



MVC Capital Agrees to Sell European Investment in Centile Holdings B.V. to VOIP Holdings GmbH

July 9, 2018

PURCHASE, N.Y., July 09, 2018 (GLOBE NEWSWIRE) -- MVC Capital, Inc. (NYSE:MVC) ("MVC" or the "Fund") announced today that it has signed an agreement to sell Centile Holdings B.V. ("Centile"), a leading European developer of unified communications and fixed-mobile convergence platforms for operators and integrators to VOIP Holdings GmbH. Consummation of the transaction is subject to the satisfaction of certain closing conditions and is anticipated to close by July 31, 2018.

MVC expects to receive gross proceeds of approximately \$7.5 million¹, a 2X multiple on its initial investment and a gross IRR of 11% over the life of the investment². The anticipated gross proceeds closely approximate the last reported carrying value of Centile as of April 30, 2018.

"Selling Centile is consistent with the Fund's strategy to monetize its equity investments in order to redeploy capital into yielding investments. Generating enhanced yield for our shareholders remains a key strategic priority for MVC. The sale of Centile, a European-based investment reflects continued progress in this regard," said Michael Tokarz, Chairman and Portfolio Manager of MVC Capital, Inc. "The sale of Centile at a price approximating its carrying value, despite significant currency headwinds during our investment hold period, also demonstrates MVC's and its Valuation Committee's adherence to a solid valuation process."

Q Advisors, a global TMT investment banking boutique, acted as the exclusive financial advisor to Centile in connection with the transaction.

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About MVC Capital, Inc.

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

¹ Gross consideration assumes the full receipt of all escrow proceeds scheduled to be released 18 months from the date of closing and excludes: 1) transaction fees and expenses associated with the sale and 2) currency exchange changes that can result prior to the close anticipated for July 31, 2018.

² The anticipated gross IRR since 2011, before fees and incentive compensation paid, assumes the full receipt of all net proceeds and takes into consideration all estimated transaction related expenses. For purposes of calculating the gross IRR on the sale, the currency exchange rate on the date of the transaction signing was utilized. The currency value at closing could be different.

Safe Harbor Statement and Other Disclosures

PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.

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, including: MVC Capital's ability to deliver value to all shareholders and execute its yield investment strategy, including enhancing its yield; the ability to redeploy capital into yield investments; the ability to monetize equity investments, including closing the Centile transaction; the ability to monetize other equity investments at close to their recent carrying values; the ability to estimate accurately fair valuations for portfolio company investments and changes in economic or financial market conditions and other factors that are enumerated in the Company's periodic filings with the Securities and Exchange Commission. All investments are speculative, involve significant risk and are subject to a loss of principal and/or interest. MVC Capital disclaims and does not undertake any obligation to update or revise any forward-looking statement in this press release.

This press release is for informational purposes only and is not an offer to purchase or a solicitation of an offer to sell shares of MVC's common stock.

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Source: MVC Capital, Inc.