



MVC Provides NAV Update

Purchase, NY - December 29, 2003 - MVC Capital (NYSE: MVC) today announced that, in conjunction with the Fund's outstanding tender offer, the valuation committee of the Fund's Board of Directors has conducted a review of the Fund's portfolio holdings to assess the fair value of the Fund's non-cash investments. As a result of this process, the fair value of the Fund's holdings has been increased, and the Fund's net asset value (NAV) has increased by \$2.5 million (\$0.15 per share), subject to review by the Fund's independent accountants. As of December 29, 2003, the Fund's NAV is \$139.1 million (\$8.61 per share), which includes \$113.4 million (\$7.02 per share) in short-term securities, cash and cash equivalents.

Further details concerning the Fund's financial position, NAV and financial statements are available on the Company's website (www.mvccapital.com).

MVC Capital is a business development company traded on the New York Stock Exchange. For additional information about the Fund, please contact Kim Levy or Keil Decker at 212-687-8080.