

KBRA Affirms Ratings for Kayne Anderson MLP/Midstream Investment Company

NEW YORK, NY (August 6, 2018) – Kroll Bond Rating Agency (KBRA) affirms the AAA ratings to the Senior Unsecured Notes (Notes) and A+ ratings to the Mandatory Redeemable Preferred Shares (MRPS) issued by the Kayne Anderson MLP/Midstream Investment Company (“KYN” or the “Fund”) upon the merger or reorganization of the formerly known Kayne Anderson MLP Investment Company with Kayne Anderson Energy Development Company (“KED”). Additionally, KBRA assigns an A+ rating to KYN Series K MRPS, a newly issued series as part of the merger of those two entities. KYN Series K MRPS replaced the former KED Series A MRPS in connection with the reorganization.

The merger received stockholder approval as of July 31, 2018 and will be effective August 6, 2018. In connection with the reorganization, each holder of KED MRP Shares will receive in a private placement an equivalent number of newly issued KYN Series K MRP shares having identical terms as the KED MRP shares. The MRPS will rank junior in seniority to the senior debt securities, but senior to common shareholders. Additionally, just prior to the reorganization Kayne Anderson MLP Investment Company (KYN) changed its name to Kayne Anderson MLP/Midstream Investment Company.

KYN was organized as a Maryland corporation on June 2004 as a non-diversified, closed-end management investment company by its sponsor Kayne Anderson Capital Advisors (Kayne Anderson). The Fund commenced operations on September 2004, and its common shares are listed on the New York Stock Exchange under the symbol KYN. As of July 31, 2018, KYN had approximately \$3.7 billion in assets under management (AUM), with total leverage, in the form of a term loan, Notes and MRPS, of around \$1.0 billion.

The fund is allowed, per the 1940 Investment Act and Fund Prospectus, to utilize leverage as it seeks to meet its investment objectives. The Fund’s targeted leverage, in the form of an advantageous mix of term loans and revolving credit facility (credit facilities), MRPS and Notes is an aggregate amount of approximately 25% - 30% of the Fund’s total assets. As of July 31, 2018, KYN reported total leverage of around 28% and KED reported total leverage of around 28% of total assets. KYN reported asset coverage, as of July 31, 2018, for senior securities of 443%, and total leverage (debt and preferred stock) asset coverage of 317%; while KED reported asset coverage for senior securities of 460% and total leverage asset coverage of 328%. Upon the reorganization being completed, on a pro forma basis, KYN asset coverage for senior securities would be 444%, with a total leverage asset coverage of 318%. All of these ratios are well above ‘40 Act minimum requirements for their respective measures.

Founded in 1984, Kayne Anderson is an alternative investment management firm. The firm is known for its focus on investing in upstream oil and gas companies and energy infrastructure, but also specializes in other niche markets such as specialized real estate, as well as middle market credit and growth private equity. The fund is managed by KAFA, a subsidiary of Kayne Anderson, and an SEC-registered investment adviser. KAFA is responsible for investment management mandates within the Kayne Anderson platform that predominantly involve energy marketable securities. As of June 30, 2018, Kayne Anderson reported approximately \$28 billion in assets under management, with an investor base that includes institutional and retail clients, family offices, and high net worth individuals. The firm has over 300 employees, with main offices in Los Angeles and Houston, as well as other locations such as New York, Chicago, Denver, Atlanta, Dallas and Boca Raton.

Ratings Affirmed:

Senior Notes	Rate	Maturity	Rating
Z	3.39%	5/3/2019	AAA
AA	3.56%	5/3/2020	AAA
BB	3.77%	5/3/2021	AAA
CC	3.95%	5/3/2022	AAA
DD	2.74%	4/16/2019	AAA
EE	3.20%	4/16/2021	AAA
FF	3.57%	4/16/2023	AAA
GG	3.67%	4/16/2025	AAA
II	2.88%	7/30/2019	AAA
JJ	3.46%	7/30/2021	AAA
KK	3.93%	7/30/2024	AAA
LL	2.89%	10/29/2020	AAA
MM	3.26%	10/29/2022	AAA
NN	3.37%	10/29/2023	AAA
OO	3.46%	10/29/2024	AAA
Mandatory Redeemable Preferred Stock	Rate	Maturity	Rating
C	5.20%	11/9/2020	A+
F	3.50%	4/15/2020	A+
H	4.06%	7/30/2021	A+
I	3.86%	10/29/2022	A+
J	3.36%	11/9/2021	A+

Ratings Assigned:

Mandatory Redeemable Preferred Stock	Rate	Maturity	Rating
K	3.37%	4/10/2020	A+

The ratings are based on KBRA’s [Global Investment Funds Rating Methodology](#) published on August 10, 2016.

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