

Kayne Anderson

Fund Advisors

Overview as of 9/30/19

Symbol	KMF
Exchange	NYSE
CUSIP	48661E108
Inception Date	11/24/2010
Total Assets	\$875 million
Leverage	\$276 million
Monthly Distribution ¹ (\$/share)	\$0.075
% of Portfolio Assets with Call Options	1.6%

Objective

KMF is a closed-end fund whose investment objective is to provide a high level of total return with an emphasis on making cash distributions to its stockholders. We seek to achieve that investment objective by investing at least 80% of our total assets in the 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. KMF anticipates that the majority of its investments will consist of equity investments in Midstream MLPs and Midstream Companies.

Investment Merits

• Midstream Opportunities

- Opportunity to invest across the full value chain for the midstream sector through investments in midstream MLPs and midstream companies
- Development of "unconventional reserves" is changing the North American energy industry, driving the need for new midstream assets and creating growth opportunities for the midstream sector
- Midstream sector is expected to generate attractive risk-adjusted returns for investors; companies are expected to generate stable cash flows from fee based assets with high barriers to entry

• Attractive Fund Structure

- KMF issues a Form 1099 (no K-1)
- Suitable for IRAs, foundations and tax-exempt accounts, because unlike direct holdings in MLPs, KMF does not generate unrelated business taxable income (UBTI)
- KMF is a Regulated Investment Company (RIC) and, as such, does not pay income taxes at the fund level

• Access to Private Investments

- KMF provides access to private investment opportunities not otherwise available to retail investors

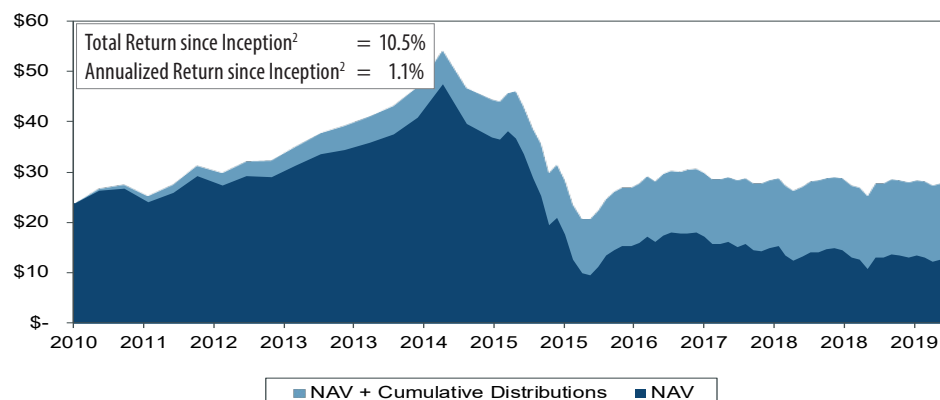
¹ Payable on 10/31/19 (ex-date 10/23/19). (See "Information on Tax Character of Distributions" on page 2.)

² Assumes that distributions have been reinvested through the Dividend Reinvestment Program (DRIP).

Midstream/Energy Fund (KMF)

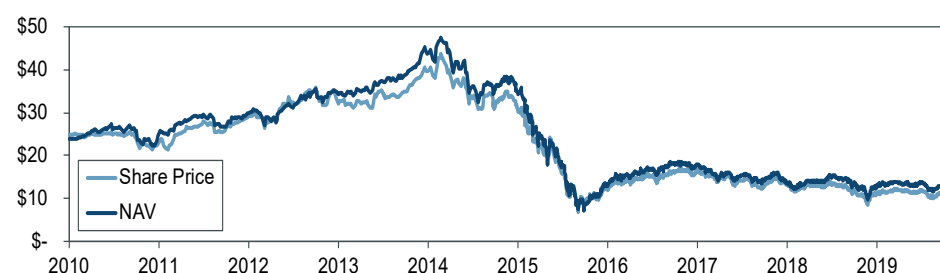
Total Return (NAV plus distributions)

11/24/10 to 9/30/19



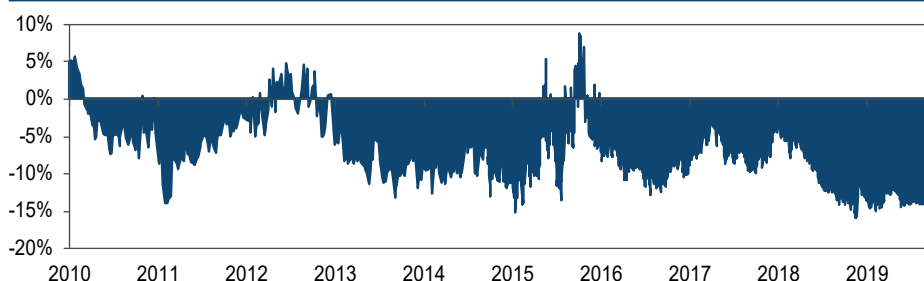
Share Price and NAV History

11/24/10 to 9/30/19



Premium/Discount to NAV

11/24/10 to 9/30/19



Calendar Year Returns

as of 9/30/19

	2011	2012	2013	2014	2015	2016	2017	2018	2019
NAV and distrib ²	20.8%	10.6%	38.5%	3.5%	-58.4%	56.6%	-10.3%	-21.9%	24.7%
NAV only	12.9%	3.8%	31.0%	-2.0%	-65.2%	41.9%	-17.4%	-28.1%	17.5%
Share price and distrib ²	6.8%	23.0%	26.4%	4.5%	-56.6%	41.8%	-5.8%	-24.1%	19.1%
Share price only	-0.2%	15.4%	19.5%	-1.1%	-63.7%	28.5%	-13.2%	-30.1%	12.2%

Period Returns (Not annualized)

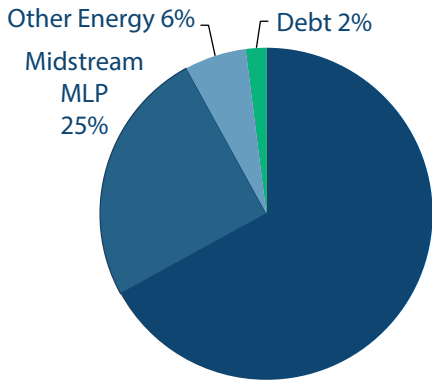
as of 9/30/19

	3 Mo.	6 Mo.	1-Yr	2-Yr	3-Yr	5-Yr	Since Inception
NAV and distrib ²	-4.7%	-4.9%	-5.3%	-3.7%	-4.9%	-52.4%	10.5%
NAV only	-6.7%	-8.7%	-13.2%	-19.8%	-27.3%	-71.9%	-47.4%
Share price and distrib ²	-4.5%	-5.3%	-7.6%	-11.6%	-10.5%	-54.2%	-9.0%
Share price only	-6.5%	-9.0%	-15.4%	-26.3%	-31.5%	-73.0%	-56.7%

This fact sheet is provided for informational purposes only. This material shall not constitute an offer to sell or a solicitation to buy, nor shall there be any sale of any securities in any jurisdiction in which such offer or sale is not permitted. Performance data quoted represent past performance and are for the stated period only. Performance reflects the deduction of management fees and expenses but does not reflect transaction fees or broker commissions. Past performance is not a guarantee of future results. Current performance may be lower or higher than that shown based on market fluctuations from the end of the reported period.

Midstream/Energy Fund (KMF)

Portfolio as of 9/30/19



Midstream Company 67%

Top 10 Holdings³ as of 9/30/19

ONEOK, Inc.	9.2%
The Williams Companies, Inc.	8.8%
Plains GP Holdings, L.P.	7.2%
Kinder Morgan, Inc.	5.7%
TC Energy Corporation	5.2%
Enterprise Products Partners L.P.	5.1%
Targa Resources Corp.	4.9%
Pembina Pipeline Corporation	4.5%
Enbridge Inc.	4.2%
Energy Transfer LP	4.0%
Total	58.8%

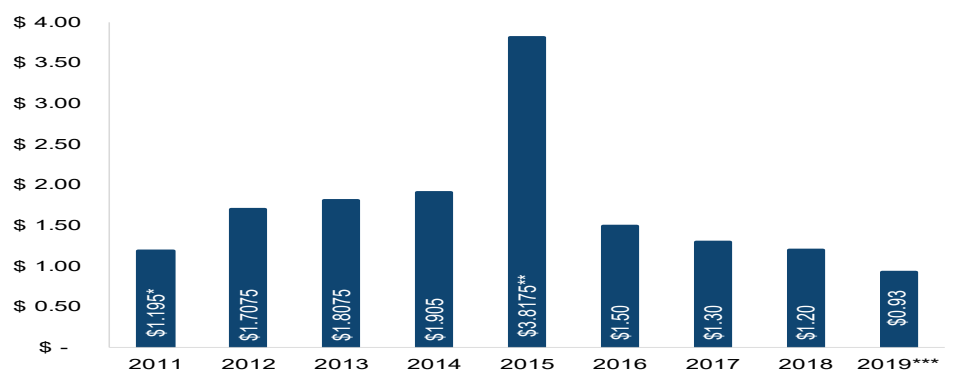
Growth of Hypothetical \$10,000 Investment⁴

Date	NAV and Distrib	Share Price and Distrib
Inception (11/24/10)	\$10,000	\$10,000
12/31/2010	10,149	10,000
12/31/2011	12,262	10,680
12/31/2012	13,557	13,134
12/31/2013	18,780	16,604
12/31/2014	19,431	17,350
12/31/2015	8,077	7,527
12/31/2016	12,648	10,677
12/31/2017	11,341	10,057
12/31/2018	8,861	7,637
9/30/2019	11,051	9,095

Tax Character of Distributions

Calendar year	Ordinary dividends	Qualified dividends	Capital gains distrib.	Nondividend distrib. (Return of Capital)	Total
2011	79%	21%	-	-	100%
2012	51%	26%	23%	-	100%
2013	28%	36%	36%	-	100%
2014	49%	45%	6%	-	100%
2015	16%	27%	57%	-	100%
2016	66%	34%	-	-	100%
2017	-	-	-	100%	100%
2018	-	9%	-	91%	100%
2019E ⁵	-	10%	-	90%	100%

Annual Distributions per Fiscal Year⁶



* Includes an initial partial distribution.

** Includes special distribution, see press release dated 6/25/15.

*** Based on fiscal year-to-date distributions paid or declared.

Information on Tax Character of Distributions

Our distributions are generally taxable as ordinary income (a portion of which may be qualified dividends) or capital gains. Distributions of our ordinary income plus net short-term capital gains in excess of net long-term capital losses will be taxable as ordinary income to the extent of our current or accumulated earnings and profits. If our distributions exceed our current or accumulated earnings and profits, the distributions will be treated as a return of capital to our common stockholders to the extent of each stockholder's basis in our common stock, and then the amount distributed in excess of such stockholder's basis would be taxed as a capital gain. Because the cash distributions received from the MLPs in our portfolio are expected to exceed the earnings and profits associated with owning such MLPs, a portion of our distributions may be paid from sources other than our current and accumulated earnings and profits. The table above left summarizes the tax character of our distributions since inception. Common stockholders will receive a Form 1099-DIV from us, sample forms for each year can be found at www.kaynefunds.com/kmf. This information does not constitute, and should not be construed as, tax, legal, investment, or other professional advice and cannot be used or relied upon for the purpose of avoiding tax penalties.

³ Portfolio holdings are subject to change without notice. The mention of specific securities is not a recommendation or solicitation for any person to buy, sell or hold any particular security. You can obtain a complete listing of holdings by viewing our most recent quarterly or annual report at www.kaynefunds.com/kmf.

⁴ This table illustrates the growth of a hypothetical \$10,000 investment in the fund's common shares beginning on the inception date with all distributions reinvested through the Dividend Reinvestment Program (DRIP). Ending values as of the dates shown in the table. Performance reflects the deduction of management fees and expenses but does not reflect transaction fees or broker commissions. Past performance is no guarantee of future results.

⁵ This estimate is based on our anticipated earnings and profits for fiscal 2019. The final determination of the tax character of distributions will be made in early 2020 when we can determine our actual earnings and profits for the year (including gains and losses on sales of securities during fiscal 2019) and may differ substantially from this preliminary information.

⁶ The fund pays regular monthly cash distributions to common stockholders at a rate that may be adjusted from time to time. The amount of monthly distributions is not guaranteed and may vary depending on a number of factors, including changes in portfolio holdings and market conditions.

This fact sheet is provided for informational purposes only. This material shall not constitute an offer to sell or a solicitation to buy, nor shall there be any sale of any securities in any jurisdiction in which such offer or sale is not permitted. Closed-end funds, unlike open-end funds, are not continuously offered. After the initial public offering, shares are sold on the open market through a stock exchange. As with any other stock, total return and market value will fluctuate so that an investment, when sold, may be worth more or less than its original cost. Shares of closed-end funds frequently trade at a market price that is below their net asset value.

All investments involve risk, including possible loss of principal. An investment in the fund could suffer loss. The fund's concentration of investments in energy-related MLPs and midstream entities subjects it to the risks of MLPs, midstream entities and the energy sector, including the risks of declines in energy and commodity prices, decreases in energy demand, adverse weather conditions, natural or other disasters, changes in government regulation, and changes in tax laws. Leverage creates risks which may adversely affect return, including the likelihood of greater volatility of net asset value and market price of common shares and fluctuations in dividend rates on any preferred shares, and increases a shareholder's risk of loss. Before investing in the fund, you should consider the investment objective, risks, charges and expenses of the fund, which, together with other important information are included in the fund's most recent prospectus and other filings with the SEC, available at www.sec.gov. There can be no assurance that the fund's investment objectives will be attained.

Nothing contained in this communication is intended to recommend any investment policy or investment strategy or take into account the specific objectives or circumstances of any investor. Please consult with your investment, tax or legal adviser regarding your individual circumstances prior to investing.

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MAY LOSE VALUE

FOR MORE INFORMATION: www.kaynefunds.com or call 1-877-657-3863

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