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## **PRESS RELEASE**

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### **FOR IMMEDIATE RELEASE**

## **MCG Capital announces sale of Jet Broadband Holdings, LLC**

ARLINGTON, VA – April 19, 2010 – MCG Capital Corporation (Nasdaq: MCGC) (“MCG”) announced today that Jet Broadband Holdings, LLC, a majority-owned, control investment of MCG, has signed a definitive agreement to sell substantially all of its assets to Shentel Cable Company, a wholly-owned subsidiary of Shenandoah Telecommunications Company. In December 2005, MCG made its initial debt and equity investment in Jet Broadband. The total fair value of MCG’s debt and equity investments in Jet Broadband Holdings, LLC as of December 31, 2009 was \$50.2 million and, after transaction expenses MCG’s cash proceeds in connection with the exit of this investment is expected to be approximately \$49.7 million. Final closing of the sale transaction is subject to satisfaction of customary closing conditions, including regulatory approvals, and is expected to occur in mid-August 2010.

“This sale, and the combination of the equity realization and repayment of our subordinated debt investment, is another step forward in our strategic plan to monetize equity assets at or near fair value to support the redeployment of capital into current yield oriented investments to grow operating income,” said Steven F. Tunney, MCG’s President and CEO.

Jet Broadband is a broadband communications company focused on serving medium-sized communities in Virginia and West Virginia.

### **About MCG Capital Corporation**

MCG Capital Corporation is a solutions-focused commercial finance company providing capital and advisory services to middle-market companies throughout the United States. Our investment objective is to achieve current income and capital gains. Our capital is generally used by our portfolio companies to finance acquisitions, recapitalizations, buyouts, organic growth and working capital. For more information, please visit [www.mcgcapital.com](http://www.mcgcapital.com).

#### *Forward-looking Statements:*

*Statements in this press release regarding management’s future expectations, beliefs, intentions, goals, strategies, plans or prospects, including statements regarding MCG’s strategic plan to monetize equity assets at or near fair value to support the redeployment of capital into yield oriented investments to grow operating income may constitute forward-looking statements for purposes of the safe harbor protection under applicable securities laws. Forward-looking statements can be identified by terminology such as “anticipate,” “believe,” “could,” “could increase the likelihood,” “estimate,” “expect,” “intend,” “is planned,” “may,” “should,” “will,” “will enable,” “would be expected,” “look forward,” “may provide,” “would” or similar terms, variations of such terms or the negative of those terms. Such forward-looking statements involve known and unknown risks, uncertainties and other factors including those risks, uncertainties and factors referred to in MCG’s Annual Report on Form 10-K for the year ended December 31, 2009 filed with the Securities and Exchange Commission under the section “Risk Factors,” as well as other documents that may be filed by MCG from time to time with the Securities and Exchange Commission. As a result of such risks, uncertainties and factors, actual results may differ*

*materially from any future results, performance or achievements discussed in or implied by the forward-looking statements contained herein. MCG is providing the information in this press release as of this date and assumes no obligations to update the information included in this press release or revise any forward-looking statements, whether as a result of new information, future events or otherwise.*

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