Kayne Anderson MLP Investment CO
Form 497
February 25, 2014

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Filed pursuant to Rule 497(e)

under the Securities Act of 1933,

as amended, File No. 333-192144

PROSPECTUS AMENDMENT

KAYNE ANDERSON MLP INVESTMENT COMPANY

Kayne Anderson MLP Investment Company (the Company , we , us , or our), is a non-diversified, closed-end management investment company registered under the Investment Company Act of 1940, as amended (the 1940 Act). Our investment objective is to obtain a high after-tax total return by investing at least 85% of our total assets in energy-related partnerships and their affiliates (collectively, master limited partnerships or MLPs) and in other companies that, as their principal business, operate assets used in the gathering, transporting, processing, storing, refining, distributing, mining or marketing of natural gas, natural gas liquids, crude oil, refined petroleum products or coal (collectively with MLPs, Midstream Energy Companies). We also must comply with the rule of the Securities and Exchange Commission (the SEC) regarding investment company names, which requires us, under normal market conditions, to invest at least 80% of our total assets in MLPs so long as MLP is in our name. Our shares of common stock are listed on the New York Stock Exchange (NYSE) under the symbol KYN.

We began investment activities in September 2004 following our initial public offering. As of December 31, 2013, we had net assets applicable to our common stock of approximately $3.5 billion and total assets of approximately $6.4 billion.

Investment Adviser

KA Fund Advisors, LLC (KAFA or the Adviser) is our investment adviser, responsible for implementing and administering our investment strategy. KAFA is a subsidiary of Kayne Anderson Capital Advisors, L.P. (KACALP and, together with KAFA, Kayne Anderson). Each of KAFA and KACALP is an SEC-registered investment adviser. As of November 30, 2013, Kayne Anderson and its affiliates managed approximately $25 billion, including approximately $16 billion in MLPs and other Midstream Energy Companies. Kayne Anderson has invested in MLPs and other Midstream Energy Companies since 1998. We believe that Kayne Anderson has developed an understanding of the MLP market that enables it to identify and take advantage of public MLP investment opportunities. In addition, Kayne Anderson s senior professionals have developed a strong reputation in the energy sector and have many long-term relationships with industry managers, which we believe gives Kayne Anderson an important advantage in sourcing and structuring private investments.

(Continued on the following page)

Investing in our securities involves risk. See Risk Factors beginning on page 6 of the accompanying prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these Securities or passed upon the accuracy or adequacy of this prospectus amendment. Any representation to the contrary is a criminal offense.

February 24, 2014

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You should read this prospectus amendment and the accompanying prospectus before deciding whether to invest and retain it for future reference. A statement of additional information, dated December 12, 2013 (SAI), as supplemented from time to time, containing additional information about us, has been filed with the SEC and is incorporated by reference in its entirety into this prospectus amendment.

You can obtain, without charge, copies of our SAI, the table of contents of which is on page 85 of the accompanying prospectus and our annual, semi-annual and quarterly reports and you may request other information or make stockholder inquiries, in each case by calling toll-free at (877) 657-3863, or by writing to us at 811 Main Street, 14th Floor, Houston, Texas 77002, Attention: Investor Relations Department. Our annual, semi-annual and quarterly reports are also available on our website at http://www.kaynefunds.com. Information included on such website does not form part of this amendment.

You should rely only on the information contained or incorporated by reference in this prospectus amendment and the accompanying prospectus. This prospectus amendment and the accompanying prospectus set forth certain information about us that a prospective investor should carefully consider before making an investment in our securities. This prospectus amendment adds to and updates information contained in the accompanying prospectus and the documents incorporated by reference in the accompanying prospectus. If any statement in this prospectus amendment or the accompanying prospectus is inconsistent with a statement in another document having a later date and incorporated by reference into the accompanying prospectus or this prospectus amendment, the statement in the incorporated document having the later date modifies or supersedes the earlier statement. We have not authorized anyone to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not making an offer to sell our securities in any jurisdiction where the offer or sale is not permitted or where the person making the offer or sale is not qualified to do so or to any person to whom it is not permitted to make such offer or sale. The information contained in or incorporated by reference in this prospectus amendment and the accompanying prospectus is accurate only as of the respective dates on their front covers, regardless of the time of delivery of this prospectus amendment, the accompanying prospectus, or the sale of our securities. Our business, financial condition, results of operations and prospects may have changed since that date.

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CAUTIONARY NOTICE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus amendment, the accompanying prospectus and the SAI contain forward-looking statements. All statements other than statements of historical facts included in this prospectus amendment, the accompanying prospectus or the SAI that address activities, events or developments that we expect, believe or anticipate will or may occur in the future are forward-looking statements including, in particular, the statements about our plans, objectives, strategies and prospects regarding, among other things, our financial condition, results of operations and business. We have identified some of these forward-looking statements with words like believe, may, could, might, forecast, possible, p project, will, should, expect, intend, plan, predict, anticipate, estimate, approximate or continue and other words and terms and the negative of such terms. Such forward-looking statements may be contained in this prospectus amendment as well as in the accompanying prospectus. These forward-looking statements are based on current expectations about future events affecting us and are subject to uncertainties and factors relating to our operations and business environment, all of which are difficult to predict and many of which are beyond our control. Many factors mentioned in our discussion in this prospectus amendment, the accompanying prospectus or the SAI, including the risks outlined under Risk Factors in the accompanying prospectus, will be important in determining future results. In addition, several factors that could materially affect our actual results are the ability of the MLPs and other Midstream Energy Companies in which we invest to achieve their objectives, our ability to source favorable private investments, the timing and amount of distributions and dividends from the MLPs and other Midstream Energy Companies in which we intend to invest, the dependence of our future success on the general economy and its impact on the industries in which we invest and other factors discussed in our periodic filings with the SEC.

Although we believe that the expectations reflected in our forward-looking statements are reasonable, we do not know whether our expectations will prove correct. They can be affected by inaccurate assumptions we might make or by known or unknown risks and uncertainties. The factors identified above are believed to be important factors, but not necessarily all of the important factors, that could cause our actual results to differ materially from those expressed in any forward-looking statement. Unpredictable or unknown factors could also have material adverse effects on us. Since our actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements, we cannot give any assurance that any of the events anticipated by the forward-looking statements will occur or, if any of them do, what impact they will have on our results of operations and financial condition. All forward-looking statements included in this prospectus amendment, the accompanying prospectus or the SAI, are expressly qualified in their entirety by the foregoing cautionary statements. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of such documents. We do not undertake any obligation to update, amend or clarify these forward-looking statements or the risk factors contained therein, whether as a result of new information, future events or otherwise, except as may be required under the federal securities laws. We acknowledge that, notwithstanding the foregoing statements, the Private Securities Litigation Reform Act of 1995 does not apply to investment companies such as us.

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RESULTS OF THE EXCHANGE OFFER

On August 22, 2013, we issued $175,000,000 in aggregate principal amount of unregistered Series HH Floating Rate Senior Notes due August 19, 2016, bearing interest at a floating rate per annum equal to 3-month LIBOR plus 1.25%, resetting quarterly (the Initial Series HH Notes). In connection with the issuance of the Initial Series HH Notes, the Company entered into a registration rights agreement with UBS Securities LLC, as the initial purchaser of the Initial Series HH Notes and acting for the benefit of the holders from time to time of the Initial Series HH Notes (the Registration Rights Agreement), pursuant to which the Company agreed to, among other things, (i) file with the SEC, and use its reasonable best efforts to cause to become effective, a registration statement with respect to its new Series HH Floating Rate Senior Notes due August 19, 2016, bearing interest at a floating rate per annum equal to 3-month LIBOR plus 1.25%, resetting quarterly (the Exchange Offer Registration Statement), which such new Series HH Floating Rate Senior Notes would be identical in all material respects to the Old Notes, except for reference to the restrictive legends on the Initial Series HH Notes (the New Notes), and (ii) complete an exchange offer of the registered New Notes for any and all outstanding unregistered Initial Series HH Notes (the Exchange Offer).

On December 12, 2013, the Exchange Offer Registration Statement, initially filed with the SEC on November 6, 2013, was declared effective and the Company commenced the Exchange Offer. The Exchange Offer expired at 12:00 midnight on January 10, 2014. Of the $175,000,000 in aggregate principal amount of unregistered Old Notes outstanding at the commencement of the Exchange Offer, $174,700,000 in aggregate principal amount was tendered and accepted for exchange for registered New Notes before expiration of the Exchange Offer. The closing of the Exchange Offer occurred on January 16, 2014.

Pursuant to the Registration Rights Agreement, we agreed to use our commercially reasonable efforts to keep the Exchange Offer Registration Statement effective and to amend and supplement the prospectus contained therein, in order to permit such prospectus to be lawfully delivered by all persons subject to the prospectus delivery requirements of the Securities Act for such period of time as such persons must comply with such requirements in order to resell the New Notes; provided however, that (i) in the case where such prospectus and any amendment or supplement thereto must be delivered by an Exchanging Dealer, such period shall be the lesser of 180 days and the date on which all Exchanging Dealers have sold all New Notes held by them (subject to the suspension periods discussed below) and (ii) the Company shall make such prospectus and any amendment or supplement thereto, available to any broker-dealer for use in connection with any resale of any New Notes for a period of not less than 180 days after the consummation of the Exchange Offer.

We have the right to suspend sales under the Exchange Offer Registration Statement, to defer the updating of the Exchange Offer Registration Statement and to suspend sales thereunder for a period of not more than sixty (60) consecutive days (and, in the aggregate, not more than ninety (90) days) per any one year period, if it determines that it would be materially detrimental to the Company to file such Exchange Offer Registration Statement or continue sales under such Exchange Offer Registration Statement and concludes, as a result, that it is in our best interests and the best interests of our stockholders to defer the filing of such Exchange Offer Registration Statement or suspend such sales under such Exchange Offer Registration Statement at such time. An Exchanging Dealer is defined under the Registration Rights Agreement as any Holder (which may include the initial purchaser) that is a broker-dealer and elects to exchange for New Notes any Old Notes that it acquired for its own account as a result of market-making activities or other trading activities (but not directly from the Company or any affiliate of the Company.

KAYNE ANDERSON MLP INVESTMENT COMPANY 2013 ANNUAL FINANCIAL STATEMENTS

On January 17, 2014, we filed our Annual Report to Stockholders on Form N-CSR with the SEC (the 2013 Annual Report). The 2013 Annual Report included the Company s audited financial statements, and the accompanying notes thereto, as of and for the year ended November 30, 2013 and financial highlights for period September 28, 2004 through November 30, 2004 and for the fiscal years ended November 30, 2005 through 2013 (the 2013 Annual Audited Financial Statements). This prospectus amendment includes the 2013 Annual Audited Financial Statements updating the financial statements in the Exchange Offer Registration Statement dated December 12, 2013 relating to the New Notes, which accompanies this prospectus amendment.

FOLLOW-ON OFFERING OF SERIES HH FLOATING RATE SENIOR NOTES DUE 2016

On February 7, 2014, we completed a private offering of $75,000,000 aggregate principal amount of Series HH floating rate senior notes due 2016 (the Follow-on Series HH Notes). The Follow-on Series HH Notes consisted of an additional issuance of our Initial Series HH Notes. The Follow-on Series HH Notes became part of the same series as the outstanding Initial Series HH Notes. The Follow-on Series HH Notes and the Initial Series HH Notes bear interest at a floating rate per annum equal to 3-month LIBOR plus 1.25%, will be reset quarterly and will mature on August 19, 2016.

The Follow-on Series HH Notes were not registered under the Securities Act or any state securities laws and were sold only to qualified institutional buyers under Rule 144A of the Securities Act.

Similar to the Initial Series HH Notes, pursuant to a registration rights agreement, we agreed to file an exchange offer registration statement and, under certain circumstances, a shelf registration statement. If we fail to comply with certain of our obligations under such registration rights agreement, we will pay additional interest to the holders of the Follow-on Series HH Notes.

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REGISTRATION STATEMENT

A Registration Statement on Form N-14, including amendments and post-effective amendments thereto (collectively, the Registration Statement) relating to our securities offered hereby, has been filed by us with the SEC, Washington, D.C. This prospectus amendment, the accompanying prospectus and the SAI do not contain all of the information set forth in the Registration Statement, including any exhibits and schedules thereto. For further information with respect to us and our securities offered hereby, reference is made to our Registration Statement. Statements contained in this prospectus amendment, the accompanying prospectus or the SAI as to the contents of any contract or other document referred to are not necessarily complete and in each instance reference is made to the copy of such contract or other document filed as an exhibit to the Registration Statement, each such statement being qualified in all respects by such reference. Copies of the Registration Statement may be inspected without charge at the SEC s principal office in Washington, D.C., and copies of all or any part thereof may be obtained from the SEC upon the payment of certain fees prescribed by the SEC.

EXPERTS

Our 2013 Audited Financial Statements included in this prospectus amendment, have been audited by PricewaterhouseCoopers LLP, independent registered public accounting firm, as set forth in their report therein, and are included in reliance upon such report given upon the authority of such firm as experts in accounting and auditing. PricewaterhouseCoopers LLP provides auditing services to us. The principal business address of PricewaterhouseCoopers LLP is 601 South Figueroa, Los Angeles, California 90017.

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FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED NOVEMBER 30, 2013 AND FINANCIAL HIGHLIGHTS FOR THE PERIOD SEPTEMBER 28, 2004 THROUGH NOVEMBER 30, 2004 AND FOR THE FISCAL YEARS ENDED NOVEMBER 30, 2005 THROUGH 2013

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS: This prospectus amendment and the accompanying prospectus of Kayne Anderson MLP Investment Company (the Company) 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 statements, which generally are not historical in nature. Forward-looking statements are subject to certain risks and uncertainties that could cause actual results to materially differ from the Company 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; master limited partnership (MLP) industry risk; leverage risk; valuation risk; interest rate risk; tax risk; and other risks discussed in the Company s filings with the Securities and Exchange Commission (SEC). You should not place undue reliance on forward-looking statements, which speak only as of the date they are made. The Company undertakes no obligation to update or revise any forward-looking statements made herein. There is no assurance that the Company s investment objectives will be attained.

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KAYNE ANDERSON MLP INVESTMENT COMPANY

PORTFOLIO SUMMARY

(UNAUDITED)

Portfolio Investments by Category

November 30, 2013 **November 30, 2012**

Top 10 Holdings by Issuer

	Holding	Sector	Percent of Total Investments* as of November 30, 2013	2012
1.	Enterprise Products Partners L.P.	Midstream MLP	9.0%	8.9%
2.	MarkWest Energy Partners, L.P.	Midstream MLP	6.0	5.6
3.	Plains All American Pipeline, L.P.	Midstream MLP	5.7	7.1
4.	Williams Partners L.P.	Midstream MLP	5.7	4.3
5.	Energy Transfer Partners, L.P.	Midstream MLP	5.2	0.8
6.	Kinder Morgan Management, LLC	Midstream MLP	5.2	7.5
7.	DCP Midstream Partners, LP	Midstream MLP	4.0	2.5
8.	Crestwood Midstream Partners LP	Midstream MLP	3.9	2.5
9.	ONEOK Partners, L.P.	Midstream MLP	3.5	3.7
10.	Regency Energy Partners LP	Midstream MLP	3.4	3.9

* Includes cash and repurchase agreement (if any).

KAYNE ANDERSON MLP INVESTMENT COMPANY

MANAGEMENT DISCUSSION

(UNAUDITED)

Company Overview

Kayne Anderson MLP Investment Company is a non-diversified, closed-end fund that commenced operations in September 2004. Our investment objective is to obtain a high after-tax total return by investing at least 85% of our total assets in energy-related master limited partnerships and their affiliates (MLPs) and in other companies that operate assets used in the gathering, transporting, processing, storing, refining, distributing, mining or marketing of natural gas, natural gas liquids, crude oil, refined petroleum products or coal (collectively with MLPs, Midstream Energy Companies).

As of November 30, 2013, we had total assets of $6.3 billion, net assets applicable to our common stock of $3.4 billion (net asset value of $34.30 per share), and 100.4 million shares of common stock outstanding.

Our investments are principally in equity securities issued by MLPs, but we also may invest in debt securities of MLPs and equity/debt securities of other Midstream Energy Companies. As of November 30, 2013, we held $6.2 billion in equity investments and no debt investments.

Recent Events

On September 16, 2013, we completed a public offering of Series G mandatory redeemable preferred stock with a $50 million aggregate liquidation value. The Series G shares pay cash dividends at a rate of 4.60% per annum. The net proceeds from this offering were used to make new portfolio investments, to repay indebtedness, and for general corporate purposes.

On September 24, 2013, we put in place an at-the-market offering program (or ATM program). This ATM program enables us to sell newly issued shares of common stock at the market prices through ordinary brokers transactions. During our fiscal fourth quarter, we sold 0.5 million shares ($18 million) pursuant to the ATM.

Results of Operations For the Three Months Ended November 30, 2013

Investment Income. Investment income totaled $10.9 million for the quarter and consisted primarily of net dividends and distributions on our investments. We received $88.1 million of dividends and distributions, of which $76.3 million was treated as return of capital and $0.8 million was distributions in excess of cost basis. We received $6.0 million of paid-in-kind dividends during the quarter, which are not included in investment income, but are reflected as an unrealized gain.

Operating Expenses. Operating expenses totaled $36.9 million, including $20.2 million of net investment management fees, $10.4 million of interest expense (including non-cash amortization of debt offering costs of $0.5 million), and $1.1 million of other operating expenses. Preferred stock distributions for the quarter were $5.2 million (including non-cash amortization of offering costs of $0.3 million).

Net Investment Loss. Our net investment loss totaled $18.1 million and included a current tax benefit of $3.0 million and deferred income tax benefit of $4.9 million.

Net Realized Gains. We had net realized gains from our investments of $30.0 million, net of $10.1 million of current tax expense and $6.2 million of deferred tax expense.

Net Change in Unrealized Gains. We had a net increase in our unrealized gains of $175.8 million. The net change consisted of a $274.9 million increase in our unrealized gains on investments and a deferred tax expense of $99.1 million.

Net Increase in Net Assets Resulting from Operations. We had an increase in net assets resulting from operations of $187.7 million. This increase was comprised of a net investment loss of $18.1 million, net realized gains of $30.0 million and net increase in unrealized gains of $175.8 million, as noted above.

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KAYNE ANDERSON MLP INVESTMENT COMPANY

MANAGEMENT DISCUSSION

(UNAUDITED)

Results of Operations For the Fiscal Year Ended November 30, 2013

Investment Income. Investment income totaled $40.0 million for the fiscal year and consisted primarily of net dividends and distributions on our investments. We received $310.0 million of dividends and distributions, of which $267.2 million was treated as return of capital and $3.1 million was distributions in excess of cost basis. Return of capital was increased by $0.3 million due to the 2012 tax reporting information that we received in the fiscal third quarter 2013. Interest and other income was $0.3 million. We received $26.3 million of paid-in-kind dividends during the fiscal year, which are not included in investment income, but are reflected as an unrealized gain.

Operating Expenses. Operating expenses totaled $140.1 million, including $72.9 million of net investment management fees, $40.8 million of interest expense (including non-cash amortization of debt offering costs of $2.1 million), and $4.1 million of other operating expenses. Preferred stock distributions for the fiscal year were $22.3 million (including non-cash amortization of offering costs of $2.8 million).

Net Investment Loss. Our net investment loss totaled $69.8 million and included a current tax benefit of $5.4 million and deferred income tax benefit of $24.9 million.

Net Realized Gains. We had net realized gains from our investments of $202.5 million, net of $21.0 million of current tax expense and $96.0 million of deferred tax expense.

Net Change in Unrealized Gains. We had a net increase in our unrealized gains of $603.8 million. The net change consisted of a $952.5 million increase in our unrealized gains on investments and a deferred tax expense of $348.7 million.

Net Increase in Net Assets Resulting from Operations. We had an increase in net assets resulting from operations of $736.5 million. This increase was comprised of a net investment loss of $69.8 million, net realized gains of $202.5 million and net increase in unrealized gains of $603.8 million, as noted above.

Distributions to Common Stockholders

We pay quarterly distributions to our common stockholders, funded generally by net distributable income (NDI) generated from our portfolio investments. NDI is the amount of income received by us from our portfolio investments less operating expenses, subject to certain adjustments as described below. NDI is not a financial measure under the accounting principles generally accepted in the United States of America (GAAP). Refer to the Reconciliation of NDI to GAAP section below for a reconciliation of this measure to our results reported under GAAP.

Income from portfolio investments includes (a) cash dividends and distributions, (b) paid-in-kind dividends received (*i.e.*, stock dividends), (c) interest income from debt securities and commitment fees from private investments in public equity (PIPE investments) and (d) net premiums received from the sale of covered calls.

Operating expenses include (a) investment management fees paid to our investment adviser, (b) other expenses (mostly comprised of fees paid to other service providers), (c) interest expense and preferred stock distributions and (d) current and deferred income tax expense/benefit on net investment income/loss.

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KAYNE ANDERSON MLP INVESTMENT COMPANY

MANAGEMENT DISCUSSION

(UNAUDITED)

Net Distributable Income (NDI)

(amounts in millions, except for per share amounts)

	Three Months Ended November 30, 2013	Fiscal Year Ended November 30, 2013
Distributions and Other Income from Investments		
Dividends and Distributions[1]	$ 88.1	$ 310.0
Paid-In-Kind Dividends and Distributions[1]	6.0	26.3
Interest and Other Income		0.3
Net Premiums Received from Call Options Written		3.2
Total Distributions and Other Income from Investments	94.1	339.8
Expenses		
Investment Management Fee	(20.2)	(72.9)
Other Expenses	(1.1)	(4.1)
Interest Expense	(9.9)	(39.1)
Preferred Stock Distributions	(4.9)	(19.5)
Income Tax Benefit	7.9	30.3
Net Distributable Income (NDI)	**$ 65.9**	**$ 234.5**
Weighted Shares Outstanding	100.1	94.6
NDI per Weighted Share Outstanding	**$ 0.658**	**$ 2.478**
Adjusted NDI per Weighted Share Outstanding	**$ 0.627[2]**	**$ 2.455[2][3]**
Distributions paid per Common Share[4]	**$ 0.610**	**$ 2.350**

(1) See Note 2 (Investment Income) to the Financial Statements for additional information regarding paid-in-kind and non-cash dividends and distributions.

(2) During the three months ended November 30, 2013, Plains All American GP LLC paid a special distribution of $3.2 million. Adjusted NDI excludes this distribution.

(3) Adjusted NDI excludes $0.5 million of premium paid and $0.6 million of accrued dividends as a result of the redemption of Series D mandatory redeemable preferred stock during the second quarter of fiscal 2013.

(4) The distribution of $0.61 per share for the fourth quarter of fiscal 2013 was paid on January 10, 2014. Distributions for fiscal 2013 include the distributions paid in April 2013, July 2013, October 2013 and January 2014.

Payment of future distributions is subject to Board of Directors approval, as well as meeting the covenants of our debt agreements and terms of our preferred stock. In determining our quarterly distribution to common stockholders, our Board of Directors considers a number of factors that include, but are not limited to:

- NDI and Adjusted NDI generated in the current quarter;
- Expected NDI over the next twelve months; and
- Realized and unrealized gains generated by the portfolio.

On December 12, 2013, we declared a quarterly distribution of $0.61 per common share for the fourth quarter of fiscal 2013 (a total distribution of $61.4 million). The distribution represents an increase of 2.5% from the prior quarter s distribution and an increase of 10.9% from the distribution for the quarter ended November 30, 2012. The distribution was paid on January 10, 2014 to common stockholders of record on January 6, 2014.

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KAYNE ANDERSON MLP INVESTMENT COMPANY

MANAGEMENT DISCUSSION

(UNAUDITED)

Reconciliation of NDI to GAAP

The difference between distributions and other income from investments in the NDI calculation and total investment income as reported in our Statement of Operations is reconciled as follows:

GAAP recognizes that a significant portion of the cash distributions received from MLPs is characterized as a return of capital and therefore excluded from investment income, whereas the NDI calculation includes the return of capital portion of such distributions.

GAAP recognizes distributions, received from MLPs, that exceed the cost basis of our securities to be realized gains and are therefore excluded from investment income, whereas the NDI calculation includes these distributions.

NDI includes the value of paid-in-kind dividends and distributions, whereas such amounts are not included as investment income for GAAP purposes, but rather are recorded as unrealized gains upon receipt.

NDI includes commitment fees from PIPE investments, whereas such amounts are generally not included in investment income for GAAP purposes, but rather are recorded as a reduction to the cost of the investment.

Certain of our investments in debt securities were purchased at a discount or premium to the par value of such security. When making such investments, we consider the security s yield to maturity, which factors in the impact of such discount (or premium). Interest income reported under GAAP includes the non-cash accretion of the discount (or amortization of the premium) based on the effective interest method. When we calculate interest income for purposes of determining NDI, in order to better reflect the yield to maturity, the accretion of the discount (or amortization of the premium) is calculated on a straight-line basis to the earlier of the expected call date or the maturity of the debt security.

We may sell covered call option contracts to generate income or to reduce our ownership of certain securities that we hold. In some cases, we are able to repurchase these call option contracts at a price less than the fee that we received, thereby generating a profit. The premium we receive from selling call options, less (i) the premium that we pay to repurchase such call option contracts and (ii) the amount by which the market price of an underlying security is above the strike price at the time a new call option is written (if any), is included in NDI. For GAAP purposes, premiums received from call option contracts sold are not included in investment income. See Note 2 Significant Accounting Policies for a full discussion of the GAAP treatment of option contracts.

The treatment of expenses included in NDI also differs from what is reported in the Statement of Operations as follows:

The non-cash amortization or write-offs of capitalized debt issuance costs and preferred stock offering costs related to our financings is included in interest expense and distributions on mandatory redeemable preferred stock for GAAP purposes, but is excluded from our calculation of NDI.

NDI also includes recurring payments (or receipts) on interest rate swap contracts (excluding termination payments) whereas for GAAP purposes, these amounts are included in the realized gains/losses section of the Statement of Operations.

Liquidity and Capital Resources

Total leverage outstanding at November 30, 2013 of $1,693 million was comprised of $1,175 million of senior unsecured notes (Senior Notes), $69 million outstanding under our unsecured revolving credit facility (the Credit Facility) and $449 million of mandatory redeemable preferred stock. Total leverage represented

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KAYNE ANDERSON MLP INVESTMENT COMPANY

MANAGEMENT DISCUSSION

(UNAUDITED)

27% of total assets at November 30, 2013. As of January 14, 2014, we had $112 million borrowed under our Credit Facility, and we had $1.5 million of cash.

At November 30, 2013, our Credit Facility had a total commitment of $250 million and matures on March 4, 2016. The interest rate varies between LIBOR plus 1.60% and LIBOR plus 2.25%, depending on our asset coverage ratios. Outstanding loan balances accrue interest daily at a rate equal to one-month LIBOR plus 1.60% based on current asset coverage ratios. We pay a fee of 0.30% per annum on any unused amounts of the Credit Facility.

We had $1,175 million of Senior Notes outstanding at November 30, 2013. We have $110 million of Senior Notes that mature in November 2014 that we expect to refinance during the fiscal year. The remaining Senior Notes mature between 2015 and 2025.

As of November 30, 2013, we had $449 million of mandatory redeemable preferred stock outstanding. The mandatory redeemable preferred stock outstanding is subject to mandatory redemption at various dates from 2017 through 2021. On September 16, 2013, we completed a public offering of $50 million of Series G mandatory redeemable preferred stock with a mandatory redemption date of October 1, 2021. The net proceeds from the offering were used to make new portfolio investments, to repay indebtedness, and for general corporate purposes.

At November 30, 2013, our asset coverage ratios under the Investment Company Act of 1940, as amended (the 1940 Act), were 413% for debt and 303% for total leverage (debt plus preferred stock). Our long-term target asset coverage ratio with respect to our debt is 375%, but at times we may be above or below our target depending on market conditions.

As of November 30, 2013, our total leverage consisted of both fixed rate (76%) and floating rate (24%) obligations. At such date, the weighted average interest/dividend rate on our total leverage was 3.51%.

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KAYNE ANDERSON MLP INVESTMENT COMPANY

SCHEDULE OF INVESTMENTS

NOVEMBER 30, 2013

(amounts in 000 s)

Description	No. of Shares/Units	Value
Long-Term Investments 180.9%		
Equity Investments[1] 180.9%		
Midstream MLP[2] 149.9%		
Access Midstream Partners, L.P.	2,793	$ 156,883
Arc Logistics Partners LP[3]	795	16,023
Atlas Pipeline Partners, L.P.	626	21,878
Boardwalk Pipeline Partners, LP	192	5,057
Buckeye Partners, L.P.	2,676	182,200
Crestwood Midstream Partners LP		