

Tax Character of Distributions for 2018

The tax character of the distributions paid by PennantPark Investment Corporation (the “Company”) for calendar year 2018 is set forth below. For tax purposes, the Company is a regulated investment company and is designating the tax character of the distributions you receive as a stockholder for calendar year 2018 in accordance with Subchapter M of the Internal Revenue Code of 1986, as amended (“IRC”).

The amounts shown in the table below represent the final accounting of the Company’s 2018 distributions. This information supersedes any estimated information you may have received during the year. Calendar year 2018 distributions have been classified as follows:

| Record Date | Payment Date | Dividend Per Share | Non-Qualified Ordinary Dividends | Qualified Ordinary Dividends ⁽¹⁾ |
|--------------------|-----------------|-----------------------|--|---|
| March 19, 2018 | April 2, 2018 | \$0.18 | 100.00% | 0.00% |
| June 18, 2018 | July 2, 2018 | \$0.18 | 100.00% | 0.00% |
| September 17, 2018 | October 2, 2018 | \$0.18 | 100.00% | 0.00% |
| December 21, 2018 | January 2, 2019 | \$0.18 | 100.00% | 0.00% |

- (1) The Company hereby reports the portion of its dividends as representing amounts eligible for treatment as qualified dividend income in accordance with IRC Section 854(b) and subject to a maximum 20% U.S. federal personal income tax rate, as well as eligible for the dividends received deduction available to certain U.S. domestic corporations.

Special Notice for Non-U.S. Resident Company Shareholders: In accordance with IRC sections 871(k), 881(e), 1441(c)(12) and 1442(a), 68.4% of the Company’s calendar year 2018 ordinary dividends constitutes interest-related dividends for U.S. federal tax purposes. Please consult with your tax advisor with any questions regarding this information.

Distributions that were reinvested through the Company’s dividend reinvestment plan are treated, for tax purposes, as if they had been paid in cash. Therefore, stockholders who participate in the dividend reinvestment plan should also refer to the above table.

This notice is not intended to constitute tax, legal, investment or other professional advice. Stockholders should be aware that tax treatment is subject to change by law in the future or retroactively. This is general information and should not be relied upon without consulting your tax advisor.

If you have any other questions about this notice, please contact either the American Stock Transfer and Trust Company at 800-937-5449 or PennantPark Investment Corporation’s Investor Relations Department directly at 212-905-1000.