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None of the distributions declared during the years ended December 31, 2017, 2016, and 2015 represented a return of capital for tax purposes.

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MONROE CAPITAL CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (in thousands, except share and per share data)

Note 10. Stock Issuances and Repurchases

Stock Issuances: On February 6, 2015, the Company entered into an at-the-market (ATM) securities offering program with MLV & Co. LLC (MLV) and JMP Securities LLC (JMP) through which the Company could sell, by means of ATM offerings from time to time, up to \$50,000 of the Company's common stock. During the year ended December 31, 2015, the Company sold 672,597 shares at an average price of \$14.88 per share for gross proceeds of \$10,007 under the ATM program. Aggregate underwriters' discounts and commissions were \$158 and offering costs were \$83, resulting in net proceeds of approximately \$9,766.

On April 20, 2015, the Company closed a public offering of 2,450,000 shares of its common stock at a public offering price of \$14.85 per share, raising approximately \$36,383 in gross proceeds. On May 18, 2015, the Company sold an additional 367,500 shares of its common stock, at a public offering price of \$14.85 per share, raising approximately \$5,457 in gross proceeds pursuant to the underwriters' exercise of the over-allotment option. Aggregate underwriters' discounts and commissions were \$1,692 and offering costs were \$295, resulting in net proceeds of \$39,853 on these non-ATM program issuances during the year ended December 31, 2015.

On July 1, 2016, the Company amended the ATM securities offering program with MLV and JMP to replace MLV with FBR Capital Markets & Co. (FBR), an affiliate of MLV (the Prior ATM Program). On May 12, 2017, the Company entered into new equity distribution agreements with each FBR and JMP that reference the Company's current registration statement (the ATM Program). All other material terms of the Prior ATM Program remain unchanged under the ATM Program. During the year ended December 31, 2016, there were no stock issuances under the Prior ATM Program. During the year ended December 31, 2017, the Company sold 173,939 shares at an average price of \$15.71 per share for gross proceeds of \$2,732 under the Prior ATM Program and no shares were sold under the ATM Program. Aggregate underwriters' discounts and commissions were \$41 and offering costs were \$23, resulting in net proceeds of approximately \$2,668.

On July 25, 2016, the Company closed a public offering of 3,100,000 shares of common stock at a public offering price of \$15.50 per share, raising approximately \$48,050 in gross proceeds. On August 3, 2016, the Company sold an additional 465,000 shares of common stock, at a public offering price of \$15.50 per share, raising approximately \$7,208 in gross proceeds pursuant to the underwriters' exercise of the over-allotment option. Aggregate underwriters' discounts and commissions were \$2,210 and offering costs were \$528, resulting in net proceeds of \$52,520.

On June 9, 2017, the Company closed a public offering of 3,000,000 shares of its common stock at a public offering price of \$15.00 per share, raising approximately \$45,000 in gross proceeds. On June 14, 2017, pursuant to the underwriters' exercise of the over-allotment option, the Company sold an additional 450,000 shares of its common stock, at a public offering price of \$15.00 per share, raising an additional \$6,750 in gross proceeds for a total of \$51,750. Aggregate underwriters' discounts and commissions were \$2,070 and offering costs were \$127, resulting in net proceeds of approximately \$49,553.

Note 11. Commitments and Contingencies

Commitments: As of December 31, 2017 and 2016, the Company had \$41,238 and \$37,716, respectively, in outstanding commitments to fund investments under undrawn revolvers, capital expenditure loans and delayed draw commitments. As described in Note 3, the Company had commitments up to \$40,500 to SLF as of December 31, 2017, that may be contributed primarily for the purpose of funding new investments approved by the SLF investment committee.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(in thousands, except share and per share data)

Note 11. Commitments and Contingencies (continued)

Indemnifications: In the normal course of business, the Company enters into contracts and agreements that contain a variety of representations and warranties that provide general indemnifications. The Company's maximum exposure under these agreements is unknown, as these involve future claims that may be made against the Company but that have not occurred. The Company expects the risk of any future obligations under these indemnifications to be remote.

Concentration of credit and counterparty risk: Credit risk arises primarily from the potential inability of counterparties to perform in accordance with the terms of the contract. In the event that the counterparties do not fulfill their obligations, the Company may be exposed to risk. The risk of default depends on the creditworthiness of the counterparties or issuers of the instruments. It is the Company's policy to review, as necessary, the credit standing of each counterparty.

Market risk: The Company's investments and borrowings are subject to market risk. Market risk is the potential for changes in the value due to market changes. Market risk is directly impacted by the volatility and liquidity in the markets in which the investments and borrowings are traded.

Legal proceedings: In the normal course of business, the Company may be subject to legal and regulatory proceedings that are generally incidental to its ongoing operations. While there can be no assurance of the ultimate disposition of any such proceedings, the Company is not currently aware of any such proceedings or disposition that would have a material adverse effect on the Company's consolidated financial statements.

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(in thousands, except share and per share data)****Note 12. Financial Highlights**

The financial highlights for the Company are as follows:

	For the years ended December 31,									
	2017		2016		2015		2014		2013	
Per share data:										
Net asset value at beginning of year	\$	14.52	\$	14.19	\$	14.05	\$	13.92	\$	14.54
Net investment income ⁽¹⁾		1.40		1.55		1.60		1.57		1.13
Net gain (loss) on investments, secured borrowings, foreign currency transactions and foreign currency borrowings ⁽¹⁾	(0.75	)	0.13	(0.07	)	(0.12	)	0.15		
Net increase in net assets from operations ⁽¹⁾	0.65		1.68	1.53		1.45		1.28		
Stockholder distributions income	(1.40	)	(1.40	)	(1.40	)	(1.36	)	(1.15)
Stockholder distributions return of capital								(0.21)	
Effect of share issuance above (below) NAV ⁽²⁾			0.05						(0.57)
Effect of share repurchases ⁽²⁾							0.04		0.03	
Other ⁽²⁾					0.01					
Net asset value at end of year	\$	13.77	\$	14.52	\$	14.19	\$	14.05	\$	13.92
Net assets at end of year	\$	278,699	\$	240,850	\$	184,535	\$	133,738	\$	138,092
Shares outstanding at end of year		20,239,957		16,581,869		13,008,007		9,517,910		9,918,269
Per share market value at end of year	\$	13.75	\$	15.38	\$	13.09	\$	14.46	\$	12.20
Total return based on market value ⁽³⁾	(1.82	)%	28.95	%	(0.21	)%	30.67	%	(9.29)%
Total return based on average net asset value ⁽⁴⁾	4.58	%	11.70	%	11.04	%	10.34	%	9.17	%
Ratio/Supplemental data:										
Ratio of net investment income to average net assets ⁽⁵⁾	9.80	%	10.81	%	11.56	%	11.20	%	7.71	%
Ratio of total expenses, net of incentive fee waiver, to average net assets ⁽⁵⁾	9.46	%	10.81	%	11.20	%	11.03	%	8.53	%
Average debt outstanding	\$	179,500	\$	156,358	\$	119,860	\$	92,410	\$	42,103
Average debt outstanding per share	\$	9.64	\$	10.75	\$	10.26	\$	9.63	\$	5.52
Portfolio turnover	39.39	%	22.41	%	30.70	%	47.03	%	39.77	%

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- (1) Calculated using the weighted average shares outstanding during the years presented. Includes the effect of share issuances above (below) net asset value and the impact of different share amounts used in calculating per share data as a result of calculating certain per share data based on weighted average shares
- (2) outstanding during the year and certain per share data based on shares outstanding as of a period end or transaction date.
- (3) Total return based on market value is calculated assuming a purchase of common shares at the market value on the first day and a sale at the market value on the last day of the periods reported. Distributions, if any, are assumed for purposes of this calculation to be reinvested at prices obtained under the Company's DRIP. Total return based on market value does not reflect brokerage commissions.

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(in thousands, except share and per share data)****Note 12. Financial Highlights (continued)**

(4) Total return based on average net asset value is calculated by dividing the net increase in net assets from operations by the average net asset value.

(5) The following is a schedule of supplemental ratios for the years presented.

	2017	2016	2015	2014	2013
Ratio of interest and other debt financing expenses to average net assets	3.13%	3.26%	3.33%	3.23%	2.59%
Ratio of total expenses (without incentive fees) to average net assets	7.43%	8.17%	8.31%	8.42%	7.15%
Ratio of incentive fees, net of incentive fee waiver, to average net assets ⁽⁶⁾	2.03%	2.64%	2.89%	2.61%	1.38%

(6) The ratio of waived incentive fees to average net assets was 0.12%, 0.13%, zero, zero and zero for the years ended December 31, 2017, 2016, 2015, 2014 and 2013, respectively.

Note 13. Subsequent Events

The Company has evaluated subsequent events through March 14, 2018, the date on which the consolidated financial statements were issued.

On March 1, 2018, the Board declared a quarterly distribution of \$0.35 per share payable on March 30, 2018 to holders of record on March 16, 2018.

Note 14. Selected Quarterly Financial Data (unaudited)

	For the quarter ended			
	December 31, 2017	September 30, 2017	June 30, 2017	March 31, 2017
Total investment income	\$13,364	\$13,469	\$12,268	\$12,006
Net investment income	\$6,995	\$6,887	\$6,088	\$6,034
Net gain (loss) on investments, secured borrowings, foreign currency transactions and foreign currency borrowings	\$(4,754)	\$(569)	\$(5,064)	\$(3,465)
Net increase (decrease) in net assets resulting from operations	\$2,241	\$6,318	\$1,024	\$2,569

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Net investment income per share basic and diluted	\$0.35	\$0.34	\$0.35	\$0.36
Net increase (decrease) in net assets resulting from operations per share basic and diluted	\$0.11	\$0.31	\$0.06	\$0.15
Net asset value per share at period end	\$13.77	\$14.01	\$14.05	\$14.34

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(in thousands, except share and per share data)****Note 14. Selected Quarterly Financial Data (unaudited)
(continued)**

	For the quarter ended			
	December 31, 2016	September 30, 2016	June 30, 2016	March 31, 2016
Total investment income	\$11,233	\$11,128	\$11,118	\$11,539
Net investment income	\$5,377	\$5,583	\$5,759	\$5,787
Net gain (loss) on investments and secured borrowings	\$2,155	\$(1,971)	\$(482)	\$2,157
Net increase (decrease) in net assets resulting from operations	\$7,532	\$3,612	\$5,277	\$7,944
Net investment income per share basic and diluted	\$0.32	\$0.36	\$0.44	\$0.44
Net increase (decrease) in net assets resulting from operations per share basic and diluted	\$0.45	\$0.23	\$0.41	\$0.61
Net asset value per share at period end	\$14.52	\$14.42	\$14.50	\$14.45

	For the quarter ended			
	December 31, 2015	September 30, 2015	June 30, 2015	March 31, 2015
Total investment income	\$10,126	\$9,172	\$9,519	\$8,081
Net investment income	\$5,005	\$4,498	\$5,071	\$4,167
Net gain (loss) on investments and secured borrowings	\$(793)	\$242	\$(7)	\$(291)
Net increase (decrease) in net assets resulting from operations	\$4,212	\$4,740	\$5,064	\$3,876
Net investment income per share basic and diluted	\$0.39	\$0.36	\$0.43	\$0.44
Net increase (decrease) in net assets resulting from operations per share basic and diluted	\$0.33	\$0.38	\$0.43	\$0.41
Net asset value per share at period end	\$14.19	\$14.21	\$14.18	\$14.11

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Monroe Capital Corporation

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% Notes due 2023

Prospectus Supplement

Ladenburg Thalmann

BB&T Capital Markets

Janney Montgomery Scott

B. Riley FBR

Oppenheimer & Co.

William Blair

National Securities Corporation

Wedbush Securities

, 2018
