



## **VC Capital Announces Preliminary Results of Tender Offer**

**NEW YORK, NY - January 2, 2004** - MVC Capital (NYSE: MVC) today announced the preliminary results of its tender offer, which expired at 5:00 p.m., New York time, on Wednesday, December 31, 2003.

MVC commenced the tender offer on November 26, 2003 to acquire up to 25% of its 16,152,600 outstanding shares of common stock at a per share cash purchase price equal to 95% of net asset value per share as of December 31, 2003.

Based on a preliminary count by the depository for the tender offer, 3,693,058 shares, or 22.9% of the Fund's outstanding common stock, were tendered. Because less than 25% of MVC's shares were tendered, according to the preliminary count, MVC expects to purchase all shares tendered and does not expect to accept tendered shares for payment on a pro rata basis based on the aggregate amount of tendered shares. Each share accepted for purchase will be purchased at a price of \$8.18.

The actual number of shares to be purchased is subject to final confirmation and the proper delivery of all shares tendered and not withdrawn, including shares tendered pursuant to the guaranteed delivery procedure. The actual number of shares purchased will be announced promptly following completion of the verification process. Payment for shares accepted will occur no later than January 10, 2004. After completion of the tender offer, MVC will have approximately 12,459,542 shares of common stock outstanding.

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.