward-looking statements, and these factors are enumerated in the company's periodic filings with the Securities and Exchange Commission.

SOURCE: MVC Capital, Inc.

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