

Kayne Anderson Midstream/Energy Fund Provides Unaudited Balance Sheet Information and Announces its Net Asset Value and Asset Coverage Ratios at November 30, 2018

Houston, TX – December 3, 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 November 30, 2018.

As of November 30, 2018, the Fund’s net assets were \$615 million and its net asset value per share was \$12.57. As of November 30, 2018, the Fund’s asset coverage ratio under the 1940 Act with respect to senior securities representing indebtedness was 407% and the Fund’s asset coverage ratio under the 1940 Act with respect to total leverage (debt and preferred stock) was 305%.

Kayne Anderson Midstream/Energy Fund, Inc.
Statement of Assets and Liabilities
November 30, 2018
(Unaudited)

	<u>(in millions)</u>	<u>Per Share</u>
Investments	\$ 909.0	\$ 18.60
Cash and cash equivalents	3.9	0.08
Deposits	0.2	0.00
Accrued income	2.9	0.06
Receivable for securities sold	1.2	0.02
Other assets	0.4	0.01
Total assets	<u>917.6</u>	<u>18.77</u>
Credit Facility	24.0	0.49
Notes	200.9	4.11
Unamortized notes issuance costs	(0.7)	(0.01)
Preferred stock	75.0	1.53
Unamortized preferred stock issuance costs	(0.7)	(0.01)
Total leverage	<u>298.5</u>	<u>6.11</u>
Other liabilities	<u>4.5</u>	<u>0.09</u>
Net assets	<u>\$ 614.6</u>	<u>\$ 12.57</u>

The Fund had 48,878,499 common shares outstanding as of November 30, 2018.

As of November 30, 2018, equity and debt investments were 97% and 3%, respectively, of the Fund's long-term investments of \$909 million. Long-term investments were comprised of Midstream Company (71%), Midstream MLP (24%), Other Energy (2%), and Debt (3%).

The Fund's ten largest holdings by issuer at November 30, 2018 were:

	<u>Units / Shares</u> (in thousands)	<u>Amount</u> (in millions)	<u>Percent of</u> <u>Long-Term</u> <u>Investments</u>
1. ONEOK, Inc. (Midstream Company)	1,412	\$86.7	9.5%
2. The Williams Companies, Inc. (Midstream Company)	2,696	68.3	7.5%
3. Targa Resources Corp. (Midstream Company)	1,527	68.2	7.5%
4. Plains GP Holdings, L.P. (Midstream Company)	2,895	64.7	7.1%
5. Enbridge Energy Management, L.L.C. (Midstream Company)*	4,259	46.4	5.1%
6. Kinder Morgan, Inc. (Midstream Company)	2,469	42.1	4.6%
7. Pembina Pipeline Corporation (Midstream Company)	1,172	39.5	4.3%
8. Capital Product Partners L.P. - Class B Units (Midstream Company)**	3,939	35.5	3.9%
9. KNOT Offshore Partners LP (Midstream Company)	1,709	34.3	3.8%
10. Energy Transfer LP (Midstream MLP)	2,256	32.9	3.6%

*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 November 30, 2018, the Fund owned 716 units of ENB (\$23.4 million) and did not own ENF, EEP nor SEP units.

** On November 27, 2018, Capital Product Partners L.P. ("CPLP") and DSS Holdings L.P. ("DSS"), entered into a definitive agreement pursuant to which CPLP has agreed to spin off its crude and product tanker business into a separate publicly listed company, which will merge with DSS. In connection with this transaction, all of the Fund's CPLP Class B Units are expected to be redeemed for cash at \$9.00 per unit. The transaction is expected to close in the first quarter of 2019.

###

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.

Contact:

KA Fund Advisors, LLC
877-657-3863
<http://www.kaynefunds.com/>