

ARES CAPITAL CORP
Form 10-Q
November 04, 2015
[Table of Contents](#)

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2015

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period to

Commission File No. 814-00663

ARES CAPITAL CORPORATION

(Exact name of Registrant as specified in its charter)

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Maryland
(State or other jurisdiction of
incorporation or organization)

33-1089684
(I.R.S. Employer
Identification Number)

245 Park Avenue, 44th Floor, New York, NY 10167

(Address of principal executive office) (Zip Code)

(212) 750-7300

(Registrant's telephone number, including area code)

N/A

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days: Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of large accelerated filer, accelerated filer, and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer
Non-accelerated filer
(Do not check if a smaller reporting company)

Accelerated filer
Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at November 4, 2015
Common stock, \$0.001 par value	314,468,685

Table of Contents

ARES CAPITAL CORPORATION

INDEX

Part I.	Financial Information	
Item 1.	Financial Statements	
	<u>Consolidated Balance Sheet as of September 30, 2015 (unaudited) and December 31, 2014</u>	3
	<u>Consolidated Statement of Operations for the three and nine months ended September 30, 2015 and 2014 (unaudited)</u>	4
	<u>Consolidated Schedule of Investments as of September 30, 2015 (unaudited) and December 31, 2014</u>	5
	<u>Consolidated Statement of Stockholders' Equity for the nine months ended September 30, 2015 (unaudited)</u>	52
	<u>Consolidated Statement of Cash Flows for the nine months ended September 30, 2015 and 2014 (unaudited)</u>	53
	<u>Notes to Consolidated Financial Statements (unaudited)</u>	54
Item 2.	<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	86
Item 3.	<u>Quantitative and Qualitative Disclosures About Market Risk</u>	114
Item 4.	<u>Controls and Procedures</u>	115
Part II.	<u>Other Information</u>	
Item 1.	<u>Legal Proceedings</u>	115
Item 1A.	<u>Risk Factors</u>	115
Item 2.	<u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	116
Item 3.	<u>Defaults Upon Senior Securities</u>	116
Item 4.	<u>Mine Safety Disclosures</u>	116
Item 5.	<u>Other Information</u>	116
Item 6.	<u>Exhibits</u>	117

Table of Contents**ARES CAPITAL CORPORATION AND SUBSIDIARIES****CONSOLIDATED BALANCE SHEET**

(in thousands, except per share data)

	September 30, 2015 (unaudited)	As of	December 31, 2014
ASSETS			
Investments at fair value			
Non-controlled/non-affiliate company investments	\$ 6,004,141	\$	6,270,075
Non-controlled affiliate company investments	176,252		228,716
Controlled affiliate company investments	2,512,087		2,529,588
Total investments at fair value (amortized cost of \$8,632,775 and \$8,875,095, respectively)	8,692,480		9,028,379
Cash and cash equivalents	247,123		194,555
Interest receivable	135,365		160,981
Receivable for open trades			859
Other assets	98,003		112,999
Total assets	\$ 9,172,971	\$	9,497,773
LIABILITIES			
Debt	\$ 3,653,304	\$	3,924,482
Base management fees payable	33,284		34,497
Income based fees payable	31,842		33,070
Capital gains incentive fees payable	69,820		92,979
Accounts payable and other liabilities	61,395		81,892
Interest and facility fees payable	43,114		46,974
Payable for open trades	410		164
Total liabilities	3,893,169		4,214,058
Commitments and contingencies (Note 7)			
STOCKHOLDERS EQUITY			
Common stock, par value \$0.001 per share, 500,000 common shares authorized; 314,469 and 314,108 common shares issued and outstanding, respectively	314		314
Capital in excess of par value	5,334,249		5,328,057
Accumulated overdistributed net investment income	(46,251)		(32,846)
Accumulated net realized loss on investments, foreign currency transactions, extinguishment of debt and other assets	(66,768)		(166,668)
Net unrealized gains on investments and foreign currency transactions	58,258		154,858
Total stockholders equity	5,279,802		5,283,715
Total liabilities and stockholders equity	\$ 9,172,971	\$	9,497,773
NET ASSETS PER SHARE	\$ 16.79	\$	16.82

See accompanying notes to consolidated financial statements.

Table of Contents**ARES CAPITAL CORPORATION AND SUBSIDIARIES****CONSOLIDATED STATEMENT OF OPERATIONS**

(in thousands, except per share data)

(unaudited)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2015	2014	2015	2014
INVESTMENT INCOME:				
From non-controlled/non-affiliate company investments:				
Interest income from investments	\$ 128,814	\$ 114,552	\$ 376,257	\$ 314,763
Capital structuring service fees	27,883	21,196	49,410	47,890
Dividend income	4,045	8,345	11,957	21,922
Other income	2,583	3,938	8,683	13,840
Total investment income from non-controlled/non-affiliate company investments	163,325	148,031	446,307	398,415
From non-controlled affiliate company investments:				
Interest income from investments	3,629	2,706	10,948	8,901
Capital structuring service fees		369	2,205	1,019
Dividend income	38	1,071	1,407	4,569
Other income	66	69	196	472
Total investment income from non-controlled affiliate company investments	3,733	4,215	14,756	14,961
From controlled affiliate company investments:				
Interest income from investments	75,494	73,554	220,660	216,822
Capital structuring service fees	1,885	10,147	21,416	25,433
Dividend income	10,000	10,271	40,099	40,671
Management and other fees	6,148	6,359	18,421	18,389
Other income	363	819	2,015	3,351
Total investment income from controlled affiliate company investments	93,890	101,150	302,611	304,666
Total investment income	260,948	253,396	763,674	718,042
EXPENSES:				
Interest and credit facility fees	56,618	54,096	171,614	159,740
Base management fees	33,284	32,685	100,221	93,500
Income based fees	31,842	31,345	90,156	85,203
Capital gain incentive fees	(2,628)	13,087	834	24,190
Administrative fees	3,545	3,105	10,515	9,661
Other general and administrative	6,926	6,274	22,652	20,314

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Total expenses	129,587	140,592	395,992	392,608
NET INVESTMENT INCOME BEFORE INCOME TAXES				
Income tax expense, including excise tax	131,361	112,804	367,682	325,434
NET INVESTMENT INCOME	884	7,514	7,025	15,817
REALIZED AND UNREALIZED GAINS (LOSSES) ON INVESTMENTS AND FOREIGN CURRENCY TRANSACTIONS:	130,477	105,290	360,657	309,617
Net realized gains (losses):				
Non-controlled/non-affiliate company investments	19,378	21,800	71,182	32,467
Non-controlled affiliate company investments	25,897	58,560	26,230	58,598
Controlled affiliate company investments		(6,592)		(52,780)
Foreign currency transactions	2,462	2,764	6,327	1,847
Net realized gains	47,737	76,532	103,739	40,132
Net unrealized gains (losses):				
Non-controlled/non-affiliate company investments	(23,322)	(9,590)	(47,050)	196
Non-controlled affiliate company investments	(29,859)	(37,439)	(13,463)	9,607
Controlled affiliate company investments	(7,920)	42,076	(34,535)	77,486
Foreign currency transactions	(254)	870	(1,552)	596
Net unrealized gains (losses)	(61,355)	(4,083)	(96,600)	87,885
Net realized and unrealized gains (losses) from investments and foreign currency transactions	(13,618)	72,449	7,139	128,017
REALIZED LOSSES ON EXTINGUISHMENT OF DEBT			(3,839)	(72)
NET INCREASE IN STOCKHOLDERS EQUITY RESULTING FROM OPERATIONS	\$ 116,859	\$ 177,739	\$ 363,957	\$ 437,562
BASIC AND DILUTED EARNINGS PER COMMON SHARE (see Note 10)	\$ 0.37	\$ 0.57	\$ 1.16	\$ 1.45
WEIGHTED AVERAGE SHARES OF COMMON STOCK OUTSTANDING (see Note 10)	314,469	310,564	314,350	302,315

See accompanying notes to consolidated financial statements.

Table of Contents**ARES CAPITAL CORPORATION AND SUBSIDIARIES****CONSOLIDATED SCHEDULE OF INVESTMENTS**

As of September 30, 2015

(dollar amounts in thousands)

(unaudited)

Company(1)	Business Description	Investment	Interest(5)(11)	Acquisition Date	Amortized Cost	Fair Value	Percentage of Net Assets
Investment Funds and Vehicles							
CIC Flex, LP (10)	Investment partnership	Limited partnership units (0.94 units)		9/7/2007	\$	\$ 263(2)	
Covestia Capital Partners, LP (10)	Investment partnership	Limited partnership interest (47.00% interest)		6/17/2008	487	1,863(2)	
HCI Equity, LLC (8)(9)(10)	Investment company	Member interest (100.00% interest)		4/1/2010		128	
Imperial Capital Private Opportunities, LP (10)(28)	Investment partnership	Limited partnership interest (80.00% interest)		5/10/2007	4,134	19,368(2)	
Partnership Capital Growth Fund I, L.P. (10)	Investment partnership	Limited partnership interest (25.00% interest)		6/16/2006		732(2)	
Partnership Capital Growth Investors III, L.P. (10)(28)	Investment partnership	Limited partnership interest (2.50% interest)		10/5/2011	2,722	2,900(2)	
PCG-Ares Sidecar Investment II, L.P. (10)(28)	Investment partnership	Limited partnership interest (100.00% interest)		10/31/2014	6,516	8,828(2)	
PCG-Ares Sidecar Investment, L.P. (10)(28)	Investment partnership	Limited partnership interest (100.00% interest)		5/22/2014	2,152	713(2)	
Piper Jaffray Merchant Banking Fund I, L.P. (10)(28)	Investment partnership	Limited partnership interest (2.00% interest)		8/16/2012	1,250	1,332(2)	
Senior Secured Loan Fund LLC (8)(11)(29)	Co-investment vehicle	Subordinated certificates (\$2,000,570 par due 12/2024)	8.33% (Libor + 8.00%/M)(23)	10/30/2009	2,000,570	2,000,570	
		Member interest (87.50% interest)		10/30/2009			
					2,000,570	2,000,570	
VSC Investors LLC (10)	Investment company	Membership interest (1.95% interest)		1/24/2008	879	1,661(2)	
					2,018,710	2,038,358	38.61%
Healthcare Services							
Alegeus Technologies Holdings Corp.	Benefits administration and transaction processing provider	Preferred stock (2,997 shares)		12/13/2013	3,087	1,949	
		Common stock (3 shares)		12/13/2013	3		
					3,090	1,949	

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

American Academy Holdings, LLC	Provider of education, training, certification, networking, and consulting services to medical coders and other healthcare professionals	First lien senior secured loan (\$8,810 par due 6/2019)	7.00% (Libor + 6.00%/Q)	6/27/2014	8,810	8,810(2)(19)(22)
		First lien senior secured loan (\$52,039 par due 6/2019)	7.00% (Libor + 6.00%/Q)	6/27/2014	52,039	52,039(3)(19)(22)
		First lien senior secured loan (\$3,198 par due 6/2019)	4.00% (Libor + 3.00%/Q)	6/27/2014	3,198	3,198(4)(22)
					64,047	64,047
AwarePoint Corporation	Healthcare technology platform developer	First lien senior secured loan (\$10,000 par due 6/2018)	9.50%	9/5/2014	9,927	10,000(2)
		Warrant to purchase up to 3,213,367 shares of Series 1 preferred stock		11/14/2014		609(2)
					9,927	10,609
AxelaCare Holdings, Inc. and AxelaCare Investment Holdings, L.P.	Provider of home infusion services	Preferred units (8,664,072 units)		4/12/2013	866	816(2)
		Common units (87,514 units)		4/12/2013	17	8(2)
					883	824

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

As of September 30, 2015

(dollar amounts in thousands)

(unaudited)

Company(1)	Business Description	Investment	Interest(5)(11)	Acquisition Date	Amortized Cost	Fair Value	Percentage of Net Assets
CCS Intermediate Holdings, LLC and CCS Group Holdings, LLC (27)	Correctional facility healthcare operator	First lien senior secured revolving loan (\$1,350 par due 7/2019)	6.25% (Base Rate + 3.00%/Q)	7/23/2014	1,350	1,282(2)(22)	
		First lien senior secured loan (\$6,668 par due 7/2021)	5.00% (Libor + 4.00%/Q)	7/23/2014	6,641	6,335(2)(22)	
		Second lien senior secured loan (\$135,000 par due 7/2022)	9.38% (Libor + 8.38%/Q)	7/23/2014	133,847	126,900(2)(22)	
		Class A units (601,937 units)		8/19/2010		698(2)	
					141,838	135,215	
Correctional Medical Group Companies, Inc. (27)	Correctional facility healthcare operator	First lien senior secured loan (\$26,200 par due 9/2021)	6.25% (Base Rate + 3.00%/Q)	9/29/2015	26,200	26,200(2)(22)	
		First lien senior secured loan (\$3,738 par due 9/2021)	9.61% (Libor + 8.61%/Q)	9/29/2015	3,738	3,738(2)(22)	
		First lien senior secured loan (\$355 par due 9/2021)	10.87% (Base Rate + 7.62%/Q)	9/29/2015	355	355(2)(22)	
		First lien senior secured loan (\$40,833 par due 9/2021)	9.61% (Libor + 8.61%/Q)	9/29/2015	40,833	40,833(3)(22)	
		First lien senior secured loan (\$3,874 par due 9/2021)	10.87% (Base Rate + 7.62%/Q)	9/29/2015	3,874	3,874(3)(22)	
					75,000	75,000	
DCA Investment Holding, LLC (27)	Multi-branded dental practice management company	First lien senior secured loan (\$25,137 par due 7/2021)	6.25% (Libor + 5.25%/Q)	7/2/2015	24,894	24,885(2)(22)	
DNAnexus, Inc.	Bioinformatics company	First lien senior secured loan (\$10,500 par due 10/2018)	9.25% (Libor + 8.25%/M)	3/21/2014	10,178	10,500(2)(22)	
		Warrant to purchase up to 909,092 units of Series C preferred stock		3/21/2014		240(2)	
					10,178	10,740	
Global Healthcare Exchange, LLC and GHX Ultimate Parent Corp.	On-demand supply chain automation solutions provider	Class A common stock (2,991 shares)		3/11/2014	2,991	2,991(2)	
		Class B common stock (980 shares)		3/11/2014	30	3,199(2)	

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

					3,021	6,190
Greenphire, Inc. and RMCF III CIV XXIX, L.P (27)	Software provider for clinical trial management	First lien senior secured loan (\$4,000 par due 12/2018)	9.00% (Libor + 8.00%/M)	12/19/2014	4,000	4,000(2)(22)
		Limited partnership interest (99.90% interest)		12/19/2014	999	999(2)
					4,999	4,999
INC Research Mezzanine Co-Invest, LLC	Pharmaceutical and biotechnology consulting services	Common units (1,410,000 units)		9/27/2010		3,945(2)
Intermedix Corporation	Revenue cycle management provider to the emergency healthcare industry	Second lien senior secured loan (\$112,000 par due 6/2020)	9.25% (Libor + 8.25%/Q)	12/27/2012	112,000	110,880(2)(22)
LM Acquisition Holdings, LLC (9)	Developer and manufacturer of medical equipment	Class A units (426 units)		9/27/2013	660	1,617(2)
MC Acquisition Holdings I, LLC	Healthcare professional provider	Class A units (1,338,314 shares)		1/17/2014	1,338	1,948(2)
MW Dental Holding Corp. (27)	Dental services provider	First lien senior secured revolving loan (\$2,000 par due 4/2017)	8.50% (Libor + 7.00%/M)	4/12/2011	2,000	2,000(2)(22)
		First lien senior secured loan (\$17,762 par due 4/2017)	8.50% (Libor + 7.00%/M)	4/12/2011	17,762	17,762(2)(22)
		First lien senior secured loan (\$24,295 par due 4/2017)	8.50% (Libor + 7.00%/M)	4/12/2011	24,295	24,295(2)(22)
		First lien senior secured loan (\$47,867 par due 4/2017)	8.50% (Libor + 7.00%/M)	4/12/2011	47,867	47,867(3)(22)
		First lien senior secured loan (\$19,795 par due 4/2017)	8.50% (Libor + 7.00%/M)	4/12/2011	19,795	19,795(4)(22)
					111,719	111,719
My Health Direct, Inc. (27)	Healthcare scheduling exchange software solution provider	First lien senior secured loan (\$2,800 par due 1/2018)	10.75%	9/18/2014	2,736	2,800(2)
		Warrant to purchase up to 4,548 shares of Series D preferred stock		9/18/2014	39	40(2)
					2,775	2,840

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

As of September 30, 2015

(dollar amounts in thousands)

(unaudited)

Company(1)	Business Description	Investment	Interest(5)(11)	Acquisition Date	Amortized Cost	Fair Value	Percentage of Net Assets
Napa Management Services Corporation	Anesthesia management services provider	First lien senior secured loan (\$36,734 par due 2/2019)	9.05% (Libor + 8.05%/Q)	4/15/2011	36,734	36,734(2)(22)	
		First lien senior secured loan (\$33,266 par due 2/2019)	9.05% (Libor + 8.05%/Q)	4/15/2011	33,224	33,266(3)(22)	
		Common units (5,345 units)		4/15/2011	5,764	14,159(2)	
					75,722	84,159	
Netsmart Technologies, Inc. and NS Holdings, Inc.	Healthcare technology provider	Second lien senior secured loan (\$90,000 par due 8/2019)	10.50% (Libor + 9.50%/Q)	2/27/2015	90,000	88,200(2)(22)	
		Common stock (2,500,000 shares)		6/21/2010	760	2,587(2)	
					90,760	90,787	
New Trident Holdcorp, Inc.	Outsourced mobile diagnostic healthcare service provider	Second lien senior secured loan (\$80,000 par due 7/2020)	10.25% (Libor + 9.00%/Q)	8/6/2013	78,846	76,000(2)(22)	
Nodality, Inc.	Biotechnology company	First lien senior secured loan (\$7,269 par due 2/2018)	8.90%	4/25/2014	7,111	7,269(2)	
		First lien senior secured loan (\$2,940 par due 8/2018)	8.90%	4/25/2014	2,864	2,940(2)	
		Warrant to purchase up to 164,179 shares of Series B preferred stock		4/25/2014		41(2)	
					9,975	10,250	
OmniSYS Acquisition Corporation, OmniSYS, LLC, and OSYS Holdings, LLC (27)	Provider of technology-enabled solutions to pharmacies	First lien senior secured loan (\$12,372 par due 11/2018)	8.50% (Libor + 7.50%/Q)	11/21/2013	12,372	12,372(2)(22)	
		First lien senior secured loan (\$6,953 par due 11/2018)	8.50% (Libor + 7.50%/Q)	11/21/2013	6,953	6,953(4)(22)	
		Limited liability company membership interest (1.57%)		11/21/2013	1,000	1,188(2)	
					20,325	20,513	
Patterson Medical Supply, Inc.	Distributor of rehabilitation supplies and equipment	Second lien senior secured loan (\$19,000 par due 8/2023)	8.75% (Libor + 7.75%/Q)	9/2/2015	18,810	18,810(2)(22)	
PerfectServe, Inc. (27)				9/15/2015	8,640	9,000(2)(22)	

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

	Communications software platform provider for hospitals and physician practices	First lien senior secured loan (\$9,000 par due 3/2020)	9.00% (Libor + 8.00%/Q)			
		Warrant to purchase up to 28,428 units of Series C preferred stock		9/15/2015	180	180(2)
		Warrant to purchase up to 34,113 units of Series C preferred stock		12/26/2013		215(2)
					8,820	9,395
Physiotherapy Associates Holdings, Inc.	Physical therapy provider	Class A common stock (100,000 shares)		12/31/2013	3,090	4,944
POS I Corp. (fka Vantage Oncology, Inc.)	Radiation oncology care provider	Common stock (62,157 shares)		2/3/2011	4,670	1,011(2)
Press Ganey Holdings, Inc.	Provider of patient surveys, management reports and national databases for the integrated healthcare delivery system	Common stock (47,987 shares)		5/27/2015	292	1,425(2)
Reed Group Holdings, LLC	Medical disability management services provider	Equity interests		4/1/2010		(2)
Respicardia, Inc.	Developer of implantable therapies to improve cardiovascular health	Warrant to purchase up to 99,094 shares of Series C preferred stock		6/28/2012	38	28(2)
Sage Products Holdings III, LLC	Patient infection control and preventive care solutions provider	Second lien senior secured loan (\$108,679 par due 6/2020)	9.25% (Libor + 8.00%/Q)	12/13/2012	108,504	108,679(2)(22)
Sarnova HC, LLC, Tri-Anim Health Services, Inc., and BEMS Holdings, LLC	Distributor of emergency medical service and respiratory products	Second lien senior secured loan (\$60,000 par due 9/2018)	8.75% (Libor + 8.00%/M)	6/30/2014	60,000	60,000(2)(22)
SurgiQuest, Inc.	Medical device company	Warrant to purchase up to 54,672 shares of Series D-4 convertible preferred stock		9/28/2012		(2)
Transaction Data Systems, Inc.	Pharmacy management software provider	Second lien senior secured loan (\$27,500 par due 6/2022)	9.25% (Libor + 8.25%/M)	6/15/2015	27,500	27,500(2)(22)

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

As of September 30, 2015

(dollar amounts in thousands)

(unaudited)

Company(1)	Business Description	Investment	Interest(5)(11)	Acquisition Date	Amortized Cost	Fair Value	Percentage of Net Assets
U.S. Anesthesia Partners, Inc.	Anesthesiology service provider	Second lien senior secured loan (\$50,000 par due 9/2020)	9.00% (Libor + 8.00%/Q)	9/24/2014	50,000	50,000(2)(22)	
Urgent Cares of America Holdings I, LLC	Operator of urgent care clinics	Preferred units (6,000,000 units)		6/11/2015	6,000	6,000	
		Series A common units (2,000,000 units)		6/11/2015	2,000	1,888	
		Series C common units (800,507 units)		6/11/2015		608	
					8,000	8,496	
Young Innovations, Inc.	Dental supplies and equipment manufacturer	Second lien senior secured loan (\$45,000 par due 7/2019)	9.00% (Libor + 8.00%/Q)	5/30/2014	45,000	45,000(2)(22)	
					1,176,721	1,184,404	22.43%
Other Services							
American Residential Services L.L.C.	Heating, ventilation and air conditioning services provider	Second lien senior secured loan (\$50,000 par due 12/2021)	9.00% (Libor + 8.00%/Q)	6/30/2014	49,583	50,000(2)(22)	
Community Education Centers, Inc. and CEC Parent Holdings LLC (8)	Offender re-entry and in-prison treatment services provider	First lien senior secured loan (\$13,957 par due 12/2017)	6.25% (Libor + 5.25%/Q)	12/10/2010	13,957	13,957(2)(13)(22)	
		First lien senior secured loan (\$329 par due 12/2017)	7.50% (Base Rate + 4.25%/Q)	12/10/2010	329	329(2)(13)(22)	
		Second lien senior secured loan (\$21,985 par due 6/2018)	15.33% (Libor + 15.00%/Q)	12/10/2010	21,895	21,895(2)	
		Class A senior preferred units (7,846 units)		3/27/2015	9,384	9,125(2)	
		Class A junior preferred units (26,154 units)		3/27/2015	19,833	10,591(2)	
		Class A common units (134 units)		3/27/2015		(2)	
					65,398	55,897	
Competitor Group, Inc. and Calera XVI, LLC (27)	Endurance sports media and event operator	First lien senior secured revolving loan (\$3,750 par due 11/2018)	9.00% (Libor + 7.75%/Q)	11/30/2012	3,750	3,375(2)(22)	
		First lien senior secured loan (\$23,473 par due 11/2018)	10.50% (Libor + 7.75% Cash, 1.50% PIK /Q)	11/30/2012	23,473	21,126(2)(22)	

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

		First lien senior secured loan (\$28,743 par due 11/2018)	10.50% (Libor + 7.75% Cash, 1.50% PIK /Q)	11/30/2012	28,743	25,869(3)(22)
		Membership units (2,522,512 units)		11/30/2012	2,523	82(2)(10)
					58,489	50,452
Crown Health Care Laundry Services, Inc. and Crown Laundry Holdings, LLC (7)(27)	Provider of outsourced healthcare linen management solutions	First lien senior secured revolving loan (\$500 par due 3/2019)	7.25% (Libor + 6.00%/Q)	3/13/2014	500	500(2)(22)(25)
		First lien senior secured loan (\$23,432 par due 3/2019)	7.25% (Libor + 6.00%/Q)	3/13/2014	23,432	23,432(3)(22)
		Class A preferred units (2,475,000 units)		3/13/2014	2,475	3,587(2)
		Class B common units (275,000 units)		3/13/2014	275	399(2)
					26,682	27,918
Dwyer Acquisition Parent, Inc. and TDG Group Holding Company	Operator of multiple franchise concepts primarily related to home maintenance or repairs	Senior subordinated loan (\$52,670 par due 2/2020)	11.00%	8/15/2014	52,670	52,670(2)
		Senior subordinated loan (\$31,500 par due 2/2020)	11.00%	6/12/2015	31,500	31,500(2)
		Common stock (32,843 shares)		8/15/2014	3,378	3,727(2)
					87,548	87,897
Massage Envy, LLC (27)	Franchisor in the massage industry	First lien senior secured loan (\$8,017 par due 9/2018)	8.50% (Libor + 7.25%/Q)	9/27/2012	8,017	8,017(2)(22)
		First lien senior secured loan (\$46,434 par due 9/2018)	8.50% (Libor + 7.25%/Q)	9/27/2012	46,434	46,434(3)(22)
		First lien senior secured loan (\$19,469 par due 9/2018)	8.50% (Libor + 7.25%/Q)	9/27/2012	19,469	19,469(4)(22)
		Common stock (3,000,000 shares)		9/27/2012	3,000	4,790(2)
					76,920	78,710

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

As of September 30, 2015

(dollar amounts in thousands)

(unaudited)

Company(1)	Business Description	Investment	Interest(5)(11)	Acquisition Date	Amortized Cost	Fair Value	Percentage of Net Assets
McKenzie Sports Products, LLC (27)	Designer, manufacturer and distributor of hunting-related supplies	First lien senior secured loan (\$39,500 par due 9/2020)	6.75% (Libor + 5.75%/M)	9/18/2014	39,500	39,105(2)(14)(22)	
		First lien senior secured loan (\$45,000 par due 9/2020)	6.75% (Libor + 5.75%/M)	9/18/2014	45,000	44,550(3)(14)(22)	
					84,500	83,655	
OpenSky Project, Inc.	Social commerce platform operator	First lien senior secured loan (\$2,400 par due 9/2017)	10.00%	6/4/2014	2,378	2,400(2)	
		Warrant to purchase up to 159,496 shares of Series D preferred stock		6/29/2015	48	(2)	
					2,426	2,400	
Osmoste Holdings, Inc.	Provider of structural integrity management services to transmission and distribution infrastructure	Second lien senior secured loan (\$25,000 par due 8/2023)	10.00% (Base Rate + 6.75%/Q)	9/3/2015	24,505	24,750(2)(22)	
PODS, LLC	Storage and warehousing	Second lien senior secured loan (\$17,500 par due 2/2023)	9.25% (Libor + 8.25%/Q)	2/2/2015	17,338	17,500(2)(22)	
Spin HoldCo Inc.	Laundry service and equipment provider	Second lien senior secured loan (\$140,000 par due 5/2020)	8.00% (Libor + 7.00%/M)	5/14/2013	140,000	135,800(2)(22)	
Surface Dive, Inc.	SCUBA diver training and certification provider	Second lien senior secured loan (\$72,000 par due 1/2022)	10.25% (Libor + 9.25%/Q)	1/29/2015	71,596	72,000(2)(22)	
		Second lien senior secured loan (\$53,686 par due 1/2022)	9.00% (Libor + 8.00%/Q)	7/28/2015	53,686	53,686(2)(22)	
					125,282	125,686	
TWH Water Treatment Industries, Inc., TWH Filtration Industries, Inc. and TWH Infrastructure Industries, Inc. (27)	Wastewater infrastructure repair, treatment and filtration holding company	First lien senior secured loan (\$2,240 par due 10/2019)	10.25% (Libor + 9.25%/Q)	10/10/2014	2,240	2,240(2)(22)	
		First lien senior secured loan (\$36,400 par due 10/2019)	10.25% (Libor + 9.25%/Q)	10/10/2014	36,400	36,400(3)(22)	

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

					38,640	38,640	
Wash Multifamily Acquisition Inc. and Coinmatic Canada Inc.	Laundry service and equipment provider	Second lien senior secured loan (\$3,726 par due 5/2023)	8.00% (Libor + 7.00%/M)	5/14/2015	3,655	3,614(2)(22)	
		Second lien senior secured loan (\$21,274 par due 5/2023)	8.00% (Libor + 7.00%/M)	5/14/2015	20,866	20,636(2)(22)	
					24,521	24,250	
					821,832	803,555	15.22%
Consumer Products							
Feradyne Outdoors, LLC and Bowhunter Holdings, LLC	Provider of branded archery and bowhunting accessories	First lien senior secured loan (\$4,500 par due 3/2019)	4.00% (Libor + 3.00%/Q)	4/24/2014	4,500	4,410(2)(22)	
		First lien senior secured loan (\$9,500 par due 3/2019)	6.55% (Libor + 5.55%/Q)	4/24/2014	9,500	9,215(2)(18)(22)	
		First lien senior secured loan (\$6,742 par due 3/2019)	4.00% (Libor + 3.00%/Q)	4/24/2014	6,742	6,607(2)(22)	
		First lien senior secured loan (\$50,100 par due 3/2019)	6.55% (Libor + 5.55%/Q)	4/24/2014	50,100	48,597(3)(18)(22)	
		Common units (373 units)		4/24/2014	3,733	3,654(2)	
					74,575	72,483	
Implus Footcare, LLC	Provider of footwear and other accessories	First lien senior secured loan (\$4,987 par due 4/2021)	7.00% (Libor + 6.00%/Q)	4/30/2015	4,912	4,912(2)(22)	
Indra Holdings Corp.	Designer, marketer, and distributor of rain and cold weather products	Second lien senior secured loan (\$80,000 par due 11/2021)	8.50% (Libor + 7.50%/Q)	5/1/2014	78,943	76,000(2)(22)	
Matrixx Initiatives, Inc. and Wonder Holdings Acquisition Corp.	Developer and marketer of OTC healthcare products	Warrant to purchase up to 1,654,678 shares of common stock		7/27/2011		396(2)	
		Warrant to purchase up to 1,120 shares of preferred stock		7/27/2011		1,315(2)	
						1,711	
Oak Parent, Inc.	Manufacturer of athletic apparel	First lien senior secured loan (\$2,624 par due 4/2018)	7.50% (Libor + 7.00%/Q)	4/2/2012	2,621	2,624(3)(22)	

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

As of September 30, 2015

(dollar amounts in thousands)

(unaudited)

Company(1)	Business Description	Investment	Interest(5)(11)	Acquisition Date	Amortized Cost	Fair Value	Percentage of Net Assets
		First lien senior secured loan (\$8,355 par due 4/2018)	7.50% (Libor + 7.00%/Q)	4/2/2012	8,338	8,355(4)(22)	
					10,959	10,979	
PG-ACP Co-Invest, LLC	Supplier of medical uniforms, specialized medical footwear and accessories	Class A membership units (1,000,000 units)		8/29/2012	1,000	1,379(2)	
Plantation Products, LLC, Seed Holdings, Inc. and Flora Parent, Inc.	Provider of branded lawn and garden products	Second lien senior secured loan (\$66,000 par due 6/2021)	9.54% (Libor + 8.54%/Q)	12/23/2014	65,667	66,000(2)(22)	
		Common stock (30,000 shares)		12/23/2014	3,000	4,251(2)	
					68,667	70,251	
Shock Doctor, Inc. and Shock Doctor Holdings, LLC (7)	Developer, marketer and distributor of sports protection equipment and accessories	Second lien senior secured loan (\$75,000 par due 10/2021)	11.50% (Libor + 10.50%/Q)	4/22/2015	75,000	75,000(2)(22)	
		Class A preferred units (50,000 units)		3/14/2014	5,000	5,249(2)	
		Class C preferred units (50,000 units)		4/22/2015	5,000	5,249(2)	
					85,000	85,498	
The Hygenic Corporation	Designer, manufacturer and marketer of branded wellness products	Second lien senior secured loan (\$70,000 par due 4/2021)	9.75% (Libor + 8.75%/Q)	2/27/2015	70,000	69,300(2)(22)	
The Step2 Company, LLC (8)	Toy manufacturer	Second lien senior secured loan (\$27,583 par due 9/2019)	10.00%	4/1/2010	27,478	27,583(2)	
		Second lien senior secured loan (\$4,500 par due 9/2019)	10.00%	3/13/2014	4,500	4,500(2)	
		Second lien senior secured loan (\$41,601 par due 9/2019)		4/1/2010	30,802	12,480(2)(21)	
		Common units (1,116,879 units)		4/1/2011	24		
		Class B common units (126,278,000 units)		10/30/2014		(2)	
		Warrant to purchase up to 3,157,895 units		4/1/2010			
					62,804	44,563	
Varsity Brands Holding Co., Inc., Hercules Achievement, Inc., Hercules	Leading manufacturer and distributor of textiles, apparel &	Second lien senior secured loan (\$91,698 par due	9.75% (Libor + 8.75%/Q)	12/11/2014	90,873	91,698(2)(22)	

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Achievement Holdings, Inc. and Hercules VB Holdings, Inc.	luxury goods	12/2022)					
		Second lien senior secured loan (\$55,576 par due 12/2022)	9.75% (Libor + 8.75%/Q)	12/11/2014	55,073	55,576(2)(22)	
		Common stock (3,353,371 shares)		12/11/2014	4,147	5,238(2)	
		Common stock (3,353,371 shares)		12/11/2014	3,353	4,236(2)	
					153,446	156,748	
					610,306	593,824	11.25%
Power Generation							
Alphabet Energy, Inc.	Technology developer to convert waste-heat into electricity	First lien senior secured loan (\$1,680 par due 7/2017)	9.50%	12/16/2013	1,640	1,680(2)	
		First lien senior secured loan (\$2,420 par due 7/2017)	9.62%	12/16/2013	2,303	2,420(2)	
		Series B preferred stock (74,449 shares)		2/26/2014	250	402(2)	
		Warrant to purchase up to 59,524 shares of Series B preferred stock		12/16/2013	146	121(2)	
					4,339	4,623	
Bicent (California) Holdings LLC	Gas turbine power generation facilities operator	Senior subordinated loan (\$49,523 par due 2/2021)	8.25% (Libor + 7.25%/Q)	2/6/2014	49,523	49,523(2)(22)	
Brush Power, LLC	Gas turbine power generation facilities operator	First lien senior secured loan (\$801 par due 8/2020)	7.50% (Base Rate + 4.25%/Q)	8/1/2013	801	801(2)(22)	
		First lien senior secured loan (\$47,640 par due 8/2020)	6.25% (Libor + 5.25%/Q)	8/1/2013	47,640	47,640(2)(22)	

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

As of September 30, 2015

(dollar amounts in thousands)

(unaudited)

Company(1)	Business Description	Investment	Interest(5)(11)	Acquisition Date	Amortized Cost	Fair Value	Percentage of Net Assets
		First lien senior secured loan (\$172 par due 8/2020)	7.50% (Base Rate + 4.25%/Q)	8/1/2013	172	172(4)(22)	
		First lien senior secured loan (\$9,828 par due 8/2020)	6.25% (Libor + 5.25%/Q)	8/1/2013	9,828	9,828(4)(22)	
					58,441	58,441	
CPV Maryland Holding Company II, LLC	Gas turbine power generation facilities operator	Senior subordinated loan (\$43,907 par due 12/2020)	5.00% Cash, 5.00% PIK	8/8/2014	44,460	44,460(2)	
		Warrant to purchase up to 4 units of common stock		8/8/2014		200(2)	
					44,460	44,660	
DESRI VI Management Holdings, LLC	Wind power generation facility operator	Senior subordinated loan (\$26,500 par due 12/2021)	9.75%	12/24/2014	26,500	26,500(2)	
		Non-controlling units (10.0 units)		12/24/2014	1,483	1,483(2)	
					27,983	27,983	
Grant Wind Holdings II, LLC	Wind power generation facility	Senior subordinated loan (\$23,400 par due 7/2016)	10.00%	9/8/2015	23,400	23,400(2)	
Green Energy Partners, Stonewall LLC and Panda Stonewall Intermediate Holdings II LLC (27)	Gas turbine power generation facilities operator	Senior subordinated loan (\$85,374 par due 12/2021)	8.00% Cash, 5.25% PIK	11/13/2014	85,374	84,520(2)	
Joule Unlimited Technologies, Inc. and Stichting Joule Global Foundation (27)	Renewable fuel and chemical production developer	First lien senior secured loan (\$10,000 par due 10/2018)	10.00% (Libor + 9.00%/M)	3/31/2015	9,871	10,000(2)(22)	
		Warrant to purchase up to 32,051 shares of Series C-2 preferred stock		7/25/2013		31(2)(9)	
					9,871	10,031	
Kay Wind Holdings II, LLC	Wind power generation facility	Senior subordinated loan (\$28,760 par due 12/2015)	10.25%	3/31/2015	28,700	28,760(2)	
La Paloma Generating Company, LLC	Natural gas fired, combined cycle plant operator	Second lien senior secured loan (\$10,000 par due 2/2020)	9.25% (Libor + 8.25%/Q)	2/20/2014	9,702	7,700(2)(22)	
Moxie Liberty LLC	Gas turbine power generation facilities operator	First lien senior secured loan (\$35,000 par due 8/2020)	7.50% (Libor + 6.50%/Q)	8/21/2013	34,698	34,650(2)(22)	
Moxie Patriot LLC	Gas turbine power generation facilities operator	First lien senior secured loan (\$35,000 par due 12/2020)	6.75% (Libor + 5.75%/Q)	12/19/2013	34,706	34,300(2)(22)	

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Panda Sherman Power, LLC	Gas turbine power generation facilities operator	First lien senior secured loan (\$32,186 par due 9/2018)	9.00% (Libor + 7.50%/Q)	9/14/2012	32,186	30,577(2)(22)
Panda Temple Power II, LLC	Gas turbine power generation facilities operator	First lien senior secured loan (\$20,000 par due 4/2019)	7.25% (Libor + 6.00%/Q)	4/3/2013	19,878	18,600(2)(22)
Panda Temple Power, LLC	Gas turbine power generation facilities operator	First lien senior secured loan (\$24,875 par due 3/2022)	7.25% (Libor + 6.25%/Q)	3/6/2015	23,666	23,134(2)(22)
PERC Holdings 1 LLC	Operator of recycled energy, combined heat and power, and energy efficiency facilities	Class B common units (21,653,543 units)		10/20/2014	21,654	22,501(2)
					508,581	503,403
Business Services						
2329497 Ontario Inc. (9)	Outsourced data center infrastructure and related services provider	Second lien senior secured loan (\$42,480 par due 6/2019)	10.50% (Libor + 9.25%/M)	12/13/2013	43,153	28,991(2)(22)
Brandtone Holdings Limited (9)(27)	Mobile communications and marketing services provider	First lien senior secured loan (\$5,674 par due 11/2018)	9.50% (Libor + 8.50%/M)	5/11/2015	5,520	5,674(2)(22)
		First lien senior secured loan (\$3,295 par due 1/2019)	9.50% (Libor + 8.50%/M)	5/11/2015	3,197	3,295(2)(22)
		Warrant to purchase up to 115,002 units of Series Three participating convertible preferred ordinary shares		5/11/2015		1(2)
					8,717	8,970
CallMiner, Inc.	Provider of cloud-based conversational analytics solutions	First lien senior secured loan (\$3,879 par due 5/2018)	10.00%	7/23/2014	3,859	3,879(2)

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

As of September 30, 2015

(dollar amounts in thousands)

(unaudited)

Company(1)	Business Description	Investment	Interest(5)(11)	Acquisition Date	Amortized Cost	Fair Value	Percentage of Net Assets
		First lien senior secured loan (\$2,000 par due 9/2018)	10.00%	7/23/2014	1,989	2,000(2)	
		Warrant to purchase up to 2,350,636 shares of Series 1 preferred stock		7/23/2014		(2)	
					5,848	5,879	
CIBT Investment Holdings, LLC (27)	Expedited travel document processing services	Class A shares (2,500 shares)		12/15/2011	2,500	4,005(2)	
CMW Parent, LLC (fka BlackArrow, Inc.)	Advertising and data solutions software platform provider	Series A units (32 units)		9/11/2015		(2)	
Command Alkon, Incorporated and CA Note Issuer, LLC	Software solutions provider to the ready-mix concrete industry	Second lien senior secured loan (\$10,000 par due 8/2020)	9.25% (Libor + 8.25%/Q)	9/28/2012	10,000	10,000(2)(22)	
		Second lien senior secured loan (\$26,500 par due 8/2020)	9.25% (Libor + 8.25%/Q)	9/28/2012	26,500	26,500(2)(22)	
		Second lien senior secured loan (\$11,500 par due 8/2020)	9.25% (Libor + 8.25%/Q)	9/28/2012	11,500	11,500(2)(22)	
		Senior subordinated loan (\$19,600 par due 8/2021)	14.00% PIK	8/8/2014	19,600	19,600(2)	
					67,600	67,600	
Compuware Parent, LLC	Web and mobile cloud performance testing and monitoring services provider	Class A-1 common stock (4,132 units)		12/15/2014	2,250	2,203(2)	
		Class B-1 common stock (4,132 units)		12/15/2014	450	441(2)	
		Class C-1 common stock (4,132 units)		12/15/2014	300	294(2)	
		Class A-2 common stock (4,132 units)		12/15/2014		(2)	
		Class B-2 common stock (4,132 units)		12/15/2014		(2)	
		Class C-2 common stock (4,132 units)		12/15/2014		(2)	
					3,000	2,938	
Coverall North America, Inc.	Commercial janitorial services provider	Letter of credit facility		1/17/2013		(26)	
Directworks, Inc. and Co-Exprise Holdings, Inc. (27)	Provider of cloud-based software solutions for direct	First lien senior secured loan (\$2,500 par due 4/2018)	10.25% (Libor + 9.25%/M)	12/19/2014	2,500	2,500(2)(22)	

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

	materials sourcing and supplier management for manufacturers	Warrant to purchase up to 1,875,000 shares of Series 1 preferred stock		12/19/2014		(2)
					2,500	2,500
DTI Holdco, Inc. and OPE DTI Holdings, Inc.	Provider of legal process outsourcing and managed services	First lien senior secured loan (\$992 par due 8/2020)	5.75% (Libor + 4.75%/Q)	8/19/2014	992	973(2)(22)
		Class A common stock (7,500 shares)		8/19/2014	7,500	7,959(2)
		Class B common stock (7,500 shares)		8/19/2014		(2)
					8,492	8,932
EN Engineering, L.L.C (27)	National utility services firm providing engineering and consulting services to natural gas, electric power and other energy & industrial end markets	First lien senior secured loan (\$30,424 par due 6/2021)	7.00% (Libor + 6.00%/Q)	6/30/2015	30,224	30,424(2)(22)
Faction Holdings, Inc. and The Faction Group LLC (fka PeakColo Holdings, Inc.) (27)	Wholesaler of cloud-based software applications and services	First lien senior secured revolving loan (\$1,500 par due 10/2016)	7.50% (Base + 4.25%/M)	11/3/2014	1,500	1,500(2)(22)
		First lien senior secured loan (\$4,000 par due 11/2018)	9.75% (Libor + 8.75%/M)	11/3/2014	3,926	4,000(2)(22)
		Warrant to purchase up to 2,037 shares of Series A preferred stock		11/3/2014	93	93(2)
					5,519	5,593

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

As of September 30, 2015

(dollar amounts in thousands)

(unaudited)

Company(1)	Business Description	Investment	Interest(5)(11)	Acquisition Date	Amortized Cost	Fair Value	Percentage of Net Assets
First Insight, Inc.	Software company providing merchandising and pricing solutions to companies worldwide	Warrant to purchase up to 122,827 units of Series C preferred stock		3/20/2014		13(2)	
HCPPro, Inc. and HCP Acquisition Holdings, LLC (8)	Healthcare compliance advisory services	Senior subordinated loan (\$9,498 par due 5/2015) Class A units (14,293,110 units)		3/5/2013 6/26/2008	2,691 12,793	(2)(21) (2)	
iControl Networks, Inc. and uControl Acquisition, LLC	Software and services company for the connected home market	Second lien senior secured loan (\$20,000 par due 3/2019) Warrant to purchase up to 385,616 shares of Series D preferred stock	9.50% (Libor + 8.50%/Q)	2/19/2015 2/19/2015	15,484 19,659	20,075(2)(20)(22) 173(2)	
IfByPhone Inc.	Voice-based marketing automation software provider	Warrant to purchase up to 124,300 shares of Series C preferred stock		10/15/2012	19,659 88	20,248 71(2)	
Interactions Corporation	Developer of a speech recognition software based customer interaction system	First lien senior secured loan (\$2,500 par due 7/2019) First lien senior secured loan (\$22,500 par due 7/2019) Warrant to purchase up to 68,187 shares of Series G-3 convertible preferred stock	9.85% (Libor + 8.85%/Q) 9.85% (Libor + 8.85%/Q)	6/16/2015 6/16/2015 6/16/2015	2,174 22,131 303	2,500(2)(22) 22,500(5)(22) 303(2)	
Investor Group Services, LLC (7)	Business consulting for private equity and corporate clients	Limited liability company membership interest (5.17% interest)		6/22/2006	24,608	25,303 387	
iPipeline, Inc. and iPipeline Holdings, Inc. (27)	Provider of software as a service based software solutions to the insurance and financial services industry	First lien senior secured loan (\$27,000 par due 8/2022) First lien senior secured loan	8.25% (Libor + 7.25%/Q) 8.25% (Libor + 7.25%/Q)	8/4/2015 8/4/2015	27,000 45,000	27,000(2)(22) 45,000(3)(22)	

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

		(\$45,000 par due 8/2022)			
		Preferred stock (1,485 shares)	8/4/2015	1,485	1,485(2)
		Common stock (647,542 shares)	8/4/2015	15	15(2)
				73,500	73,500
IronPlanet, Inc. (27)	Online auction platform provider for used heavy equipment	First lien senior secured revolving loan	9/24/2013		(2)(24)
		Warrant to purchase to up to 133,333 shares of Series C preferred stock	9/24/2013	214	203(2)
				214	203
Itel Laboratories, Inc. (27)	Data services provider for building materials to property insurance industry	Preferred units (1,798,391 units)	6/29/2012	1,000	1,147(2)
Market Track Holdings, LLC	Business media consulting services company	Preferred stock (1,685 shares)	12/13/2013	2,221	2,291
		Common stock (16,251 shares)	12/13/2013	2,221	2,503
				4,442	4,794
Maximus Holdings, LLC	Provider of software simulation tools and related services	Warrant to purchase up to 1,050,013 shares of common stock	12/13/2013		
Multi-Ad Services, Inc. (7)	Marketing services and software provider	Preferred units (1,725,280 units)	4/1/2010	788	2,938
		Common units (1,725,280 units)	4/1/2010		
				788	2,938
MVL Group, Inc. (8)	Marketing research provider	Senior subordinated loan (\$436 par due 7/2012)	4/1/2010	226	226(2)(21)
		Common stock (560,716 shares)	4/1/2010		(2)
				226	226

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

As of September 30, 2015

(dollar amounts in thousands)

(unaudited)

Company(1)	Business Description	Investment	Interest(5)(11)	Acquisition Date	Amortized Cost	Fair Value	Percentage of Net Assets
NAS, LLC, Nationwide Marketing Group, LLC and Nationwide Administrative Services, Inc.	Buying and marketing services organization for appliance, furniture and consumer electronics dealers	Second lien senior secured loan (\$24,100 par due 12/2021)	9.75% (Libor + 8.75%/Q)	6/1/2015	24,100	24,100(2)(22)	
PHL Investors, Inc., and PHL Holding Co. (8)	Mortgage services	Class A common stock (576 shares)		7/31/2012	3,768	(2)	
Poplicus Incorporated	Business intelligence and market analytics platform provider	First lien senior secured loan (\$5,000 par due 7/2019)	8.50% (Libor + 7.50%/M)	6/25/2015	4,743	4,850(5)(22)	
		Warrant to purchase up to 2,402,991 shares of Series C preferred stock		6/25/2015	125	125(5)	
					4,868	4,975	
PowerPlan, Inc.	Fixed asset financial management software provider	Second lien senior secured loan (\$80,000 par due 2/2023)	10.75% (Libor + 9.75%/Q)	2/23/2015	79,275	80,000(2)(22)	
		Class A common stock (1,980 shares)		2/23/2015	1,980	2,724(2)	
		Class B common stock (989,011 shares)		2/23/2015	20	28(2)	
					81,275	82,752	
Powersport Auctioneer Holdings, LLC	Powersport vehicle auction operator	Common units (1,972 units)		3/2/2012	1,000	1,075(2)	
R2 Acquisition Corp.	Marketing services	Common stock (250,000 shares)		5/29/2007	250	196(2)	
Rocket Fuel Inc.	Provider of open and integrated software for digital marketing optimization	Common stock (11,405 units)		9/9/2014	40	26(2)	
Ship Investor & Cy S.C.A. (9)	Payment processing company	Common stock (936,693 shares)		12/13/2013	1,729	3,625	
Sonian Inc.	Cloud-based email archiving platform	First lien senior secured loan (\$7,500 par due 9/2019)	9.00% (Libor + 8.00%/Q)	9/9/2015	7,295	7,275(5)(22)	
		Warrant to purchase up to 169,045 shares of Series C preferred stock		9/9/2015	93	93(5)	
					7,388	7,368	
Talari Networks, Inc.	Networking equipment Company	First lien senior secured loan (\$6,000 par due 12/2018)	9.75% (Libor + 8.75%/M)	8/3/2015	5,893	5,940(5)(22)	
		Warrant to purchase up to 421,052 shares of Series D-1		8/3/2015	50	50(5)	

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

		preferred stock					
TraceLink, Inc. (27)	Supply chain management software provider for the pharmaceutical industry	First lien senior secured loan (\$4,500 par due 1/2019)	8.50% (Libor + 7.00%/M)	1/2/2015	4,406	5,943	5,990
		Warrant to purchase up to 283,353 shares of Series A-2 preferred stock		1/2/2015	146		1,040(2)
					4,552		5,540
Velocity Holdings Corp.	Hosted enterprise resource planning application management services provider	Common units (1,713,546 units)		12/13/2013	4,503		2,795
					456,978		433,104
							8.20%
Financial Services							
AllBridg Financial, LLC (8)	Asset management services	Equity interests		4/1/2010	1,140		7,369
Callidus Capital Corporation (8)	Asset management services	Common stock (100 shares)		4/1/2010	3,000		1,678
Ciena Capital LLC (8)(27)	Real estate and small business loan servicer	First lien senior secured revolving loan (\$14,000 par due 12/2016)	6.00%	11/29/2010	14,000		14,000(2)
		First lien senior secured loan (\$750 par due 12/2016)	12.00%	11/29/2010	750		750(2)
		First lien senior secured loan (\$7,500 par due 12/2016)	12.00%	11/29/2010	7,500		7,500(2)
		First lien senior secured loan (\$3,750 par due 12/2016)	12.00%	11/29/2010	3,750		3,750(2)
		Equity interests		11/29/2010	46,374		28,711(2)
					72,374		54,711
Commercial Credit Group, Inc.	Commercial equipment finance and leasing company	Senior subordinated loan (\$28,000 par due 5/2018)	12.75%	5/10/2012	28,000		28,000(2)

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

As of September 30, 2015

(dollar amounts in thousands)

(unaudited)

Company(1)	Business Description	Investment	Interest(5)(11)	Acquisition Date	Amortized Cost	Fair Value	Percentage of Net Assets
Gordian Acquisition Corp.	Financial services firm	Common stock (526 shares)		11/30/2012		(2)	
Imperial Capital Group LLC	Investment services	Class A common units (17,307 units)		5/10/2007	9,832	14,333(2)	
		2006 Class B common units (5,670 units)		5/10/2007	2	3(2)	
		2007 Class B common units (707 units)		5/10/2007			(2)
					9,834	14,336	
Ivy Hill Asset Management, L.P. (8)(10)	Asset management services	Member interest (100.00% interest)		6/15/2009	170,961	241,261	
Javlin Three LLC, Javlin Four LLC, and Javlin Five LLC (10)(27)	Asset-backed financial services company	First lien senior secured revolving loan (\$50,960 par due 6/2017)	8.45% (Libor + 8.25%/M)	6/24/2014	50,960	50,960(2)	
LSQ Funding Group, L.C. and LM LSQ Investors LLC (10)(27)	Asset based lender	Senior subordinated loan (\$30,000 par due 6/2021)	10.50%	6/25/2015	30,000	30,000(2)	
		Membership units (3,000,000 units)		6/25/2015	3,000	3,000	
					33,000	33,000	
					369,269	431,315	8.17%
Manufacturing							
Cambrios Technologies Corporation	Nanotechnology-based solutions for electronic devices and computers	Warrant to purchase up to 400,000 shares of Series D-4 convertible preferred stock		8/7/2012		13(2)	
Chariot Acquisition, LLC (27)	Distributor and designer of aftermarket golf cart parts and accessories	First lien senior secured loan (\$69,000 par due 9/2021)	7.25% (Libor + 6.25%/Q)	9/30/2015	69,000	69,000(2)(22)	
Component Hardware Group, Inc. (27)	Commercial equipment	First lien senior secured revolving loan (\$2,241 par due 7/2019)	5.50% (Libor + 4.50%/M)	7/1/2013	2,241	2,218(2)(22)	
		First lien senior secured loan (\$8,083 par due 7/2019)	5.50% (Libor + 4.50%/M)	7/1/2013	8,083	8,002(4)(22)	
					10,324	10,220	
Harvey Tool Company, LLC and Harvey Tool Holding, LLC (27)	Cutting tool provider to the metalworking industry	First lien senior secured revolving loan (\$45 par due 3/2019)	6.00% (Libor + 5.00%/Q)	3/28/2014	45	45(2)(22)	
		Senior subordinated loan (\$27,925 par due 9/2020)	11.00%	8/13/2015	27,925	27,925(2)	
				3/28/2014	896	1,432(2)	

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

		Class A membership units (750 units)			28,866	29,402
Ioxus, Inc.	Energy storage devices	First lien senior secured loan (\$10,000 par due 11/2017)	11.00%	4/29/2014	9,760	9,000(2)
		Warrant to purchase up to 717,751 shares of Series AA preferred stock		4/29/2014		(2)
					9,760	9,000
Mac Lean-Fogg Company	Intelligent transportation systems products in the traffic and rail industries	Senior subordinated loan (\$102,909 par due 10/2023)	9.50% Cash, 1.50% PIK	10/31/2013	102,909	102,909(2)
MWI Holdings, Inc.	Engineered springs, fasteners, and other precision components	First lien senior secured loan (\$28,274 par due 3/2019)	9.38% (Libor + 8.13%/Q)	6/15/2011	28,274	28,274(3)(22)
		First lien senior secured loan (\$20,000 par due 3/2019)	9.38% (Libor + 8.13%/Q)	6/15/2011	20,000	20,000(4)(22)
					48,274	48,274
Niagara Fiber Intermediate Corp. (27)	Insoluble fiber filler products	First lien senior secured revolving loan (\$1,881 par due 5/2018)	6.75% (Libor + 5.50%/M)	5/8/2014	1,869	1,599(2)(22)
		First lien senior secured loan (\$15,097 par due 5/2018)	6.75% (Libor + 5.50%/M)	5/8/2014	14,998	12,833(2)(22)
					16,867	14,432
Nordco Inc. (27)	Designer and manufacturer of railroad maintenance-of-way machinery	First lien senior secured loan (\$70,437 par due 8/2020)	7.25% (Libor + 6.25%/Q)	8/26/2015	70,437	70,437(2)(22)
Pelican Products, Inc.	Flashlights	Second lien senior secured loan (\$40,000 par due 4/2021)	9.25% (Libor + 8.25%/Q)	4/11/2014	39,953	40,000(2)(22)
Saw Mill PCG Partners LLC	Metal precision engineered components	Common units (1,000 units)		1/30/2007	1,000	(2)

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

As of September 30, 2015

(dollar amounts in thousands)

(unaudited)

Company(1)	Business Description	Investment	Interest(5)(11)	Acquisition Date	Amortized Cost	Fair Value	Percentage of Net Assets
SI Holdings, Inc.	Elastomeric parts, mid-sized composite structures, and composite tooling	Common stock (1,500 shares)		5/30/2014	1,500	1,500(2)	
TPTM Merger Corp. (27)	Time temperature indicator products	First lien senior secured revolving loan (\$750 par due 9/2018)	7.25% (Libor + 6.25%/Q)	9/12/2013	750	750(2)(22)	
		First lien senior secured loan (\$22,000 par due 9/2018)	9.42% (Libor + 8.42%/Q)	9/12/2013	22,000	22,000(3)(22)	
		First lien senior secured loan (\$10,000 par due 9/2018)	9.42% (Libor + 8.42%/Q)	9/12/2013	10,000	10,000(4)(22)	
					32,750	32,750	
					431,640	427,937	8.11%
Education							
Campus Management Corp. and Campus Management Acquisition Corp. (7)	Education software developer	Preferred stock (485,159 shares)		2/8/2008	10,520	9,688(2)	
Infilaw Holding, LLC (27)	Operator of for-profit law schools	First lien senior secured revolving loan		8/25/2011		(2)(24)	
		First lien senior secured loan (\$6,381 par due 8/2016)	9.50% (Libor + 8.50%/Q)	8/25/2011	6,381	6,381(3)(22)	
		Series A preferred units (124,890 units)	9.50% (Libor + 8.50%/Q)	8/25/2011	124,890	117,397(2)(22)	
		Series B preferred units (3.91 units)		10/19/2012	9,245	14,357(2)	
					140,516	138,135	
Instituto de Banca y Comercio, Inc. & Leeds IV Advisors, Inc.	Private school operator	First lien senior secured loan (\$62,438 par due 12/2016)		4/24/2013	51,834	43,394(2)(21)	
		First lien senior secured loan (\$1,996 par due 12/2016)		6/13/2014	1,824	1,387(2)(21)	
		Series B preferred stock (1,750,000 shares)		8/5/2010	5,000	(2)	
		Series C preferred stock (2,512,586 shares)		6/7/2010	689	(2)	
		Common stock (20 shares)		6/7/2010		(2)	
					59,347	44,781	
Lakeland Tours, LLC (27)				6/9/2015	45,599	45,607(2)(22)	

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

	Educational travel provider	First lien senior secured loan (\$45,607 par due 6/2020)	9.80% (Libor + 8.80%/Q)			
		First lien senior secured loan (\$40,362 par due 6/2020)	9.80% (Libor + 8.80%/Q)	6/9/2015	40,326	40,363(3)(22)
		Common stock (5,000 shares)		10/4/2011	5,000	7,197(2)
					90,925	93,167
PIH Corporation (27)	Franchisor of education-based early childhood centers	First lien senior secured revolving loan (\$207 par due 6/2017)	6.50% (Libor + 5.50%/M)	12/13/2013	207	207(2)(22)
R3 Education, Inc. and EIC Acquisitions Corp.	Medical school operator	Preferred stock (1,977 shares)		7/30/2008	494	494(2)
		Common membership interest (15.76% interest)		9/21/2007	15,800	25,121(2)
		Warrant to purchase up to 27,890 shares		12/8/2009		(2)
					16,294	25,615
Regent Education, Inc. (27)	Provider of software solutions designed to optimize the financial aid and enrollment processes	First lien senior secured revolving loan (\$1,160 par due 7/2016)	10.00% (Libor + 8.00%/Q)	7/1/2014	1,160	1,160(2)(22)
		First lien senior secured loan (\$3,000 par due 1/2018)	10.00% (Libor + 8.00%/Q)	7/1/2014	2,951	3,000(2)
		Warrant to purchase up to 987,771 shares of Series CC preferred stock		7/1/2014		65(2)
					4,111	4,225
RuffaloCODY, LLC (27)	Provider of student fundraising and enrollment management services	First lien senior secured revolving loan (\$4,245 par due 5/2019)	6.50% (Base + 3.25%/Q)	5/29/2013	4,245	4,160(2)(22)
Severin Holdings, LLC (27)	Provider of student information system software solutions to the K-12 education market	Second lien senior secured loan (\$15,000 par due 7/2022)	9.25% (Libor + 8.25%/M)	7/31/2015	14,707	15,000(2)(22)

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

As of September 30, 2015

(dollar amounts in thousands)

(unaudited)

Company(1)	Business Description	Investment	Interest(5)(11)	Acquisition Date	Amortized Cost	Fair Value	Percentage of Net Assets
WCI-Quantum Holdings, Inc.	Distributor of instructional products, services and resources	Series A preferred stock (1,272 shares)		10/24/2014	1,000	1,145(2)	
					341,872	336,123	6.37%
Containers and Packaging							
Charter NEX US Holdings, Inc.	Producer of high-performance specialty films used in flexible packaging	Second lien senior secured loan (\$16,000 par due 2/2023)	9.25% (Libor + 8.25%/Q)	2/5/2015	15,780	16,000(2)(22)	
GS Pretium Holdings, Inc.	Manufacturer and supplier of high performance plastic containers	Common stock (500,000 shares)		6/2/2014	500	409(2)	
ICSH, Inc. (27)	Industrial container manufacturer, reconditioner and servicer	First lien senior secured revolving loan		8/31/2011		(2)(24)	
		First lien senior secured loan (\$25,472 par due 8/2016)	6.75% (Libor + 5.75%/Q)	8/31/2011	25,472	25,472(2)(22)	
		First lien senior secured loan (\$53,092 par due 8/2016)	6.75% (Libor + 5.75%/Q)	8/31/2011	53,092	53,092(3)(22)	
		First lien senior secured loan (\$4,388 par due 8/2016)	6.75% (Libor + 5.75%/Q)	8/31/2011	4,388	4,388(2)(22)	
					82,952	82,952	
LBP Intermediate Holdings LLC (27)	Manufacturer of paper and corrugated foodservice packaging	First lien senior secured revolving loan (\$57 par due 7/2020)	6.50% (Libor + 5.50%/M)	7/10/2015	57	57(2)(22)(25)	
		First lien senior secured loan (\$55,261 par due 7/2020)	6.50% (Libor + 5.50%/Q)	7/10/2015	54,574	54,709(2)(22)	
					54,631	54,766	
Microstar Logistics LLC, Microstar Global Asset Management LLC, and MStar Holding Corporation	Keg management solutions provider	Second lien senior secured loan (\$142,500 par due 12/2018)	8.50% (Libor + 7.50%/Q)	12/14/2012	142,500	142,500(2)(22)	
		Common stock (50,000 shares)		12/14/2012	3,951	6,517(2)	
					146,451	149,017	
					300,314	303,144	5.74%
Oil and Gas							
Lonestar Prospects, Ltd.	Sand proppant producer and distributor to the oil and natural gas	First lien senior secured loan (\$50,086 par due 9/2018)	8.50% (Libor + 6.50% Cash, 1.00% PIK/Q)	9/18/2014	50,086	50,086(2)(22)	

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

industry						
		First lien senior secured loan (\$25,667 par due 9/2018)	8.50% (Libor + 6.50% Cash, 1.00% PIK/Q)	9/18/2014	25,667	25,667(3)(22)
					75,753	75,753
Petroflow Energy Corporation	Oil and gas exploration and production company	First lien senior secured loan (\$52,321 par due 7/2017)		7/31/2014	49,709	37,881(3)(21)
Primexx Energy Corporation	Oil and gas exploration and production company	Second lien senior secured loan (\$125,000 par due 1/2020)	10.00% (Libor + 9.00%/M)	7/7/2015	124,494	125,000(2)(22)
UL Holding Co., LLC and Universal Lubricants, LLC (7)	Manufacturer and distributor of re-refined oil products	Second lien senior secured loan (\$11,856 par due 12/2016)		4/30/2012	8,717	8,688(2)(21)
		Second lien senior secured loan (\$50,286 par due 12/2016)		4/30/2012	37,043	36,848(2)(21)
		Second lien senior secured loan (\$5,851 par due 12/2016)		4/30/2012	4,272	4,288(2)(21)
		Class A common units (533,351 units)		6/17/2011	4,993	(2)
		Class B-5 common units (272,834 units)		6/17/2011	2,492	(2)
		Class C common units (758,546 units)		4/25/2008		(2)
		Warrant to purchase up to 606,252 shares of Class A units		5/2/2014		(2)
		Warrant to purchase up to 24,166 shares of Class B-1 units		5/2/2014		(2)
		Warrant to purchase up to 48,333 shares of Class B-2 units		5/2/2014		(2)

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

As of September 30, 2015

(dollar amounts in thousands)

(unaudited)

Company(1)	Business Description	Investment	Interest(5)(11)	Acquisition Date	Amortized Cost	Fair Value	Percentage of Net Assets
		Warrant to purchase up to 24,995 shares of Class B-3 units		5/2/2014		(2)	
		Warrant to purchase up to 67,764 shares of Class B-5 units		5/2/2014		(2)	
		Warrant to purchase up to 50,298 shares of Class B-6 units		5/2/2014		(2)	
		Warrant to purchase up to 882,523 shares of Class C units		5/2/2014		(2)	
					57,517	49,824	
					307,473	288,458	5.46%
Restaurants and Food Services							
ADF Capital, Inc., ADF Restaurant Group, LLC, and ARG Restaurant Holdings, Inc.	Restaurant owner and operator	First lien senior secured loan (\$28,581 par due 12/2018)	9.25% (Libor + 8.25%/Q)	11/27/2006	28,581	25,151(2)(17)(22)	
		First lien senior secured loan (\$10,919 par due 12/2018)	9.25% (Libor + 8.25%/Q)	11/27/2006	10,922	9,609(3)(17)(22)	
		Promissory note (\$21,179 par due 12/2023)		11/27/2006	13,770	1,763(2)	
		Warrant to purchase up to 23,750 units of Series D common stock		12/18/2013	24	(2)	
					53,297	36,523	
Benihana, Inc. (27)	Restaurant owner and operator	First lien senior secured revolving loan (\$1,292 par due 7/2018)	8.00% (Base Rate + 4.75%/Q)	8/21/2012	1,292	1,241(2)(22)	
		First lien senior secured loan (\$4,863 par due 1/2019)	7.25% (Libor + 6.00%/Q)	8/21/2012	4,839	4,645(4)(22)	
		First lien senior secured loan (\$12 par due 1/2019)	8.00% (Base Rate + 4.75%/Q)	8/21/2012	12	12(4)(22)	
					6,143	5,898	
DineInFresh, Inc.	Meal-delivery provider	First lien senior secured loan (\$7,500 par due 7/2018)	9.75% (Libor + 8.75%/M)	12/19/2014	7,435	7,500(2)(22)	
		Warrant to purchase up to 143,079 shares of Series A preferred stock		12/19/2014		4(2)	

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

					7,435	7,504	
Garden Fresh Restaurant Corp. (27)	Restaurant owner and operator	First lien senior secured revolving loan (\$1,100 par due 7/2018)	10.50% (Libor + 9.00%/M)	10/3/2013	1,100	1,100(2)(22)(25)	
		First lien senior secured loan (\$41,070 par due 7/2018)	10.50% (Libor + 9.00%/M)	10/3/2013	41,070	41,070(3)(22)	
					42,170	42,170	
Global Franchise Group, LLC and GFG Intermediate Holding, Inc.	Worldwide franchisor of quick service restaurants	First lien senior secured loan (\$62,500 par due 12/2019)	10.55% (Libor + 9.55%/Q)	12/18/2014	62,500	62,500(3)(22)	
Orion Foods, LLC (8)	Convenience food service retailer	First lien senior secured loan (\$7,536 par due 9/2015)		4/1/2010	7,536	3,699(2)(21)	
		Second lien senior secured loan (\$19,420 par due 9/2015)		4/1/2010		(2)(21)	
		Preferred units (10,000 units)		10/28/2010		(2)	
		Class A common units (25,001 units)		4/1/2010		(2)	
		Class B common units (1,122,452 units)		4/1/2010		(2)	
					7,536	3,699	
OTG Management, LLC (27)	Airport restaurant operator	First lien senior secured loan (\$10,250 par due 12/2017)	8.75% (Libor + 7.25%/Q)	12/11/2012	10,250	10,250(2)(22)	
		First lien senior secured loan (\$22,101 par due 12/2017)	8.75% (Libor + 7.25%/Q)	12/11/2012	22,101	22,101(2)(22)	
		First lien senior secured loan (\$24,688 par due 12/2017)	8.75% (Libor + 7.25%/Q)	12/11/2012	24,688	24,688(2)(22)	
		Common units (3,000,000 units)		1/5/2011	3,000	5,239(2)	
		Warrant to purchase up to 7.73% of common units		6/19/2008	100	10,451(2)	
					60,139	72,729	
Restaurant Holding Company, LLC	Fast food restaurant operator	First lien senior secured loan (\$36,402 par due 2/2019)	8.75% (Libor + 7.75%/M)	3/13/2014	36,151	34,218(2)(22)	
Wellspring Distribution Corp	Food service distributor	Class A non-voting common stock (1,366,120 shares)		5/3/2008	6,303	11,896(2)	
					281,674	277,137	5.25%

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

As of September 30, 2015

(dollar amounts in thousands)

(unaudited)

Company(1)	Business Description	Investment	Interest(5)(11)	Acquisition Date	Amortized Cost	Fair Value	Percentage of Net Assets
Automotive Services							
AEP Holdings, Inc. and Arrowhead Holdco Company	Distributor of non-discretionary, mission-critical aftermarket replacement parts	First lien senior secured loan (\$64,955 par due 8/2021)	7.25% (Libor + 6.25%/Q)	8/31/2015	64,955	64,955(2)(22)	
		First lien senior secured loan (\$1,295 par due 8/2021)	8.50% (Base Rate + 5.25%/Q)	8/31/2015	1,295	1,295(2)(22)	
		Common stock (2,500 shares)		8/31/2015	2,500	2,500(2)	
					68,750	68,750	
ChargePoint, Inc.	Developer and operator of electric vehicle charging stations	First lien senior secured loan (\$10,000 par due 7/2019)	9.75% (Libor + 8.75%/M)	12/24/2014	9,808	10,000(2)(22)	
		First lien senior secured loan (\$10,000 par due 1/2019)	9.75% (Libor + 8.75%/M)	12/24/2014	9,543	10,000(2)(22)	
		Warrant to purchase up to 404,563 shares of Series E preferred stock		12/24/2014	327	327(2)	
					19,678	20,327	
Dent Wizard International Corporation and DWH Equity Investors, L.P.	Automotive reconditioning services	Second lien senior secured loan (\$50,000 par due 10/2020)	10.25% (Libor + 9.25%/Q)	4/7/2015	50,000	50,000(2)(22)	
		Class A common stock (10,000 shares)		4/7/2015	333	408(2)	
		Class B common stock (20,000 shares)		4/7/2015	667	815(2)	
					51,000	51,223	
Eckler Industries, Inc. (27)	Restoration parts and accessories provider for classic automobiles	First lien senior secured revolving loan (\$4,800 par due 7/2017)	10.25% (Base Rate + 7.00%/Q)	7/12/2012	4,800	4,560(2)(22)	
		First lien senior secured loan (\$7,829 par due 7/2017)	10.25% (Base Rate + 7.00%/M)	7/12/2012	7,829	7,437(2)(22)	
		First lien senior secured loan (\$29,476 par due 7/2017)	10.25% (Base Rate + 7.00%/M)	7/12/2012	29,476	28,002(3)(22)	
		Series A preferred stock (1,800 shares)		7/12/2012	1,800	(2)	
		Common stock (20,000 shares)		7/12/2012	200	(2)	
					44,105	39,999	

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

EcoMotors, Inc.	Engine developer	First lien senior secured loan (\$11,480 par due 3/2018)	11.00%	9/1/2015	10,784	11,480(2)	
		Warrant to purchase up to 321,888 shares of Series C preferred stock		12/28/2012		284(2)	
		Warrant to purchase up to 70,000 shares of Series C preferred stock		2/24/2015		62(2)	
					10,784	11,826	
Mavis Tire Supply LLC	Auto parts retailer	First lien senior secured loan (\$16,381 par due 10/2020)	6.25% (Libor + 5.25%/Q)	8/5/2015	16,136	16,218(2)(22)	
Simpson Performance Products, Inc.	Provider of motorsports safety equipment	First lien senior secured loan (\$19,500 par due 2/2020)	9.80% (Libor + 8.80%/Q)	2/20/2015	19,500	19,500(3)(22)	
SK SPV IV, LLC	Collision repair site operators	Series A common stock (12,500 units)		8/18/2014	571	2,585(2)	
		Series B common stock (12,500 units)		8/18/2014	571	2,585(2)	
					1,142	5,170	
TA THI Buyer, Inc. and TA THI Parent, Inc.	Collision repair company	Series A Preferred stock (50,000 shares)		7/28/2014	5,000	8,038(2)	
					236,095	241,051	4.57%
Food and Beverage							
American Seafoods Group LLC and American Seafoods Partners LLC (27)	Harvester and processor of seafood	First lien senior secured revolving loan (\$1,267 par due 8/2021)	7.25% (Base Rate + 4.00%/Q)	8/19/2015	1,267	1,267(2)(22)	
		First lien senior secured revolving loan (\$792 par due 8/2021)	6.00% (Libor + 5.00%/M)	8/19/2015	792	792(2)(22)	
		First lien senior secured loan (\$39,900 par due 8/2021)	7.25% (Base Rate + 4.00%/Q)	8/19/2015	39,340	39,501(2)(22)	
		Second lien senior secured loan (\$55,000 par due 2/2022)	11.25% (Base Rate + 8.00%/Q)	8/19/2015	55,000	55,000(2)(22)	

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

As of September 30, 2015

(dollar amounts in thousands)

(unaudited)

Company(1)	Business Description	Investment	Interest(5)(11)	Acquisition Date	Amortized Cost	Fair Value	Percentage of Net Assets
		Class A units (77,922 units)		8/19/2015	78	78(2)	
		Warrant to purchase up to 7,422,078 Class A units		8/19/2015	7,422	7,422(2)	
					103,899	104,060	
GF Parent LLC	Producer of low-acid, aseptic food and beverage products	Class A Preferred Units (2,940 units)		5/13/2015	2,940	2,788(2)	
		Class A Common Units (60,000 units)		5/13/2015	60	(2)	
					3,000	2,788	
Kettle Cuisine, LLC	Manufacturer of fresh refrigerated and frozen food products	Second lien senior secured loan (\$28,500 par due 2/2022)	11.75% (Base Rate + 8.50%/Q)	8/21/2015	28,500	28,500(2)(22)	
					135,399	135,348	2.56%
Retail							
Fulton Holdings Corp.	Airport restaurant operator	First lien senior secured loan (\$9,000 par due 5/2018)	8.50%	5/10/2013	9,000	9,000(2)(15)	
		First lien senior secured loan (\$54,000 par due 5/2018)	8.50%	5/28/2010	54,000	54,000(3)(15)	
		First lien senior secured loan (\$20,000 par due 5/2018)	8.50%	5/10/2013	20,000	20,000(4)(15)	
		Common stock (19,672 shares)		5/28/2010	1,461	5,899(2)	
					84,461	88,899	
Paper Source, Inc. and Pine Holdings, Inc. (27)	Retailer of fine and artisanal paper products	First lien senior secured revolving loan (\$667 par due 9/2018)	7.25% (Libor + 6.25%/Q)	9/23/2013	667	667(2)(22)	
		First lien senior secured revolving loan (\$667 par due 9/2018)	8.25% (Base Rate + 5.00%/Q)	9/23/2013	667	667(2)(22)	
		First lien senior secured loan (\$9,825 par due 9/2018)	7.25% (Libor + 6.25%/Q)	9/23/2013	9,825	9,825(4)(22)	
		Class A common stock (36,364 shares)		9/23/2013	6,000	7,781(2)	
					17,159	18,940	
Things Remembered, Inc. and TRM Holdings Corporation (27)	Personalized gifts retailer	First lien senior secured revolving loan (\$1,167 par due 5/2017)	6.83% (Libor + 6.50%/Q)	5/24/2012	1,167	992(2)	

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

		First lien senior secured loan (\$13,025 par due 5/2018)	8.25% (Libor + 6.75%/Q)	5/24/2012	13,025	11,072(4)(22)	
					14,192	12,064	
					115,812	119,903	2.27%
Commercial Real Estate							
Finance							
10th Street, LLC and New 10th Street, LLC (8)	Real estate holding company	First lien senior secured loan (\$25,256 par due 11/2019)	7.00% Cash, 1.00% PIK	3/31/2014	25,256	25,256(2)	
		Senior subordinated loan (\$27,167 par due 11/2019)	7.00% Cash, 1.00% PIK	4/1/2010	27,167	27,167(2)	
		Member interest (10.00% interest)		4/1/2010	594	49,537	
		Option (25,000 units)		4/1/2010	25	25	
					53,042	101,985	
Cleveland East Equity, LLC	Hotel operator	Real estate equity interests		4/1/2010		1,093	
Commons R-3, LLC	Real estate developer	Real estate equity interests		4/1/2010			
Crescent Hotels & Resorts, LLC and affiliates (8)	Hotel operator	Senior subordinated loan (\$2,236 par due 9/2011)	15.00%	4/1/2010		(2)	
		Common equity interest		4/1/2010			
NPH, Inc.	Hotel property	Real estate equity interests		4/1/2010	1,691	1,263	
					54,733	104,341	1.98%
Chemicals							
Genomatica, Inc.	Developer of a biotechnology platform for the production of chemical products	Warrant to purchase 322,422 shares of Series D preferred stock		3/28/2013		6(2)	
K2 Pure Solutions Nocal, L.P. (27)	Chemical producer	First lien senior secured revolving loan (\$5,000 par due 8/2019)	9.13% (Libor + 8.13%/M)	8/19/2013	5,000	4,900(2)(22)	

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

As of September 30, 2015

(dollar amounts in thousands)

(unaudited)

Company(1)	Business Description	Investment	Interest(5)(11)	Acquisition Date	Amortized Cost	Fair Value	Percentage of Net Assets
		First lien senior secured loan (\$20,828 par due 8/2019)	8.00% (Libor + 7.00%/M)	8/19/2013	20,828	20,412(2)(22)	
		First lien senior secured loan (\$38,750 par due 8/2019)	8.00% (Libor + 7.00%/M)	8/19/2013	38,750	37,975(3)(22)	
		First lien senior secured loan (\$19,375 par due 8/2019)	8.00% (Libor + 7.00%/M)	8/19/2013	19,375	18,987(4)(22)	
					83,953	82,274	
Kinestral Technologies, Inc.	Designer of adaptive, dynamic glass for the commercial and residential markets	First lien senior secured loan (\$10,000 par due 10/2018)	8.75% (Libor + 7.75%/M)	4/22/2014	9,843	10,000(2)(22)	
		Warrant to purchase up to 325,000 shares of Series A preferred stock		4/22/2014	73	107(2)	
		Warrant to purchase up to 131,883 shares of Series B preferred stock		4/9/2015		43(2)	
					9,916	10,150	
Liquid Light, Inc.	Developer and licensor of process technology for the conversion of carbon dioxide into major chemicals	First lien senior secured loan (\$2,889 par due 11/2017)	10.00%	8/13/2014	2,840	2,889(2)	
		Warrant to purchase up to 86,009 shares of Series B preferred stock		8/13/2014	77	74(2)	
					2,917	2,963	
					96,786	95,393	1.81%
Hotel Services							
Aimbridge Hospitality Holdings, LLC (27)	Hotel operator	First lien senior secured loan (\$18,305 par due 10/2018)	8.25% (Libor + 7.00%/M)	7/15/2015	18,045	18,305(2)(16)(22)	
Castle Management Borrower LLC	Hotel operator	First lien senior secured loan (\$5,970 par due 9/2020)	5.50% (Libor + 4.50%/Q)	10/17/2014	5,970	5,970(2)(22)	
		Second lien senior secured loan (\$55,000 par due 3/2021)	11.00% (Libor + 10.00%/Q)	10/17/2014	55,000	55,000(2)(22)	

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

		Second lien senior secured loan (\$10,000 par due 3/2021)	11.00% (Libor + 10.00%/Q)	10/17/2014	10,000	10,000(2)(22)	
					70,970	70,970	
					89,015	89,275	1.69%
Aerospace and Defense							
Cadence Aerospace, LLC	Aerospace precision components manufacturer	First lien senior secured loan (\$4,186 par due 5/2018)	6.50% (Libor + 5.25%/Q)	5/15/2012	4,167	4,186(4)(22)	
		Second lien senior secured loan (\$79,657 par due 5/2019)	10.50% (Libor + 9.25%/Q)	5/10/2012	79,657	78,861(2)(22)	
					83,824	83,047	
Wyle Laboratories, Inc. and Wyle Holdings, Inc.	Provider of specialized engineering, scientific and technical services	Senior preferred stock (775 shares)	8.00% PIK	1/17/2008	128	126(2)	
		Common stock (1,885,195 shares)		1/17/2008	2,291	2,468(2)	
					2,419	2,594	
					86,243	85,641	1.62%
Environmental Services							
RE Community Holdings II, Inc., Pegasus Community Energy, LLC., and MPH Energy Holdings, LP	Operator of municipal recycling facilities	Preferred stock (1,000 shares)		3/1/2011	8,839	(2)	
		Limited partnership interest (3.13% interest)		1/8/2014		(2)	
					8,839		
Waste Pro USA, Inc	Waste management services	Second lien senior secured loan (\$76,919 par due 10/2020)	8.50% (Libor + 7.50%/Q)	10/15/2014	76,919	76,919(2)(22)	
					85,758	76,919	1.46%
Health Clubs							
Athletic Club Holdings, Inc. (27)	Premier health club operator	First lien senior secured loan (\$41,000 par due 10/2020)	9.50% (Libor + 8.50%/M)	10/11/2007	41,000	41,000(2)(22)	
CFW Co-Invest, L.P., NCP Curves, L.P. and Curves International Holdings, Inc.	Health club franchisor	Limited partnership interest (4,152,165 shares)		7/31/2012	4,152	3,619(2)	

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

As of September 30, 2015

(dollar amounts in thousands)

(unaudited)

Company(1)	Business Description	Investment	Interest(5)(11)	Acquisition Date	Amortized Cost	Fair Value	Percentage of Net Assets
		Limited partnership interest (2,218,235 shares)		7/31/2012	2,218	1,933(2)(9)	
		Common stock (1,680 shares)		11/12/2014		(2)(9)	
					6,370	5,552	
					47,370	46,552	0.88%
Wholesale Distribution							
Flow Solutions Holdings, Inc.	Distributor of high value fluid handling, filtration and flow control products	Second lien senior secured loan (\$6,000 par due 10/2018)	10.00% (Libor + 9.00%/M)	12/16/2014	35,500	34,790(2)(22)	
					35,500	34,790	0.66%
Telecommunications							
Adaptive Mobile Security Limited (9)	Developer of security software for mobile communications networks	First lien senior secured loan (\$3,765 par due 7/2018)	10.00% (Libor + 9.00%/M)	1/16/2015	3,498	3,562(2)(20)(22)	
		First lien senior secured loan (\$810 par due 7/2018)	10.00% (Libor + 9.00%/M)	1/16/2015	854	804(2)(22)	
					4,352	4,366	
American Broadband Communications, LLC, American Broadband Holding Company, and Cameron Holdings of NC, Inc.	Broadband communication services	Warrant to purchase up to 208 shares		11/7/2007		7,427	
		Warrant to purchase up to 200 shares		9/1/2010		7,142	
						14,569	
Startec Equity, LLC (8)	Communication services	Member interest		4/1/2010			
Wilcon Holdings LLC	Communications infrastructure provider	Class A common stock (2,000,000 shares)		12/13/2013	1,829	2,308	
					6,181	21,243	0.40%
Printing, Publishing and Media							
Batanga, Inc. (27)	Independent digital media company	First lien senior secured revolving loan (\$3,000 par due 12/2015)	10.00%	10/31/2012	3,000	3,000(2)	
		First lien senior secured loan (\$6,590 par due 6/2017)	10.60%	10/31/2012	6,590	6,590(2)(20)	

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

					9,590	9,590	
Earthcolor Group, LLC	Printing management services	Limited liability company interests (9.30%)		5/18/2012			
The Teaching Company, LLC and The Teaching Company Holdings, Inc.	Education publications provider	Preferred stock (10,663 shares)		9/29/2006	1,066	3,549(2)	
		Common stock (15,393 shares)		9/29/2006	3	8(2)	
					1,069	3,557	
					10,659	13,147	0.25%
Computers and Electronics							
Everspin Technologies, Inc. (27)	Designer and manufacturer of computer memory solutions	First lien senior secured loan (\$8,000 par due 6/2019)	8.75% (Libor + 7.75%/M)	6/5/2015	7,499	7,760(5)(22)	
		Warrant to purchase up to 480,000 shares of Series B preferred stock		6/5/2015	355	355(5)	
					7,854	8,115	
					7,854	8,115	0.15%
					\$ 8,632,775	\$ 8,692,480	164.64%

(1) Other than the Company's investments listed in footnote 7 below (subject to the limitations set forth therein), the Company does not Control any of its portfolio companies, for the purposes of the Investment Company Act of 1940, as amended (together with the rules and regulations promulgated thereunder, the Investment Company Act). In general, under the Investment Company Act, the Company would Control a portfolio company if the Company owned more than 25% of its outstanding voting securities (i.e., securities with the right to elect directors) and/or had

Table of Contents

the power to exercise control over the management or policies of such portfolio company. All of the Company's portfolio company investments, which as of September 30, 2015 represented 165% of the Company's net assets or 95% of the Company's total assets, are subject to legal restrictions on sales.

(2) These assets are pledged as collateral for the Revolving Credit Facility and, as a result, are not directly available to the creditors of the Company to satisfy any obligations of the Company other than the Company's obligations under the Revolving Credit Facility (see Note 5 to the consolidated financial statements).

(3) These assets are owned by the Company's consolidated subsidiary Ares Capital CP Funding LLC (Ares Capital CP), are pledged as collateral for the Revolving Funding Facility and, as a result, are not directly available to the creditors of the Company to satisfy any obligations of the Company other than Ares Capital CP's obligations under the Revolving Funding Facility (see Note 5 to the consolidated financial statements).

(4) These assets are owned by the Company's consolidated subsidiary Ares Capital JB Funding LLC (ACJB), are pledged as collateral for the SMBC Funding Facility and, as a result, are not directly available to the creditors of the Company to satisfy any obligations of the Company other than ACJB's obligations under the SMBC Funding Facility (see Note 5 to the consolidated financial statements).

(5) These assets are owned by the Company's consolidated subsidiary Ares Venture Finance, L.P. (AVF LP), are pledged as collateral for the SBA Debentures and, as a result, are not directly available to the creditors of the Company to satisfy any obligations of the Company other than AVF LP's obligations (see Note 5 to the consolidated financial statements). AVF LP operates as a Small Business Investment Company under the provisions of Section 301(c) of the Small Business Investment Act of 1958, as amended.

(6) Investments without an interest rate are non-income producing.

(7) As defined in the Investment Company Act, the Company is deemed to be an Affiliated Person and Control this portfolio company because it owns 5% or more of the portfolio company's outstanding voting securities or it has the power to exercise control over the management or policies of such portfolio company (including through a management agreement). Transactions during the nine months ended September 30, 2015 in which the issuer was an Affiliated Person (but not a portfolio company that the Company is deemed to Control) are as follows:

Company	Purchases (cost)	Redemptions (cost)	Sales (cost)	Interest income	Capital structuring service fees	Dividend income	Other income	Net realized gains (losses)	Net unrealized gains (losses)
---------	---------------------	-----------------------	-----------------	--------------------	--	--------------------	-----------------	--------------------------------	-------------------------------------

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Campus Management Corp. and Campus Management Acquisition Corp.	\$	\$	\$	\$	\$	\$	\$	\$	\$	(474)								
Cast & Crew Payroll, LLC and Centerstage Co-Investors, L.L.C.	\$	41,571	\$	121,827	\$	43,170	\$	5,049	\$	129	\$	1,312	\$	71	\$	25,897	\$	(11,656)
Crown Health Care Laundry Services, Inc. and Crown Laundry Holdings, LLC	\$	500	\$	1,584	\$		\$	1,487	\$		\$		\$	101	\$		\$	960
Investor Group Services, LLC	\$		\$		\$		\$		\$		\$	95	\$		\$	333	\$	(238)
Multi-Ad Services, Inc.	\$		\$		\$		\$		\$		\$		\$		\$		\$	819
Shock Doctor, Inc. and Shock Doctor Holdings, LLC	\$	94,000	\$		\$	14,000	\$	4,412	\$	2,076	\$		\$	24	\$		\$	(259)
UL Holding Co., LLC	\$		\$	251	\$		\$		\$		\$		\$		\$		\$	(2,615)

(8) As defined in the Investment Company Act, the Company is deemed to be both an Affiliated Person and Control this portfolio company because it owns more than 25% of the portfolio company's outstanding voting securities or it has the power to exercise control over the management or policies of such portfolio company (including through a management agreement). Transactions during the nine months ended September 30, 2015 in which the issuer was both an Affiliated Person and a portfolio company that the Company is deemed to Control are as follows:

Table of Contents

Company	Purchases (cost)	Redemptions (cost)	Sales (cost)	Interest income	Capital structuring service fees	Dividend income	Other income	Net realized gains (losses)	Net unrealized gains (losses)
10th Street, LLC and New 10th Street, LLC	\$	\$	\$	\$ 3,152	\$	\$	\$	\$	\$ (1,389)
AllBridgE Financial, LLC	\$	\$	\$	\$	\$	\$	\$	\$	\$ 1,565
Callidus Capital Corporation	\$	\$	\$	\$	\$	\$	\$	\$	\$ (24)
Ciena Capital LLC	\$	\$ 7,000	\$	\$ 1,969	\$	\$	\$	\$	\$ 11,804
Community Education Centers, Inc. and CEC Parent Holdings LLC	\$	\$	\$	\$ 2,703	\$	\$	\$ 60	\$	\$ (2,189)
Crescent Hotels & Resorts, LLC and affiliates	\$	\$	\$	\$ 790	\$	\$	\$	\$	\$
HCI Equity, LLC	\$	\$	\$	\$	\$	\$ 99	\$	\$	\$ (269)
HCP Acquisition Holdings, LLC	\$	\$	\$	\$	\$	\$	\$	\$	\$
Ivy Hill Asset Management, L.P.	\$	\$	\$	\$	\$	\$ 40,000	\$	\$	\$ (18,064)
MVL Group, Inc.	\$	\$	\$	\$	\$	\$	\$	\$	\$
Orion Foods, LLC	\$	\$ 533	\$	\$	\$	\$	\$	\$	\$ 1,126
PHL Investors, Inc., and PHL Holding Co.	\$	\$	\$	\$	\$	\$	\$	\$	\$
Senior Secured Loan Fund LLC*	\$ 228,331	\$ 262,259	\$	\$ 209,598	\$ 21,416	\$	\$ 20,376	\$	\$ (30,517)
Startec Equity, LLC	\$	\$	\$	\$	\$	\$	\$	\$	\$
The Step2 Company, LLC	\$	\$	\$	\$ 2,448	\$	\$	\$	\$	\$ 3,422

* Together with GE Global Sponsor Finance LLC and General Electric Capital Corporation (together, GE), the Company co-invests through the Senior Secured Loan Fund LLC d/b/a the Senior Secured Loan Program (the SSLP). The SSLP is capitalized as transactions are completed and all portfolio decisions and generally all other decisions in respect of the SSLP must be approved by an investment committee of the SSLP consisting of representatives of the Company and GE (with approval from a representative of each required); therefore, although the Company owns more than 25% of the voting securities of the SSLP, the Company does not believe that it has control over the SSLP (for purposes of the Investment Company Act or otherwise) because, among other things, these voting securities do not afford the Company the right to elect directors of the SSLP or any other special rights (see Note 4 to the consolidated financial statements).

(9) Non-U.S. company or principal place of business outside the U.S. and as a result is not a qualifying asset under Section 55(a) of the Investment Company Act. Under the Investment Company Act, the Company may not acquire any non-qualifying asset unless, at the time such acquisition is made, qualifying assets represent at least 70% of the Company's total assets.

(10) Excepted from the definition of investment company under Section 3(c) of the Investment Company Act and as a result is not a qualifying asset under Section 55(a) of the Investment Company Act. Under the Investment Company Act, the Company may not acquire any non-qualifying asset unless, at the time such acquisition is made, qualifying assets represent at least 70% of the Company's total assets.

(11) In the first quarter of 2011, the staff of the Securities and Exchange Commission (the Staff) informally communicated to certain business development companies (BDCs) the Staff's belief that certain entities, which would be classified as an investment company under the Investment Company Act but for the exception from the definition of investment company set forth in Rule 3a-7 promulgated under the Investment Company Act, could not be treated as eligible portfolio companies (as defined in Section 2(a)(46) under Investment Company Act) (i.e. not eligible to be included in a BDC's 70% qualifying assets basket). Subsequently, in August 2011 the Securities and Exchange Commission issued a concept release (the Concept Release) which stated that [a]s a general matter, the Commission presently does not believe that Rule 3a-7 issuers are the type of small, developing and financially troubled businesses in which the U.S. Congress intended BDCs primarily to invest and requested comment on whether or not a 3a-7 issuer should be considered an eligible portfolio company. The Company provided a comment letter in respect of the Concept Release and continues to believe that the language of Section 2(a)(46) of the Investment Company Act permits a BDC to treat as eligible portfolio companies entities that rely on the 3a-7 exception. However, given the current uncertainty in this area (including the language in the Concept Release) and subsequent discussions with the Staff, the Company has, solely for purposes of calculating the composition of its portfolio pursuant to Section 55(a) of the Investment Company Act, identified such entities, which include the SSLP, as non-qualifying assets should the Staff ultimately disagree with the Company's position. Pursuant to Section 55(a) of the Investment Company Act (using the Staff's methodology described above solely for this purpose), 28% of the

Table of Contents

Company's total assets are represented by investments at fair value and other assets that are considered non-qualifying assets as of September 30, 2015.

(12) Variable rate loans to the Company's portfolio companies bear interest at a rate that may be determined by reference to either LIBOR or an alternate base rate (commonly based on the Federal Funds Rate or the Prime Rate), at the borrower's option, which reset annually (A), semi-annually (S), quarterly (Q), bi-monthly (B), monthly (M) or daily (D). For each such loan, the Company has provided the interest rate in effect on the date presented.

(13) In addition to the interest earned based on the stated interest rate of this security, the Company is entitled to receive an additional interest amount of 1.13% on \$16 million aggregate principal amount of a first out tranche of the portfolio company's senior term debt previously syndicated by the Company into first out and last out tranches, whereby the first out tranche will have priority as to the last out tranche with respect to payments of principal, interest and any other amounts due thereunder.

(14) In addition to the interest earned based on the stated interest rate of this security, the Company is entitled to receive an additional interest amount of 2.00% on \$86 million aggregate principal amount of a first out tranche of the portfolio company's senior term debt previously syndicated by the Company into first out and last out tranches, whereby the first out tranche will have priority as to the last out tranche with respect to payments of principal, interest and any other amounts due thereunder.

(15) In addition to the interest earned based on the stated interest rate of this security, the Company is entitled to receive an additional interest amount of 6.00% on \$5 million aggregate principal amount of a first out tranche of the portfolio company's senior term debt previously syndicated by the Company into first out and last out tranches, whereby the first out tranche will have priority as to the last out tranche with respect to payments of principal, interest and any other amounts due thereunder.

(16) In addition to the interest earned based on the stated interest rate of this security, the Company is entitled to receive an additional interest amount of 2.50% on \$62 million aggregate principal amount of a first out tranche of the portfolio company's senior term debt previously syndicated by the Company into first out and last out tranches, whereby the first out tranche will have priority as to the last out tranche with respect to payments of principal, interest and any other amounts due thereunder.

(17) In addition to the interest earned based on the stated interest rate of this security, the Company is entitled to receive an additional interest amount of 5.00% on \$19 million aggregate principal amount of a first out tranche of the portfolio company's senior term debt previously syndicated by the Company into first out and last out tranches, whereby the first out tranche will have priority as to the last out tranche with respect to payments of

principal, interest and any other amounts due thereunder.

(18) In addition to the interest earned based on the stated interest rate of this security, the Company is entitled to receive an additional interest amount of 2.55% on \$42 million aggregate principal amount of a first out tranche of the portfolio company's first lien senior secured loans, whereby the first out tranche will have priority as to the last out tranche with respect to payments of principal, interest and any other amounts due thereunder.

(19) In addition to the interest earned based on the stated interest rate of this security, the Company is entitled to receive an additional interest amount of 3.00% on \$51 million aggregate principal amount of a first out tranche of the portfolio company's first lien senior secured loans, whereby the first out tranche will have priority as to the last out tranche with respect to payments of principal, interest and any other amounts due thereunder.

(20) The Company is entitled to receive a fixed fee upon the occurrence of certain events as defined in the credit agreement governing the Company's debt investment in the portfolio company. The fair value of such fee is included in the fair value of the debt investment.

(21) Loan was on non-accrual status as of September 30, 2015.

(22) Loan includes interest rate floor feature.

(23) In addition to the interest earned based on the stated contractual interest rate of this security, the certificates entitle the holders thereof to receive a portion of the excess cash flow from the SSLP's loan portfolio, which may result in a return to the Company greater than the contractual stated interest rate.

Table of Contents

(24) As of September 30, 2015, no amounts were funded by the Company under this first lien senior secured revolving loan; however, there were letters of credit issued and outstanding through a financial intermediary under the loan. See Note 7 to the consolidated financial statements for further information on letters of credit commitments related to certain portfolio companies.

(25) As of September 30, 2015, in addition to the amounts funded by the Company under this first lien senior secured revolving loan, there were also letters of credit issued and outstanding through a financial intermediary under the loan. See Note 7 to the consolidated financial statements for further information on letters of credit commitments related to certain portfolio companies.

(26) As of September 30, 2015, no amounts were funded by the Company under this letter of credit facility; however, there were letters of credit issued and outstanding through a financial intermediary under the letter of credit facility. See Note 7 to the consolidated financial statements for further information on letters of credit commitments related to certain portfolio companies.

(27) As of September 30, 2015, the Company had the following commitments to fund various revolving and delayed draw senior secured and subordinated loans, including commitments to issue letters of credit through a financial intermediary on behalf of certain portfolio companies. Such commitments are subject to the satisfaction of certain conditions set forth in the documents governing these loans and letters of credit and there can be no assurance that such conditions will be satisfied. See Note 7 to the consolidated financial statements for further information on revolving and delayed draw loan commitments, including commitments to issue letters of credit, related to certain portfolio companies.

Portfolio Company	Total revolving and delayed draw loan commitments	Less: drawn commitments	Total undrawn commitments	Less: commitments substantially at discretion of the Company	Less: unavailable commitments due to borrowing base or other covenant restrictions	Total net adjusted undrawn revolving and delayed draw commitments
Aimbridge Hospitality, LLC	\$ 2,466	\$	\$ 2,466	\$	\$	\$ 2,466
American Seafoods Group LLC	22,125	(2,057)	20,068			20,068
Athletic Club Holdings, Inc.	10,000		10,000			10,000
Batanga, Inc.	4,000	(3,000)	1,000			1,000
Benihana, Inc.	3,231	(1,292)	1,939			1,939
Brandtone Holdings Limited	4,539		4,539			4,539
CCS Intermediate Holdings, LLC	7,500	(1,350)	6,150			6,150
Chariot Acquisition, LLC	1,000		1,000			1,000
CIBT Holdings, Inc.	26,440		26,440			26,440
Ciena Capital LLC	20,000	(14,000)	6,000	(6,000)		
Competitor Group, Inc.	3,750	(3,750)				
Component Hardware Group, Inc.	3,734	(2,240)	1,494			1,494
Correctional Medical Group Companies, Inc.	10,000		10,000			10,000
	5,000	(1,272)	3,728			3,728

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Crown Health Care Laundry Services, Inc.				
DCA Investment Holding, LLC	5,800		5,800	5,800
Directworks, Inc.	1,000		1,000	1,000
Eckler Industries, Inc.	7,500	(4,800)	2,700	(2,700)
EN Engineering, L.L.C.	7,500		7,500	7,500
Everspin Technologies, Inc.	4,000		4,000	4,000
Faction Holdings, Inc.	2,000	(1,500)	500	500
Garden Fresh Restaurant Corp.	5,000	(3,743)	1,257	1,257
Green Energy Partners, Stonewall LLC and Panda Stonewall Intermediate Holdings II LLC	43,500		43,500	43,500
Greenphire, Inc.	8,000		8,000	8,000
Harvey Tool Company, LLC	752	(45)	707	707
ICSH, Inc.	10,000	(2,737)	7,263	7,263
Infilaw Holding, LLC	25,000	(9,670)	15,330	15,330
iPipeline, Inc.	4,000		4,000	4,000
IronPlanet, Inc.	3,000	(3,000)		
IteL Laboratories, Inc.	2,500		2,500	2,500

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

Portfolio Company	Total revolving and delayed draw loan commitments	Less: drawn commitments	Total undrawn commitments	Less: commitments substantially at discretion of the Company	Less: unavailable commitments due to borrowing base or other covenant restrictions	Total net adjusted undrawn revolving and delayed draw commitments
Javlin Three LLC	60,000	(50,960)	9,040			9,040
Joule Unlimited Technologies, Inc.	5,000		5,000			5,000
K2 Pure Solutions Nocal, L.P.	5,000	(5,000)				
Lakeland Tours, LLC	29,110		29,110			29,110
LBP Intermediate Holdings LLC	850	(111)	739			739
LSQ Funding Group, L.C.	10,000		10,000			10,000
Massage Envy, LLC	5,000		5,000			5,000
McKenzie Sports Products, LLC	12,000		12,000			12,000
MW Dental Holding Corp.	22,150	(2,000)	20,150			20,150
My Health Direct, Inc.	1,000		1,000			1,000
Niagara Fiber Intermediate Corp.	1,881	(1,881)				
Nordco Inc	10,000		10,000			10,000
OmniSYS Acquisition Corporation	2,500		2,500			2,500
OTG Management, LLC	19,875		19,875			19,875
Paper Source, Inc.	2,500	(1,333)	1,167			1,167
PerfectServe, Inc.	7,000		7,000			7,000
PIH Corporation	3,314	(207)	3,107			3,107
Regent Education, Inc.	2,000	(1,160)	840			840
RuffaloCODY, LLC	7,683	(4,245)	3,438			3,438
Severin Acquisition, LLC	2,900		2,900			2,900
Things Remembered, Inc.	5,000	(1,167)	3,833			3,833
TPTM Merger Corp.	2,500	(750)	1,750			1,750
TraceLink, Inc.	3,000		3,000			3,000
TWH Water Treatment Industries, Inc.	8,960		8,960			8,960
Zemax, LLC	3,000		3,000			3,000
	\$ 485,560	\$ (123,270)	\$ 362,290	\$ (6,000)	\$ (2,700)	\$ 353,590

(27) As of September 30, 2015, the Company was party to subscription agreements to fund equity investments in private equity investment partnerships as follows:

Portfolio Company	Total private equity commitments	Less: funded private equity commitments	Total unfunded private equity commitments	Less: private equity commitments substantially at the discretion of the Company	Total net adjusted unfunded private equity commitments
Imperial Capital Private Opportunities, LP	\$ 50,000	\$ (6,794)	\$ 43,206	\$ (43,206)	\$
Partnership Capital Growth Investors III, L.P.	5,000	(4,037)	963		963
PCG - Ares Sidecar Investment, L.P. and PCG-Ares Sidecar Investment II, L.P.	50,000	(8,647)	41,353	(41,353)	
Piper Jaffray Merchant Banking Fund I, L.P.	2,000	(1,250)	750		750
	\$ 107,000	\$ (20,728)	\$ 86,272	\$ (84,559)	\$ 1,713

(28) As of September 30, 2015, the Company had commitments to co-invest in the SSLP for its portion of the SSLP's commitment to fund delayed draw investments of up to \$61.5 million. See Note 4 to the consolidated financial statements for more information on the SSLP.

Table of Contents**ARES CAPITAL CORPORATION AND SUBSIDIARIES****CONSOLIDATED SCHEDULE OF INVESTMENTS**

As of December 31, 2014

(dollar amounts in thousands)

Investment Funds and Vehicles							
Covestia Capital Partners, LP (9)	Investment partnership	Limited partnership interest (47.00% interest)		6/17/2008	487	2,100(2)	
Imperial Capital Private Opportunities, LP (9)(31)	Investment partnership	Limited partnership interest (80.00% interest)		5/10/2007	4,654	19,005(2)	
Partnership Capital Growth Investors III, L.P. (9)(31)	Investment partnership	Limited partnership interest (2.50% interest)		10/5/2011	3,030	2,735(2)	
PCG-Ares Sidecar Investment II, L.P. (9)(31)	Investment partnership	Limited partnership interest (100.00% interest)		10/31/2014	6,500	6,500(2)	
Senior Secured Loan Fund LLC (7)(10)(32)	Co-investment vehicle	Subordinated certificates (\$2,034,498 par due 12/2024)	8.26% (Libor + 8.00%/M)(26)	10/30/2009	2,034,498	2,065,015	
					2,034,498	2,065,015	
					2,053,195	2,101,828	39.78%
Alegeus Technologies Holdings Corp.	Benefits administration and transaction processing provider	Preferred stock (2,997 shares)		12/13/2013	3,087	1,876	
					3,090	1,876	

		First lien senior secured loan (\$23,425 par due 6/2019)	7.00% (Libor + 6.00%/Q)	6/27/2014	23,425	23,425(2)(13)(25)
		First lien senior secured loan (\$4,126 par due 6/2019)	4.00% (Libor + 3.00%/Q)	6/27/2014	4,126	4,126(4)(25)
Athletico Management, LLC and Accelerated Holdings, LLC	Provider of outpatient rehabilitation services	First lien senior secured loan (\$4,000 par due 12/2020)	6.25% (Libor + 5.50%/Q)	12/2/2014	3,968	4,000(2)(25)
		Warrant to purchase up to 3,213,367 shares of Series 1 preferred stock		11/14/2014		(2)
AxelaCare Holdings, Inc. and AxelaCare Investment Holdings, L.P.	Provider of home infusion services	Preferred units (8,218,160 units)		4/12/2013	822	693(2)

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

As of December 31, 2014

(dollar amounts in thousands)

					830	700
CCS Intermediate Holdings, LLC and CCS Group Holdings, LLC (30)	Correctional facility healthcare operator	First lien senior secured revolving loan (\$1,275 par due 7/2019)	5.00% (Libor + 4.00%/Q)	7/23/2014	1,275	1,249(2)(25)
		Second lien senior secured loan (\$135,000 par due 7/2022)	9.38% (Libor + 8.38%/Q)	7/23/2014	133,721	133,650(2)(25)
					141,684	143,285
		First lien senior secured loan (\$5,000 par due 2/2018)	9.25%	3/21/2014	4,787	5,000(2)
					9,589	10,000
GI Advo Opco, LLC	Behavioral treatment services provider	First lien senior secured loan (\$13,890 par due 6/2017)	6.00% (Libor + 4.75%/Q)	12/13/2013	14,182	13,890(2)(25)
					14,252	13,959
		Class A common stock (2,475 shares)		3/11/2014	2,991	2,991(2)
					232,647	236,658
		Limited partnership interest (99.90%)		12/19/2014	999	999(2)

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

interest)						
INC Research Mezzanine Co-Invest, LLC	Pharmaceutical and biotechnology consulting services	Common units (1,410,000 units)		9/27/2010	1,512	4,287(2)
LM Acquisition Holdings, LLC (8)	Developer and manufacturer of medical equipment	Class A units (426 units)		9/27/2013	1,000	1,721(2)
Monte Nido Holdings, LLC	Outpatient eating disorder treatment provider	First lien senior secured loan (\$44,750 par due 12/2019)	8.00% (Libor + 7.00%/M)	12/20/2013	44,750	42,065(3)(19)(25)
		First lien senior secured loan (\$24,484 par due 4/2017)	8.50% (Libor + 7.00%/M)	4/12/2011	24,484	24,484(2)(25)
		First lien senior secured loan (\$19,949 par due 4/2017)	8.50% (Libor + 7.00%/M)	4/12/2011	19,949	19,949(4)(25)
My Health Direct, Inc. (30)	Healthcare scheduling exchange software solution provider	First lien senior secured loan (\$3,000 par due 1/2018)	10.75%	9/18/2014	2,907	3,000(2)

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

As of December 31, 2014

(dollar amounts in thousands)

					2,946	3,039
		First lien senior secured loan (\$80,234 par due 2/2019)	6.00% (Libor + 5.00%/Q)	4/15/2011	80,234	80,234(2)(21)(25)
		Common units (5,345 units)		4/15/2011	5,764	11,760(2)
Netsmart Technologies, Inc. and NS Holdings, Inc.	Healthcare technology provider	First lien senior secured loan (\$2,760 par due 12/2017)	8.75% (Libor + 7.50%/Q)	12/18/2012	2,760	2,760(2)(17)(25)
		Common stock (2,500,000 shares)		6/21/2010	2,500	5,426(2)
New Trident Holdcorp, Inc.	Outsourced mobile diagnostic healthcare service provider	Second lien senior secured loan (\$80,000 par due 7/2020)	10.25% (Libor + 9.00%/Q)	8/6/2013	78,667	78,400(2)(25)
		First lien senior secured loan (\$3,000 par due 8/2018)	8.90%	4/25/2014	2,900	3,000(2)
					10,668	11,041
		Limited liability company membership interest (1.57%)		11/21/2013	1,000	1,258(2)
PerfectServe, Inc. (30)	Communications software platform provider for hospitals and physician practices	First lien senior secured revolving loan (\$500 par due 6/2015)	7.50%	12/26/2013	500	500(2)
			10.00%	12/26/2013	3,348	3,372(2)

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

		First lien senior secured loan (\$3,372 par due 4/2017)				
					6,327	6,456
		Common stock (16,667 shares)		3/12/2008	167	1,051(2)
PhyMED Management LLC	Provider of anesthesia services	First lien senior secured loan (\$10,000 par due 11/2020)	5.25% (Libor + 4.25%/M)	11/18/2014	9,927	10,000(2)(25)
POS I Corp. (fka Vantage Oncology, Inc.)	Radiation oncology care provider	Common stock (62,157 shares)		2/3/2011	4,670	1,222(2)
Respicardia, Inc.	Developer of implantable therapies to improve cardiovascular health	First lien senior secured loan (\$1,400 par due 7/2015)	11.00%	6/28/2012	1,399	1,400(2)
					1,437	1,428

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

As of December 31, 2014

(dollar amounts in thousands)

Sage Products Holdings III, LLC	Patient infection control and preventive care solutions provider	Second lien senior secured loan (\$120,000 par due 6/2020)	9.25% (Libor + 8.00%/Q)	12/13/2012	119,775	120,000(2)(25)
SurgiQuest, Inc.	Medical device company	Warrants to purchase up to 54,672 shares of Series D-4 convertible preferred stock		9/28/2012		(2)
		Second lien senior secured loan (\$50,000 par due 9/2020)	9.00% (Libor + 8.00%/Q)	9/24/2014	50,000	50,000(2)(25)
Young Innovations, Inc.	Dental supplies and equipment manufacturer	Second lien senior secured loan (\$45,000 par due 7/2019)	9.00% (Libor + 8.00%/Q)	5/30/2014	45,000	45,000(2)(25)
Other Services						
Capital Investments and Ventures Corp. (30)	SCUBA diver training and certification provider	First lien senior secured loan (\$60,654 par due 8/2020)	8.00% (Base Rate + 4.75%/Q)	8/9/2012	60,334	60,654(2)(25)
		First lien senior secured loan (\$7,534 par due 8/2020)	8.00% (Base Rate + 4.75%/Q)	8/9/2012	7,534	7,534(4)(25)
Community Education Centers, Inc.	Offender re-entry and in-prison treatment services provider	First lien senior secured loan (\$14,130 par due 3/2015)	6.25% (Libor + 5.25%/Q)	12/10/2010	14,130	14,130(2)(18)(25)
		Second lien senior secured loan (\$48,377 par due 12/2015)		12/10/2010	47,169	39,858(2)(24)
					61,455	54,144

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

		First lien senior secured revolving loan (\$900 par due 11/2018)	9.00% (Libor + 7.75%/Q)	11/30/2012	900	810(2)(25)
		First lien senior secured loan (\$29,931 par due 11/2018)	10.50% (Libor + 7.75% Cash, 1.50% PIK /Q)	11/30/2012	29,931	26,938(3)(25)
					60,644	52,587
		First lien senior secured loan (\$24,316 par due 3/2019)	8.25% (Libor + 7.00%/Q)	3/13/2014	24,316	24,316(2)(25)
		Class B common units (275,000 units)		3/13/2014	275	303(2)
Dwyer Acquisition Parent, Inc. and TDG Group Holding Company	Operator of multiple franchise concepts primarily related to home maintenance or repairs	Senior subordinated loan (\$52,670 par due 2/2020)	11.00%	8/15/2014	52,670	52,670(2)
					55,670	56,109

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

As of December 31, 2014

(dollar amounts in thousands)

GHS Interactive Security, LLC and LG Security Holdings, LLC (30)	Originates residential security alarm contracts	First lien senior secured loan (\$8,578 par due 5/2018)	7.50% (Libor + 6.00%/S)	12/13/2013	8,626	8,578(25)
					10,233	9,306
		First lien senior secured loan (\$47,716 par due 9/2018)	8.50% (Libor + 7.25%/Q)	9/27/2012	47,716	47,716(3)(25)
					78,961	80,267
OpenSky Project, Inc.	Social commerce platform operator	First lien senior secured loan (\$3,000 par due 9/2017)	10.00%	6/4/2014	2,960	3,000(2)
					3,008	3,048
		First lien senior secured loan (\$33,989 par due 12/2018)	7.00% (Libor + 6.00%/Q)	3/12/2014	33,989	33,989(25)
Spin HoldCo Inc.	Laundry service and equipment provider	Second lien senior secured loan (\$140,000 par due 5/2020)	8.00% (Libor + 7.00%/M)	5/14/2013	140,000	137,200(2)(25)
		First lien senior secured loan (\$36,400 par due 10/2019)	10.25% (Libor + 9.25%/Q)	10/10/2014	36,400	36,400(2)(25)
United Road Towing, Inc.	Towing company	Warrants to purchase up to 607 shares		4/1/2010		

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

					815,348	798,254	15.11%
Feradyne Outdoors, LLC and Bowhunter Holdings, LLC (30)	Provider of branded archery and bowhunting accessories	First lien senior secured loan (\$50,100 par due 3/2019)	6.55% (Libor + 5.55%/Q)	4/24/2014	50,100	50,100(2)(22)(25)	
		Common units (300 units)		4/24/2014	3,000	2,573(2)	
Implus Footcare, LLC	Provider of footwear and other accessories	Preferred stock (455 shares)	6.00% PIK	10/31/2011	4,740	4,740(2)	
					4,740	6,154	
Matrixx Initiatives, Inc. and Wonder Holdings Acquisition Corp.	Developer and marketer of OTC healthcare products	Warrants to purchase up to 1,489 shares of preferred stock		7/27/2011		921(2)	
						921	
		First lien senior secured loan (\$157 par due 4/2018)	9.25% (Base Rate + 6.00%/Q)	4/2/2012	157	157(3)(25)	

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

As of December 31, 2014

(dollar amounts in thousands)

		First lien senior secured loan (\$8,551 par due 4/2018)	7.50% (Libor + 7.00%/Q)	4/2/2012	8,527	8,551(4)(25)
					38,900	39,008
Plantation Products, LLC, Seed Holdings, Inc. and Flora Parent, Inc. (30)	Provider of branded lawn and garden products	First lien senior secured revolving loan (\$9,007 par due 12/2020)	5.00% (Libor + 4.00%/Q)	12/23/2014	9,007	9,007(2)(25)
		Second lien senior secured loan (\$66,000 par due 6/2021)	9.94% (Libor + 8.94%/Q)	12/23/2014	65,620	66,000(2)(25)
					156,172	157,007
		First lien senior secured loan (\$5,721 par due 3/2020)	8.75% (Libor + 7.75%/Q)	3/14/2014	5,721	5,721(2)(25)
		First lien senior secured loan (\$19,950 par due 3/2020)	8.75% (Libor + 7.75%/Q)	3/14/2014	19,950	19,950(4)(25)
					85,733	86,262
		Second lien senior secured loan (\$4,500 par due 9/2019)	10.00%	3/13/2014	4,500	4,500(2)
		Common units (1,116,879 units)		4/1/2010	24	

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

		Warrants to purchase up to 3,157,895 units		4/1/2010		
Varsity Brands Holding Co., Inc., Hercules Achievement, Inc., Hercules Achievement Holdings, Inc. and Hercules VB Holdings, Inc.	Leading manufacturer and distributor of textiles, apparel & luxury goods	Second lien senior secured loan (\$180,000 par due 12/2022)	9.75% (Libor + 8.75%/M)	12/11/2014	178,200	180,000(2)(25)
		Common stock (3,353,371 shares)		12/11/2014	3,353	3,353(2)
Woodstream Corporation	Pet products manufacturer	First lien senior secured loan (\$12 par due 8/2016)	7.00% (Base Rate + 3.75%/Q)	4/18/2012	12	12(4)(25)
		Senior subordinated loan (\$80,000 par due 2/2017)	11.50%	4/18/2012	78,178	80,000(2)
					84,216	87,632
Power Generation						
		First lien senior secured loan (\$2,880 par due 7/2017)	9.62%	12/16/2013	2,683	2,880(2)

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

As of December 31, 2014

(dollar amounts in thousands)

		Series B preferred stock (74,449 shares)		2/26/2014	250	250(2)
					4,973	5,215
Brush Power, LLC	Gas turbine power generation facilities operator	First lien senior secured loan (\$1,730 par due 8/2020)	7.50% (Base Rate + 4.25%/Q)	8/1/2013	1,730	1,730(2)(25)
					88,114	88,114
		Warrant to purchase up to 4 units of common stock		8/8/2014		200(2)
DESRI VI Management Holdings, LLC	Wind and solar power generation facility operator	Senior subordinated loan (\$26,500 par due 12/2021)	9.75%	12/24/2014	26,500	26,500(2)
					27,983	27,983
		Non-controlling units (7.5 units)		8/26/2014	806	806(2)
Green Energy Partners, Stonewall LLC and Panda Stonewall Intermediate Holdings II LLC (30)	Gas turbine power generation facilities operator	Senior subordinated loan (\$81,500 par due 12/2021)	13.25%	11/13/2014	81,500	81,500(2)
		Warrant to purchase up to 32,051 shares of Series C-2 preferred stock		7/25/2013		39(2)(8)
La Paloma Generating Company, LLC	Natural gas fired, combined cycle plant	Second lien senior secured loan (\$10,000)	9.25% (Libor + 8.25%/Q)	2/20/2014	9,652	9,400(2)(25)

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

	operator	par due 2/2020)				
Moxie Patriot LLC	Gas turbine power generation facilities operator	First lien senior secured loan (\$100,000 par due 12/2020)	6.75% (Libor + 5.75%/Q)	12/19/2013	99,000	100,000(2)(25)
Panda Temple Power II, LLC	Gas turbine power generation facilities operator	First lien senior secured loan (\$20,000 par due 4/2019)	7.25% (Libor + 6.00%/Q)	4/3/2013	19,852	20,000(2)(25)
PERC Holdings 1 LLC	Operator of recycled energy, combined heat and power, and energy efficiency facilities	Class B common units (21,653,543 units)		10/20/2014	21,654	21,654(2)
Business Services						
BlackArrow, Inc.	Advertising and data solutions software platform provider	First lien senior secured loan (\$8,000 par due 9/2017)	9.25%	3/13/2014	7,782	8,000(2)

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

As of December 31, 2014

(dollar amounts in thousands)

		Warrant to purchase up to 517,386 units of Series C preferred stock		3/13/2014		76(2)
CallMiner, Inc.	Provider of cloud-based conversational analytics solutions	First lien senior secured loan (\$4,000 par due 5/2018)	10.00%	7/23/2014	3,973	4,000(2)
		Warrant to purchase up to 2,350,636 shares of Series 1 preferred stock		7/23/2014		(2)
Cast & Crew Payroll, LLC and Centerstage Co-Investors, L.L.C. (6)(30)	Payroll and accounting services provider to the entertainment industry	First lien senior secured loan (\$27,930 par due 10/2019)	4.00% (Libor + 3.00%/Q)	12/24/2012	27,930	27,930(2)(25)
		First lien senior secured loan (\$41,813 par due 10/2019)	7.00% (Libor + 6.00%/Q)	12/24/2012	41,813	41,813(3)(16)(25)
		Class B membership units (2,500,000 units)		12/24/2012	57	5,885(2)
CIBT Investment Holdings, LLC	Expedited travel document processing services	Class A shares (2,500 shares)		12/15/2011	2,500	4,915(2)
		Second lien senior secured loan (\$26,500 par due 8/2020)	9.25% (Libor + 8.25%/Q)	9/28/2012	26,500	26,500(2)(25)
		Senior subordinated loan (\$17,621 par due 8/2021)	14.00% PIK	8/8/2014	17,621	17,621(2)
Compuware Parent, LLC	Web and mobile cloud performance testing and	Class A-1 common stock (4,132 units)		12/15/2014	2,250	2,527(2)

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

monitoring services provider						
		Class C-1 common stock (4,132 units)		12/15/2014	300	337(2)
		Class B-2 common stock (4,132 units)		12/15/2014		(2)
					3,000	3,369
Directworks, Inc. and Co-Exprise Holdings, Inc. (30)	Provider of cloud-based software solutions for direct materials sourcing and supplier management for manufacturers	First lien senior secured loan (\$2,500 par due 4/2018)	10.25% (Libor + 9.25%/M)	12/19/2014	2,500	2,500(2)(25)
					2,500	2,500
		Class A common stock (7,500 shares)		8/19/2014	7,500	8,383(2)
					8,500	9,383

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

As of December 31, 2014

(dollar amounts in thousands)

First Insight, Inc.	SaaS company providing merchandising and pricing solutions to companies worldwide	First lien senior secured loan (\$3,267 par due 4/2017)	9.50%	3/20/2014	3,193	3,267(2)
					3,193	3,273
		Class A units (14,293,110 units)		6/26/2008	12,793	(2)
IfByPhone Inc.	Voice-based marketing automation software provider	Warrant to purchase up to 124,300 shares of Series C preferred stock		10/15/2012	88	79(2)
IronPlanet, Inc. (30)	Online auction platform provider for used heavy equipment	First lien senior secured revolving loan		9/24/2013		(2)(27)
					214	244
		First lien senior secured loan (\$4,900 par due 6/2018)	6.50% (Libor + 5.50%/M)	6/5/2013	4,900	4,900(2)(25)
					103,992	103,992
Market Track Holdings, LLC	Business media consulting services company	Preferred stock (1,500 shares)		12/13/2013	1,982	1,912

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

				3,964	3,692
Multi-Ad Services, Inc. (6)	Marketing services and software provider	Preferred units (1,725,280 units)	4/1/2010	788	2,118
				788	2,118
		Common stock (560,716 shares)	4/1/2010		(2)
NComputing, Inc.	Desktop virtualization hardware and software technology service provider	Warrant to purchase up to 462,726 shares of Series C preferred stock	3/20/2013		12(2)
		Warrant to purchase up to 2,037 shares of Series A preferred stock	11/3/2014	93	93(2)
PHL Investors, Inc., and PHL Holding Co. (7)	Mortgage services	Class A common stock (576 shares)	7/31/2012	3,768	(2)
R2 Acquisition Corp.	Marketing services	Common stock (250,000 shares)	5/29/2007	250	181(2)

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

As of December 31, 2014

(dollar amounts in thousands)

Rocket Fuel Inc.	Provider of open and integrated software for digital marketing optimization	Common stock (11,405 units)		9/9/2014	40	92(2)	
Tripwire, Inc. (30)	IT security software provider	First lien senior secured loan (\$65,716 par due 5/2018)	7.00% (Libor + 5.75%/Q)	5/23/2011	65,716	66,373(2)(25)	
		First lien senior secured loan (\$7,716 par due 5/2018)	7.00% (Libor + 5.75%/Q)	5/23/2011	7,716	7,794(4)(25)	
		Class B common stock (2,655,638 shares)		5/23/2011	30	11,602(2)	
Velocity Holdings Corp.	Hosted enterprise resource planning application management services provider	Common units (1,713,546 units)		12/13/2013	4,503	3,270	
					521,866	527,601	9.99%
Campus Management Corp. and Campus Management Acquisition Corp. (6)	Education software developer	Preferred stock (485,159 shares)		2/8/2008	10,520	10,161(2)	
		First lien senior secured loan (\$1 par due 8/2016)	9.50% (Libor + 8.50%/Q)	8/25/2011	1	1(2)(25)	
		Series A preferred units (124,890 units)	9.50% (Libor + 8.50%/Q)	8/25/2011	124,890	124,890(2)(25)	
					143,547	147,142	
				6/13/2014	1,996	1,597(2)(24)	

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

		First lien senior secured loan (\$1,996 par due 12/2016)				
		Series C preferred stock (2,512,586 shares)	6/7/2010	689	(2)	
				60,657	48,636	
		First lien senior secured loan (\$4,181 par due 1/2017)	5.25% (Libor + 4.25%/Q)	10/4/2011	4,180	4,181(2)(25)
		First lien senior secured loan (\$40,362 par due 1/2017)	8.50% (Libor + 7.50%/Q)	10/4/2011	40,305	40,362(3)(15)(25)
				135,149	135,492	
		First lien senior secured loan (\$35,512 par due 6/2017)	7.25% (Libor + 6.25%/M)	12/13/2013	36,127	35,512(2)(25)
R3 Education, Inc. and EIC Acquisitions Corp.	Medical school operator	Preferred stock (1,977 shares)		7/30/2008	494	494(2)

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

As of December 31, 2014

(dollar amounts in thousands)

		Common membership interest (15.76% interest)		9/21/2007	15,800	26,199(2)
					16,294	26,693
		Warrant to purchase up to 987,771 shares of Series CC preferred stock		7/1/2014		76(2)
RuffaloCODY, LLC (30)	Provider of student fundraising and enrollment management services	First lien senior secured loan (\$12,683 par due 5/2019)	5.57% (Libor + 4.32%/Q)	5/29/2013	12,683	12,620(2)(25)
		First lien senior secured loan (\$11,709 par due 5/2019)	5.57% (Libor + 4.32%/Q)	5/29/2013	11,709	11,651(4)(25)
WCI-Quantum Holdings, Inc.	Distributor of instructional products, services and resources	Series A preferred stock (1,272 shares)		10/24/2014	1,000	1,000(2)
Financial Services						
Callidus Capital Corporation (7)	Asset management services	Common stock (100 shares)		4/1/2010	3,000	1,702
		First lien senior secured loan (\$1,000 par due 12/2016)	12.00%	11/29/2010	1,000	1,000(2)
		First lien senior secured loan (\$5,000 par due 12/2016)	12.00%	11/29/2010	5,000	5,000(2)
					79,374	49,907

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Cook Inlet Alternative Risk, LLC	Risk management services	Senior subordinated loan (\$750 par due 9/2015)	9.00%	9/30/2011	750	750(2)	
Imperial Capital Group LLC	Investment services	Class A common units (23,130 units)		5/10/2007	11,248	15,633(2)	
		2007 Class B common units (945 units)		5/10/2007		(2)	
Ivy Hill Asset Management, L.P. (7)(9)	Asset management services	Member interest (100.00% interest)		6/15/2009	170,961	259,325	
					336,875	403,525	7.64%
ADF Capital, Inc., ADF Restaurant Group, LLC, and ARG Restaurant Holdings, Inc.	Restaurant owner and operator	First lien senior secured loan (\$28,581 par due 12/2018)	9.25% (Libor + 8.25%/Q)	11/27/2006	28,581	27,152(2)(20)(25)	
		Promissory note (\$18,817 par due 12/2018)		11/27/2006	13,770	346(2)	

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

As of December 31, 2014

(dollar amounts in thousands)

		Warrants to purchase up to 23,750 units of Series D common stock		12/18/2013	24	(2)
Benihana, Inc. (30)	Restaurant owner and operator	First lien senior secured loan (\$4,888 par due 1/2019)	6.75% (Libor + 5.50%/Q)	8/21/2012	4,888	4,790(4)(25)
		Warrant to purchase up to 143,079 shares of Series A preferred stock		12/19/2014		3(2)
Garden Fresh Restaurant Corp. (30)	Restaurant owner and operator	First lien senior secured revolving loan (\$1,100 par due 7/2018)	10.00% (Libor + 8.50%/M)	10/3/2013	1,100	1,100(2)(25)(28)
					43,319	43,319
Hojeij Branded Foods, Inc. (30)	Airport restaurant operator	First lien senior secured revolving loan (\$1,450 par due 2/2017)	9.00% (Libor + 8.00%/Q)	2/15/2012	1,450	1,450(2)(25)(28)
		First lien senior secured loan (\$9,407 par due 2/2017)	9.00% (Libor + 8.00%/Q)	7/15/2014	9,407	9,407(2)(25)
		Warrants to purchase up to 7.5% of membership interest		2/15/2012		507(2)
					40,104	47,561
				4/1/2010		(2)(24)

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

		Second lien senior secured loan (\$19,420 par due 9/2015)				
		Class A common units (25,001 units)		4/1/2010		(2)
					8,069	3,106
		First lien senior secured loan (\$6,250 par due 12/2017)	8.75% (Libor + 7.25%/Q)	12/11/2012	6,250	6,250(2)(25)
		First lien senior secured loan (\$25,000 par due 12/2017)	8.75% (Libor + 7.25%/Q)	12/11/2012	25,000	25,000(2)(25)
		Warrants to purchase up to 7.73% of common units		6/19/2008	100	4,464(2)
Performance Food Group, Inc. and Wellspring Distribution Corp	Food service distributor	Second lien senior secured loan (\$24,328 par due 11/2019)	6.25% (Libor + 5.25%/M)	5/14/2013	24,234	24,084(2)(25)
					30,537	32,591
S.B. Restaurant Company	Restaurant owner and operator	Preferred stock (46,690 shares)		4/1/2010		(2)

Table of Contents

As of December 31, 2014

(dollar amounts in thousands)

Manufacturing						
		Warrants to purchase up to 400,000 shares of Series D-4 convertible preferred stock		8/7/2012		13(2)
Component Hardware Group, Inc. (30)	Commercial equipment	First lien senior secured revolving loan (\$1,867 par due 7/2019)	5.50% (Libor + 4.50%/M)	7/1/2013	1,867	1,867(2)(25)
		First lien senior secured loan (\$1,306 par due 7/2019)	5.50% (Libor + 4.50%/M)	7/1/2013	1,306	1,306(4)(25)
Harvey Tool Company, LLC and Harvey Tool Holding, LLC (30)	Cutting tool provider to the metalworking industry	First lien senior secured loan (\$4,863 par due 3/2020)	5.75% (Libor + 4.75%/Q)	3/28/2014	4,863	4,863(2)(25)
		Class A membership units (750 units)		3/28/2014	750	958(2)
Ioxus, Inc.	Energy storage devices	First lien senior secured loan (\$10,000 par due 11/2017)	9.00%	4/29/2014	9,674	9,300(2)