

---

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
WASHINGTON, DC 20549

---

**FORM 8-K**

---

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(D) OF  
THE SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported) March 4, 2016

---

**Monroe Capital Corporation**

(Exact name of registrant as specified in its charter)

---

Maryland  
(State or other jurisdiction  
of incorporation)

814-00866  
(Commission  
File Number)

27-4895840  
(IRS Employer  
Identification No.)

311 South Wacker Drive, Suite 6400, Chicago, IL  
(Address of principal executive offices)

60606  
(Zip Code)

(312) 258-8300  
(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

---

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-

---

---

**ITEM 2.02. Results of Operations and Financial Condition.**

On March 4, 2016, Monroe Capital Corporation (the “Company”) issued a press release announcing the Company’s financial results for the fourth quarter and year ended December 31, 2015. A copy of the press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

The information disclosed under this Item 2.02, including Exhibit 99.1 hereto, is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and shall not be deemed incorporated by reference into any filing made under the Securities Act of 1933, as amended, except as expressly set forth by specific reference in such filing.

**ITEM 7.01. Regulation FD Disclosure**

On March 4, 2016, the Company issued a press release announcing the declaration of a first quarter dividend of \$0.35 per share, payable on March 31, 2016 to stockholders of record as of March 15, 2016.

The information disclosed under this Item 7.01, including Exhibit 99.1 hereto, is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and shall not be deemed incorporated by reference into any filing made under the Securities Act of 1933, as amended, except as expressly set forth by specific reference in such filing.

**ITEM 9.01. Financial Statements and Exhibits**

99.1 Press Release, dated March 4, 2016.

---

---

---

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**MONROE CAPITAL CORPORATION**

By:     /s/ Aaron D. Peck      
Name: Aaron D. Peck  
Title: Chief Financial Officer

Dated: March 4, 2016

---



## Monroe Capital Corporation BDC Announces Strong Fourth Quarter Financial Results

CHICAGO, IL, March 4, 2016 -- Monroe Capital Corporation (Nasdaq: MRCC) ("Monroe") today announced its financial results for the fourth quarter and full year ended December 31, 2015. The Board of Directors of Monroe also declared its first quarter dividend of \$0.35 per share, payable on March 31, 2016 to stockholders of record on March 15, 2016.

Except where the context suggests otherwise, the terms "Monroe," "we," "us," "our," and "Company" refer to Monroe Capital Corporation.

### Fourth Quarter 2015 Financial Highlights

- Net investment income of \$5.0 million, or \$0.39 per share
- Adjusted Net Investment Income (a non-GAAP measure described below) of \$5.1 million, or \$0.40 per share
- Net increase in net assets resulting from operations of \$4.2 million, or \$0.33 per share
- Net asset value ("NAV") of \$184.5 million, or \$14.19 per share
- Paid quarterly dividend of \$0.35 per share on December 30, 2015
- Amended and extended the Company's revolving credit facility, increased commitments to \$160.0 million, reduced pricing by 25 bps and extended the facility's maturity date by three additional years

### Full Year 2015 Financial Highlights

- Net investment income of \$18.7 million, or \$1.60 per share as compared to \$15.1 million, or \$1.57 per share, for the year ended December 31, 2014
  - Adjusted Net Investment Income (a non-GAAP measure described below) of \$18.8 million, or \$1.61 per share as compared to \$14.9 million, or \$1.56 per share, for the year ended December 31, 2014
-

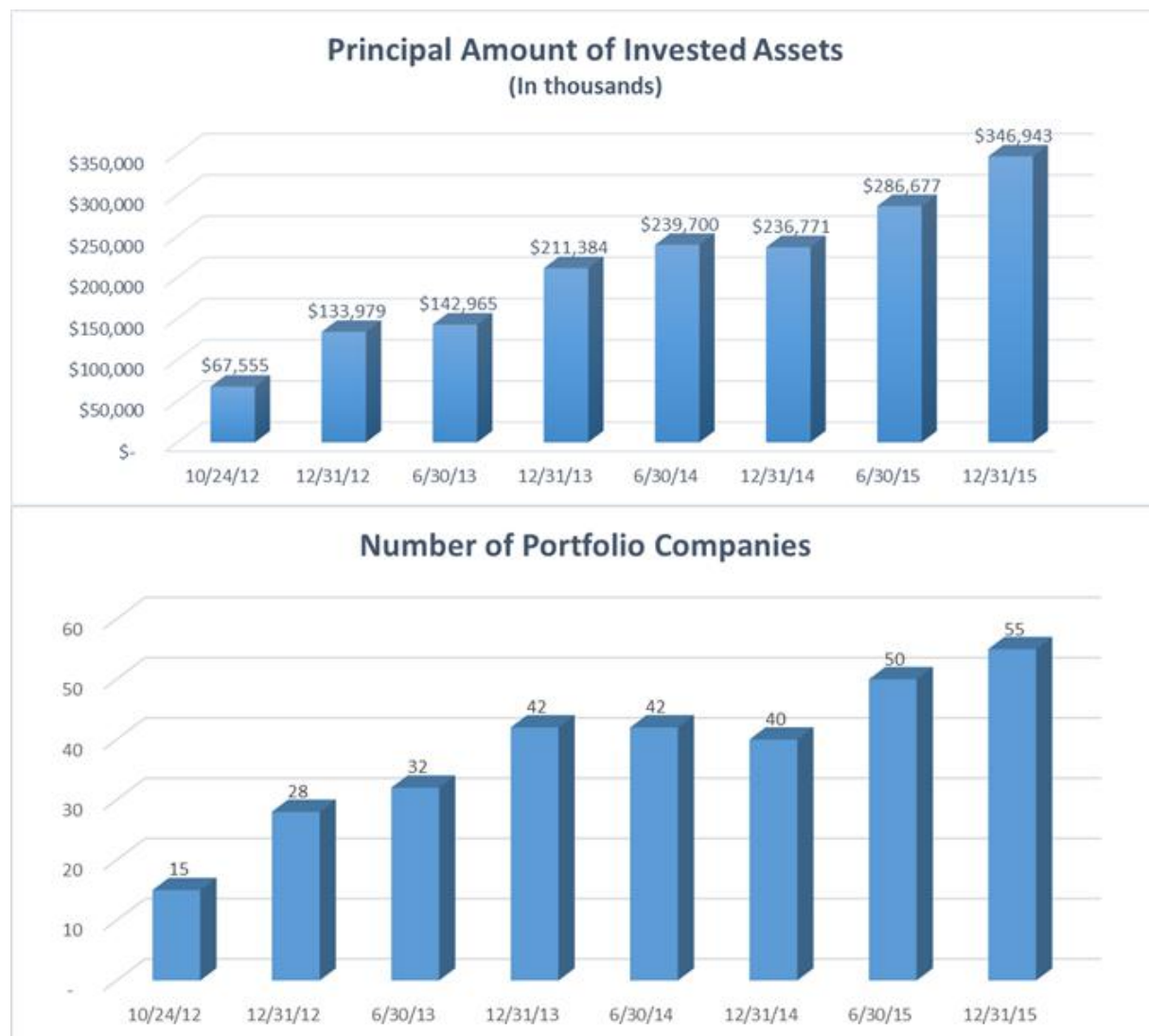
- Net increase in net assets resulting from operations of \$17.9 million, or \$1.53 per share as compared to \$13.9 million, or \$1.45 per share for the year ended December 31, 2014
- NAV of \$184.5 million, or \$14.19 per share, a \$0.14 per share increase from \$14.05 per share at December 31, 2014

Chief Executive Officer Theodore L. Koenig commented, “We are pleased to report continued strong earnings for the fourth quarter of 2015, with Adjusted Net Investment Income of \$0.40 per share, comfortably covering our dividend of \$0.35 per share. This quarter represents our seventh consecutive quarter of dividend coverage; a record we are quite proud of in the current market environment when many BDCs are struggling. We are pleased to continue to provide our stockholders consistent, strong quarterly results, a solid quarterly dividend and a very stable book value in a challenging market environment, when many of our BDC peers have experienced significant realized and unrealized losses and declines in both NAV and net investment income. We believe the Company has a solid, well performing investment portfolio, evidenced by zero exposure to the Metals and Mining and the Oil and Gas Exploration & Production industries, as designated by Standard and Poor’s, which have experienced significant performance issues and increased defaults. Finally, we have recently begun the process to take advantage of the new legislation allowing an upsize in the SBIC family of funds limitation and hope to be in a position to access additional SBA-guaranteed debentures on behalf of the Company in the coming months. Our current expectation is, pending SBA approval, to allocate up to an additional \$80 million of SBA-guaranteed debentures to the Company, the terms of which are very favorable to the Company.”

Monroe Capital Corporation is the business development company affiliate of the award winning private debt investment firm and lender, Monroe Capital.

## Growth of the Investment Portfolio

The following charts depict the growth of the Company's investment portfolio since the pricing of its initial public offering on October 24, 2012:



## Selected Financial Highlights

(in thousands, except per share data)

|  | <u>December 31, 2015</u>     | <u>September 30, 2015</u> |
|--|------------------------------|---------------------------|
|  | (audited)                    | (unaudited)               |
| <b>Consolidated Statements of Assets and Liabilities data:</b> |                              |                           |
| Investments, at fair value                                     | \$ 341,091                   | \$ 329,731                |
| Total assets   | \$ 360,879                   | \$ 343,504                |
| Net asset value  | \$ 184,535                   | \$ 179,868                |
| Net asset value per share                                      | \$ 14.19                     | \$ 14.21                  |
|  |                              |                           |
|  | <b>For the quarter ended</b> |                           |
|  | <u>December 31, 2015</u>     | <u>September 30, 2015</u> |
|  | (unaudited)                  |                           |
| <b>Consolidated Statements of Operations data:</b>             |                              |                           |
| Net investment income  | \$ 5,005                     | \$ 4,498                  |
| Adjusted net investment income (1)                             | \$ 5,085                     | \$ 4,498                  |
| Net gain (loss) on investments and secured borrowings          | \$ (793)                     | \$ 242                    |
| Net increase in net assets resulting from operations           | \$ 4,212                     | \$ 4,740                  |
|  |                              |                           |
| Per share data:  |                              |                           |
| Net investment income  | \$ 0.39                      | \$ 0.36                   |
| Adjusted net investment income (1)                             | \$ 0.40                      | \$ 0.36                   |
| Net gain (loss) on investments and secured borrowings          | \$ (0.06)                    | \$ 0.02                   |
| Net increase in net assets resulting from operations           | \$ 0.33                      | \$ 0.38                   |

- (1) See *Non-GAAP Financial Measure – Adjusted Net Investment Income* below for a detailed description of this non-GAAP measure and a reconciliation from net investment income to Adjusted Net Investment Income. The Company uses this non-GAAP financial measure internally in analyzing financial results and believes that this non-GAAP financial measure is useful to investors as an additional tool to evaluate ongoing results and trends for the Company.

## Portfolio Review

The Company had debt and equity investments in 55 portfolio companies, with a total fair value of \$341.1 million, as of December 31, 2015 as compared to debt and equity investments in 55 portfolio companies, with a total fair value of \$329.7 million, as of September 30, 2015. The Company's portfolio consists primarily of first lien loans, representing 75.9% of the portfolio as of December 31, 2015 and 77.5% of the portfolio as of September 30, 2015. As of December 31, 2015, the weighted average contractual yield on the Company's investments was 10.3% and the effective yield was 10.6% as compared to the weighted average contractual yield of 10.5% and effective yield of 10.7% as of September 30, 2015.

## Financial Review

### *Results of Operations: Fourth Quarter 2015*

Net investment income for the quarter ended December 31, 2015 totaled \$5.0 million, or \$0.39 per share, compared to \$4.5 million, or \$0.36 per share, for the quarter ended September 30, 2015. Adjusted Net Investment Income was \$5.1 million, or \$0.40 per share, for the quarter ended December 31, 2015, compared to \$4.5 million, or \$0.36 per share, for the quarter ended September 30, 2015. The increase in Adjusted Net Investment Income was primarily driven by an increase in interest and dividend income, partially offset by an increase in expenses. The Company believes that Adjusted Net Investment Income is a consistent measure of the Company's earnings – see *Non-GAAP Financial Measure – Adjusted Net Investment Income* discussion below. The Company's investment income increased by \$0.06 per share during the fourth quarter, driven primarily by increase in the size of the investment portfolio and an increase in dividend income. The increase in the Company's expenses during the quarter is driven by increases in interest expense as a result of higher average borrowings on the Company's revolving credit facility and increases in base management fees, both as a result of the increase in the size of the investment portfolio.

Net gain (loss) on investments and secured borrowings was (\$0.8) million for the quarter ended December 31, 2015, compared to \$0.2 million for the quarter ended September 30, 2015. The net loss on investments and secured borrowings during the quarter ended December 31, 2015 was primarily the result of net unrealized mark-to-market losses on investments in the portfolio, due in part to market conditions. These net unrealized mark-to-market losses were partially offset by a realized gain on an equity position during the quarter.

Net increase in net assets resulting from operations was \$4.2 million, or \$0.33 per share, for the quarter ended December 31, 2015, compared to \$4.7 million, or \$0.38 per share, for the quarter ended September 30, 2015. This decrease is primarily the result of increased net mark-to-market declines on the portfolio during the quarter, due in part to market conditions. These net unrealized mark-to-market declines were partially offset by an increase in net investment income. The Company's NAV decreased very slightly on a per share basis to \$14.19 per share at December 31, 2015 from \$14.21 per share at September 30, 2015.

*Results of Operations: Full Year 2015*

Net investment income for the year ended December 31, 2015 totaled \$18.7 million, or \$1.60 per share, compared to \$15.1 million, or \$1.57 per share, for the year ended December 31, 2014. Adjusted Net Investment Income was \$18.8 million, or \$1.61 per share, for the year ended December 31, 2015, compared to \$14.9 million, or \$1.56 per share, for the year ended December 31, 2014. On a per share basis, the increase in Adjusted Net Investment Income per share is primarily driven by a \$0.04 per share increase in investment income. The increase in investment income is primarily driven by a \$0.07 per share increase in core investment income (including cash interest, payment-in-kind interest and dividend income), partially offset by a \$0.03 per share decline in prepayment and other fees and paydown gains (losses) during the year.

Net gain (loss) on investments and secured borrowings was (\$0.8) million for the year ended December 31, 2015, compared to (\$1.2) million for the year ended December 31, 2014. During the year ended December 31, 2015, the Company experienced a smaller net mark-to-market decline in the fair market value of the portfolio when compared to the prior year.



Net increase in net assets resulting from operations was \$17.9 million, or \$1.53 per share, for the year ended December 31, 2015, compared to \$13.9 million, or \$1.45 per share, for the year ended December 31, 2014. This increase is primarily the result of increases in net investment income during the year as well as less significant net mark-to-market declines on the portfolio during the year. The Company's NAV increased to \$14.19 per share at December 31, 2015 from \$14.05 per share at December 31, 2014.

### **Liquidity and Capital Resources**

At December 31, 2015, the Company had \$5.3 million in cash, \$8.6 million in cash at Monroe Capital Corporation SBIC LP ("MRCC SBIC," the Company's wholly-owned SBIC subsidiary), \$123.7 million of total debt outstanding on its revolving credit facility and \$40.0 million in outstanding Small Business Administration ("SBA") debentures. As of December 31, 2015, the Company had \$36.3 million available for additional borrowings on its revolving credit facility and had drawn all of its available SBA-guaranteed debentures.

On December 14, 2015, the Company closed an amendment and extension of its revolving credit facility with ING Capital LLC, as agent. The amended facility included a \$25.0 million increase in the size of the Company's revolver commitments, from \$135.0 million to \$160.0 million, and an expansion of the accordion feature to \$300.0 million to support the Company's future growth. The amended facility immediately reduced pricing by 25 bps to LIBOR plus 3.00% per annum. The amended facility has a five-year maturity, extending the maturity date from December 19, 2017 to December 14, 2020. The amended facility also includes more flexible terms regarding eligible collateral and advance rates against portfolio assets.

### **SBIC Subsidiary**

As of December 31, 2015, MRCC SBIC had \$20.0 million in regulatory capital and leveragable capital and cash and investments at fair value of \$8.6 million and \$53.7 million, respectively. Additionally, MRCC SBIC had \$40.0 million in SBA-guaranteed debentures outstanding.

The SBA historically limited a related group of SBIC's, referred to as a "family of funds," to a maximum of \$225.0 million in total borrowings. On December 18, 2015, this limitation was raised to \$350.0 million in total borrowings. As the Company has other affiliated SBICs already in operation, MRCC SBIC was historically limited to a maximum of \$40.0 million in borrowings. During February 2016, the Company began the process to take advantage of the upsize in the SBA family of funds limitation by submitting an application to the SBA for \$80.0 million in additional SBA-guaranteed debentures. While there is no guarantee that the SBA will grant this request, management believes that MRCC SBIC is a good candidate to receive these SBA-guaranteed debentures, the terms of which are very favorable to the Company.

## Non-GAAP Financial Measure – Adjusted Net Investment Income

On a supplemental basis, the Company discloses Adjusted Net Investment Income (including on a per share basis) which is a financial measure that is calculated and presented on a basis of methodology other than in accordance with generally accepted accounting principles of the United States of America (“non-GAAP”). Adjusted Net Investment Income represents net investment income, excluding the net capital gains incentive fee and excise taxes. The Company uses this non-GAAP financial measure internally in analyzing financial results and believes that this non-GAAP financial measure is useful to investors as an additional tool to evaluate ongoing results and trends for the Company. The management agreement with the Company’s advisor provides that a capital gains incentive fee is determined and paid annually with respect to realized capital gains (but not unrealized capital gains) to the extent such realized capital gains exceed realized and unrealized capital losses for such year. Management believes that Adjusted Net Investment Income is a useful indicator of operations exclusive of any net capital gains incentive fee as net investment income does not include gains associated with the capital gains incentive fee.

The following table provides a reconciliation from net investment income (the most comparable GAAP measure) to Adjusted Net Investment Income for the periods presented:

|                                 | For the quarter ended                 |                  |                    |                  |
|---------------------------------|---------------------------------------|------------------|--------------------|------------------|
|                                 | December 31, 2015                     |                  | September 30, 2015 |                  |
|                                 | Amount                                | Per Share Amount | Amount             | Per Share Amount |
|                                 | (in thousands, except per share data) |                  |                    |                  |
| Net investment income           | \$ 5,005                              | \$ 0.39          | \$ 4,498           | \$ 0.36          |
| Net capital gains incentive fee | -                                     | -                | -                  | -                |
| Excise taxes                    | 80                                    | 0.01             | -                  | -                |
| Adjusted Net Investment Income  | <u>\$ 5,085</u>                       | <u>\$ 0.40</u>   | <u>\$ 4,498</u>    | <u>\$ 0.36</u>   |

|                                 | For the year ended                    |                  |                   |                  |
|---------------------------------|---------------------------------------|------------------|-------------------|------------------|
|                                 | December 31, 2015                     |                  | December 31, 2014 |                  |
|                                 | Amount                                | Per Share Amount | Amount            | Per Share Amount |
|                                 | (in thousands, except per share data) |                  |                   |                  |
| Net investment income           | \$ 18,741                             | \$ 1.60          | \$ 15,075         | \$ 1.57          |
| Net capital gains incentive fee | -                                     | -                | (206)             | (0.02)           |
| Excise taxes <sup>(1)</sup>     | 80                                    | 0.01             | 70                | 0.01             |
| Adjusted Net Investment Income  | <u>\$ 18,821</u>                      | <u>\$ 1.61</u>   | <u>\$ 14,939</u>  | <u>\$ 1.56</u>   |

(1) The Company revised the definition of Adjusted Net Investment Income during the fourth quarter of 2015 to exclude excise taxes. As such, Adjusted Net Investment Income for the year ended December 31, 2014 was adjusted from prior disclosure to conform to the revised definition.

Adjusted Net Investment Income may not be comparable to similar measures presented by other companies, as it is a non-GAAP financial measure that is not based on a comprehensive set of accounting rules or principles and therefore may be defined differently by other companies. In addition, Adjusted Net Investment Income should be considered in addition to, not as a substitute for, or superior to, financial measures determined in accordance with GAAP.

#### **Fourth Quarter 2015 Financial Results Conference Call**

The Company will host a webcast and conference call to discuss these operating and financial results on Friday, March 4, 2016 at 12:00 pm ET. The webcast will be hosted on a webcast link located in the Investor Relations section of the Company's website at <http://ir.monroebdc.com/events.cfm>. To participate in the conference call, please dial (877) 312-8807 approximately 10 minutes prior to the call. Please reference conference ID # 54550833.

For those unable to listen to the live broadcast, the webcast will be available for replay on the Company's website approximately two hours after the event.

For a more detailed discussion of the financial and other information included in this press release, please also refer to the Company's Form 10-K for the year ended December 31, 2015 to be filed with the Securities and Exchange Commission ([www.sec.gov](http://www.sec.gov)) on March 4, 2016.

**MONROE CAPITAL CORPORATION**  
**CONSOLIDATED STATEMENTS OF ASSETS AND LIABILITIES**  
(in thousands, except per share data)

|  | <u>December 31, 2015</u> | <u>September 30, 2015</u><br>(unaudited) | <u>December 31, 2014</u> |
|--|--------------------------|--|--------------------------|
| <b>ASSETS</b>  |                          |  |                          |
| Investments, at fair value:  |                          |  |                          |
| Non-controlled/non-affiliate company investments   | \$ 295,819               | \$ 286,716                               | \$ 210,318               |
| Non-controlled affiliate company investments   | 38,747                   | 34,656                                   | 16,596                   |
| Controlled affiliate company investments   | 6,525                    | 8,359                                    | 6,621                    |
| Total investments, at fair value (amortized cost of: \$342,738, \$330,480 and \$234,098, respectively)                           | 341,091                  | 329,731                                  | 233,535                  |
| Cash   | 5,278                    | 4,665                                    | 4,561                    |
| Restricted cash  | 8,588                    | 4,444                                    | 1,176                    |
| Interest receivable  | 1,606                    | 1,580                                    | 952                      |
| Deferred financing costs, net  | 3,569                    | 2,603                                    | 2,479                    |
| Other assets   | 747                      | 481                                      | 882                      |
| <b>Total assets</b>  | <u>360,879</u>           | <u>343,504</u>                           | <u>243,585</u>           |
| <b>LIABILITIES</b>   |                          |  |                          |
| Revolving credit facility  | 123,700                  | 116,200                                  | 82,300                   |
| SBA debentures payable   | 40,000                   | 40,000                                   | 20,000                   |
| Secured borrowings, at fair value (proceeds of: \$2,535, \$2,935 and \$4,134, respectively)                                      | 2,476                    | 2,843                                    | 4,008                    |
| Payable for open trades  | 5,297                    | -  | -                        |
| Interest payable   | 577                      | 386                                      | 244                      |
| Management fees payable  | 1,503                    | 1,371                                    | 1,050                    |
| Incentive fees payable   | 1,251                    | 1,124                                    | 1,140                    |
| Accounts payable and accrued expenses  | 1,540                    | 1,712                                    | 1,105                    |
| <b>Total liabilities</b>   | <u>176,344</u>           | <u>163,636</u>                           | <u>109,847</u>           |
| <b>Net assets</b>  | <u>\$ 184,535</u>        | <u>\$ 179,868</u>                        | <u>\$ 133,738</u>        |
| <b>ANALYSIS OF NET ASSETS</b>  |                          |  |                          |
| Common stock, \$0.001 par value, 100,000 shares authorized, 13,008, 12,661 and 9,518 shares issued and outstanding, respectively | \$ 13                    | \$ 13                                    | \$ 10                    |
| Capital in excess of par value   | 184,419                  | 179,410                                  | 134,803                  |
| Undistributed net investment income (accumulated distributions in excess of net investment income)                               | 1,692                    | 1,104                                    | (639)                    |
| Accumulated net unrealized appreciation (depreciation) on investments and secured borrowings                                     | (1,589)                  | (659)                                    | (436)                    |
| <b>Total net assets</b>  | <u>\$ 184,535</u>        | <u>\$ 179,868</u>                        | <u>\$ 133,738</u>        |
| <b>Net asset value per share</b>   | <u>\$ 14.19</u>          | <u>\$ 14.21</u>                          | <u>\$ 14.05</u>          |

**MONROE CAPITAL CORPORATION**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
(in thousands, except per share data)

|  | For the quarter ended |                    | For the year ended |                   |
|--|-----------------------|--------------------|--------------------|-------------------|
|  | December 31, 2015     | September 30, 2015 | December 31, 2015  | December 31, 2014 |
|  | (unaudited)           |                    | (audited)          |                   |
| <b>Investment income:</b>  |                       |                    |                    |                   |
| Interest and dividend income:  |                       |                    |                    |                   |
| Non-controlled/non-affiliate company investments                                   | \$ 8,386              | \$ 7,808           | \$ 31,898          | \$ 28,777         |
| Non-controlled affiliate company investments                                       | 1,352                 | 1,069              | 3,873              | 925               |
| Controlled affiliate company investments   | 388                   | 295                | 1,127              | 211               |
| <b>Total investment income</b>   | <u>10,126</u>         | <u>9,172</u>       | <u>36,898</u>      | <u>29,913</u>     |
| <b>Operating expenses:</b>   |                       |                    |                    |                   |
| Interest and other debt financing expenses   | 1,612                 | 1,434              | 5,400              | 4,342             |
| Base management fees   | 1,503                 | 1,370              | 5,129              | 4,091             |
| Incentive fees   | 1,251                 | 1,124              | 4,685              | 3,512             |
| Professional fees  | 178                   | 226                | 835                | 1,138             |
| Administrative service fees  | 250                   | 279                | 1,078              | 876               |
| General and administrative expenses  | 327                   | 241                | 1,030              | 879               |
| <b>Total expenses</b>  | <u>5,121</u>          | <u>4,674</u>       | <u>18,157</u>      | <u>14,838</u>     |
| <b>Net investment income</b>   | <u>5,005</u>          | <u>4,498</u>       | <u>18,741</u>      | <u>15,075</u>     |
| <b>Net gain (loss) on investments and secured borrowings:</b>                      |                       |                    |                    |                   |
| Net realized gain (loss) on investments:   |                       |                    |                    |                   |
| Non-controlled/non-affiliate company investments                                   | 137                   | 167                | 304                | 299               |
| Net realized gain (loss) on investments  | <u>137</u>            | <u>167</u>         | <u>304</u>         | <u>299</u>        |
| Net change in unrealized appreciation (depreciation) on investments:               |                       |                    |                    |                   |
| Non-controlled/non-affiliate company investments                                   | (1,470)               | (511)              | (1,944)            | (2,298)           |
| Non-controlled affiliate company investments                                       | 3,700                 | 1,904              | 6,585              | 524               |
| Controlled affiliate company investments   | (3,127)               | (1,275)            | (5,726)            | 237               |
| Net change in unrealized appreciation (depreciation) on investments                | <u>(897)</u>          | <u>118</u>         | <u>(1,085)</u>     | <u>(1,537)</u>    |
| Net change in unrealized (appreciation) depreciation on secured borrowings         | <u>(33)</u>           | <u>(43)</u>        | <u>(68)</u>        | <u>72</u>         |
| <b>Net gain (loss) on investments and secured borrowings</b>                       | <u>(793)</u>          | <u>242</u>         | <u>(849)</u>       | <u>(1,166)</u>    |
| <b>Net increase (decrease) in net assets resulting from operations</b>             | <u>\$ 4,212</u>       | <u>\$ 4,740</u>    | <u>\$ 17,892</u>   | <u>\$ 13,909</u>  |
| <b>Per common share data:</b>  |                       |                    |                    |                   |
| Net investment income per share - basic and diluted                                | <u>\$ 0.39</u>        | <u>\$ 0.36</u>     | <u>\$ 1.60</u>     | <u>\$ 1.57</u>    |
| Net increase in net assets resulting from operations per share - basic and diluted | <u>\$ 0.33</u>        | <u>\$ 0.38</u>     | <u>\$ 1.53</u>     | <u>\$ 1.45</u>    |
| Weighted average common shares outstanding - basic and diluted                     | <u>12,861</u>         | <u>12,545</u>      | <u>11,683</u>      | <u>9,596</u>      |

**Additional Supplemental Information:**

The composition of the Company's investment income was as follows (dollars in thousands):

|  | <b>For the quarter ended</b> |                           | <b>For the year ended</b> |                          |
|--|------------------------------|---------------------------|---------------------------|--------------------------|
|  | <b>December 31, 2015</b>     | <b>September 30, 2015</b> | <b>December 31, 2015</b>  | <b>December 31, 2014</b> |
| Interest income                                    | \$ 9,046                     | \$ 8,588                  | \$ 32,861                 | \$ 26,767                |
| Dividend income                                    | 301                          | -                         | 301                       | -                        |
| Fee income   | 158                          | 117                       | 1,401                     | 1,505                    |
| Prepayment gain (loss)                             | 301                          | 159                       | 1,230                     | 952                      |
| Accretion of discounts and amortization of premium | 320                          | 308                       | 1,105                     | 689                      |
| Total investment income                            | <u>\$ 10,126</u>             | <u>\$ 9,172</u>           | <u>\$ 36,898</u>          | <u>\$ 29,913</u>         |

The composition of the Company's interest expense and other debt financing expenses was as follows (dollars in thousands):

|  | <b>For the quarter ended</b> |                           | <b>For the year ended</b> |                          |
|--|------------------------------|---------------------------|---------------------------|--------------------------|
|  | <b>December 31, 2015</b>     | <b>September 30, 2015</b> | <b>December 31, 2015</b>  | <b>December 31, 2014</b> |
| Interest expense - credit facility               | \$ 1,039                     | \$ 884                    | \$ 3,290                  | \$ 3,183                 |
| Interest expense - SBA debentures                | 329                          | 303                       | 1,080                     | 161                      |
| Amortization of deferred financing costs         | 190                          | 185                       | 742                       | 576                      |
| Interest expense - secured borrowings            | 42                           | 48                        | 198                       | 374                      |
| Other  | 12                           | 14                        | 90                        | 48                       |
| Total interest and other debt financing expenses | <u>\$ 1,612</u>              | <u>\$ 1,434</u>           | <u>\$ 5,400</u>           | <u>\$ 4,342</u>          |

## **ABOUT MONROE CAPITAL CORPORATION**

Monroe Capital Corporation is a publicly-traded specialty finance company that principally invests in senior, unitranche and junior secured debt and, to a lesser extent, unsecured debt and equity investments in middle-market companies. The Company's investment objective is to maximize the total return to its stockholders in the form of current income and capital appreciation. The Company's investment activities are managed by its investment adviser, Monroe Capital BDC Advisors, LLC, which is an investment adviser registered under the Investment Advisers Act of 1940, as amended, and an affiliate of Monroe Capital LLC. To learn more about Monroe Capital Corporation, visit [www.monroeibd.com](http://www.monroeibd.com).

## **ABOUT MONROE CAPITAL LLC**

Monroe Capital LLC is a provider of senior and junior debt and equity co-investments to middle-market companies in the U.S. and Canada. Investment types include unitranche financings, cash flow and enterprise value based loans, asset based loans, acquisition facilities, mezzanine debt, second lien or last-out loans and equity co-investments. Monroe Capital prides itself on its flexible investment approach and its ability to close and fund transactions quickly. Monroe Capital is committed to being a value-added and user-friendly partner to owners, senior management and private equity sponsors. Monroe has been recognized by Global M&A Network as the 2015, 2014 and 2013 Small Middle Markets Lender of the Year; Private Debt Investor as the 2015 Lower Mid-Market Lender of the Year, 2014 Senior Lender of the Year, and the 2013 Unitranche Lender of the Year; and the U.S. Small Business Administration as the 2015 Small Business Investment Company (SBIC) of the Year. To learn more about Monroe Capital LLC, visit [www.monroecap.com](http://www.monroecap.com).

## **FORWARD-LOOKING STATEMENTS**

This press release may contain certain forward-looking statements. Any such statements, other than statements of historical fact, are likely to be affected by other unknowable future events and conditions, including elements of the future that are or are not under the Company's control, and that the Company may or may not have considered; accordingly, such statements cannot be guarantees or assurances of any aspect of future performance. Actual developments and results are highly likely to vary materially from these estimates and projections of the future. Such statements speak only as of the time when made, and the Company undertakes no obligation to update any such statement now or in the future.

**SOURCE:** Monroe Capital Corporation

**Investor Contact:** Aaron D. Peck  
Chief Investment Officer and Chief Financial Officer  
Monroe Capital Corporation  
(312) 523-2363  
Email: [apeak@monroecap.com](mailto:apeak@monroecap.com)

**Media Contact:** Douglas Allen  
BackBay Communications  
(646) 722-4270  
Email: [doug.allen@backbaycommunications.com](mailto:doug.allen@backbaycommunications.com)