

Main Street Capital CORP  
Form 10-Q  
November 08, 2012  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 10-Q**

(Mark One)

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2012

OR

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from:                      to

Commission File Number: 001-33723

## Main Street Capital Corporation

(Exact name of registrant as specified in its charter)

**Maryland**

(State or other jurisdiction of incorporation or organization)

**41-2230745**

(I.R.S. Employer Identification No.)

**1300 Post Oak Boulevard, Suite 800  
Houston, TX**

(Address of principal executive offices)

**77056**

(Zip Code)

**(713) 350-6000**

(Registrant's telephone number including area code)

**n/a**

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

The number of shares outstanding of the issuer's common stock as of November 7, 2012 was 31,657,264.



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Table of Contents**PART I FINANCIAL INFORMATION****Item 1. Financial Statements****MAIN STREET CAPITAL CORPORATION****Consolidated Balance Sheets****(in thousands, except shares and per share amounts)**

	September 30, 2012 (Unaudited)	December 31, 2011
<b>ASSETS</b>		
Portfolio investments at fair value:		
Control investments (cost: \$184,526 and \$206,787 as of September 30, 2012 and December 31, 2011, respectively)	\$ 239,917	\$ 238,924
Affiliate investments (cost: \$111,143 and \$110,157 as of September 30, 2012 and December 31, 2011, respectively)	154,972	146,405
Non-Control/Non-Affiliate investments (cost: \$431,991 and \$275,061 as of September 30, 2012 and December 31, 2011, respectively)	439,501	270,895
Investment in affiliated Investment Manager (cost: \$2,668 and \$4,284 as of September 30, 2012 and December 31, 2011, respectively)	202	1,869
Total portfolio investments (cost: \$730,328 and \$596,289 as of September 30, 2012 and December 31, 2011, respectively)	834,592	658,093
Marketable securities and idle funds investments (cost: \$1,965 and \$25,935 as of September 30, 2012 and December 31, 2011, respectively)	2,038	26,242
Total investments (cost: \$732,293 and \$622,224 as of September 30, 2012 and December 31, 2011, respectively)	836,630	684,335
Cash and cash equivalents	19,584	42,650
Interest receivable and other assets	11,818	6,539
Deferred financing costs (net of accumulated amortization of \$2,968 and \$2,167 as of September 30, 2012 and December 31, 2011, respectively)	3,766	4,168
Total assets	\$ 871,798	\$ 737,692
<b>LIABILITIES</b>		
SBIC debentures (par: \$209,000 and \$220,000 as of September 30, 2012 and December 31, 2011, respectively; par of \$100,000 and \$95,000 is recorded at a fair value of \$85,083 and \$76,887 as of September 30, 2012 and December 31, 2011, respectively)	\$ 194,083	\$ 201,887
Credit facility	103,000	107,000
Interest payable	1,197	3,984
Dividend payable	4,743	2,856
Deferred tax liability, net	9,426	3,776

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Payable to affiliated Investment Manager	3,342	4,831
Accounts payable and other liabilities	2,853	2,170
Total liabilities	318,644	326,504
Commitments and contingencies		
<b>NET ASSETS</b>		
Common stock, \$0.01 par value per share (150,000,000 shares authorized; 31,619,333 and 26,714,384 shares issued and outstanding as of September 30, 2012 and December 31, 2011, respectively)	316	267
Additional paid-in capital	464,141	360,164
Accumulated net investment income, net of cumulative dividends of \$101,853 and \$79,414 as of September 30, 2012 and December 31, 2011, respectively	31,289	12,531
Accumulated net realized loss from investments, net of cumulative dividends of \$27,852 and \$13,804 as of September 30, 2012 and December 31, 2011, respectively	(29,158)	(20,445)
Net unrealized appreciation, net of income taxes	86,566	53,194
Total Net Asset Value	553,154	405,711
Noncontrolling interest		5,477
Total net assets including noncontrolling interests	553,154	411,188
Total liabilities and net assets	\$ 871,798	\$ 737,692
<b>NET ASSET VALUE PER SHARE</b>	\$ 17.49	\$ 15.19

The accompanying notes are an integral part of these financial statements

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**MAIN STREET CAPITAL CORPORATION**

**Consolidated Statements of Operations**

**(in thousands, except per share amounts)**

**(Unaudited)**

**Three Months Ended September 30,**