

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

Houston, TX – October 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 September 30, 2018.

As of September 30, 2018, the Fund’s net assets were \$706 million and its net asset value per share was \$14.45. As of September 30, 2018, the Fund’s asset coverage ratio under the 1940 Act with respect to senior securities representing indebtedness was 444% and the Fund’s asset coverage ratio under the 1940 Act with respect to total leverage (debt and preferred stock) was 334%.

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

	<u>(in millions)</u>	<u>Per Share</u>
Investments	\$ 1,006.8	\$ 20.60
Cash and cash equivalents	2.4	0.05
Deposits	0.3	0.00
Accrued income	3.0	0.06
Other assets	0.3	0.01
Total assets	<u>1,012.8</u>	<u>20.72</u>
Credit Facility	26.0	0.53
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>300.5</u>	<u>6.15</u>
Payable for securities purchased	3.1	0.06
Other liabilities	2.9	0.06
Total liabilities	<u>6.0</u>	<u>0.12</u>
Net assets	<u>\$ 706.3</u>	<u>\$ 14.45</u>

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

As of September 30, 2018, equity and debt investments were 96% and 4%, respectively, of the Fund's long-term investments of \$1.0 billion. Long-term investments were comprised of Midstream Company (69%), Midstream MLP (24%), Other Energy (3%), and Debt (4%).

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

	Units / Shares (in thousands)	Amount (in millions)	Percent of Long-Term Investments
1. ONEOK, Inc. (Midstream Company)	1,412	\$95.7	9.5%
2. Targa Resources Corp. (Midstream Company)	1,527	86.0	8.5%
3. The Williams Companies, Inc. (Midstream Company)	2,696	73.3	7.3%
4. Plains GP Holdings, L.P. (Midstream Company)	2,895	71.3	7.1%
5. Enbridge Energy Management (Midstream Company)*	4,123	45.0	4.5%
6. Kinder Morgan, Inc. (Midstream Company)	2,469	43.8	4.3%
7. Pembina Pipeline Corporation (Midstream Company)	1,172	39.8	4.0%
8. KNOT Offshore Partners LP (Midstream Company)	1,833	39.8	4.0%
9. Energy Transfer Partners, L.P. (Midstream MLP)**	1,762	39.2	3.9%
10. GasLog Partners LP (Midstream Company)	1,381	34.5	3.4%

\*Enbridge, Inc. ("ENB") has entered into definitive agreements effective September 18, 2018 to acquire Spectra Energy Partners, LP, Enbridge Energy Partners, L.P., Enbridge Energy Management, L.L.C. ("EEQ") and Enbridge Income Fund Holdings Inc. in exchange for shares of ENB. As of September 30, 2018, the Fund owned 716 units of ENB (\$23.1million).

\*\* On August 1, 2018, Energy Transfer Equity, L.P. ("ETE") and Energy Transfer Partners, L.P. ("ETP") announced an agreement providing for the merger of ETP with ETE in a unit-for-unit exchange. As of September 30, 2018, the Fund did not own any ETE units.

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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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