

ARES CAPITAL CORP
Form 10-Q
November 04, 2010
[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, 2010

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. 000-50697

ARES CAPITAL CORPORATION

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

(Exact name of Registrant as specified in its charter)

Maryland
(State or other jurisdiction of
incorporation or organization)

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

280 Park Avenue, 22nd Floor, Building East, New York, NY 10017

(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

Accelerated filer

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

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, 2010
Common stock, \$0.001 par value	192,566,434

Table of Contents

ARES CAPITAL CORPORATION

INDEX

Part I. Financial Information

Item 1. Financial Statements

Consolidated Balance Sheet as of September 30, 2010 (unaudited) and December 31, 2009 1

Consolidated Statement of Operations for the three and nine months ended September 30, 2010 (unaudited) and September 30, 2009 (unaudited) 2

Consolidated Schedule of Investments as of September 30, 2010 (unaudited) and December 31, 2009 3

Consolidated Statement of Stockholders' Equity for the nine months ended September 30, 2010 (unaudited) 39

Consolidated Statement of Cash Flows for the nine months ended September 30, 2010 (unaudited) and September 30, 2009 (unaudited) 40

Notes to Consolidated Financial Statements (unaudited) 41

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations 62

Item 3. Quantitative and Qualitative Disclosures About Market Risk 79

Item 4. Controls and Procedures 80

Part II. Other Information

Item 1. Legal Proceedings 80

Item 1A. Risk Factors 81

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds 81

Item 3. Defaults Upon Senior Securities 81

Item 4. (Removed and Reserved) 81

Item 5. Other Information 81

Item 6. Exhibits 81

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

(dollar amounts in thousands, except per share data)

	September 30, 2010 (unaudited)	As of	December 31, 2009
ASSETS			
Investments at fair value (amortized cost of \$4,174,139 and \$2,376,384, respectively)			
Non-controlled/non-affiliate company investments	\$ 2,343,641	\$	1,568,423
Non-controlled affiliate company investments	565,988		276,351
Controlled affiliate company investments	1,240,161		327,040
Total investments at fair value	4,149,790		2,171,814
Cash and cash equivalents	134,362		99,227
Interest receivable	88,184		28,019
Other assets	59,845		14,455
Total assets	\$ 4,432,181	\$	2,313,515
LIABILITIES			
Debt	\$ 1,524,143	\$	969,465
Management and incentive fees payable	33,241		66,495
Accounts payable and accrued expenses	79,996		16,533
Interest and facility fees payable	16,325		2,645
Payable for open trades			489
Total liabilities	1,653,705		1,055,627
Commitments and contingencies (Note 6)			
STOCKHOLDERS EQUITY			
Common stock, par value \$.001 per share, 300,000,000 common shares authorized, 192,566,434 and 109,944,674 common shares issued and outstanding, respectively	193		110
Capital in excess of par value	2,656,890		1,490,458
Accumulated (overdistributed) undistributed net investment income	(25,264)		3,143
Accumulated net realized gain (loss) on investments, foreign currency transactions, extinguishment of debt and acquisitions	171,454		(31,115)
Net unrealized loss on investments and foreign currency transactions	(24,797)		(204,708)
Total stockholders equity	2,778,476		1,257,888
Total liabilities and stockholders equity	\$ 4,432,181	\$	2,313,515
NET ASSETS PER SHARE	\$ 14.43	\$	11.44

See accompanying notes to consolidated financial statements.

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

(dollar amounts in thousands, except per share data)

	For the three months ended		For the nine months ended	
	September 30, 2010	September 30, 2009	September 30, 2010	September 30, 2009
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
INVESTMENT INCOME:				
From non-controlled/non-affiliate company investments:				
Interest from investments	\$ 66,319	\$ 49,728	\$ 177,285	\$ 138,866
Capital structuring service fees	8,122		15,258	1,653
Management fees	1,711	29	4,261	29
Dividend income	1,381	525	3,299	1,568
Interest from cash & cash equivalents	47	35	75	245
Other income	1,094	1,501	3,648	4,198
Total investment income from non-controlled/non-affiliate company investments	78,674	51,818	203,826	146,559
From non-controlled affiliate company investments:				
Interest from investments	13,607	4,916	33,602	17,019
Dividend income	127	148	318	285
Management fees	75	63	363	1,380
Other income	63	140	485	308
Total investment income from non-controlled affiliate company investments	13,872	5,267	34,768	18,992
From controlled affiliate company investments:				
Interest from investments	27,908	2,255	62,545	7,348
Capital structuring service fees	12,489		15,146	194
Dividend income	2,415	1,511	4,211	1,511
Management fees	2,652		5,430	1,286
Other income	116	30	300	118
Total investment income from controlled affiliate company investments	45,580	3,796	87,632	10,457
Total investment income	138,126	60,881	326,226	176,008
EXPENSES:				
Interest and credit facility fees	22,755	5,721	54,453	18,603
Incentive management fees	17,805	8,227	40,922	23,764
Base management fees	15,436	7,508	35,574	22,502
Professional fees	3,233	2,044	9,191	5,749
Administrative	2,642	809	6,251	2,905
Professional fees and other costs related to the acquisition of Allied Capital Corporation	1,450	1,989	17,773	1,989
Rent	1,565	301	3,659	1,458
Insurance	539	313	1,433	988
Depreciation	252	167	662	505

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Directors fees	198	134	476	370
Other	1,195	308	3,006	1,558
Total expenses	67,070	27,521	173,400	80,391
NET INVESTMENT INCOME BEFORE INCOME TAXES				
	71,056	33,360	152,826	95,617
Income tax expense (benefit), including excise tax	(164)	454	360	563
NET INVESTMENT INCOME	71,220	32,906	152,466	95,054
REALIZED AND UNREALIZED GAINS (LOSSES) ON INVESTMENTS AND FOREIGN CURRENCY TRANSACTIONS:				
Net realized gains (losses):				
Non-controlled/non-affiliate company investments	1,225	12,049	10,998	9,887
Non-controlled affiliate company investments	9		(3,725)	(482)
Controlled affiliate company investments	(6)	(13,705)	1,296	(13,705)
Foreign currency transactions			85	68
Net realized gains (losses)	1,228	(1,656)	8,654	(4,232)
Net unrealized gains (losses):				
Non-controlled/non-affiliate company investments	17,509	(552)	113,590	1,336
Non-controlled affiliate company investments	16,064	14,916	35,152	3,644
Controlled affiliate company investments	23,934	17,699	31,321	10,773
Foreign currency transactions		(37)	(152)	(55)
Net unrealized gains (losses)	57,507	32,026	179,911	15,698
Net realized and unrealized gains (losses) from investments and foreign currency transactions	58,735	30,370	188,565	11,466
GAIN ON THE ACQUISITION OF ALLIED CAPITAL CORPORATION			195,876	
REALIZED GAIN (LOSS) ON EXTINGUISHMENT OF DEBT	(1,578)		(1,961)	26,543
NET INCREASE IN STOCKHOLDERS EQUITY RESULTING FROM OPERATIONS	\$ 128,377	\$ 63,276	\$ 534,946	\$ 133,063
BASIC AND DILUTED EARNINGS PER COMMON SHARE (Note 4)	\$ 0.67	\$ 0.62	\$ 3.16	\$ 1.34
WEIGHTED AVERAGE SHARES OF COMMON STOCK OUTSTANDING BASIC AND DILUTED (Note 4)	192,167,337	102,831,909	169,499,905	99,066,652

See accompanying notes to consolidated financial statements.

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

As of September 30, 2010 (unaudited)

(dollar amounts in thousands, except per unit data)

Company(1)	Industry	Investment	Interest(5)(10)	Acquisition Date	Amortized Cost	Fair Value	Fair Value Per Unit	Percentage of Net Assets
Investment Funds								
AGILE Fund I, LLC (7)	Investment partnership	Member interest (0.50% interest)		4/1/2010	\$ 264	\$ 217	(16)	
BB&T Capital Partners/Windsor Mezzanine Fund, LLC (6)	Investment partnership	Member interest (32.59% interest)		4/1/2010	12,877	15,190		
Callidus Debt Partners CDO Fund I, Ltd. (8)	Investment company	Class C notes (\$18,800 par due 12/2013)	4.59%	4/1/2010	2,518	1,448	\$ 0.08(16)	
		Class D notes (\$9,400 par due 12/2013)		4/1/2010		\$	(13)(16)	
					2,518	1,448		
Callidus Debt Partners CLO Fund III, Ltd. (8)	Investment company	Preferred shares (23,600,000 shares)	9.05%	4/1/2010	4,753	6,874	\$ 0.31(16)	
Callidus Debt Partners CLO Fund IV, Ltd. (8)	Investment company	Class D notes (\$3,000 par due 4/2020)	4.84% (Libor + 4.55%/Q)	4/1/2010	1,789	1,741	\$ 0.58(16)	
		Subordinated notes (\$17,500 par due 4/2020)	14.03%	4/1/2010	7,216	10,285	\$ 0.59(16)	
					9,005	12,026		
Callidus Debt Partners CLO Fund V, Ltd. (8)	Investment company	Subordinated notes (\$14,150 par due 11/2020)	19.70%	4/1/2010	8,692	11,096	\$ 0.78(16)	
Callidus Debt Partners CLO Fund VI, Ltd. (8)	Investment company	Class D notes (\$9,000 par due 10/2021)	6.29% (Libor + 6.00%/Q)	4/1/2010	3,962	4,241	\$ 0.47(16)	
		Subordinated notes (\$25,500 par due 10/2021)	18.39%	4/1/2010	11,050	17,101	\$ 0.67(16)	
					15,012	21,342		
Callidus Debt Partners CLO Fund VII, Ltd. (8)	Investment company	Subordinated notes (\$28,000 par due 1/2021)	13.27%	4/1/2010	10,374	15,080	\$ 0.54(16)	

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Callidus MAPS CLO Fund I LLC	Investment company	Class E notes (\$17,000 par due 12/2017)	5.80% (Libor + 5.53%/Q)	4/1/2010	11,679	11,244	\$	0.66(16)
		Subordinated Notes (\$47,900 par due 12/2017)	9.18%	4/1/2010	13,419	17,946	\$	0.37(16)
					25,098	29,190		
Callidus MAPS CLO Fund II, Ltd.	Investment company	Class D notes (\$7,700 par due 7/2022)	4.54% (Libor + 4.25%/Q)	4/1/2010	3,324	4,049	\$	0.53(16)
		Subordinated notes (\$17,900 par due 7/2022)	19.30%	4/1/2010	8,977	12,906	\$	0.72(16)
					12,301	16,955		
Catterton Partners VI, L.P.	Investment partnership	Limited partnership interest (0.50% interest)		4/1/2010	1,721	2,226		
CIC Flex, LP (9)	Investment partnership	Limited partnership units (0.94 unit)		9/7/2007	53		\$	(16)
Cortec Group Fund IV, L.P.	Investment partnership	Limited partnership interest (2.53% interest)		4/1/2010	4,628	4,355		(16)
Covestia Capital Partners, LP (9)	Investment partnership	Limited partnership interest (47.00% interest)		6/17/2008	1,059	982		(16)
Dryden XVIII Leveraged Loan 2007 Limited (8)	Investment company	Class B notes (\$9,000 par due 10/2019)	4.79% (Libor + 4.50%/Q)	4/1/2010	3,753	3,562	\$	0.40(16)
		Subordinated notes (\$21,164 par due 10/2019)	22.03%	4/1/2010	12,715	16,486	\$	0.78(16)
					16,468	20,048		
Dynamic India Fund IV	Investment company	Member interest (5.44% interest)		4/1/2010	4,822	4,822		(16)
Fidus Mezzanine Capital, L.P.	Investment partnership	Limited partnership interest (29.12% interest)		4/1/2010	9,206	9,588		
Firstlight Financial Corporation (6)(9)	Investment company	Senior subordinated loan (\$73,625 par due 12/2016)	1.00% PIK	12/31/2006	73,433	47,857	\$	0.65(4)(16)
		Common stock (10,000 shares)		12/31/2006	10,000		\$	(16)
		Common stock (30,000 shares)		12/31/2006	30,000		\$	(16)
					113,433	47,857		
HCI Private Equity Managers, LP (7) (8)	Investment company	Member interest (100% interest)		4/1/2010	808	973	\$	0.81(16)
Ivy Hill Middle Market Credit Fund, Ltd. (7)(8)(9)	Investment company	Class B deferrable interest notes (\$40,000 par due 11/2018)	6.48% (Libor + 6.00%/Q)	11/20/2007	15,351	14,737	\$	0.96(16)
			15.50%	11/20/2007	40,000	37,200	\$	0.93(16)

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Subordinated notes
(\$15,351 par due
11/2018)

					55,351	51,937		
Knightsbridge CLO 2007-1 Ltd. (7)(8)	Investment company	Class E notes (\$20,350 par due 1/2022)	9.29% (Libor + 9.00%/Q)	3/24/2010	14,852	11,296	\$	0.56(16)
Knightsbridge CLO 2008-1 Ltd. (7)(8)	Investment company	Class C notes (\$14,400 par due 6/2018)	7.79% (Libor + 7.50%/Q)	3/24/2010	14,400	14,400	\$	1.00(16)
		Class D notes (\$9,000 par due 6/2018)	8.79% (Libor + 8.50%/Q)	3/24/2010	9,000	9,000	\$	1.00(16)
		Class E notes (\$14,850 par due 6/2018)	5.29% (Libor + 5.00%/Q)	3/24/2010	13,596	9,914	\$	0.67(16)
					36,996	33,314		
Kodiak Fund LP	Investment partnership	Limited partnership interest (1.52% interest)		4/1/2010	932	784		

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

Novak Biddle Venture Partners III, L.P.	Investment partnership	Limited partnership interest (2.47% interest)		4/1/2010	697	673		(16)
Pangaea CLO 2007-1 Ltd. (8)	Investment company	Class D notes (\$15,000 par due 1/2021)	5.04% (Libor + 4.75%/Q)	4/1/2010	8,950	7,710	\$	0.51(16)
Partnership Capital Growth Fund I, LP (9)	Investment partnership	Limited partnership interest (25% interest)		6/16/2006	2,380	2,394		(16)
Senior Secured Loan Fund LLC (7) (15)	Investment partnership	Subordinated certificates (\$411,173 par due 12/2015)	(Libor + 8.00%/Q)	10/30/2009	400,451	425,500	\$	1.03(16)
SPP Mezzanine Funding II, L.P.	Investment partnership	Limited partnership interest (42.73% interest)		4/1/2010	5,605	6,226		(16)
Trivergance Capital Partners, LP (9)	Investment partnership	Limited partnership interest (100% interest)		6/5/2008	2,925			(16)
Webster Capital II, L.P.	Investment partnership	Limited partnership interest (2.44% interest)		4/1/2010	1,220	1,227		(16)
					783,451	761,330		27.40%
Business Services								
Avborne, Inc. (7)	Maintenance, repair and overhaul service provider	Common stock (27,500 shares)		4/1/2010	39	39	\$	1.42(16)
Aviation Properties Corporation(7)	Aviation services	Common stock (100 shares)		4/1/2010			\$	(16)
BenefitMall Holdings, Inc.	Employee benefits broker services company	Senior subordinated loan (\$40,326 par due 6/2014)	18.00%	4/1/2010	40,326	40,326	\$	1.00
		Common stock (39,274,290 shares)		4/1/2010	53,510	49,679	\$	1.26
		Warrants		4/1/2010			\$	
					93,836	90,005		
Booz Allen Hamilton, Inc.	Strategy and technology consulting services	Senior subordinated loan (\$211 par due 7/2016)	13.00%	7/31/2008	185	186	\$	0.88(16)
		Senior subordinated loan (\$10,484 par due 7/2016)	13.00%	7/31/2008	10,423	10,509	\$	1.00(2)
				7/31/2008	723	735	\$	1.00(3)(14)

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

		Senior secured loan (\$735 par due 7/2015)	7.50% (Libor + 4.50%/Q)		11,331	11,430		
CitiPostal Inc. (7)	Document storage and management services	Senior secured revolving loan (\$691 par due 12/2013)	6.50% (Libor + 4.50%/M)	4/1/2010	691	691	\$	1.00(14)(16)
		Senior secured revolving loan (\$1,250 par due 12/2013)	6.75% (Base Rate + 3.50%/Q)	4/1/2010	1,250	1,250	\$	1.00(16)
		Senior secured loan (\$484 par due 12/2013)	11.00% Cash, 2.00% PIK	4/1/2010	484	484	\$	1.00(4)(16)
		Senior secured loan (\$49,585 par due 12/2013)	11.00% Cash, 2.00% PIK	4/1/2010	49,585	49,585	\$	1.00(2)(4)
		Senior subordinated loan (\$12,034 par due 12/2015)	16.00% PIK	4/1/2010	12,034	12,034	\$	1.00(4)(16)
		Common stock (37,024 shares)		4/1/2010			\$	
					64,044	64,044		

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

Cook Inlet Alternative Risk, LLC	Risk management services	Senior secured loan		4/1/2010	25,124	25,114	\$	0.63(13)(16)
		(\$40,000 par due 4/2013)						
		Senior secured loan		4/1/2010	29,876	29,886	\$	0.63(13)(16)
		(\$47,600 par due 4/2013)						
		Member interest (3.17% interest)		4/1/2010				
					55,000	55,000		
Coverall North America, Inc. (7)	Commercial janitorial service provider	Senior secured loan	12.00%	4/1/2010	15,763	15,763	\$	1.00(2)
		(\$15,763 par due 7/2011)						
		Senior secured loan	12.00%	4/1/2010	15,864	15,864	\$	1.00(2)
		(\$15,864 par due 7/2011)						
		Senior subordinated loan (\$5,578 par due 7/2011)	15.00% Cash, 1.00% PIK	4/1/2010	5,574	1,290	\$	0.23(4)(16)
	Common stock (763,333 shares)			4/1/2010	2,999		\$	
					40,200	32,917		
Digital VideoStream, LLC	Media content supply chain services company	Senior secured loan	10.00% Cash, 1.00% PIK	4/1/2010	259	259	\$	1.00(4)(16)
		(\$259 par due 2/2012)						
		Senior secured loan (\$9 par due 2/2012)	10.00% Cash, 1.00% PIK	4/1/2010	7	9	\$	1.04(2)(4)
		(\$10,626 par due 2/2012)						
		Convertible subordinated loan (\$5,403 par due 2/2016)	10.00% PIK	4/1/2010	5,838	5,713	\$	1.06(4)(16)
					16,671	16,607		
Diversified Collection Services, Inc.	Collections services	Senior secured loan	7.50% (Libor + 5.50%/Q)	4/1/2010	7,000	7,000	\$	1.00(3)(14)
		(\$7,000 par due 3/2012)						
		Senior secured loan	13.75% (Libor + 11.75%/Q)	4/1/2010	34,000	34,000	\$	1.00(2)(14)
		(\$34,000 par due 9/2012)						
		Senior secured loan	13.75% (Libor + 11.75%/Q)	4/1/2010	2,000	2,000	\$	1.00(3)(14)
	(\$2,000 par due 9/2012)							
	Preferred stock (14,927 shares)			5/18/2006	169	284	\$	19.03(16)

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

		Common stock (114,004 shares)		2/5/2005	295	520 \$	4.56(16)
		Common stock (478,816 shares)		4/1/2010	1,478	1,721 \$	3.59
					44,942	45,525	
Diversified Mercury Communications, LLC	Business media consulting services	Senior secured loan (\$1,957 par due 3/2013)	8.00% (Base Rate + 4.50%/Q)	4/1/2010	1,780	1,561 \$	0.80(14)(16)
Impact Innovations Group, LLC (7)	IT consulting and outsourcing services	Member interest (50% interest)		4/1/2010			
Investor Group Services, LLC (6)	Business consulting for private equity and corporate clients	Limited liability company membership interest (10.00% interest)		6/22/2006		538	
Market Track Holdings, LLC	Business media consulting services company	Senior subordinated loan (\$23,345 par due 6/2014)	11.50% Cash, 4.40% PIK	4/1/2010	23,345	23,345 \$	1.00(2)(4)
Multi-Ad Services, Inc. (6)	Marketing services and software provider	Senior secured loan (\$1,870 par due 11/2011)	11.25%	4/1/2010	1,870	1,870 \$	1.00(16)
		Preferred units (1,725,280 units)		4/1/2010	788	1,269 \$	0.73(16)
		Common units (1,725,280 units)		4/1/2010			(16)
					2,658	3,139	
MVL Group, Inc. (7)	Marketing research provider	Senior secured loan (\$25,260 par due 7/2012)	12.00%	4/1/2010	25,260	25,260 \$	1.00(16)
		Junior subordinated loan (\$37,127 par due 7/2012)	12.00% Cash, 2.50% PIK	4/1/2010	35,902	37,127 \$	1.00(4)(16)
		Junior subordinated loan (\$144 par due 7/2012)	10.00%	4/1/2010		24 \$	0.17(16)
		Common stock (554,091 shares)		4/1/2010		\$	(16)
		Common stock (6,625 shares)		4/1/2010		\$	(16)
					61,162	62,411	
PC Helps Support, LLC	Technology support provider	Senior secured loan (\$7,272 par due 12/2013)	3.55% (Libor + 3.25%/M)	4/1/2010	7,272	7,199 \$	0.99(3)
		Senior subordinated loan (\$23,764 par due 12/2013)	12.76%	4/1/2010	23,764	23,764 \$	1.00(16)
					31,036	30,963	

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Pillar Holdings LLC and PHL Holding Co. (6)	Mortgage services	Senior secured loan (\$1,875 par due 5/2014)	14.50%	7/31/2008	1,875	1,875 \$	1.00(16)
		Senior secured loan (\$5,500 par due 5/2014)	14.50%	7/31/2008	5,500	5,500 \$	1.00(2)
		Senior secured loan (\$14,937 par due 11/2013)	5.79% (Libor + 5.50%/B)	11/20/2007	14,937	14,937 \$	1.00(2)
		Senior secured loan (\$9,323 par due 11/2013)	5.79% (Libor + 5.50%/B)	11/20/2007	9,323	9,323 \$	1.00(3)
		Common stock (84.78 shares)		11/20/2007	3,768	7,080 \$	(16) 83,510.26
					35,403	38,715	
Primis Marketing Group, Inc. and Primis Holdings, LLC (6)	Database marketing services	Senior subordinated loan (\$10,222 par due 2/2013)		8/24/2006	10,222	102 \$	0.01(13)(16)
		Preferred units (4,000 units)		8/24/2006	3,600	\$	(16)
		Common units (4,000,000 units)		8/24/2006	400	\$	(16)
				14,222	102		

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

Prommis Solutions, LLC, E-Default Services, LLC, Statewide Tax and Title Services, LLC & Statewide Publishing Services, LLC (formerly known as MR Processing Holding Corp.)	Bankruptcy and foreclosure processing services	Senior subordinated loan (\$16,788 par due 2/2014)	11.50% Cash, 2.00% PIK	2/8/2007	16,788	16,788	\$	1.00(4)(16)
		Senior subordinated loan (\$27,032 par due 2/2014)	11.50% Cash, 2.00% PIK	2/8/2007	27,032	27,032	\$	1.00(2)(4)
		Preferred units (30,000 units)		4/11/2006	3,000	5,759	\$	4.80(16)
					46,820	49,579		
Promo Works, LLC	Marketing services	Senior secured loan (\$8,655 par due 12/2013)	11.00%	4/1/2010	5,105	7,394	\$	0.85(16)
R2 Acquisition Corp.	Marketing services	Common stock (250,000 shares)		5/29/2007	250	176	\$	0.70(16)
Summit Business Media, LLC	Business media consulting services	Junior secured loan (\$11,930 par due 7/2014)		8/3/2007	10,276	239	\$	0.02(3)(13)
Summit Energy Services, Inc.	Energy management consulting services	Common stock (38,778 shares)		4/1/2010	222	275	\$	7.09
		Common stock (385,608 shares)		4/1/2010	2,336	2,732	\$	7.09
					2,558	3,007		
Tradesmen International, Inc.	Construction labor support	Senior subordinated loan (\$20,000 par due 5/2014)	10.00%	4/1/2010	14,048	18,000	\$	0.90(16)
		Warrants to purchase up to 771,036 shares		4/1/2010			\$	
					14,048	18,000		
VSS-Tranzact Holdings, LLC (6)	Management consulting services	Common membership interest (8.51% interest)		10/26/2007	10,204	6,215		
Trover Solutions, Inc.	Healthcare collections services	Senior subordinated loan (\$2,829 par due 11/2012)	10.50% Cash, 1.50% PIK	4/1/2010	2,829	2,829	\$	1.00(4)
		Senior subordinated loan (\$50,000 par due 11/2012)	10.50% Cash, 1.50% PIK	4/1/2010	50,000	50,000	\$	1.00(2)(4)
					52,829	52,829		
Venturehouse-Ciberneta Investors, LLC	Financial settlement services for	Equity interest		4/1/2010			\$	(16)

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

	intercarrier wireless roaming								
					637,759	613,780			22.09%
Healthcare-Services									
Air Medical Group Holdings LLC (6)	Medical escort services	Senior secured revolving loan (\$2,250 par due 3/2011)	4.00% (Base Rate + 0.75%/Q)	4/1/2010	2,202	2,250	\$		1.00(16)
		Preferred equity interests		4/1/2010	15,107	27,439	\$		(16) 11.05
		Preferred equity interests		4/1/2010	3,098	5,626	\$		(16) 11.05
		Common equity interests		4/1/2010			\$		
					20,407	35,315			
Axium Healthcare Pharmacy, Inc.	Specialty pharmacy provider	Senior subordinated loan (\$3,160 par due 3/2015)	8.00% PIK	4/1/2010	2,903	3,002	\$		0.95(4)
CCS Group Holdings, LLC	Correctional facility healthcare operator	Class A units (1,000,000 units)		8/19/2010	1,000	1,000	\$		1.00(16)
CT Technologies Intermediate Holdings, Inc. and CT Technologies Holdings, LLC (6)	Healthcare analysis services	Preferred stock (7,427 shares)		6/15/2007	8,763	8,325	\$		(16) 1,120.92
		Common stock (9,679 shares)		6/15/2007	4,000	9,595	\$		(16) 991.32
		Common stock (1,546 shares)		6/15/2007		1,533	\$		(16) 991.58
					12,763	19,453			
DSI Renal Inc. (6)	Dialysis provider	Senior secured loan (\$9,410 par due 3/2013)	9.00% (Libor + 7.00%/M)	4/4/2006	9,121	9,410	\$		1.00(14)(16)
		Senior subordinated loan (\$67,290 par due 4/2014)	6.00% Cash, 11.00% PIK	4/4/2006	66,804	67,290	\$		1.00(4)(16)
		Common units (19,726 units)		4/4/2006	19,684	27,343	\$		(16) 1,386.14
					95,609	104,043			
GG Merger Sub I, Inc.	Drug testing services	Senior secured loan (\$11,330 par due 12/2014)	4.30% (Libor + 4.00%/Q)	12/14/2007	11,026	10,868	\$		0.96(2)
		Senior secured loan (\$12,000 par due 12/2014)	4.30% (Libor + 4.00%/Q)	12/14/2007	11,460	11,296	\$		0.94(3)
					22,486	22,164			
HCP Acquisition Holdings, LLC (7)	Healthcare compliance advisory services	Class A units (10,044,176 units)		6/26/2008	10,044	5,154	\$		0.51(16)
	Dental services		14.25%	7/31/2008	27,717	27,717	\$		1.00(16)

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Heartland Dental
Care, Inc.

Senior subordinated
loan (\$27,717 par due
7/2014)

INC Research, Inc.	Consulting service provider to pharmaceutical and biotechnology companies	Senior subordinated loan (\$10,000 par due 9/2017)	13.50%	9/27/2010	10,000	10,000	\$	1.00(16)
--------------------	---	--	--------	-----------	--------	--------	----	----------

		Common stock (1,000,000 shares)		9/27/2010	1,000	1,000	\$	1.00(16)
--	--	---------------------------------	--	-----------	-------	-------	----	----------

					11,000	11,000		
--	--	--	--	--	--------	--------	--	--

Magnacare Holdings, Inc., Magnacare Administrative Services, LLC, and Magnacare, LLC	Healthcare professional provider	Senior secured revolving loan (\$350 par due 9/2016)	9.75% (Libor + 8.75%/Q)	9/13/2010	350	350	\$	1.00(14)(16)
--	----------------------------------	--	-------------------------	-----------	-----	-----	----	--------------

		Senior secured loan (\$127,500 par due 9/2016)	9.75% (Libor + 8.75%/Q)	9/13/2010	127,500	127,500	\$	1.00(14)(16)
--	--	--	-------------------------	-----------	---------	---------	----	--------------

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

					127,850	127,850		
MWD Acquisition Sub, Inc.	Dental services	Junior secured loan (\$5,000 par due 5/2013)	6.51% (Libor + 6.25%/M)	5/3/2007	5,000	4,750	\$	0.95(3)
MPBP Holdings, Inc., Cohr Holdings, Inc. and MPBP Acquisition Co., Inc.	Healthcare equipment services	Junior secured loan (\$19,195 par due 1/2014)		1/31/2007	19,195	960	\$	0.05(13)(16)
		Junior secured loan (\$11,517 par due 1/2014)		1/31/2007	11,517	576	\$	0.05(3)(13)
		Common stock (50,000 shares)		1/31/2007	5,000		\$	(16)
					35,712	1,536		
NS Merger Sub. Inc. and NS Holdings, Inc.	Healthcare technology provider	Senior subordinated loan (\$579 par due 6/2017)	13.50%	6/21/2010	579	579	\$	1.00(16)
		Senior subordinated loan (\$50,000 par due 6/2017)	13.50%	6/21/2010	50,000	50,000	\$	1.00(2)
		Common stock (2,500,000 shares)		6/21/2010	2,500	2,500	\$	1.00(16)
					53,079	53,079		
OnCURE Medical Corp.	Radiation oncology care provider	Common stock (857,143 shares)		8/18/2006	3,000	2,156	\$	2.52(16)
Passport Health Communications, Inc., Passport Holding Corp. and Prism Holding Corp.	Healthcare technology provider	Senior secured loan (\$11,387 par due 5/2014)	10.50% (Libor + 7.50%/B)	5/9/2008	11,387	11,387	\$	1.00(2)(14)
		Senior secured loan (\$10,511 par due 5/2014)	10.50% (Libor + 7.50%/B)	5/9/2008	10,511	10,511	\$	1.00(3)(14)
		Series A preferred stock (1,594,457 shares)	10% PIK	7/30/2008	10,848	10,848	\$	6.80(4)(16)
		Common stock (16,106 shares)		7/30/2008	100		\$	(16)
					32,846	32,746		
PG Mergersub, Inc.	Provider of patient surveys, management reports and national databases for the integrated	Senior subordinated loan (\$4,000 par due 3/2016)	12.50%	3/12/2008	3,946	4,000	\$	1.00(16)

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

	healthcare delivery system								
		Common stock (16,667 shares)		3/12/2008	167	553	\$		33.18(16)
		Preferred stock (333 shares)		3/12/2008	333	11	\$		33.00(16)
					4,446	4,564			
Reed Group, Ltd.	Medical disability management services provider	Senior secured revolving loan (\$1,250 par due 12/2013)		4/1/2010	1,097	1,063	\$		0.85(13)(16)
		Senior secured loan (\$10,755 par due 12/2013)		4/1/2010	9,129	9,142	\$		0.85(13)(16)
		Senior subordinated loan (\$19,625 par due 12/2013)		4/1/2010	15,918	10,842	\$		0.55(13)(16)
		Equity interests		4/1/2010	203		\$		(16)
					26,347	21,047			
Regency Healthcare Group, LLC (6)	Hospice provider	Preferred member interest (1,293,960 units)		4/1/2010	2,007	1,778			(16)
Soteria Imaging Services, LLC (6)	Outpatient medical imaging provider	Junior secured loan (\$1,750 par due 11/2010)	14.50%	4/1/2010	1,707	1,575	\$		0.90(16)
		Junior secured loan (\$2,500 par due 11/2010)	12.50%	4/1/2010	2,439	2,250	\$		0.90(16)
		Preferred member interest (1,823,139 units)		4/1/2010					
					4,146	3,825			
U.S. Renal Care, Inc.	Dialysis provider	Senior subordinated loan (\$20,132 par due 5/2017)	11.25% Cash, 2.00% PIK	5/24/2010	20,132	20,132	\$		1.00(4)(16)
Univita Health, Inc.	Outsourced services provider	Senior subordinated loan (\$20,935 par due 12/2014)	12.00% Cash, 3.00% PIK	12/22/2009	20,935	20,935	\$		1.00(4)(16)
VOTC Acquisition Corp.	Radiation oncology care provider	Senior secured loan (\$7,542 par due 7/2012)	11.00% Cash, 2.00% PIK	6/30/2008	7,542	7,542	\$		1.00(4)(16)
		Preferred stock (3,888,222 shares)		7/14/2008	8,748	7,511	\$		1.93(16)
					16,290	15,053			
					555,719	538,299			19.37%
Restaurants and Food Services									
ADF Capital, Inc. & ADF Restaurant	Restaurant owner and operator	Senior secured revolving loan (\$2,010 par due 11/2012)	6.50% (Libor + 3.50%/Q)	11/27/2006	2,010	2,010	\$		1.00(14)(16)

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Group, LLC

		Senior secured revolving loan (\$108 par due 11/2012)	6.50% (Base Rate + 2.50%/Q)	11/27/2006	108	108	\$	1.00(14)(16)
		Senior secured loan (\$23,149 par due 11/2013)	12.50% (Libor + 6.50%/Q)	11/27/2006	23,155	23,149	\$	1.00(2)(14)
		Senior secured loan (\$10,850 par due 11/2013)	12.50% (Libor + 6.50%/Q)	11/27/2006	10,850	10,850	\$	1.00(3)(14)
		Promissory note (\$13,105 par due 11/2016)	12.00% PIK	6/1/2006	14,886	13,214	\$	1.01(16)
		Warrants to purchase up to 0.61 shares		6/1/2006			\$	(16)
					51,009	49,331		
Encanto Restaurants, Inc. (8)	Restaurant owner and operator	Junior secured loan (\$20,997 par due 8/2013)	11.00%	8/16/2006	20,997	19,317	\$	0.92(2)
		Junior secured loan (\$3,999 par due 8/2013)	11.00%	8/16/2006	3,999	3,679	\$	0.92(3)
					24,996	22,996		

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

Fulton Holdings Corp	Airport restaurant operator	Senior secured loan (\$40,000 par due 5/2016)	12.50%	5/28/2010	40,000	40,000	\$	1.00(2)(11)
		Common stock (19,672 shares)		5/28/2010	1,967	2,292	\$	116.51(16)
					41,967	42,292		
Hot Stuff Foods, LLC (7)	Convenience food service retailer	Senior secured loan (\$36,467 par due 9/2014)	10.00% (Libor + 8.50%/M)	4/1/2010	36,467	36,467	\$	1.00(14)(16)
		Junior secured loan (\$31,320 par due 9/2014)	14.00%	4/1/2010	24,581	31,421	\$	1.00(16)
		Senior subordinated loan (\$20,841 par due 2/2013)		4/1/2010			\$	(13)(16)
		Junior subordinated loan (\$31,532 par due 2/2013)		4/1/2010			\$	(13)(16)
		Class A common units (25,001 units)		4/1/2010			\$	(16)
		Class B common units (1,122,452 units)		4/1/2010			\$	(16)
					61,048	67,888		
Huddle House, Inc. (7)	Restaurant owner and operator	Senior subordinated loan (\$20,145 par due 12/2015)	12.00% Cash, 3.00% PIK	4/1/2010	19,893	16,469	\$	0.82(4)(16)
		Common stock (358,428 shares)		4/1/2010			\$	
					19,893	16,469		
OTG Management, Inc.	Airport restaurant operator	Junior secured loan (\$7,546 par due 6/2013)	16.00% (Libor + 11.00% Cash, 2.00% PIK/M)	6/19/2008	7,546	7,546	\$	1.00(4)(14)(16)
		Junior secured loan (\$41,603 par due 6/2013)	18.00% (Libor + 11.00% Cash, 4.00% PIK/M)	6/19/2008	41,695	41,603	\$	1.00(4)(14)(16)
		Warrants to purchase up to 100,857 shares of common stock		6/19/2008	100	4,424	\$	43.86(16)
		Warrants to purchase up to 9 shares of common stock		6/19/2008			\$	(16)
					49,341	53,573		
PMI Holdings, Inc.	Restaurant owner and operator	Senior secured revolving loan (\$575 par due 5/2015)	10.00% (Libor + 8.00%/B)	5/5/2010	575	575	\$	1.00(14)(16)

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

		Senior secured loan (\$9,946 par due 5/2015)	10.00% (Libor + 8.00%/B)	5/5/2010	9,946	9,946 \$	1.00(2)(14)
		Senior secured loan (\$9,946 par due 5/2015)	10.00% (Libor + 8.00%/B)	5/5/2010	9,946	9,946 \$	1.00(3)(14)
		Senior secured loan (\$4 par due 5/2015)	10.25% (Base Rate + 7.00%/M)	5/5/2010	4	4 \$	0.92(2)
		Senior secured loan (\$4 par due 5/2015)	10.25% (Base Rate + 7.00%/M)	5/5/2010	4	4 \$	0.92(3)
					20,475	20,475	
S.B. Restaurant Company	Restaurant owner and operator	Senior secured loan (\$38,327 par due 4/2011)	11.75%	4/1/2010	28,546	35,598 \$	0.93(16)
		Preferred stock (46,690 shares)		4/1/2010		\$	(16)
		Warrants to purchase up to 534,049 shares of common stock		4/1/2010		\$	(16)
					28,546	35,598	
Vistar Corporation and Wellspring Distribution Corp.	Food service distributor	Senior subordinated loan (\$31,625 par due 5/2015)	13.50%	5/23/2008	31,625	31,625 \$	1.00(16)
		Senior subordinated loan (\$30,000 par due 5/2015)	13.50%	5/23/2008	30,000	30,000 \$	1.00(2)
		Class A non-voting common stock (1,366,120 shares)		5/3/2008	7,500	5,391 \$	3.95(16)
					69,125	67,016	
					366,400	375,638	13.52%
Financial Services							
AllBridge Financial, LLC (7)	Asset management services	Equity interests		4/1/2010	11,370	11,325 \$	0.28(16)
Callidus Capital Corporation (7)	Asset management services	Senior subordinated loan (\$4,594 par due 8/2013)		4/1/2010	4,120	4,594 \$	1.00(13)(16)
		Common stock (100 shares)		4/1/2010		2,106 \$	21,060(16)
					4,120	6,700	
Carador PLC (6)(8)(9)	Investment company	Ordinary shares (7,110,525 shares)		12/15/2006	9,033	4,586 \$	0.64(16)
Ciena Capital LLC (7)	Real estate and small business loan servicer	Senior secured revolving loan (\$319,031 par due 3/2009)		4/1/2010	78,971	77,690 \$	0.24(13)
				4/1/2010	5,041	1,210 \$	0.24(13)

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

		Senior secured loan (\$4,969 par due 3/2011)						
		Class B equity interests		4/1/2010			\$	
		Class C equity interests		4/1/2010			\$	
					84,012	78,900		
Commercial Credit Group, Inc.	Commercial equipment finance and leasing company	Senior subordinated loan (\$6,000 par due 6/2015)	15.00%	4/1/2010	6,000	6,000	\$	1.00
		Senior subordinated loan (\$4,000 par due 6/2015)	15.00%	4/1/2010	4,000	4,000	\$	1.00
		Senior subordinated loan (\$9,500 par due 6/2015)	15.00%	4/1/2010	9,500	9,500	\$	1.00
					19,500	19,500		
Compass Group Diversified Holdings, LLC (17)	Middle market business manager	Senior secured revolving loan (\$5,147 par due 12/2012)	2.76% (Libor + 2.50%/Q)	4/1/2010	5,147	5,147	\$	1.00(16)
		Senior secured revolving loan (\$882 par due 12/2012)	2.80% (Libor + 2.50%/Q)	4/1/2010	882	882	\$	1.00(16)
		Senior secured revolving loan (\$735 par due 12/2012)	2.80% (Libor + 2.50%/Q)	4/1/2010	735	735	\$	1.00(16)
		Senior secured revolving loan (\$684 par due 12/2012)	4.75% (Base Rate + 1.50%/M)	4/1/2010	684	684	\$	1.00(16)
					7,448	7,448		

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

Financial Pacific Company (7)	Commercial finance leasing	Senior subordinated loan (\$20,902 par due 2/2012)	7.99%	4/1/2010	11,264	11,760	\$	0.56(16)
		Senior subordinated loan (\$20,902 par due 2/2012)	7.99%	4/1/2010	11,263	11,760	\$	0.56(16)
		Senior subordinated loan (\$19,334 par due 2/2012)	7.99%	4/1/2010	10,373	10,878	\$	0.56(16)
		Junior subordinated loan (\$10,399 par due 8/2012)		4/1/2010			\$	(16)
		Preferred stock (8,583 shares)		4/1/2010			\$	(16)
		Preferred stock (424 shares)		4/1/2010			\$	(16)
		Preferred stock (450 shares)		4/1/2010			\$	(16)
		Common stock (12,711 shares)		4/1/2010			\$	(16)
					32,900	34,398		
Imperial Capital Group, LLC and Imperial Capital Private Opportunities, LP (6)(9)	Investment company	Common units (2,526 shares)		5/10/2007	3	4,637	\$	1,835.31(16)
		Common units (315 shares)		5/10/2007		578	\$	1,834.92(16)
		Common units (7,710 shares)		5/10/2007	14,997	14,152	\$	1,835.54(16)
		Limited partnership interest (80% interest)		5/10/2007	6,794	5,316		(16)
					21,794	24,683		
Ivy Hill Asset Management, L.P. (7)	Asset management services	Member interest		6/15/2009	96,328	119,976	\$	1.25(16)
VSC Investors LLC (9)	Investment company	Membership interest (4.63% interest)		1/24/2008	819	642		(16)
					287,324	308,158		11.09%
Consumer Products-Non-durable								
Augusta Sportswear, Inc.	Manufacturer of athletic apparel	Senior secured loan (\$15,561 par due 7/2015)	8.50% (Libor + 7.50%/Q)	9/3/2010	15,561	15,561	\$	1.00(2)(14)
		Senior secured loan (\$9,377 par due 7/2015)	8.50% (Libor + 7.50%/Q)	9/3/2010	9,377	9,377	\$	1.00(3)(14)

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

					24,938	24,938		
Blacksmith Brands Holdings, Inc. and Blacksmith Brands, Inc.	Consumer products and personal care manufacturer	Senior secured loan (\$22,060 par due 12/2014)	12.50% (Base Rate + 8.50%/Q)	10/23/2009	22,060	22,060	\$	1.00(14)(16)
Gilchrist & Soames, Inc.	Personal care manufacturer	Senior subordinated loan (\$23,519 par due 10/2013)	13.44%	4/1/2010	22,686	23,519	\$	1.00(16)
Insight Pharmaceuticals Corporation (6)	OTC drug products manufacturer	Senior subordinated loan (\$5,271 par due 9/2012)	13.00% Cash, 2.00% PIK	4/1/2010	5,271	5,271	\$	1.00(14)(16)
		Senior subordinated loan (\$50,000 par due 9/2012)	13.00% Cash, 2.00% PIK	4/1/2010	50,000	50,000	\$	1.00(14)(16)
		Common stock (155,000 shares)		4/1/2010	12,070	12,627	\$	81.46(16)
					67,341	67,898		
Making Memories Wholesale, Inc. (7)	Scrapbooking branded products manufacturer	Senior secured revolving loan (\$250 par due 8/2014)	10.00% (Libor + 6.50%/Q)	8/21/2009	250	250	\$	1.00(14)(16)
		Senior secured revolving loan (\$250 par due 8/2014)	10.00% (Libor + 6.50%/Q)	8/21/2009	250	250	\$	1.00(14)(16)
		Senior secured revolving loan (\$500 par due 8/2014)	10.00% (Libor + 6.50%/Q)	8/21/2009	500	500	\$	1.00(14)(16)
		Senior secured loan (\$9,625 par due 8/2014)	10.00% (Base Rate + 5.50%/Q)	8/21/2009	7,670	7,475	\$	0.78(14)(16)
		Senior secured loan (\$5,436 par due 8/2014)		8/21/2009	4,059		\$	(13)(16)
		Common stock (100 shares)		8/21/2009			\$	(16)
					12,729	8,475		
The Step2 Company, LLC	Toy manufacturer	Senior secured loan (\$94,358 par due 4/2012)	12.00% Cash, 1.00% PIK	4/1/2010	89,300	86,479	\$	0.92(4)(16)
		Common equity interest		4/1/2010			\$	(16)
		Preferred equity interest		4/1/2010	24		\$	(16)
					89,324	86,479		
The Thymes, LLC (7)	Cosmetic products manufacturer	Preferred units (6,283 units)	8.00% PIK	6/21/2007	6,920	6,424	\$	1,022.51(4)
		Common units (5,400 units)		6/21/2007			\$	(16)
					6,920	6,424		
Woodstream Corporation	Pet products manufacturer	Senior subordinated loan (\$4,743 par due 2/2015)	12.00%	1/22/2010	4,534	4,506	\$	0.95(16)

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

	Senior subordinated loan (\$50,257 par due 2/2015)	12.00%	1/22/2010	43,264	47,745 \$	0.95(16)
	Common stock (4,254 shares)		1/22/2010	1,222	2,153 \$	506.12(16)
				49,020	54,404	
				295,018	294,197	10.59%

Education

Campus Management Corp. and Campus Management Acquisition Corp. (6)	Education software developer	Preferred stock (493,147 shares)	2/8/2008	9,949	13,811 \$	28.01(16)
Community Education Centers, Inc.	Offender re-entry and in-prison treatment services provider	Senior subordinated loan (\$38,096 par due 11/2013)	4/1/2010	35,203	37,334 \$	0.98(13)(16)

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

eInstruction Corporation	Developer, manufacturer and retailer of educational products	Junior secured loan (\$17,000 par due 7/2014)	7.79% (Libor + 7.50%/M)	4/1/2010	14,761	15,300	\$	0.90(16)
		Senior subordinated loan (\$22,356 par due 1/2015)	16.00% PIK	4/1/2010	20,355	21,238	\$	0.95(4)(16)
		Common stock (2,406 shares)		4/1/2010	926	1,710	\$	710.72(16)
					36,042	38,248		
ELC Acquisition Corporation	Developer, manufacturer and retailer of educational products	Senior secured loan (\$160 par due 11/2012)	3.51% (Libor + 3.25%/M)	11/30/2006	160	160	\$	1.00(3)
		Junior secured loan (\$8,333 par due 11/2013)	7.26% (Libor + 7.00%/M)	11/30/2006	8,333	8,333	\$	1.00(3)
					8,493	8,493		
Instituto de Banca y Comercio, Inc. & Leads IV Advisors, Inc. (8)	Private school operator	Series B preferred stock (1,401,385 shares)		8/5/2010	4,004	4,004	\$	2.86(16)
		Series B preferred stock (348,615 shares)		8/5/2010	996	996	\$	2.86(16)
		Series C preferred stock (1,994,644 shares)		6/7/2010	547	2,586	\$	1.30(16)
		Series C preferred stock (517,942 shares)		6/7/2010	142	672	\$	1.30(16)
		Common stock (16 shares)		6/7/2010			\$	(16)
		Common stock (4 shares)		6/7/2010			\$	(16)
					5,689	8,258		
JTC Education Holdings, Inc.	Postsecondary school operator	Senior secured loan (\$20,123 par due 12/2014)	12.50% (Libor + 9.50%/M)	12/31/2009	20,123	20,123	\$	1.00(14)(16)
		Senior secured loan (\$10,931 par due 12/2014)	12.50% (Libor + 9.50%/M)	12/31/2009	10,931	10,931	\$	1.00(3)(14)
					31,054	31,054		
R3 Education, Inc. (formerly known as Equinox EIC Partners, LLC and MUA Management Company) and EIC Acquisitions Corp. (8)	Medical school operator	Senior secured loan (\$6,775 par due 4/2013)	9.00% (Libor + 6.00%/M)	4/3/2007	6,775	10,181	\$	1.50(3)(14)

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

	Senior secured loan (\$10,113 par due 4/2013)	9.00% (Libor + 6.00%/Q)	9/21/2007	10,113	15,197	\$	1.50(14)(16)
	Senior secured loan (\$4,000 par due 4/2013)	9.00% (Libor + 6.00%/Q)	9/21/2007	4,000	6,011	\$	1.50(3)(14)
	Senior secured loan (\$5,547 par due 4/2013)	13.00% PIK	12/8/2009	2,026	8,336	\$	1.50(4)(16)
	Preferred stock (8,000 shares)		7/30/2008	2,000	1,000	\$	125.00(16)
	Preferred stock (800 shares)		7/30/2008	200	100	\$	125.00(16)
	Warrants to purchase up to 27,890 shares		12/8/2009			\$	(16)
	Common membership interest (26.27% interest)		9/21/2007	15,800	20,708		(16)
				40,914	61,533		
				167,344	198,731		7.15%

Manufacturing

Component Hardware Group, Inc.	Commercial equipment	Senior secured loan (\$3,000 par due 12/2014)	6.00% Cash, 4.00% PIK	8/4/2010	3,000	3,000	\$	1.00(4)(16)
		Senior subordinated loan (\$10,000 par due 12/2014)	6.00% Cash, 7.00% PIK	4/1/2010	5,566	10,000	\$	1.00(4)
		Warrants to purchase up to 1,462,500 shares of common stock		8/4/2010		1,055	\$	0.72(16)
					8,566	14,055		
Emerald Performance Materials, LLC	Polymers and performance materials manufacturer	Senior secured loan (\$5,867 par due 5/2011)	8.25% (Libor + 4.25%/M)	5/16/2006	5,867	5,867	\$	1.00(14)(16)
		Senior secured loan (\$375 par due 5/2011)	8.25% (Libor + 4.25%/M)	5/16/2006	375	375	\$	1.00(14)(16)
		Senior secured loan (\$8,392 par due 5/2011)	8.25% (Libor + 4.25%/M)	5/16/2006	8,392	8,392	\$	1.00(3)(14)
		Senior secured loan (\$536 par due 5/2011)	8.25% (Libor + 4.25%/M)	5/16/2006	536	536	\$	1.00(3)(14)
		Senior secured loan (\$9 par due 5/2011)	8.50% (Base Rate + 1.75%/M)	5/16/2006	9	9	\$	1.00(3)(14)(16)
		Senior secured loan (\$13 par due 5/2011)	8.50% (Base Rate + 1.75%/M)	5/16/2006	13	13	\$	1.01(3)(14)
		Senior secured loan (\$3,806 par due 5/2011)	10.00% (Libor + 6.00%/M)	5/16/2006	3,806	3,806	\$	1.00(14)(16)
				5/16/2006	1,579	1,579	\$	1.00(3)(14)

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

		Senior secured loan (\$1,579 par due 5/2011)	10.00% (Libor + 6.00%/M)					
		Senior secured loan (\$3,532 par due 5/2011)	13.00% Cash, 3.00% PIK	5/16/2006	3,532	3,532	\$	1.00(4)(16)
		Senior secured loan (\$5,051 par due 5/2011)	13.00% Cash, 3.00% PIK	5/16/2006	5,051	5,051	\$	1.00(2)(4)
					29,160	29,160		
Industrial Air Tool, LP and Affiliates d/b/a Industrial Air Tool (7)	Industrial products	Senior subordinated loan (\$6,000 par due 6/2014)	9.00%	4/1/2010	6,000	14,312	\$	2.39
		Member interest (375 units)		4/1/2010	7,419	145		(16)
					13,419	14,457		
Jakel, Inc. (7)	Electric motor manufacturer	Senior subordinated loan (\$748 par due 3/2011)		4/1/2010			\$	(13)
NetShape Technologies, Inc.	Metal precision engineered components manufacturer	Senior secured revolving loan (\$972 par due 2/2013)	4.06% (Libor + 3.75%/B)	4/1/2010	521	526	\$	0.54(16)

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

Reflexite Corporation (7)	Developer and manufacturer of high-visibility reflective products	Senior subordinated loan (\$6,269 par due 11/2014)	20.00% (Base Rate + 9.25% Cash, 7.50% PIK/Q)	2/26/2008	6,269	6,583	\$	1.05(4)(14)(16)
		Senior subordinated loan (\$11,462 par due 11/2014)	20.00% (Base Rate + 9.25% Cash, 7.50% PIK/Q)	2/26/2008	11,462	12,035	\$	1.05(3)(4)(14)
		Common stock (1,821,860 shares)		3/28/2006	27,435	28,233	\$	15.50(16)
					45,166	46,851		
Saw Mill PCG Partners LLC	Precision components manufacturer	Common units (1,000 units)		2/2/2007	1,000		\$	(16)
STS Operating, Inc.	Hydraulic systems equipment and supplies provider	Senior subordinated loan (\$30,386 par due 1/2013)	11.00%	4/1/2010	29,361	29,778	\$	0.98(2)
UL Holding Co., LLC	Petroleum product manufacturer	Junior secured loan (\$2,124 par due 12/2012)	14.50%	2/13/2009	2,124	2,018	\$	0.95(16)
		Junior secured loan (\$846 par due 12/2012)	14.50%	2/13/2009	846	804	\$	0.95(3)
		Junior secured loan (\$2,114 par due 12/2012)	9.82% (Libor + 9.38%/Q)	2/13/2009	2,114	2,008	\$	0.95(16)
		Junior secured loan (\$842 par due 12/2012)	9.82% (Libor + 9.38%/Q)	2/13/2009	842	799	\$	0.95(3)
		Junior secured loan (\$10,836 par due 12/2012)	9.82% (Libor + 9.38%/Q)	2/13/2009	10,836	10,294	\$	0.95(3)
		Junior secured loan (\$2,970 par due 12/2012)	14.50%	2/13/2009	2,970	2,822	\$	0.95(2)
		Junior secured loan (\$990 par due 12/2012)	14.50%	2/13/2009	990	941	\$	0.95(3)
		Senior secured loan (\$5,000 par due 12/2012)	15.00%	8/13/2010	5,000	5,000	\$	1.00(16)
		Common units (50,000 units)		4/25/2008	500	97	\$	1.94(16)
		Common units (207,843 units)		4/25/2008		403	\$	1.94(16)
					26,222	25,186		
Universal Trailer Corporation (6)	Livestock and specialty trailer manufacturer	Common stock (74,920 shares)		10/8/2004	7,930		\$	(16)
					161,345	160,013		5.76%
Telecommunications								
American Broadband Communications, LLC and American Broadband Holding Company	Broadband communication services	Senior secured loan (\$36,100 par due 9/2013)	7.50% (Libor + 5.50%/Q)	9/1/2010	34,545	36,100	\$	1.00(14)(16)

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

		Senior secured loan (\$9,400 par due 9/2013)	7.50% (Libor + 5.50%/Q)	9/1/2010	9,400	9,400	\$	1.00(3)(14)
		Senior subordinated loan (\$32,702 par due 11/2014)	12.00% Cash, 4.00% PIK	2/8/2008	32,702	32,702	\$	1.00(2)(4)
		Senior subordinated loan (\$10,327 par due 11/2014)	12.00% Cash, 4.00% PIK	11/7/2007	10,327	10,327	\$	1.00(4)(16)
		Senior subordinated loan (\$30,143 par due 11/2014)	12.00% Cash, 4.00% PIK	9/1/2010	30,143	30,143	\$	1.00(4)(16)
		Warrants to purchase up to 200 shares		9/1/2010			\$	(16)
		Warrants to purchase up to 208 shares		11/7/2007		3,379	\$	16,245.19(16)
					117,117	122,051		
Startec Equity, LLC (7)	Communication services	Member interest		4/1/2010			\$	(16)
					117,117	122,051		4.39%
Consumer Products-Durable								
Bushnell, Inc.	Sports optics manufacturer	Senior subordinated loan (\$41,325 par due 2/2014)	7.03% (Libor + 6.50%/Q)	4/1/2010	30,087	30,994	\$	0.75(16)
Carlisle Wide Plank Floors, Inc.	Hardwood floor manufacturer	Senior secured loan (\$1,609 par due 6/2011)	12.00% Cash	4/1/2010	1,509	1,448	\$	0.90(16)
		Common stock (345,056 shares)		4/1/2010			\$	
					1,509	1,448		
Direct Buy Holdings, Inc. and Direct Buy Investors, LP (6)	Membership based buying club franchisor and operator	Senior secured loan (\$2,100 par due 11/2012)	7.75% (Libor + 6.00%/M)	12/14/2007	2,049	1,995	\$	0.95(2)(14)
		Senior subordinated loan (\$80,816 par due 5/2013)	12.00% Cash, 4.00% PIK	4/1/2010	76,787	76,776	\$	0.95(4)(16)
		Partnership interest (80,000 shares)		4/1/2010	3,112	3,330	\$	0.42(16)
		Partnership interest (100,000 shares)		11/30/2007	10,000	4,145	\$	0.42(16)
					91,948	86,246		
					123,544	118,688		4.27%
Beverage, Food and Tobacco								
Apple & Eve, LLC and US Juice Partners, LLC (6)	Juice manufacturer	Senior secured loan (\$14,202 par due 10/2013)	12.00% (Libor + 9.00%/M)	10/5/2007	14,202	14,202	\$	1.00(14)(16)
		Senior secured loan (\$14,943 par due 10/2013)	12.00% (Libor + 9.00%/M)	10/5/2007	14,943	14,943	\$	1.00(3)(14)
		Senior units (50,000 units)		10/5/2007	5,000	5,628	\$	112.56
					34,145	34,773		
Border Foods, Inc. (7)	Green chile and jalapeno products manufacturer	Senior secured loan (\$28,526 par due 3/2012)	13.50%	4/1/2010	28,526	28,526	\$	1.00(16)
		Preferred stock (100,000 shares)		4/1/2010	21,346	22,287	\$	222.87(16)
		Common stock (148,838 shares)		4/1/2010	13,472	10,095	\$	67.83(16)
		Common stock (87,707 shares)		4/1/2010			\$	(16)

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Common stock (23,922 shares)	4/1/2010		\$	(16)
		63,344	60,908	

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

Bumble Bee Foods, LLC and BB Co-Invest LP (8)	Canned seafood manufacturer	Common units (4,000 units)		11/18/2008	4,000	11,193	\$	2,798.25(16)
Charter Baking Company, Inc.	Baked goods manufacturer	Senior subordinated loan (\$6,673 par due 2/2013)	13.00% PIK	2/6/2008	6,673	6,673	\$	1.00(4)(16)
		Preferred stock (6,258 shares)		9/1/2006	2,500	1,585	\$	253.27(16)
					9,173	8,258		
Distant Lands Trading Co.	Coffee manufacturer	Common stock (1,294 shares)		4/1/2010	980	893	\$	690.11(16)
		Common stock (2,157 shares)		4/1/2010			\$	(16)
					980	893		
Ideal Snacks Corporation	Snacks manufacturer	Senior secured revolving loan (\$1,078 par due 6/2011)	8.50% (Base Rate + 4.00%/M)	4/1/2010	1,078	970	\$	0.90(14)(16)
					112,720	116,995		4.21%
Services-Other								
Growing Family, Inc. and GFH Holdings, LLC (6)	Photography services	Senior secured revolving loan (\$157 par due 8/2011)	9.00% (Base Rate + 1.75% Cash, 4.00% PIK/M)	3/16/2007	156	69	\$	0.44(4)(14)(16)
		Senior secured revolving loan (\$2,252 par due 8/2011)	9.00% (Base Rate + 1.75% Cash, 4.00% PIK/M)	3/16/2007	2,218	992	\$	0.44(4)(14)(16)
		Senior secured loan (\$453 par due 3/2013)	9.00% (Base Rate + 1.75% Cash, 4.00% PIK/M)	3/16/2007	424	200	\$	0.44(4)(14)(16)
		Senior secured loan (\$6,498 par due 3/2013)	9.00% (Base Rate + 1.75% Cash, 4.00% PIK/M)	3/16/2007	6,437	2,862	\$	0.44(4)(14)(16)
		Preferred stock (8,750 shares)		3/16/2007			\$	(16)
		Common stock (552,430 shares)		3/16/2007	872		\$	(16)
		Warrants to purchase up to 11,313,678 Class B units		3/16/2007			\$	(16)
					10,107	4,123		
NPA Acquisition, LLC	Powersport vehicle auction operator	Senior secured loan (\$6,000 par due 2/2013)	7.01% (Libor + 6.75%/M)	8/23/2006	6,000	6,000	\$	1.00(3)
		Common units (1,709 units)		8/23/2006	1,000	3,000	\$	1,755.41
					7,000	9,000		
PODS Funding Corp.	Storage and warehousing	Senior subordinated loan (\$6,500 par due 12/2015)	16.64% PIK	12/23/2009	5,189	6,500	\$	1.00(4)(16)
		Senior subordinated loan (\$25,125 par due 6/2015)	15.00%	12/23/2009	25,125	25,125	\$	1.00(16)

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

					30,314	31,625		
United Road Towing, Inc.	Towing company	Junior secured loan (\$18,792 par due 1/2014)	14.75% (Libor + 11.25% Cash, 1.00% PIK/Q)	4/1/2010	18,542	18,792	\$	1.00(4)(14)(16)
		Warrants to purchase up to 607 shares		4/1/2010		19	\$	30.84
					18,542	18,811		
Web Services Company, LLC	Laundry service and equipment provider	Senior secured loan (\$4,900 par due 8/2014)	7.00% (Base Rate + 3.75%/Q)	6/15/2009	4,689	4,900	\$	1.00(3)
		Senior subordinated loan (\$13,478 par due 8/2016)	11.50% Cash, 2.50% PIK	8/29/2008	13,478	13,478	\$	1.00(4)(16)
		Senior subordinated loan (\$26,296 par due 8/2016)	11.50% Cash, 2.50% PIK	8/29/2008	26,296	26,296	\$	1.00(2)(4)
					44,463	44,674		
					110,426	108,233		3.90%
Retail								
Apogee Retail, LLC	For-profit thrift retailer	Senior secured loan (\$11,408 par due 9/2012)	12.00% Cash, 4.00% PIK	5/28/2008	11,408	11,408	\$	1.00(4)(16)
		Senior secured loan (\$2,947 par due 3/2012)	5.51% (Libor + 5.25%/M)	3/27/2007	2,947	2,829	\$	0.96(2)
		Senior secured revolving loan (\$780 par due 3/2012)	7.25% (Base Rate + 4.00%/Q)	3/27/2007	780	749	\$	0.96(16)
		Senior secured loan (\$3,386 par due 9/2012)	12.00% Cash, 4.00% PIK	5/28/2008	3,386	3,386	\$	1.00(4)(16)
		Senior secured loan (\$25,909 par due 3/2012)	5.51% (Libor + 5.25%/M)	3/27/2007	25,909	24,873	\$	0.96(2)
		Senior secured loan (\$11,337 par due 3/2012)	5.51% (Libor + 5.25%/M)	3/27/2007	11,337	10,884	\$	0.96(3)
					55,767	54,129		
Savers, Inc. and SAI Acquisition Corporation	For-profit thrift retailer	Common stock (1,170,182 shares)		8/8/2006	4,500	6,335	\$	5.41(16)
Things Remembered, Inc. and TRM Holdings Corporation	Personalized gifts retailer	Senior secured loan (\$63 par due 9/2012)	6.50% (Base Rate + 1.25% Cash, 1.00% PIK/M)	9/28/2006	63	61	\$	0.97(3)(4)(14)
		Senior secured loan (\$2,666 par due 9/2012)	6.50% (Base Rate + 1.25% Cash, 1.00% PIK/M)	9/28/2006	2,663	2,586	\$	0.97(3)(4)(14)
		Senior secured loan (\$760 par due 9/2012)	6.50% (Base Rate + 1.25% Cash, 1.00% PIK/M)	9/28/2006	759	737	\$	0.97(4)(14)(16)
		Senior secured loan (\$195 par due 9/2012)	6.50% (Base Rate + 1.25% Cash, 1.00% PIK/M)	9/28/2006	195	189	\$	0.97(3)(4)(14)
		Senior secured loan (\$27,130 par due 9/2012)	6.50% (Base Rate + 1.25% Cash, 1.00% PIK/M)	9/28/2006	27,098	26,314	\$	0.97(4)(14)(16)
		Senior secured loan (\$6,981 par due 9/2012)	6.50% (Base Rate + 1.25% Cash, 1.00% PIK/M)	9/28/2006	6,975	6,773	\$	0.97(3)(4)(14)

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Preferred stock (73 shares)	3/19/2009	1,608 \$	21,985.23(16)
-----------------------------	-----------	----------	---------------

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

		Preferred stock (80 shares)		9/28/2006	1,800	1,759	\$	21,987.50(16)
		Common stock (800 shares)		9/28/2006	200		\$	(16)
		Warrants to purchase up to 859 shares of preferred stock		3/19/2009			\$	(16)
					39,753	40,027		
					100,020	100,491		3.62%
Commercial Real Estate Finance								
10th Street, LLC (6)	Real estate holding company	Senior subordinated loan (\$23,013 par due 11/2014)	8.93% Cash, 4.07% PIK	4/1/2010	23,013	23,013	\$	1.00(4)
		Member interest (10.00% interest)		4/1/2010	594	592		
		Option (25,000 units)		4/1/2010	25	25	\$	1.00
					23,632	23,630		
Allied Capital REIT, Inc. (7)	Real estate investment trust	Real estate equity interests		4/1/2010	165	574		
American Commercial Coatings	Real estate property	Commercial mortgage loan (\$2,000 par due 12/2025)		4/1/2010	1,976	1,875	\$	0.94(13)
Aquila Binks Forest Development, LLC	Real estate developer	Commercial mortgage loan (\$12,676 par due 6/2011)	2.50%	4/1/2010	11,099	5,894	\$	0.46(16)
		Real estate equity interests		4/1/2010				
					11,099	5,894		
Cleveland East Equity LLC	Hotel operator	Real estate equity interests		4/1/2010	1,026	1,885		
Crescent Hotels & Resorts, LLC and affiliates (7)	Hotel operator	Senior subordinated loan (\$433 par due 6/2010)		4/1/2010	433	455	\$	1.05(13)(16)
		Senior subordinated loan (\$4,124 par due 1/2012)		4/1/2010	1,475		\$	(13)
		Senior subordinated loan (\$4,348 par due 6/2017)		4/1/2010	1,482		\$	(13)(16)
		Senior subordinated loan (\$2,722 par due 6/2017)		4/1/2010	928		\$	(13)(16)
		Senior subordinated loan (\$5,974 par due 9/2012)		4/1/2010	2,051		\$	(13)
		Senior subordinated loan (\$263 par due 3/2013)		4/1/2010	263		\$	(13)(16)
		Senior subordinated loan (\$3,078 par due 1/2012)		4/1/2010			\$	(13)
		Senior subordinated loan (\$2,926 par due 6/2017)		4/1/2010			\$	(13)

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

		Senior subordinated loan (\$2,112 par due 9/2011)	4/1/2010			\$	(13)
		Senior subordinated loan (\$2,050 par due 6/2017)	4/1/2010			\$	(13)
		Senior subordinated loan (\$4,826 par due 9/2012)	4/1/2010			\$	(13)
		Preferred equity interest	4/1/2010		1,875		
		Preferred equity interest	4/1/2010		1,700		
		Member interests	4/1/2010				
		Common equity interest	4/1/2010		17		
					6,649	4,030	
Commons R-3, LLC	Real estate developer	Real estate equity interests	4/1/2010				
DI Safford, LLC	Hotel operator	Commercial mortgage loan (\$5,311 par due 5/2032)	4/1/2010	2,757	2,750	\$	0.52(13)(16)
Galley Equities, LLC	Food distribution facility	Commercial mortgage loan (\$220 par due 1/2015)	4/1/2010			\$	(13)(16)
Holiday Inn West Chester	Hotel property	Real estate owned	4/1/2010	3,513	3,570		
Hot Light Brands, Inc. (7)	Real estate holding company	Senior secured loan (\$27,918 par due 2/2011)	4/1/2010	5,399	5,329	\$	0.19(13)(16)
		Common stock (93,500 shares)	4/1/2010			\$	(16)
				5,399	5,329		
MGP Park Place Equity, LLC	Office building operator	Commercial mortgage loan (\$6,500 par due 5/2011)	4/1/2010	650	325	\$	0.05(13)
NPH, Inc	Hotel property	Real estate equity interest	4/1/2010	5,291	7,606		
Van Ness Hotel, Inc.	Hotel operator	Commercial mortgage loan (\$3,750 par due 8/2013)	4/1/2010	1,027	371	\$	0.10(13)(16)
		Commercial mortgage loan (\$13,702 par due 12/2011)	5.50%	4/1/2010	13,702	13,702	\$ 1.00(16)
		Real estate equity interests	4/1/2010				(16)
				14,729	14,073		
				76,886	71,541		2.57%
Wholesale Distribution							
BECO Holding Company, Inc.	Wholesale distributor of first response fire protection equipment and related parts	Common stock (25,000 shares)	7/30/2010	2,500	2,500	\$	100.00(16)

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Stag-Parkway, Inc. (7)	Automotive aftermarket components supplier	Senior secured loan (\$34,500 par due 12/2014)	12.50% (Libor + 11.00%/B)	9/30/2010	34,500	34,500 \$	1.00(14)(16)
		Preferred stock (4,200 shares)	16.50%	9/30/2010	2,310	4,200 \$	1,000.00
		Common stock (10,200 shares)		4/1/2010		12,200 \$	1,196.08(16)
					36,810	50,900	
					39,310	53,400	1.92%

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

Computers and Electronics								
Network Hardware Resale, Inc.	Networking equipment resale provider	Senior subordinated loan (\$12,662 par due 12/2011)	12.00%	4/1/2010	12,662	12,662	\$	1.00(2)
		Convertible junior subordinated loan (\$17,518 par due 12/2013)	9.75%	4/1/2010	17,561	20,949	\$	1.20(16)
					30,223	33,611		
TZ Merger Sub, Inc.	Healthcare enterprise software developer	Senior secured loan (\$4,678 par due 8/2015)	7.50% (Libor + 4.50%/Q)	6/15/2009	4,593	4,678	\$	1.00(3)(14)
					34,816	38,289		1.38%
Printing, Publishing and Media								
Canon Communications LLC	Print publications services	Senior secured loan (\$12,155 par due 11/2011)	13.75% (Libor + 6.75% Cash, 2.00% PIK/Q)	5/25/2005	12,144	12,155	\$	1.00(2)(4)(14)
		Senior secured loan (\$12,387 par due 11/2011)	13.75% (Libor + 6.75% Cash, 2.00% PIK/Q)	5/25/2005	12,376	12,387	\$	1.00(3)(4)(14)
					24,520	24,542		
EarthColor, Inc. (7)	Printing management services	Common stock (89,435 shares)		4/1/2010			\$	
LVCG Holdings LLC (7)	Commercial printer	Membership interests (56.53% interest)		10/12/2007	6,600	132		
National Print Group, Inc.	Printing management services	Senior secured revolving loan (\$1,141 par due 10/2012)	9.00% (Libor + 6.00%/S)	3/2/2006	1,141	966	\$	0.85(14)(16)
		Senior secured revolving loan (\$558 par due 10/2012)	9.00% (Base Rate + 5.00%/M)	3/2/2006	558	472	\$	0.85(14)(16)
		Senior secured loan (\$7,587 par due 10/2012)	14.00% (Libor + 6.00% Cash, 5.00% PIK/Q)	3/2/2006	7,275	6,419	\$	0.85(3)(4)(14)
		Senior secured loan (\$342 par due 10/2012)	14.00% (Base Rate + 5.00% Cash, 5.00% PIK/Q)	3/2/2006	329	289	\$	0.84(3)(4)(14)
		Preferred stock (9,344 shares)		3/2/2006	2,000		\$	(16)
					11,303	8,146		
The Teaching Company, LLC and The Teaching	Education publications provider	Preferred stock (29,969 shares)		9/29/2006	2,997	3,540	\$	118.12(16)

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Company
Holdings, Inc.

		Common stock (15,393 shares)		9/29/2006	3	4	\$	0.26
					3,000	3,544		
					45,423	36,364		1.31%
Environmental Services								
AWTP, LLC	Water treatment services	Junior secured loan (\$4,755 par due 12/2012)		12/23/2005	4,755	1,664	\$	0.35(13)(16)
		Junior secured loan (\$2,086 par due 12/2012)		12/23/2005	2,086	730	\$	0.35(3)(13)
		Junior secured loan (\$4,755 par due 12/2012)		12/23/2005	4,755	1,664	\$	0.35(13)(16)
		Junior secured loan (\$2,086 par due 12/2012)		12/23/2005	2,086	730	\$	0.35(3)(13)
					13,682	4,788		
Mactec, Inc.	Engineering and environmental services	Class B-4 stock (16 shares)		11/3/2004		1	\$	62.27(16)
		Class C stock (5,556 shares)		11/3/2004		234	\$	42.12(16)
						235		
Sigma International Group, Inc. (8)	Water treatment parts manufacturer	Junior secured loan (\$1,833 par due 10/2013)	16.00% (Libor + 8.00%/Q)	10/11/2007	1,833	1,283	\$	0.70(14)(16)
		Junior secured loan (\$917 par due 10/2013)	16.00% (Libor + 8.00%/Q)	10/11/2007	917	642	\$	0.70(14)(16)
		Junior secured loan (\$2,778 par due 10/2013)	16.00% (Libor + 8.00%/Q)	10/11/2007	2,778	1,944	\$	0.70(14)(16)
		Junior secured loan (\$4,000 par due 10/2013)	16.00% (Libor + 8.00%/Q)	10/11/2007	4,000	2,800	\$	0.70(3)(14)
		Junior secured loan (\$2,000 par due 10/2013)	16.00% (Libor + 8.00%/Q)	10/11/2007	2,000	1,400	\$	0.70(3)(14)
		Junior secured loan (\$6,060 par due 10/2013)	16.00% (Libor + 8.00%/Q)	10/11/2007	6,060	4,242	\$	0.70(3)(14)
					17,588	12,311		
Universal Environmental Services, LLC (6)	Hydrocarbon recycling and related waste management services and products	Preferred member interest (15.00% interest)		4/1/2010				
Waste Pro USA, Inc.	Waste management services	Preferred Class A common stock (611,615 shares)		11/9/2006	12,263	15,942	\$	26.07(16)
Wastequip, Inc. (6)	Waste management equipment manufacturer	Senior subordinated loan (\$13,121 par due 2/2015)		2/5/2007	13,030	984	\$	0.07(13)(16)
		Common stock (13,889 shares)		2/2/2007	1,389		\$	(16)
					14,419	984		

57,952 34,260

1.23%

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

Aerospace and Defense								
AP Global Holdings, Inc.	Safety and security equipment manufacturer	Senior secured loan (\$6,274 par due 10/2013)	4.77% (Libor + 4.50%/M)	11/18/2007	6,227	6,274	\$	1.00(3)
ILC Industries, Inc.	Supplier of defense electronics and engineered materials	Junior secured loan (\$12,000 par due 6/2014)	11.50%	6/27/2006	12,000	12,000	\$	1.00(3)
Thermal Solutions LLC and TSI Group, Inc.	Thermal management and electronics packaging manufacturer	Senior secured loan (\$88 par due 3/2011)	7.00% (Base Rate + 3.75%/M)	3/28/2005	88	88	\$	1.00(3)
		Senior secured loan (\$2,708 par due 3/2012)	7.50% (Base Rate + 4.25%/M)	3/28/2005	2,708	2,708	\$	1.00(3)
		Senior subordinated loan (\$2,809 par due 3/2013)	11.50% Cash, 4.00% PIK	3/21/2006	2,806	2,809	\$	1.00(4)(16)
		Senior subordinated loan (\$3,502 par due 3/2013)	11.50% Cash, 4.25% PIK	3/28/2005	3,497	3,502	\$	1.00(4)(16)
		Senior subordinated loan (\$2,218 par due 3/2013)	11.50% Cash, 4.25% PIK	3/28/2005	2,215	2,218	\$	1.00(4)(16)
		Preferred stock (71,552 shares)		3/28/2005	716	1,114	\$	15.57(16)
		Common stock (1,460,246 shares)		3/28/2005	15	95	\$	0.07(16)
					12,045	12,534		
Wyle Laboratories, Inc. and Wyle Holdings, Inc.	Provider of specialized engineering, scientific and technical services	Senior preferred stock (775 shares)		1/17/2008	96	96	\$	123.89(16)
		Common stock (1,885,195 shares)		1/17/2008	2,272	1,879	\$	1.00(16)
					2,368	1,975		
					32,640	32,783		1.18%
Automotive Services								
Driven Brands, Inc. (6)	Automotive aftermarket car care franchisor	Senior secured loan (\$3,200 par due 10/2014)	6.50% (Libor + 5.00%/M)	4/1/2010	3,113	3,200	\$	1.00(3)(14)
		Senior secured loan (\$520 par due 10/2014)	6.50% (Libor + 5.00%/M)	4/1/2010	504	520	\$	1.00(3)(14)
		Senior secured loan (\$237 par due 10/2014)	7.00% (Base Rate + 3.75%/M)	4/1/2010	230	237	\$	1.00(3)
				4/1/2010	4,939	5,810	\$	1.54

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

		Common stock (3,772,098 shares)			8,786	9,767	
Penn Detroit Diesel Allison, LLC (7)	Diesel engine manufacturer	Member interest (70,249 shares)		4/1/2010	20,069	18,619	(16)
					28,855	28,386	1.02%
Containers-Packaging							
Industrial Container Services, LLC (6)	Industrial container manufacturer, reconditioner and servicer	Senior secured loan (\$20 par due 9/2011)	4.29% (Libor + 4.00%/M)	6/21/2006	20	20 \$	0.99(2)
		Senior secured loan (\$161 par due 9/2011)	4.26% (Libor + 4.00%/M)	6/21/2006	161	161 \$	1.00(2)
		Senior secured loan (\$308 par due 9/2011)	4.29% (Libor + 4.00%/M)	6/21/2006	308	308 \$	1.00(3)
		Senior secured loan (\$2,463 par due 9/2011)	4.26% (Libor + 4.00%/M)	6/21/2006	2,463	2,463 \$	1.00(3)

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

		Senior secured loan (\$134 par due 9/2011)	4.29% (Libor + 4.00%/Q)	6/21/2006	134	134 \$	1.00(2)
		Senior secured loan (\$2,052 par due 9/2011)	4.29% (Libor + 4.00%/Q)	6/21/2006	2,052	2,052 \$	1.00(3)
		Senior secured loan (\$67 par due 9/2011)	5.75% (Base Rate + 2.50%/Q)	6/21/2006	67	67 \$	1.00(2)
		Senior secured loan (\$1,026 par due 9/2011)	5.75% (Base Rate + 2.50%/Q)	6/21/2006	1,026	1,026 \$	1.00(3)
		Common units (1,800,000 units)		9/29/2005	1,800	13,086 \$	7.27(16)
					8,031	19,317	
					8,031	19,317	0.70%
Health Clubs							
Athletic Club Holdings, Inc.	Premier health club operator	Senior secured loan (\$7,250 par due 10/2013)	4.76% (Libor + 4.50%/M)	10/11/2007	7,250	6,380 \$	0.88(2)(12)
		Senior secured loan (\$11,500 par due 10/2013)	4.76% (Libor + 4.50%/M)	10/11/2007	11,500	10,120 \$	0.88(3)(12)
					18,750	16,500	
					18,750	16,500	0.59%
Oil and Gas							
Geotrace Technologies, Inc.	Reservoir processing, development	Warrants to purchase up to 80,063 shares of preferred stock		4/1/2010	1,738	824 \$	10.29(16)
		Warrants to purchase up to 130,390 shares of preferred stock		4/1/2010	1,067	1,343 \$	10.30(16)
		Warrants to purchase up to 43,356 shares of common stock		4/1/2010	54	\$	(16)
		Warrants to purchase up to 26,622 shares of common stock		4/1/2010	33	\$	(16)
					2,892	2,167	
					2,892	2,167	0.08%
Housing Building Materials							
HB&G Building Products	Synthetic and wood product manufacturer	Senior subordinated loan (\$8,956 par due 3/2013)		10/8/2004	8,991	179 \$	0.02(13)(16)
		Warrants to purchase up to 4,464 shares of common stock		10/8/2004	653	\$	(16)
		Common stock (2,743 shares)		10/8/2004	753	\$	(16)

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

	10,397	179	
	10,397	179	0.01%
	\$ 4,174,139	\$ 4,149,790	

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

(1) Other than our investments in AGILE Fund I, LLC, Allied Capital REIT, Inc., AllBridge Financial, LLC, Avborne, Inc., Aviation Properties Corporation, Border Foods, Inc., Callidus Capital Corporation, Ciena Capital LLC, Citipostal, Inc., Coverall North America, Inc., Crescent Equity Corp., EarthColor, Inc., Financial Pacific Company, HCI Equity, LLC, HCP Acquisition Holdings, LLC, Hot Light Brands, Inc., Hot Stuff Foods, LLC, Huddle House Inc., IAT Equity, LLC, Impact Innovations Group LLC, Ivy Hill Asset Management, L.P., Ivy Hill Middle Market Credit Fund, Ltd., Jakel, Inc., Knightsbridge CLO 2007-1 Ltd., Knightsbridge CLO 2008-1 Ltd., LVCG Holdings, LLC, Making Memories Wholesale, Inc., MVL Group, Inc, PENN Detroit Diesel Allison LLC, Reflexite Corporation, Senior Secured Loan Fund LLC, Stag-Parkway, Inc, Startec Equity, LLC and The Thymes, LLC, we do not Control any of our portfolio companies, as defined in the Investment Company Act. In general, under the Investment Company Act, we would Control a portfolio company if we owned more than 25% of its outstanding voting securities and/or had the power to exercise control over the management or policies of such portfolio company. All of our portfolio company investments are subject to legal restrictions on sales which as of September 30, 2010 represented 149% of the Company's net assets.

(2) These assets are owned by the Company's wholly owned subsidiary Ares Capital CP, are pledged as collateral for the CP 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 CP Funding Facility (see Note 7 to the consolidated financial statements).

(3) Pledged as collateral for the ARCC CLO.

(4) Has a payment-in-kind interest feature (see Note 2 to the consolidated financial statements).

(5) Investments without an interest rate are non-income producing at September 30, 2010.

(6) As defined in the Investment Company Act, we are an Affiliated Person of this portfolio company because we own 5% or more of the portfolio company's outstanding voting securities or we have 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, 2010 in which the issuer was an Affiliated company (but not a portfolio company that we Control) are as follows (in thousands):

Company	Purchases	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	\$ 23,171	\$	\$	\$ 1,480	\$	\$	\$	\$	\$ (2)
Air Medical Group	\$ 29,405	\$ 9,045	\$	\$ 100	\$	\$	\$ 12	\$	\$ 15,011
Apple & Eve, LLC and US Juice Partners, LLC	\$ 2,300	\$ 4,939	\$ 2,816	\$ 2,854	\$	\$	\$ 34	\$	\$ 628
BB&T Capital	\$ 13,943	\$ 1,066	\$	\$	\$	\$	\$	\$	\$ 2,312
Carador, PLC	\$	\$	\$	\$	\$	\$ 318	\$	\$	\$ 2,098
Campus Management Corp. and Campus Management Acquisition Corp.	\$	\$ 43,462	\$	\$ 4,829	\$	\$	\$ (4)	\$	\$ (221)
CT Technologies Intermediate Holdings, Inc. and CT Technologies	\$	\$	\$	\$ 297	\$	\$	\$	\$	\$ 2,999

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Holdings, LLC													
Direct Buy Holdings, Inc. and													
Direct Buy Investors LP	\$	78,350	\$	21	\$	7,102	\$	\$	1	\$	1,494		
Driven Brands, Inc.	\$	103,157	\$	41	\$	96,643	\$	\$	843	\$	990		
DSI Renal, Inc.	\$	1,505	\$	5,296	\$	7,991	\$	\$	26	\$	3,090	\$	6,488
Firstlight Financial													
Corporation	\$	\$	\$	\$	\$	415	\$	\$	250	\$	(7,353)		
Growing Family, Inc. and													
GFH Holdings, LLC	\$	\$	\$	\$	\$	933	\$	\$	(1)	\$	(7,659)	\$	9,113
Imperial Capital Group, LLC	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	(300)	
Industrial Container													
Services, LLC	\$	413	\$	8,615	\$	333	\$	\$	120	\$	\$	5,374	
InSight Pharmaceuticals													
Corporation	\$	66,791	\$	\$	\$	4,177	\$	\$	\$	\$	\$	557	

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

Investor Group Services, LLC	\$ 100	\$ 100	\$ 172	\$	\$ 15	\$ 38
Multi-Ad Services, Inc.	\$ 2,666	\$ 16	\$ 112	\$	\$ 13	\$ 482
Pillar Holdings LLC and PHL Holding Co.	\$	\$ 4,261	\$ 1,796	\$	\$ 27	\$ (738)
Primis Marketing Group, Inc. and Primis Holdings, LLC	\$	\$	\$	\$	\$	\$ (409)
Regency Equity Corp.	\$ 2,007	\$	\$	\$	\$	\$ (229)
Service Champ, Inc.	\$ 28,463	\$ 26,585	\$ 28,463	\$ 208	\$ 75	\$
Soteria Imaging Services, LLC	\$ 4,080	\$	\$ 348	\$	\$	\$ (255)
VSS-Tranzact Holdings, LLC	\$ 204	\$	\$	\$	\$	\$ (1,941)
Universal Corporation	\$	\$	\$	\$	\$	\$
Universal Trailer Corporation	\$	\$	\$	\$	\$	\$
Wastequip, Inc.	\$	\$	\$	\$	\$ 281	\$ (984)

(7) As defined in the Investment Company Act, we are an Affiliated Person of this portfolio company because we own 5% or more of the portfolio company's outstanding voting securities or we have the power to exercise control over the management or policies of such portfolio company (including through a management agreement). In addition, as defined in the Investment Company Act, we Control this portfolio company because we own more than 25% of the portfolio company's outstanding voting securities or we have the power to exercise control over the management or policies of such portfolio company (including through a management agreement). Transactions during the period for the nine months ended September 30, 2010 in which the issuer was both an Affiliated company and a portfolio company that we Control are as follows (in thousands):

Company	Purchases	Redemptions (cost)	Sales (cost)	Interest income	Capital structuring service fees	Dividend Income	Other income	Net realized gains (losses)	Net unrealized gains (losses)
AGILE Fund I, LLC	\$ 264	\$	\$	\$	\$	\$ 78	\$	\$	\$ (46)
Allied Capital REIT, Inc.	\$ 765	\$ 600	\$	\$	\$	\$	\$	\$	\$ 409
AllBridge Financial, LLC	\$ 11,370	\$	\$	\$	\$	\$	\$ 29	\$	\$ (44)
Avborne, Inc.	\$ 39	\$	\$	\$	\$	\$	\$	\$	\$
Aviation Properties Corporation	\$	\$	\$	\$	\$	\$	\$	\$	\$
Border Foods, Inc.	\$ 68,944	\$ 5,600	\$	\$ 2,111	\$	\$	\$	\$	\$ (2,436)
Callidus Capital Corporation	\$ 20,120	\$ 16,000	\$	\$	\$	\$	\$	\$	\$ 2,580
Ciena Capital LLC	\$ 84,012	\$	\$	\$	\$	\$	\$	\$	\$ (6,604)
Citipostal, Inc.	\$ 63,261	\$ 510	\$	\$ 4,322	\$	\$	\$ 178	\$	\$ 10
Coverall North America, Inc.	\$ 40,189	\$	\$	\$ 2,365	\$	\$	\$ 150	\$	\$ (7,282)
Crescent Equity Corp.	\$ 6,653	\$	\$	\$ 363	\$	\$	\$	\$ 216	\$ (2,620)
Direct Capital Corporation	\$ 10,109	\$ 10,109	\$	\$	\$	\$	\$	\$ (31)	\$
EarthColor, Inc.	\$	\$	\$	\$	\$	\$	\$	\$	\$
Financial Pacific Company	\$ 32,800	\$	\$	\$ 3,638	\$	\$	\$ 417	\$	\$ 1,500
HCI Equity, LLC	\$ 808	\$	\$	\$	\$	\$	\$	\$	\$ 166
HCP Acquisition Holdings, LLC	\$	\$	\$	\$	\$	\$	\$	\$	\$ 898
Hot Light Brands, Inc.	\$ 6,746	\$ 1,372	\$	\$ 2	\$	\$	\$	\$ 266	\$ 291
Hot Stuff Foods, LLC	\$ 69,168	\$ 8,120	\$	\$ 787	\$	\$	\$ 50	\$	\$ 6,840
Huddle House Inc.	\$ 19,607	\$	\$	\$ 1,504	\$	\$	\$ 375	\$	\$ (3,424)
IAT Equity, LLC	\$ 13,419	\$	\$	\$ 273	\$	\$	\$ 63	\$	\$ 1,038
Impact Innovations Group LLC	\$	\$	\$	\$	\$	\$	\$	\$	\$
Ivy Hill Asset Management, L.P.	\$ 59,248	\$ 96	\$	\$	\$	\$ 4,296	\$	\$	\$ 12,503
Ivy Hill Middle Market Credit Fund, Ltd.	\$	\$	\$ 330	\$ 5,208	\$	\$	\$	\$	\$ 884
Jakel, Inc.	\$	\$	\$	\$	\$	\$	\$	\$	\$
Knightsbridge CLO 2007-1 Ltd.	\$ 14,852	\$	\$	\$ 1,014	\$	\$	\$	\$	\$ (9,056)
Knightsbridge CLO 2008-1 Ltd.	\$ 36,996	\$	\$	\$ 1,499	\$	\$	\$	\$	\$ (4,938)

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

LVCG Holdings, LLC	\$	\$	\$	\$	\$	\$	\$	\$	\$	(198)						
Making Memories Wholesale, Inc.	\$	1,250	\$	427	\$	\$	1,012	\$	\$	186	\$	50	\$	(2,804)		
MVL Group, Inc.	\$	60,707	\$	\$	\$	4,242	\$	\$	\$	\$	\$	\$	\$	1,257		
PENN Detroit Diesel Allison LLC	\$	20,069	\$	\$	\$	\$	\$	\$	\$	250	\$	\$	\$	(1,450)		
Reflexite Corporation	\$	\$	\$	\$	\$	2,572	\$	\$	\$	75	\$	\$	\$	4,525		
Senior Secured Loan Fund LLC*	\$	254,583	\$	15,410	\$	\$	30,242	\$	15,146	\$	\$	3,790	\$	795	\$	25,049
Stag-Parkway, Inc.	\$	36,810	\$	\$	\$	970	\$	\$	\$	167	\$	\$	\$	14,090		
Startec Equity, LLC	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$		
The Thymes, LLC	\$	\$	\$	\$	\$	421	\$	\$	(163)	\$	\$	\$	\$	183		

* Together with GE Commercial Finance Investment Advisory Services LLC (GE), we serve as co-managers of the Senior Secured Loan Fund LLC. Investments made by the program (and most decisions made in respect of program borrowers and the program itself) must be approved by both the Company and GE; therefore, although the Company owns more than 25% of the voting securities of the LLC, the Company does not believe that it has control over the Senior Secured Loan Fund (for purposes of the Investment Company Act of 1940 or otherwise).

(8) 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, we may not acquire any non-qualifying asset unless, at the time such acquisition is made, qualifying assets represent at least 70% of our total assets.

(9) Non-registered investment company.

(10) A majority of the variable rate loans to our 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

Table of Contents

option, which reset annually (A), semi-annually (S), quarterly (Q), bi-monthly (B), monthly (M) or daily (D). For each such loan, we have provided the interest rate in effect at September 30, 2010.

(11) In addition to the interest earned based on the stated interest rate of this security, we are entitled to receive an additional interest amount of 5% on \$40 million aggregate principal amount of the portfolio company's senior term debt previously syndicated by us.

(12) In addition to the interest earned based on the stated interest rate of this security, we are entitled to receive an additional interest amount of 2.50% on \$25.0 million aggregate principal amount of the portfolio company's senior term debt previously syndicated by us.

(13) Loan was on non-accrual status as of September 30, 2010.

(14) Loan includes interest rate floor feature.

(15) In addition to the interest earned based on the stated interest rate of this security, the notes entitle us to receive a portion of the excess cash flow from the Senior Secured Loan Fund's loan portfolio, which may result in a return greater than the contractual rate.

(16) Pledge as collateral for the Revolving Credit Facility.

(17) Public company.

See accompanying notes to consolidated financial statements.

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

As of December 31, 2009

(dollar amounts in thousands, except per unit data)

Company(1)	Industry	Investment	Interest(5)(10)	Acquisition Date	Amortized Cost	Fair Value	Fair Value Per Unit	Percentage of Net Assets
Healthcare Services								
American Renal Associates, Inc.	Dialysis provider	Senior secured loan (\$902 par due 12/2010)	8.50% (Libor + 5.00%/D)	12/14/2005	\$ 902	\$ 902	\$ 1.00	(3)(15)
		Senior secured loan (\$10,389 par due 12/2011)	8.50% (Libor + 5.00%/Q)	12/14/2005	10,389	10,389	\$ 1.00	(3)(15)
					11,291	11,291		
Capella Healthcare, Inc.	Acute care hospital operator	Junior secured loan (\$12,500 par due 2/2016)	13.00%	2/29/2008	12,500	12,500	\$ 1.00	
		Junior secured loan (\$30,000 par due 2/2016)	13.00%	2/29/2008	30,000	30,000	\$ 1.00	(2)
					42,500	42,500		
CT Technologies Intermediate Holdings, Inc. and CT Technologies Holdings, LLC(6)	Healthcare analysis services	Preferred stock (7,427 shares)	14.00% PIK	6/15/2007	8,467	8,043	\$ 950.00	(4)
		Common stock (9,679 shares)		6/15/2007	4,000	8,114	\$ 840.00	
		Common stock (1,546 shares)		6/15/2007				
					12,467	16,157		
DSI Renal, Inc.	Dialysis provider	Senior secured revolving loan (\$2 par due 3/2011)	7.25% (Base Rate + 4.00%/M)	4/4/2006	2	2	\$ 0.95	
		Senior secured revolving loan (\$132 par due 3/2011)	7.25% (Base Rate + 4.00%/M)	4/4/2006	132	126	\$ 0.95	
		Senior secured revolving loan (\$20 par due 3/2011)	7.25% (Base Rate + 4.00%/M)	4/4/2006	20	19	\$ 0.95	
		Senior secured revolving loan (\$7,392 par due 3/2011)	7.25% (Base Rate + 4.00%/M)	4/4/2006	7,392	7,022	\$ 0.95	
		Senior secured revolving loan (\$122 par due 3/2011)	7.25% (Base Rate + 4.00%/M)	4/4/2006	122	116	\$ 0.95	
		Senior secured loan (\$339 par due 3/2013)	7.25% (Base Rate + 4.00%/Q)	4/4/2006	237	322	\$ 0.95	
		Senior secured loan (\$44 par due 3/2013)	7.25% (Base Rate + 4.00%/Q)	4/4/2006	31	42	\$ 0.95	
						4/4/2006	12,323	16,112

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Senior secured loan (\$16,960 par due 3/2013)	7.25% (Base Rate + 4.00%/Q)					
Senior subordinated loan (\$66,552 par due 4/2014)	16.00% PIK	4/4/2006	66,215	63,220	\$	0.95(4)
Senior subordinated loan (\$14,285 par due 4/2014)	16.00% PIK	4/4/2006	14,211	13,571	\$	0.95(3)(4)
			100,685	100,552		

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

Company(1)	Industry	Investment	Interest(5)(10)	Acquisition Date	Amortized Cost	Fair Value	Fair Value Per Unit	Percentage of Net Assets
GG Merger Sub I, Inc.	Drug testing services	Senior secured loan (\$11,330 par due 12/2014)	4.26% (Libor + 4.00%/Q)	12/14/2007	10,919	10,197	\$	0.90(2)
		Senior secured loan (\$12,000 par due 12/2014)	4.26% (Libor + 4.00%/Q)	12/14/2007	11,460	10,800	\$	0.90(3)
					22,379	20,997		
HCP Acquisition Holdings, LLC(7)	Healthcare compliance advisory services	Class A units (10,044,176 units)		6/26/2008	10,044	4,256	\$	0.72
Heartland Dental Care, Inc.	Dental services	Senior subordinated loan (\$32,717 par due 8/2013)	11.00% Cash, 3.25% PIK	7/31/2008	32,717	32,717	\$	1.00(4)
Magnacare Holdings, Inc., Magnacare Administrative Services, LLC, and Magnacare, LLC	Health plan management company	Senior subordinated loan (\$4,670 par due 1/2013)	12.75% Cash, 2.00% PIK	2/9/2009	3,363	4,670	\$	1.00(4)
MPBP Holdings, Inc., Cohr Holdings, Inc. and MPBP Acquisition Co., Inc.	Healthcare equipment services	Senior secured loan (\$997 par due 1/2013)		1/31/2007	489	628	\$	0.63
		Junior secured loan (\$20,000 par due 1/2014)	6.48% (Libor + 6.25%/B)	1/31/2007	20,049	5,000	\$	0.25
		Junior secured loan (\$12,000 par due 1/2014)	6.48% (Libor + 6.25%/B)	1/31/2007	12,000	3,000	\$	0.25(3)
		Common stock (50,000 shares)		1/31/2007	5,000			
					37,538	8,628		
MWD Acquisition Sub, Inc.	Dental services	Junior secured loan (\$5,000 par due 5/2012)	6.48% (Libor + 6.25%/M)	5/3/2007	5,000	4,350	\$	0.87(3)
OnCURE Medical Corp.	Radiation oncology care provider	Senior secured loan (\$3,068 par due 6/2012)	3.75% (Libor + 3.50%/M)	8/18/2006	3,068	2,761	\$	0.90(3)
		Senior subordinated loan (\$32,642 par due 8/2013)	11.00% Cash, 1.50% PIK	8/18/2006	32,664	29,378	\$	0.90(4)
		Common stock (857,143 shares)		8/18/2006	3,000	3,000	\$	3.50
					38,732	35,139		
Passport Health Communications, Inc., Passport Holding Corp. and Prism Holding Corp.	Healthcare technology provider	Senior secured loan (\$12,660 par due 5/2014)	10.50% (Libor + 7.50%/M)	5/9/2008	12,660	12,660	\$	1.00(2)(15)
		Senior secured loan (\$11,686 par due 5/2014)	10.50% (Libor + 7.50%/M)	5/9/2008	11,686	11,686	\$	1.00(3)(15)
		Series A preferred stock (1,594,457 shares)		7/30/2008	9,900	9,900	\$	6.21

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

Company(1)	Industry	Investment	Interest(5)(10)	Acquisition Date	Amortized Cost	Fair Value	Fair Value Per Unit	Percentage of Net Assets
		Common stock (16,106 shares)		7/30/2008	100	100	\$ 6.21	
					34,346	34,346		
PG Mergersub, Inc.	Provider of patient surveys, management reports and national databases for the integrated healthcare delivery system	Senior subordinated loan (\$4,000 par due 3/2016)	12.50%	3/12/2008	3,938	4,000	\$ 1.00	
		Preferred stock (333 shares)		3/12/2008	333	333	\$ 1,000.00	
		Common stock (16,667 shares)		3/12/2008	167	167	\$ 10.00	
					4,438	4,500		
The Schumacher Group of Delaware, Inc.	Outsourced physician service provider	Junior secured loan (\$5,229 par due 7/2013)	11.13% Cash, 1.00% PIK	7/18/2008	5,229	5,229	\$ 1.00(4)	
		Junior secured loan (\$30,909 par due 7/2013)	11.13% Cash, 1.00% PIK	7/18/2008	30,943	30,909	\$ 1.00(2)(4)	
					36,172	36,138		
Univita Health, Inc.	Outsourced services provider	Senior subordinated loan (\$20,500 par due 12/2014)	15.00%	12/22/2009	20,500	20,500	\$ 1.00	
VOTC Acquisition Corp.	Radiation oncology care provider	Senior secured loan (\$17,417 par due 7/2012)	11.00% Cash, 2.00% PIK	6/30/2008	17,417	17,417	\$ 1.00(4)	
		Preferred stock (3,888,222 shares)		7/14/2008	8,748	3,800	\$ 0.98	
					26,165	21,217		
					438,337	397,958		31.64%
Investment Funds								
CIC Flex, LP(9)	Investment partnership	Limited partnership units (0.69 unit)		9/7/2007	41	41	\$ 40,505.00	
Covestia Capital Partners, LP(9)	Investment partnership	Limited partnership interest (47% interest)		6/17/2008	1,059	1,059		
Firstlight Financial Corporation(6)(9)	Investment company	Senior subordinated loan (\$73,077 par due 12/2016)	1.00% PIK	12/31/2006	73,032	54,808	\$ 0.75(4)	
		Common stock (10,000 shares)		12/31/2006	10,000			
		Common stock (30,000 shares)		12/31/2006	30,000			
					113,032	54,808		
Ivy Hill Middle Market Credit Fund, Ltd. (7)(8)(9)	Investment company	Class B deferrable interest notes (\$40,000 par due 11/2018)	6.28% (Libor + 6.00%/Q)	11/20/2007	40,000	36,800	\$ 0.92	
			18.70%	11/20/2007	15,681	14,583	\$ 0.93	

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Subordinated notes
(\$15,681 par due
11/2018)

55,681	51,383
--------	--------

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

Company(1)	Industry	Investment	Interest(5)(10)	Acquisition Date	Amortized Cost	Fair Value	Fair Value Per Unit	Percentage of Net Assets
Partnership Capital Growth Fund I, LP(9)	Investment partnership	Limited partnership interest (25% interest)		6/16/2006	3,045	3,045		
Senior Secured Loan Fund LLC(7)(17)	Investment partnership	Subordinated certificates (\$172,796 par due 12/2015)	(Libor + 8.00%/Q)	10/30/2009	165,000	165,000	\$ 0.95	
Trivergance Capital Partners, LP(9)	Investment partnership	Limited partnership interest (100% interest)		6/5/2008	2,016	2,016		
					339,874	277,352		22.05%
Education								
Campus Management Corp. and Campus Management Acquisition Corp.(6)	Education software developer	Senior secured loan (\$3,256 par due 8/2013)	10.00% Cash, 3.00% PIK	2/8/2008	3,256	3,256	\$ 1.00(4)(16)	
		Senior secured loan (\$30,269 par due 8/2013)	10.00% Cash, 3.00% PIK	2/8/2008	30,269	30,269	\$ 1.00(2)(4)(16)	
		Senior secured loan (\$8,961 par due 8/2013)	10.00% Cash, 3.00% PIK	2/8/2008	8,961	8,961	\$ 1.00(16)(4)	
		Preferred stock (493,147 shares)	8.00% PIK	2/8/2008	9,668	13,750	\$ 27.88(4)	
					52,154	56,236		
ELC Acquisition Corporation	Developer, manufacturer and retailer of educational products	Senior secured loan (\$162 par due 11/2012)	3.48% (Libor + 3.25%/M)	11/30/2006	162	157	\$ 0.97(3)	
		Junior secured loan (\$8,333 par due 11/2013)	7.23% (Libor + 7.00%/M)	11/30/2006	8,333	8,167	\$ 0.98(3)	
					8,495	8,324		
Instituto de Banca y Comercio, Inc. Leeds IV Advisors, Inc.(8)	Private school operator	Senior secured loan (\$11,700 par due 3/2014)	8.50% (Libor + 6.00%/Q)	3/15/2007	11,700	11,700	\$ 1.00(3)(15)	
		Senior subordinated loan (\$30,877 par due 6/2014)	13.00% Cash, 3.00% PIK	6/4/2008	30,877	30,877	\$ 1.00	
		Preferred stock (165,811 shares)		6/4/2008	788	2,124	\$ 12.81	
		Preferred stock (140,577 shares)		3/31/2009	668	1,801	\$ 12.81	
		Common stock (214,286 shares)		6/4/2008	54	2,745	\$ 12.81	
		Common stock (140,577 shares)		3/31/2009	35	1,801	\$ 12.81	
					44,122	51,048		
JTC Education Holdings, Inc.	Postsecondary school operator	Senior secured loan (\$31,250 par due 12/2014)	12.50% (Libor + 9.50%/M)	12/31/2009	31,250	31,250	\$ 1.00(15)	
Lakeland Finance, LLC	Private school operator	Junior secured loan	11.50%	12/13/2005	2,423	2,423	\$ 1.00	

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

Company(1)	Industry	Investment	Interest(5)(10)	Acquisition Date	Amortized Cost	Fair Value	Fair Value Per Unit	Percentage of Net Assets
		(\$2,423 par due 12/2012) Junior secured loan (\$24,231 par due 12/2012)	11.50%	12/13/2005	24,231	24,231	\$ 1.00(2)	
					26,654	26,654		
R3 Education, Inc. (formerly known as Equinox EIC Partners, LLC and MUA Management Company) (7)(8)	Medical school operator	Senior secured loan (\$791 par due 6/2010)	9.00% (Libor + 6.00%/M)	4/24/2009	791	1,101	\$ 1.39(15)	
		Senior secured loan (\$7,275 par due 4/2013)	9.00% (Libor + 6.00%/M)	4/3/2007	7,275	10,127	\$ 1.39(3)(15)	
		Senior secured loan (\$5,041 par due 4/2013)	13.00% PIK	12/8/2009	1,244	3,186	\$ 0.63	
		Senior secured loan (\$14,113 par due 4/2013)	9.00% (Libor + 6.00%/M)	9/21/2007	14,113	19,646	\$ 1.39(15)	
		Preferred stock (8,800 shares)			2,200	1,100	\$ 125.00	
		Warrants to purchase 27,890 shares						
		Common membership interest (26.27% interest)		9/21/2007	15,800	11,515		
					41,423	46,675		
					204,098	220,187		17.50%
Services Other								
American Residential Services, LLC	Plumbing, heating and air-conditioning services	Junior secured loan (\$20,608 par due 4/2015)	10.00% Cash, 2.00% PIK	4/17/2007	20,608	20,195	\$ 0.98(2)(4)	
Diversified Collection Services, Inc.	Collections services	Senior secured loan (\$10,529 par due 2/2011)	9.50% (Libor + 6.75%/M)	2/2/2005	9,280	10,529	\$ 1.00(2)(15)	
		Senior secured loan (\$3,747 par due 2/2011)	9.50% (Libor + 6.75%/M)	2/2/2005	3,747	3,747	\$ 1.00(3)(15)	
		Senior secured loan (\$1,931 par due 8/2011)	13.75% (Libor + 11.00%/M)	2/2/2005	1,931	1,931	\$ 1.00(2)(15)	
		Senior secured loan (\$7,492 par due 8/2011)	13.75% (Libor + 11.00%/M)	2/2/2005	7,492	7,492	\$ 1.00(3)(15)	
		Preferred stock (14,927 shares)		5/18/2006	169	269	\$ 18.02	
		Common stock (114,004 shares)		2/2/2005	295	402	\$ 3.53	
					22,914	24,370		
GCA Services Group, Inc.	Custodial services	Senior secured loan \$(13,255 par due 12/2011)	12.00%	12/15/2006	13,171	13,255	\$ 1.00	
		Senior secured loan \$(14,768 par due 12/2011)	12.00%	12/15/2006	14,765	14,768	\$ 1.00(2)	

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

Company(1)	Industry	Investment	Interest(5)(10)	Acquisition Date	Amortized Cost	Fair Value	Fair Value Per Unit	Percentage of Net Assets
		Senior secured loan \$(9,866 par due 12/2011)	12.00%	12/15/2006	9,866	9,866	\$ 1.00(3)	
					37,802	37,889		
Growing Family, Inc. and GFH Holdings, LLC	Photography services	Senior secured loan \$(11,188 par due 8/2011)		3/16/2007	11,188	2,238	\$ 0.20(4)(14)	
		Senior secured loan \$(372 par due 8/2011)		3/16/2007	372	74	\$ 0.20(4)(14)	
		Senior secured revolving loan \$(2,500 par due 8/2011)		3/16/2007	1,513	303	\$ 0.20(4)(14)	
		Senior secured loan \$(3,575 par due 8/2011)		3/16/2007	3,575	715	\$ 0.20(4)(14)	
		Senior secured loan \$(147 par due 8/2011)		3/16/2007	147	29	\$ 0.20(4)(14)	
		Common stock (552,430 shares)		3/16/2007	872			
					17,667	3,359		
NPA Acquisition, LLC	Powersport vehicle auction operator	Junior secured loan \$(12,000 par due 2/2013)	6.98% (Libor + 6.75%/M)	8/23/2006	12,000	12,000	\$ 1.00(3)	
		Common units (1,709 units)		8/23/2006	1,000	2,570	\$ 1,503.80	
					13,000	14,570		
PODS Funding Corp.	Storage and warehousing provider	Senior subordinated loan \$(25,125 par due 6/2015)	15.00%	12/23/2009	25,125	25,125	\$ 1.00	
		Subordinated loan \$(6,500 par due 12/2015)	16.64%	12/23/2009	5,079	5,070	\$ 0.78	
					30,204	30,195		
Web Services Company, LLC	Laundry service and equipment provider	Senior secured loan \$(4,938 par due 8/2014)	7.00% (Base Rate + 3.75%/Q)	6/15/2009	4,607	4,938	\$ 1.00(3)	
		Senior subordinated loan \$(18,219 par due 8/2016)	11.50% Cash, 2.50% PIK	8/29/2008	18,219	17,308	\$ 0.95(4)	
		Senior subordinated loan \$(25,804 par due 8/2016)	11.50% Cash, 2.50% PIK	8/29/2008	25,804	24,513	\$ 0.95(2)(4)	
					48,630	46,759		
					190,825	177,337		14.10%
Restaurants and Food Services								
ADF Capital, Inc. & ADF Restaurant Group, LLC	Restaurant owner and operator	Senior secured revolving loan \$(3,592 par due 11/2012)	6.50% (Libor + 3.00% Cash, 0.50% PIK/S)	11/27/2006	2,010	2,010	\$ 0.56(4)(15)	

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Senior secured revolving loan \$(1,408 par due 11/2012)	6.50% (Base Rate + 2.50%/Q)	11/27/2006	1,408	1,408 \$	1.00(4)(15)
--	-----------------------------	------------	-------	----------	-------------

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

Company(1)	Industry	Investment	Interest(5)(10)	Acquisition Date	Amortized Cost	Fair Value	Fair Value Per Unit	Percentage of Net Assets
		Senior secured loan \$(23,574 par due 11/2013)	12.50% (Libor + 6.50% Cash, 3.00% PIK/Q)	11/27/2006	23,580	23,574	\$ 1.00(2)(4)(15)	
		Senior secured loan \$(11,049 par due 11/2013)	12.50% (Libor + 6.50% Cash, 3.00% PIK/Q)	11/27/2006	11,049	11,049	\$ 1.00(3)(4)(15)	
		Promissory note \$(13,105 par due 11/2016)	12.00% PIK	6/1/2006	13,093	13,105	\$ 1.00(4)	
		Warrants to purchase 0.61 shares		6/1/2006		2,719		
					51,140	53,865		
Encanto Restaurants, Inc.(8)	Restaurant owner and operator	Junior secured loan \$(20,997 par due 8/2013)	7.50% Cash, 3.50% PIK	8/16/2006	20,997	19,947	\$ 0.95(2)(4)	
		Junior secured loan \$(3,999 par due 8/2013)	7.50% Cash + 3.50% PIK	8/16/2006	3,999	3,799	\$ 0.95(3)(4)	
					24,996	23,746		
OTG Management, Inc.	Airport restaurant operator	Senior secured loan \$(16,149 par due 6/2013)	20.500% (Libor + 11.00% Cash, 6.50% PIK/M)	6/19/2008	16,149	16,149	\$ 1.00(4)(15)	
		Warrants to purchase up to 88,991 shares of common stock				1,102		
		Warrants to purchase up to 9 shares of common stock						
					16,149	17,251		
Vistar Corporation and Wellspring Distribution Corp.	Food service distributor	Senior subordinated loan \$(43,625 par due 5/2015)	13.50%	5/23/2008	43,625	41,444	\$ 0.95	
		Senior subordinated loan \$(30,000 par due 5/2015)	13.50%	5/23/2008	30,000	28,500	\$ 0.95(2)	
		Class A non-voting common stock (1,366,120 shares)		5/23/2008	7,500	4,050	\$ 2.96	
					81,125	73,994		
					173,410	168,856		13.42%
Beverage, Food and Tobacco								
3091779 Nova Scotia Inc.(8)	Baked goods manufacturer	Senior secured revolving loan \$(5,485 par due 1/2010)	8.00%	11/2/2007	1,385	1,494	\$ 0.27(4)(12)	
		Senior secured revolving loan \$(1,016 par due 1/2010)	8.00%	11/2/2007	1,016	969	\$ 0.95	
		Junior secured loan \$(14,386 par due 1/2010)	10.00% Cash, 4.00% PIK	11/2/2007	15,147	10,292	\$ 0.72(4)(12)	

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Warrants to purchase
57,545 shares

17,548 12,755

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

Company(1)	Industry	Investment	Interest(5)(10)	Acquisition Date	Amortized Cost	Fair Value	Fair Value Per Unit	Percentage of Net Assets
Apple & Eve, LLC and US Juice Partners, LLC (6)	Juice manufacturer	Senior secured revolving loan \$(10,000 par due 10/2013)	12.00% (Libor + 9.00%/M)	10/5/2007	3,000	3,000	\$ 0.30(15)	
		Senior secured loan \$(17,963 par due 10/2013)	12.00% (Libor + 9.00%/M)	10/5/2007	17,963	17,963	\$ 1.00(15)	
		Senior secured loan \$(15,937 par due 10/2013)	12.00% (Libor + 9.00%/M)	10/5/2007	15,937	15,937	\$ 1.00(3)(15)	
		Senior units (50,000 units)			5,000	5,000	\$ 100.00	
					41,900	41,900		
Best Brands Corporation	Baked goods manufacturer	Senior secured loan \$(324 par due 12/2012)	7.48% (Libor + 7.25%/M)	2/15/2008	324	324	\$ 1.00(4)	
		Senior secured loan \$(13,034 par due 12/2012)	7.48% (Libor + 7.25%/M)	2/15/2008	11,035	13,034	\$ 1.00(2)(4)	
		Junior secured loan \$(28,692 par due 6/2013)	12.00% Cash, 4.00% PIK	12/14/2006	28,112	28,692	\$ 1.00(4)	
		Junior secured loan \$(11,733 par due 6/2013)	12.00% Cash, 4.00% PIK	12/14/2006	11,733	11,733	\$ 1.00(2)(4)	
		Junior secured loan \$(8,611 par due 6/2013)	12.00% Cash, 4.00% PIK	12/14/2006	8,531	8,611	\$ 1.00(3)(4)	
					59,735	62,394		
Bumble Bee Foods, LLC and BB Co-Invest LP	Canned seafood manufacturer	Common stock (4,000 shares)		11/18/2008	4,000	6,760	\$ 1,690.00	
Charter Baking Company, Inc.	Baked goods manufacturer	Senior subordinated loan \$(5,883 par due 2/2013)	13.00% PIK	2/6/2008	5,883	5,883	\$ 1.00(4)	
		Preferred stock (6,258 shares)		9/1/2006	2,500	1,725	\$ 275.64	
					12,383	14,368		
					131,566	131,417		10.45%
Retail								
Apogee Retail, LLC	For-profit thrift retailer	Senior secured loan \$(1,859 par due 3/2012)	5.23% (Libor + 5.00%/M)	3/27/2007	1,859	1,747	\$ 0.94	
		Senior secured loan \$(2,969 par due 3/2012)	5.23% (Libor + 5.00%/M)	3/27/2007	2,969	2,791	\$ 0.94(2)	
		Senior secured loan \$(26,670 par due 3/2012)	5.23% (Libor + 5.00%/M)	3/27/2007	26,670	25,070	\$ 0.94(2)	
		Senior secured loan \$(11,670 par due 3/2012)	5.23% (Libor + 5.00%/M)	3/27/2007	11,670	10,970	\$ 0.94(3)	
		Senior secured loan \$(11,069 par due 9/2012)	12.00% Cash, 4.00% PIK	5/28/2008	11,069	11,069	\$ 1.00(4)	

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

Company(1)	Industry	Investment	Interest(5)(10)	Acquisition Date	Amortized Cost	Fair Value	Fair Value Per Unit	Percentage of Net Assets
		Senior secured loan \$(11,411 par due 9/2012)	12.00% Cash, 4.00% PIK	5/28/2008	11,411	11,411	\$ 1.00(4)	
					65,648	63,058		
Dufry AG(8)	Retail newsstand operator	Common stock (39,056 shares)		3/28/2008	3,000	2,638	\$ 0.44	
Savers, Inc. and SAI Acquisition Corporation	For-profit thrift retailer	Senior subordinated loan \$(5,524 par due 8/2014)	10.00% Cash, 2.00% PIK	8/8/2006	5,524	5,524	\$ 1.00(4)	
		Senior subordinated loan \$(20,323 par due 8/2014)	10.00% Cash, 2.00% PIK	8/8/2006	20,323	20,323	\$ 1.00(2)(4)	
		Common stock (1,170,182 shares)		8/8/2006	4,500	5,840	\$ 4.95	
					30,347	31,687		
Things Remembered, Inc. and TRM Holdings Corporation	Personalized gifts retailer	Senior secured loan \$(11 par due 9/2012)	5.50% Cash, 1.00% PIK Option	9/28/2006	11	9	\$ 0.84(3)(4)	
		Senior secured loan \$(3,626 par due 9/2012)	5.50% Cash, 1.00% PIK Option	9/28/2006	3,624	2,901	\$ 0.80(3)(4)	
		Senior secured loan \$(68 par due 9/2012)	5.50% Cash, 1.00% PIK Option	9/28/2006	68	55	\$ 0.80(4)	
		Senior secured loan \$(18 par due 9/2012)	5.50% Cash, 1.00% PIK Option	9/28/2006	18	14	\$ 0.80(3)	
		Senior secured loan \$(28,402 par due 9/2012)	5.50% Cash, 1.00% PIK Option	9/28/2006	28,388	22,722	\$ 0.80	
		Senior secured loan \$(7,303 par due 9/2012)	5.50% Cash, 1.00% PIK Option	9/28/2006	7,300	5,843	\$ 0.80(3)	
		Preferred stock (73 shares)		3/19/2009				
		Preferred stock (80 shares)		9/28/2006	1,800			
		Warrants to purchase 859 shares of preferred shares		3/19/2009				
		Common stock (800 shares)		9/28/2006	200			
					41,409	31,544		
					140,404	128,927		10.25%
Business Services								
Booz Allen Hamilton, Inc.	Strategy and technology consulting services	Senior secured loan \$(741 par due 7/2015)	7.50% (Libor + 4.50%/S)	7/31/2008	727	741	\$ 1.00(3)(15)	
		Senior subordinated loan \$(250 par due 7/2016)	11.00% Cash, 2.00% PIK	7/31/2008	245	250	\$ 1.00(4)	
		Senior subordinated loan \$(12,400 par due 7/2016)	11.00% Cash, 2.00% PIK	7/31/2008	12,296	12,400	\$ 1.00(2)(4)	

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

Company(1)	Industry	Investment	Interest(5)(10)	Acquisition Date	Amortized Cost	Fair Value	Fair Value Per Unit	Percentage of Net Assets
Investor Group Services, LLC(6)	Financial services	Limited liability company membership interest (10.00% interest)		6/22/2006		500		
Pillar Holdings LLC and PHL Holding Co.(6)	Mortgage services	Senior secured revolving loan \$(3,750 par due 11/2013)	5.78% (Libor + 5.50%/B)	11/20/2007	1,313	1,313	\$	0.35
		Senior secured loan \$(16,752 par due 11/2013)	5.78% (Libor + 5.50%/B)	11/20/2007	16,752	16,752	\$	1.00(2)
		Senior secured loan \$(10,456 par due 11/2013)	5.78% (Libor + 5.50%/B)	11/20/2007	10,456	10,456	\$	1.00(3)
		Senior secured loan \$(1,875 par due 5/2014)	14.50%	7/31/2008	1,875	1,875	\$	1.00
		Senior secured loan \$(5,500 par due 5/2014)	14.50%	7/31/2008	5,500	5,500	\$	1.00(2)
		Common stock (84.78 shares)		11/20/2007	3,768	7,818	\$	92,208.00
					39,664	43,714		
Primis Marketing Group, Inc. and Primis Holdings, LLC(6)	Database marketing services	Senior subordinated loan \$(10,222 par due 2/2013)		8/24/2006	10,222	511	\$	0.05(4)(14)
		Preferred units (4,000 units)		8/24/2006	3,600			
		Common units (4,000,000 units)		8/24/2006	400			
					14,222	511		
Prommis Solutions, LLC, E-Default Services, LLC,	Bankruptcy and foreclosure processing services	Senior subordinated loan \$(26,526 par due 2/2014)	11.50% Cash, 2.00% PIK	2/8/2007	26,526	26,526	\$	1.00(4)
Statewide Tax and Title Services, LLC & Statewide Publishing Services, LLC (formerly known as MR Processing Holding Corp.)		Senior subordinated loan \$(26,630 par due 2/2014)	11.50% Cash, 2.00% PIK	2/8/2007	26,630	26,630	\$	1.00(2)(4)
		Preferred stock (30,000 shares)		4/11/2006	3,000	6,221	\$	207.37
					56,156	59,377		
R2 Acquisition Corp.	Marketing services	Common stock (250,000 shares)		5/29/2007	250	250	\$	1.00
Summit Business Media, LLC	Business media consulting services	Junior secured loan \$(11,078 par due 7/2014)		8/3/2007	10,018	554	\$	0.05(3)(4)(14)
VSS-Tranzact Holdings, LLC(6)	Management consulting services	Common membership interest (8.51% interest)		10/26/2007	10,000	7,850		

143,578 126,147 10.03%

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

Company(1)	Industry	Investment	Interest(5)(10)	Acquisition Date	Amortized Cost	Fair Value	Fair Value Per Unit	Percentage of Net Assets
Manufacturing								
Arrow Group Industries, Inc.	Residential and outdoor shed manufacturer	Senior secured loan \$(5,616 par due 4/2010)	5.25% (Libor + 5.00%/Q)	3/28/2005	5,653	4,437	\$ 0.79(3)	
Emerald Performance Materials, LLC	Polymers and performance materials manufacturer	Senior secured loan \$(536 par due 5/2011)	8.25% (Libor + 4.25%/M)	5/16/2006	536	531	\$ 0.99(3)(15)	
		Senior secured loan \$(8,392 par due 5/2011)	8.25% (Libor + 4.25%/M)	5/16/2006	8,392	8,308	\$ 0.99(3)(15)	
	Senior secured loan \$(626 par due 5/2011)	8.50% (Base Rate + 5.25%/M)	5/16/2006	626	620	\$ 0.99(3)		
	Senior secured loan \$(1,604 par due 5/2011)	10.00% (Libor + 6.00%/M)	5/16/2006	1,604	1,556	\$ 0.97(3)(15)		
	Senior secured loan \$(4,937 par due 5/2011)	13.00% Cash, 3.00% PIK	5/16/2006	4,937	4,838	\$ 0.98(2)(4)		
					16,095	15,853		
Reflexite Corporation(7)	Developer and manufacturer of high-visibility reflective products	Senior subordinated loan \$(16,785 par due 11/2014)	12.50% Cash, 5.50% PIK	2/26/2008	16,785	16,785	\$ 1.00(4)	
		Common stock (1,821,860 shares)		3/28/2006	27,435	24,595	\$ 13.50	
					44,220	41,380		
Saw Mill PCG Partners LLC	Precision components manufacturer	Common units (1,000 units)		2/2/2007	1,000			
UL Holding Co., LLC	Petroleum product manufacturer	Senior secured loan \$(2,978 par due 12/2012)	14.00%	2/13/2009	2,978	2,829	\$ 0.95(2)	
		Senior secured loan \$(993 par due 12/2012)	14.00%	2/13/2009	993	943	\$ 0.95(3)	
		Senior secured loan \$(848 par due 12/2012)	14.00%	2/13/2009	848	805	\$ 0.95(3)	
		Senior secured loan \$(2,130 par due 12/2012)	9.15% (Libor + 8.88%/Q)	2/13/2009	2,130	2,023	\$ 0.95	
		Senior secured loan \$(2,130 par due 12/2012)	14.00%	2/13/2009	2,130	2,023	\$ 0.95	
		Senior secured loan \$(848 par due 12/2012)	9.15% (Libor + 8.88%/Q)	2/13/2009	848	805	\$ 0.95(3)	
		Senior secured loan \$(10,918 par due 12/2012)	9.15% (Libor + 8.88%/Q)	2/13/2009	10,918	10,372	\$ 0.95(3)	
		Common units (50,000 units)		4/25/2008	500	500	\$ 10.00	
		Common units (50,000 units)		4/25/2008				
					21,345	20,300		

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

Company(1)	Industry	Investment	Interest(5)(10)	Acquisition Date	Amortized Cost	Fair Value	Fair Value Per Unit	Percentage of Net Assets
Universal Trailer Corporation(6)	Livestock and specialty trailer manufacturer	Common stock (74,920 shares)		10/8/2004	7,930			
					96,243	81,970		6.52%
Financial Services								
Carador PLC(6)(8)(9)	Investment company	Ordinary shares (7,110,525 shares)		12/15/2006	9,033	2,489 \$	0.35	
Imperial Capital Group, LLC and Imperial Capital Private Opportunities, LP(6)(9)	Investment banking services	Common units (2,526 units)		5/10/2007	3	3 \$	1.00	
		Common units (315 units)		5/10/2007				
		Common units (7,710 units)		5/10/2007	14,997	18,400 \$	2,386.51	
		Limited partnership interest (80% interest)		5/10/2007	6,094	5,663		
					21,094	24,066		
Ivy Hill Asset Management, L.P.(7)	Asset management services	Member interest		6/15/2009	37,176	48,321		
VSC Investors LLC(9)	Investment company	Membership interest (4.63% interest)		1/24/2008	648	648		
					67,951	75,524		6.00%
Consumer Products Non-Durable								
Blacksmith Brands Holdings, Inc. and Blacksmith Brands, Inc.	Consumer products and personal care manufacturer	Senior secured loan \$(32,500 par due 12/2014)	12.50% (Base Rate + 8.50%/Q)	10/23/2009	32,500	32,500 \$	1.00(15)	
Innovative Brands, LLC	Consumer products and personal care manufacturer	Senior secured loan \$(8,881 par due 9/2011)	15.50%	10/12/2006	8,881	8,881 \$	1.00(2)	
		Senior secured loan \$(8,198 par due 9/2011)	15.50%	10/12/2006	8,198	8,198 \$	1.00(3)	
					17,079	17,079		
Making Memories Wholesale, Inc.(6)	Scrapbooking branded products manufacturer	Senior secured loan \$(9,750 par due 8/2014)	10.00% (Base Rate + 5.50%/Q)	8/21/2009	7,770	9,750 \$	1.00(15)	
		Senior secured loan \$(5,138 par due 8/2014)	15.00% (7.50% Cash, 7.50% PIK/Q)	8/21/2009	4,062	514 \$	0.10(4)	
		Common stock (100 shares)		8/21/2009				
					11,832	10,264		

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

The Thymes, LLC(7)	Cosmetic products manufacturer	Preferred stock (6,283 shares)	8.00% PIK	6/21/2007	6,785	6,107	\$ 972.06(4)
		Common stock (5,400 shares)		6/21/2007			
					6,785	6,107	
					68,196	65,950	5.24%

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

Company(1)	Industry	Investment	Interest(5)(10)	Acquisition Date	Amortized Cost	Fair Value	Fair Value Per Unit	Percentage of Net Assets
Aerospace & Defense								
AP Global Holdings, Inc.	Safety and security equipment manufacturer	Senior secured loan \$(7,414 par due 10/2013)	4.74% (Libor + 4.50%/M)	11/8/2007	7,295	6,969	\$ 0.94(3)	
ILC Industries, Inc.	Industrial products provider	Junior secured loan \$(12,000 par due 6/2014)	11.50%	6/27/2006	12,000	12,000	\$ 1.00(3)	
Thermal Solutions LLC and TSI Group, Inc.	Thermal management and electronics packaging manufacturer	Senior secured loan \$(462 par due 3/2011)	4.00% (Libor + 3.75%/Q)	3/28/2005	462	444	\$ 0.96(3)	
		Senior secured loan \$(2,732 par due 3/2012)	4.50% (Libor + 4.25%/Q)	3/28/2005	2,732	2,486	\$ 0.91(3)	
		Senior subordinated loan \$(2,747 par due 3/2013)	11.50% Cash, 2.50% PIK	3/21/2006	2,747	2,554	\$ 0.93(4)	
		Senior subordinated loan \$(2,165 par due 3/2013)	11.50% Cash, 2.75% PIK	3/28/2005	2,165	2,013	\$ 0.93(4)	
		Senior subordinated loan \$(3,418 par due 3/2013)	11.50% Cash, 2.75% PIK	3/28/2005	3,418	3,178	\$ 0.93(4)	
		Preferred stock (71,552 shares)		3/28/2005	716	529	\$ 7.39	
		Common stock (1,460,246 shares)		3/28/2005	15	11	\$ 0.01	
					12,255	11,215		
Wyle Laboratories, Inc. and Wyle Holdings, Inc.	Provider of specialized engineering, scientific and technical services	Junior secured loan \$(16,000 par due 1/2015)	15.00%	1/17/2008	16,000	16,000	\$ 1.00(2)	
		Junior secured loan \$(12,000 par due 1/2015)	15.00%	1/17/2008	12,000	12,000	\$ 1.00(3)	
		Senior preferred stock (775 shares)	8.00% PIK	1/17/2008	96	80	\$ 103.24(4)	
		Common stock (1,616,976 shares)		1/17/2008	2,004	1,600	\$ 0.99	
					30,100	29,680		
					61,650	59,864		4.76%
Printing, Publishing and Media								
Canon Communications LLC	Print publications services	Junior secured loan \$(11,968 par due 11/2011)	13.75% (Libor + 8.75% Cash, 2.00% PIK/Q)	5/25/2005	11,957	9,574	\$ 0.80(2)(4)(15)	
		Junior secured loan \$(12,197 par due 11/2011)	13.75% (Libor + 8.75% Cash, 2.00% PIK/Q)	5/25/2005	12,190	9,757	\$ 0.80(3)(4)(15)	
					24,147	19,331		

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

LVCG Holdings LLC(7)	Commercial printer	Membership interests (56.53% interest)	10/12/2007	6,600	330
-------------------------	-----------------------	---	------------	-------	-----

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

Company(1)	Industry	Investment	Interest(5)(10)	Acquisition Date	Amortized Cost	Fair Value	Fair Value Per Unit	Percentage of Net Assets
National Print Group, Inc.	Printing management services	Senior secured revolving loan \$(3,926 par due 3/2012)	9.00% (Libor + 6.00%/S)	3/2/2006	1,428	771	\$ 0.20(15)	
		Senior secured revolving loan \$(183 par due 3/2012)	9.00% (Libor + 5.00%/M)	3/2/2006	183	99	\$ 0.54(15)	
		Senior secured loan \$(7,119 par due 3/2012)	16.00% (Libor + 9.00% Cash, 4.00% PIK/Q)	3/2/2006	7,024	3,844	\$ 0.54(3)(15)(4)	
		Senior secured loan \$(1,071 par due 3/2012)	16.00% (Base Rate + 8.00% Cash, 4.00% PIK/M)	3/2/2006	1,071	578	\$ 0.54(3)(15)(4)	
		Preferred stock (9,344 shares)		3/2/2006	2,000			
					11,706	5,292		
The Teaching Company, LLC and The Teaching Company Holdings, Inc.(11)	Education publications provider	Senior secured loan \$(18,000 par due 9/2012)	10.50%	9/29/2006	18,000	18,000	\$ 1.00(2)(11)	
		Senior secured loan \$(10,000 par due 9/2012)	10.50%	9/29/2006	10,000	10,000	\$ 1.00(3)(11)	
		Preferred stock (29,969 shares)	8.00%	9/29/2006	2,997	3,872	\$ 129.20	
		Common stock (15,393 shares)		9/29/2006	3	4	\$ 0.26	
					31,000	31,876		
					73,453	56,829		4.52%
Telecommunications								
American Broadband Communications, LLC and American Broadband Holding Company	Broadband communication services	Senior subordinated loan \$(31,902 par due 11/2014)	18.00% (10.00% Cash, 8.00% PIK/Q)	2/8/2008	31,902	31,902	\$ 1.00(2)(4)	
		Senior subordinated loan \$(8,050 par due 11/2014)	18.00% (10.00% Cash, 8.00% PIK/Q)	11/7/2007	8,050	8,050	\$ 1.00(4)	
		Warrants to purchase 166 shares		11/7/2007				
					39,952	39,952		
					39,952	39,952		3.18%
Environmental Services								
AWTP, LLC	Water treatment services	Junior secured loan \$(4,755 par due 12/2012)		12/23/2005	4,755	1,902	\$ 0.40(14)	
		Junior secured loan \$(2,086 par due 12/2012)		12/23/2005	2,086	834	\$ 0.40(3)(14)	
				12/23/2005	4,755	1,902	\$ 0.40(14)	

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Junior secured loan \$(4,755 par due 12/2012)				
Junior secured loan \$(2,086 par due 12/2012)	12/23/2005	2,086	834 \$	0.40(3)(14)
		13,682	5,472	

Edgar Filing: ARES CAPITAL CORP - Form 10-Q

Table of Contents

Company(1)	Industry	Investment	Interest(5)(10)	Acquisition Date	Amortized Cost	Fair Value	Fair Value Per Unit	Percentage of Net Assets
Mactec, Inc.	Engineering and environmental services	Class B-4 stock (16 shares)		11/3/2004				
		Class C stock (5,556 shares)		11/3/2004		150 \$	27.00	
					0	150		
Sigma International Group, Inc.	Water treatment parts manufacturer	Junior secured loan \$(917 par due 10/2013)	16.00% (Libor + 8.00%/Q)	11/6/2007	917	642 \$	0.70(15)	
		Junior secured loan \$(2,750 par due 10/2013)	16.00% (Libor + 8.00%/Q)	11/1/2007	2,750	1,925 \$	0.70(15)	
		Junior secured loan \$(1,833 par due 10/2013)	16.00% (Libor + 8.00%/Q)	10/11/2007	1,833	1,283 \$	0.70(15)	
		Junior secured loan (\$2,000 par due 10/2013)	16.00% (Libor + 8.00%/Q)	11/6/2007	2,000	1,400		