

## Kayne Anderson Midstream/Energy Fund Provides Unaudited Balance Sheet Information and Announces its Net Asset Value and Asset Coverage Ratios at October 31, 2018

Houston, TX – November 1, 2018 – Kayne Anderson Midstream/Energy Fund, Inc. (the “Fund”) (NYSE: KMF) today provided a summary unaudited statement of assets and liabilities and announced its net asset value and asset coverage ratios under the Investment Company Act of 1940 (the “1940 Act”) as of October 31, 2018.

As of October 31, 2018, the Fund’s net assets were \$638 million and its net asset value per share was \$13.05. As of October 31, 2018, the Fund’s asset coverage ratio under the 1940 Act with respect to senior securities representing indebtedness was 405% and the Fund’s asset coverage ratio under the 1940 Act with respect to total leverage (debt and preferred stock) was 307%.

**Kayne Anderson Midstream/Energy Fund, Inc.**  
**Statement of Assets and Liabilities**  
**October 31, 2018**  
**(Unaudited)**

	<u>(in millions)</u>	<u>Per Share</u>
Investments	\$ 937.7	\$ 19.18
Cash and cash equivalents	1.8	0.04
Deposits	0.2	0.00
Accrued income	9.1	0.19
Receivable for securities sold	1.6	0.03
Other assets	0.3	0.01
Total assets	<u>950.7</u>	<u>19.45</u>
Credit Facility	33.0	0.68
Notes	200.9	4.11
Unamortized notes issuance costs	(0.7)	(0.02)
Preferred stock	75.0	1.53
Unamortized preferred stock issuance costs	(0.7)	(0.01)
Total leverage	<u>307.5</u>	<u>6.29</u>
Payable for securities purchased	1.5	0.03
Other liabilities	3.7	0.08
Total liabilities	<u>5.2</u>	<u>0.11</u>
Net assets	<u>\$ 638.0</u>	<u>\$ 13.05</u>

The Fund had 48,878,499 common shares outstanding as of October 31, 2018.

As of October 31, 2018, equity and debt investments were 97% and 3%, respectively, of the Fund's long-term investments of \$938 million. Long-term investments were comprised of Midstream Company (70%), Midstream MLP (25%), Other Energy (2%), and Debt (3%).

The Fund's ten largest holdings by issuer at October 31, 2018 were:

	<u>Units / Shares</u> <u>(in thousands)</u>	<u>Amount</u> <u>(in millions)</u>	<u>Percent of</u> <u>Long-Term</u> <u>Investments</u>
1. ONEOK, Inc. (Midstream Company)	1,412	\$92.6	9.9%
2. Targa Resources Corp. (Midstream Company)	1,527	78.9	8.4%
3. The Williams Companies, Inc. (Midstream Company)	2,696	65.6	7.0%
4. Plains GP Holdings, L.P. (Midstream Company)	2,895	62.1	6.6%
5. Enbridge Energy Management (Midstream Company)*	4,123	43.7	4.7%
6. Kinder Morgan, Inc. (Midstream Company)	2,469	42.0	4.5%
7. Pembina Pipeline Corporation (Midstream Company)	1,172	37.9	4.0%
8. Energy Transfer LP (Midstream MLP)**	2,256	35.1	3.7%
9. KNOT Offshore Partners LP (Midstream Company)	1,709	35.0	3.7%
10. GasLog Partners LP (Midstream Company)	1,318	32.8	3.5%

\*On August 24, 2018, Enbridge, Inc. ("ENB") announced it entered into a definitive agreement to acquire, with ENB stock, all of the outstanding public common units of Spectra Energy Partners, LP ("SEP"). On September 18, 2018, ENB announced it entered into a definitive agreement to acquire, with ENB stock, all of the outstanding public equity securities of Enbridge Energy Partners, L.P. ("EEP"), Enbridge Energy Management, L.L.C. ("EEQ") and Enbridge Income Fund Holdings Inc. ("ENF"). As of October 31, 2018, the Fund owned 716 units of ENB (\$22.3 million) and did not own ENF, EEP nor SEP units.

\*\* On October 19, 2018, Energy Transfer Equity, L.P. ("ETE") and Energy Transfer Partners, L.P. ("ETP") completed their previously announced unit-for-unit merger, in which ETE acquired ETP. Upon closing of the merger, ETE changed its name to Energy Transfer LP.

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*Kayne Anderson Midstream/Energy Fund, Inc. is a non-diversified, closed-end management investment company registered under the Investment Company Act of 1940 whose common stock is traded on the NYSE. The Fund's investment objective is to provide a high level of total return with an emphasis on making quarterly cash distributions to its stockholders by investing at least 80% of its total assets in securities of companies in the Midstream/Energy Sector, consisting of: (a) Midstream Master Limited Partnerships ("MLPs"), (b) Midstream Companies, (c) Other MLPs and (d) Other Energy Companies. The Fund anticipates that the majority of its investments will consist of investments in midstream MLPs and Midstream Companies. See Glossary of Key Terms in the Fund's quarterly reports.*

**CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS:** *This press release contains "forward-looking statements" as defined under the U.S. federal securities laws. Generally, the words "believe," "expect," "intend," "estimate," "anticipate," "project," "will" and similar expressions identify forward-looking statements, which generally are not historical in nature. Forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ from the Fund's historical experience and its present expectations or projections indicated in any forward-looking statements. These risks include, but are not limited to, changes in economic and political conditions; regulatory and legal changes; MLP industry risk; leverage risk; valuation risk; interest rate risk; tax risk; and other risks discussed in the Fund's filings with the SEC. You should not place undue reliance on forward-looking statements, which speak only as of the date they are made. The Fund undertakes no obligation to publicly update or revise any forward-looking statements made herein. There is no assurance that the Fund's investment objective will be attained.*

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