

MVC Capital Completes Third Party Review of NAV

NEW YORK, NY - December 17, 2003 - MVC Capital (NYSE: MVC) today announced that Houlihan Lokey Howard & Zukin Financial Advisors, Inc. ("Houlihan Lokey"), an independent financial advisor to the Fund, delivered an opinion to the Fund's board of directors that the Fund's Net Asset Value (NAV) of \$8.48 as of October 31, 2003 is reasonable, based on the assumptions, qualifications and limitations set forth in Houlihan Lokey's opinion.

On November 26, 2003 MVC Capital commenced a tender offer to acquire up to twenty-five percent of its outstanding shares of common stock at a per share cash purchase price equal to ninety-five percent of NAV per share as of December 31, 2003, the day the offer expires (or, if the offer is extended, as of the date to which the offer is extended).

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 MVC, please contact Kim Levy or Keil Decker at 212-687-8080.

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This announcement is not an offer to purchase or the solicitation of an offer to sell shares of the Fund. Houlihan Lokey's opinion is not investment advice and is not a recommendation to any shareholder of the Fund regarding the transaction. The tender offer will be made only by the Offer to Purchase and the related Letter of Transmittal. Shareholders should read these documents carefully; they are available to investors for free both at the web site of the Securities and Exchange Commission (www.sec.gov) and of the Fund (www.mvccapital.com). Neither the offer to purchase shares will be made to, nor tenders pursuant to the offer to purchase accepted from, or on behalf of, holders of shares in any jurisdiction in which making or accepting the offer to purchase would violate that jurisdiction's laws.