

Kayne Anderson Midstream/Energy Fund Announces Distribution of \$0.09 per Share for Q2 2020

Houston, TX – June 8, 2020 – Kayne Anderson Midstream/Energy Fund, Inc. (NYSE: KMF) (the “Fund”) announced today a quarterly distribution of \$0.09 per share for the fiscal quarter ended May 31, 2020. This distribution, which is payable to common stockholders on June 30, 2020 (as outlined in the table below), is in replacement of the monthly distributions that otherwise would have been made in April, May, and June 2020.

As previously announced in March, the Fund plans to pay quarterly distributions to common stockholders in future periods (as opposed to monthly distributions), with the next distribution expected to be declared and paid in September 2020. Payment of future distributions is subject to the Board of Directors’ approval, as well as meeting the covenants of the Fund’s debt agreements and terms of its preferred stock.

The distribution payable in June (\$0.09 per share) represents a reduction of 60% compared to the prior distribution rate (\$0.225 per share on a quarterly basis). The Fund’s management and its Board of Directors recognize that distributions are a significant part of the value proposition that it provides to its investors but, for the reasons outlined below, believe this reduction in the Fund’s distribution rate was the prudent decision.

The decline in equity prices for midstream companies from mid-February to mid-March was unprecedented. The Alerian MLP Index fell by approximately 65% during this time period, by far the largest one-month decline in its 25-year history. The Fund reduced its leverage levels by 54% during March and April in response to these declines. This reduction in leverage, which was funded by selling a portion of KMF’s portfolio investments, negatively impacted the Fund’s net distributable income (“NDI”). More recently, several midstream companies in KMF’s portfolio elected to reduce their distributions in response to the challenging market conditions, which also reduced the Fund’s NDI. The Fund’s revised distribution rate takes into account these negative impacts.

While there are signs that economic activity has bottomed, there is still uncertainty about the pace of recovery in economic activity as well as the timing and magnitude of the rebound in demand for energy-related commodities. The Fund’s Board of Directors will continue to monitor the recovery of the energy markets and changes in the distribution policies of midstream companies in KMF’s portfolio in conjunction with declaring distributions in future quarters.

<u>Ex-Date</u>	<u>Record Date</u>	<u>Payment Date</u>	<u>Distribution Amount</u>	<u>Return of Capital Estimate</u>⁽¹⁾
6/17/20	6/18/20	6/30/20	\$0.09	60%

(1) The return of capital estimate is based on the Fund’s anticipated earnings and profits for fiscal 2020. The final determination of the tax character of distributions will be made in early 2021 and may differ substantially from this preliminary information.

###

Kayne Anderson Midstream/Energy Fund, Inc. is a non-diversified, closed-end management investment company registered under the Investment Company Act of 1940, as amended, whose common stock is

traded on the NYSE. KMF's investment objective is to provide a high level of total return with an emphasis on 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. KMF 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 for a description of these investment categories and for the meaning of capitalized terms.

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

This press release 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. Nothing contained in this press release 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.

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 detail in the Fund's filings with the SEC, available at www.sec.gov. 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 objectives will be attained.*

Contact:

KA Fund Advisors, LLC
Investor Relations
877-657-3863
cef@kaynecapital.com
www.kaynefunds.com