

ARES CAPITAL CORP

Form 10-Q

May 07, 2009

Table of Contents

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 10-Q

x

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

For the quarterly period ended March 31, 2009

OR

o

**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

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(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 Smaller reporting company
(Do not check if a 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

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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 May 6, 2009
Common stock, \$0.001 par value	97,152,820

Table of Contents

ARES CAPITAL CORPORATION

INDEX

Part I. Financial Information

Item 1. Financial Statements

Consolidated Balance Sheet as of March 31, 2009 (unaudited) and December 31, 2008 1

Consolidated Statement of Operations for the three months ended March 31, 2009 (unaudited) and March 31, 2008 (unaudited) 2

Consolidated Schedule of Investments as of March 31, 2009 (unaudited) and December 31, 2008 3

Consolidated Statement of Stockholders' Equity for the three months ended March 31, 2009 (unaudited) 30

Consolidated Statement of Cash Flows for the three months ended March 31, 2009 (unaudited) and March 31, 2008 (unaudited) 31

Notes to Consolidated Financial Statements (unaudited) 32

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations 47

Item 3. Quantitative and Qualitative Disclosures About Market Risk 55

Item 4. Controls and Procedures 56

Part II. Other Information

Item 1. Legal Proceedings 56

Item 1A. Risk Factors 57

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds 57

Item 3. Defaults Upon Senior Securities 57

Item 4. Submission of Matters to a Vote of Security Holders 57

Item 5. Other Information 57

Item 6. Exhibits 58

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

(dollar amounts in thousands, except per share data)

	March 31, 2009 (unaudited)	As of	December 31, 2008
ASSETS			
Investments at fair value (amortized cost of \$2,283,959 and \$2,267,593, respectively)			
Non-controlled/non-affiliate company investments	\$ 1,492,300	\$	1,477,492
Non-controlled affiliate company investments	312,084		329,326
Controlled affiliate company investments	164,720		166,159
Total investments at fair value	1,969,104		1,972,977
Cash and cash equivalents	48,016		89,383
Receivable for open trades	289		3
Interest receivable	17,275		17,547
Other assets	10,245		11,423
Total assets	\$ 2,044,929	\$	2,091,333
LIABILITIES			
Debt	\$ 902,619	\$	908,786
Management and incentive fees payable	40,303		32,989
Accounts payable and accrued expenses	11,905		10,006
Interest and facility fees payable	2,031		3,869
Dividend payable			40,804
Total liabilities	956,858		996,454
Commitments and contingencies (Note 6)			
STOCKHOLDERS EQUITY			
Common stock, par value \$.001 per share, 200,000,000 common shares authorized, 97,152,820 common shares issued and outstanding	97		97
Capital in excess of par value	1,395,958		1,395,958
Accumulated undistributed net investment income (loss)	5,305		(7,637)
Accumulated net realized gain (loss) on investments, foreign currency transactions and extinguishment of debt			(124)
Net unrealized loss on investments and foreign currency transactions	(313,289)		(293,415)
Total stockholders equity	1,088,071		1,094,879
Total liabilities and stockholders equity	\$ 2,044,929	\$	2,091,333
NET ASSETS PER SHARE	\$ 11.20	\$	11.27

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	
	March 31, 2009	March 31, 2008
	(unaudited)	(unaudited)
INVESTMENT INCOME:		
From non-controlled/non-affiliate company investments:		
Interest from investments	\$ 43,831	\$ 34,919
Capital structuring service fees	1,050	2,725
Interest from cash & cash equivalents	153	548
Dividend income	426	496
Management fees		
Other income	949	825
Total investment income from non-controlled/non-affiliate company investments	46,409	39,513
From non-controlled affiliate company investments:		
Interest from investments	5,575	8,546
Capital structuring service fees		1,095
Dividend income	14	48
Management fees	125	
Other income	90	241
Total investment income from non-controlled affiliate company investments	5,804	9,930
From controlled affiliate company investments:		
Interest from investments	2,938	2,422
Capital structuring service fees	194	100
Dividend income		
Management fees	591	197
Other income	80	45
Total investment income from controlled affiliate company investments	3,803	2,764
Total investment income	56,016	52,207
EXPENSES:		
Interest and credit facility fees	6,581	9,923
Base management fees	7,498	7,087
Incentive management fees	7,550	6,493
Professional fees	1,397	1,218
Insurance	334	277
Administrative	1,004	535
Depreciation	173	102
Directors fees	102	74
Other	1,146	847
Total expenses	25,785	26,556
NET INVESTMENT INCOME BEFORE INCOME TAXES	30,231	25,651
Income tax expense (benefit), including excise tax	31	(322)
NET INVESTMENT INCOME	30,200	25,973

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REALIZED AND UNREALIZED GAINS (LOSSES) ON INVESTMENTS AND FOREIGN CURRENCY TRANSACTIONS:			
Net realized gains (losses):			
Non-controlled/non-affiliate company investments	(1,305)		207
Non-controlled affiliate company investments	(482)		
Controlled affiliate company investments			
Foreign currency transactions	(48)		(8)
Net realized (losses) gains	(1,835)		199
Net unrealized gains (losses):			
Non-controlled/non-affiliate company investments	(8,559)		(18,604)
Non-controlled affiliate company investments	(2,006)		(10,742)
Controlled affiliate company investments	(9,324)		12,333
Foreign currency transactions	15		7
Net unrealized losses	(19,874)		(17,006)
Net realized and unrealized (losses) from investments and foreign currency transactions	(21,709)		(16,807)
REALIZED GAIN ON EXTINGUISHMENT OF DEBT	26,543		
NET INCREASE IN STOCKHOLDERS EQUITY RESULTING FROM OPERATIONS	\$ 35,034	\$	9,166
BASIC AND DILUTED EARNINGS PER COMMON SHARE (see Note 4)	\$ 0.36	\$	0.12
WEIGHTED AVERAGE SHARES OF COMMON STOCK OUTSTANDING BASIC AND DILUTED (see Note 4)	97,152,820		74,069,161

See accompanying notes to consolidated financial statements.

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

As of March 31, 2009 (unaudited)

(dollar amounts in thousands, except per unit data)

Company(1)	Industry	Investment	Interest(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 (\$1,443 par due 12/2010)	4.48% (Libor + 3.25%/Q)	12/14/2005	\$ 1,443	\$ 1,443	\$ 1.00(3)	
		Senior secured loan (\$5,705 par due 12/2011)	4.48% (Libor + 3.25%/Q)	12/14/2005	5,705	5,705	\$ 1.00(3)	
		Senior secured loan (\$20 par due 12/2011)	5.00% (Base Rate + 1.75%/D)	12/14/2005	20	19	\$ 1.00(3)	
		Senior secured loan (\$166 par due 12/2011)	4.48% (Libor + 3.25%/Q)	12/14/2005	166	166	\$ 1.00(3)	
		Senior secured loan (\$262 par due 12/2011)	4.48% (Libor + 3.25%/Q)	12/14/2005	262	262	\$ 1.00(3)	
		Senior secured loan (\$1,655 par due 12/2011)	4.69% (Libor + 3.25%/Q)	12/14/2005	1,655	1,655	\$ 1.00(3)	
		Senior secured loan (\$2,620 par due 12/2011)	4.69% (Libor + 3.25%/Q)	12/14/2005	2,620	2,620	\$ 1.00(3)	
Capella Healthcare, Inc.	Acute care hospital operator	Junior secured loan (\$60,000 par due 2/2016)	13.00%	2/29/2008	60,000	55,200	\$ 0.92	
		Junior secured loan (\$25,000 par due 2/2016)	13.00%	2/29/2008	25,000	23,000	\$ 0.92(2)	
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	7,683	7,312	\$ 950.00(4)	
		Common stock (9,679 shares)		6/15/2007	4,000	5,382	\$ 556.10(5)	
		Common stock (1,546 shares)		6/15/2007		\$	(5)	
DSI Renal, Inc.	Dialysis provider	Senior secured revolving loan (\$142 par due 3/2013)	6.25% (Base Rate + 3.00%/D)	4/4/2006	142	127	\$ 0.90	
		Senior secured revolving loan (\$3,520 par due 3/2013)	5.50% (Libor + 5.00%/M)	4/4/2006	3,520	3,168	\$ 0.90	
				4/4/2006	1,120	1,008	\$ 0.90	

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		Senior secured revolving loan (\$1,120 par due 3/2013)	5.47% (Libor + 5.00%/M)					
		Senior secured revolving loan (\$1,152 par due 3/2013)	5.56% (Libor + 5.00%/M)	4/4/2006	1,152	1,037	\$	0.90
		Senior secured revolving loan (\$1,600 par due 3/2013)	5.56% (Libor + 5.00%/M)	4/4/2006	1,600	1,440	\$	0.90
		Senior subordinated note (\$30,773 par due 4/2014)	16.00% PIK	4/4/2006	30,738	22,742	\$	0.74(4)
		Senior subordinated note (\$28,392 par due 4/2014)	16.00% PIK	4/4/2006	28,374	20,982	\$	0.74(2)(4)
		Senior subordinated note (\$12,699 par due 4/2014)	16.00% PIK	4/4/2006	12,699	9,385	\$	0.74(3)(4)
GG Merger Sub I, Inc.	Drug testing services	Senior secured loan (\$11,330 par due 12/2014)	5.32% (Libor + 4.00%/Q)	12/14/2007	10,921	9,630	\$	0.85
		Senior secured loan (\$12,000 par due 12/2014)	5.32% (Libor + 4.00%/Q)	12/14/2007	11,561	10,200	\$	0.85
HCP Acquisition Holdings, LLC(7)	Healthcare compliance advisory services	Class A units (8,566,824 units)		6/26/2008	8,567	6,125	\$	0.72(5)

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Table of Contents

Company(1)	Industry	Investment	Interest(10)	Acquisition Date	Amortized Cost	Fair Value	Fair Value Per Unit	Percentage of Net Assets
Hearland Dental Care, Inc.	Dental services	Senior subordinated note (\$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	Healthcare professional provider	Senior subordinated note (\$4,600 par due 12/2012)	12.75% Cash, 2.00% PIK	2/9/2009	3,120	4,614	\$ 1.00	
MPBP Holdings, Inc., Cohr Holdings, Inc. and MPBP Acquisition Co., Inc.	Healthcare equipment services	Junior secured loan (\$20,000 par due 1/2014)	9.19% (Libor + 6.25%/Q)	1/31/2007	20,000	7,000	\$ 0.35	
		Junior secured loan (\$12,000 par due 1/2014)	9.19% (Libor + 6.25%/Q)	1/31/2007	12,000	4,200	\$ 0.35(3)	
		Common stock (50,000 shares)		1/31/2007	5,000		\$ (5)	
MWD Acquisition Sub, Inc.	Dental services	Junior secured loan (\$5,000 par due 5/2012)	6.78% (Libor + 6.25%/M)	5/3/2007	5,000	4,100	\$ 0.82(3)	
OnCURE Medical Corp.	Radiation oncology care provider	Senior secured loan (\$3,083 par due 8/2009)	4.06% (Libor + 3.50%/M)	8/18/2006	3,083	2,713	\$ 0.88(3)	
		Senior subordinated note (\$32,150 par due 8/2013)	11.00% Cash, 1.50% PIK	8/18/2006	32,175	28,935	\$ 0.90(4)	
		Senior subordinated note (\$121 par due 8/2013)	11.00% Cash, 1.50% PIK	8/18/2006	121	109	\$ 0.90(4)	
		Common stock (857,143 shares)		8/18/2006	3,000	3,000	\$ 3.50(5)	
Passport Health Communications, Inc., Passport Holding Corp. and Prism Holding Corp.	Healthcare technology provider	Senior secured loan (\$12,870 par due 5/2014)	10.50% (Libor + 7.50%/S)	5/9/2008	12,870	12,613	\$ 0.98(15)	
		Senior secured loan (\$11,880 par due 5/2014)	10.50% (Libor + 7.50%/S)	5/9/2008	11,880	11,642	\$ 0.98(3)(15)	
		Series A preferred stock (1,594,457 shares)		7/30/2008	9,900	9,900	\$ 6.21(5)	
		Common stock (16,106 shares)		7/30/2008	100	100	\$ 6.21(5)	
PG Mergersub, Inc.	Provider of patient surveys, management reports and national databases for the integrated healthcare	Senior subordinated loan (\$5,000 par due 3/2016)	12.50%	3/12/2008	4,901	4,700	\$ 0.94	

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	delivery system	Preferred stock (333 shares)		3/12/2008	333	333 \$	1,000.00(5)
		Common stock (16,667 shares)		3/12/2008	167	167 \$	10.00(5)
The Schumacher Group of Delaware, Inc.	Outsourced physician service provider	Senior subordinated loan (\$35,784 par due 7/2012)	11.13% Cash, 2.50% PIK	7/18/2008	35,784	35,784 \$	1.00(4)
Triad Laboratory Alliance, LLC	Laboratory services	Senior secured loan (\$2,466 par due 12/2011)	4.47% (Libor + 3.25%/Q)	12/21/2005	2,466	2,269 \$	0.92(3)
		Senior subordinated note (\$15,399 par due 12/2012)	12.00% Cash, 1.75% PIK	12/21/2005	15,420	14,958 \$	0.97(4)
VOTC Acquisition Corp.	Radiation oncology care provider	Senior secured loan (\$3,154 par due 7/2012)	11.00% Cash, 2.00% PIK	6/30/2008	3,154	3,154 \$	1.00(4)
		Senior secured loan (\$14,000 par due 7/2012)	11.00% Cash, 2.00% PIK	6/30/2008	14,000	14,000 \$	1.00(4)
		Series E preferred shares (3,888,222 shares)		7/14/2008	8,749	5,599 \$	1.44(5)
					454,888	391,215	35.95%

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Table of Contents

Company(1)	Industry	Investment	Interest(10)	Acquisition Date	Amortized Cost	Fair Value	Fair Value Per Unit	Percentage of Net Assets
Education								
Campus Management Corp. and Campus Management Acquisition Corp.(6)	Education software developer	Senior secured loan (\$8,084 par due 8/2013)	10.00% Cash, 3.00% PIK	2/8/2008	8,221	8,221 \$	1.00(16)	
		Senior secured loan (\$25,108 par due 8/2013)	10.00% Cash, 3.00% PIK	2/8/2008	25,299	25,299 \$	1.00(2)(16)	
		Senior secured loan (\$8,859 par due 8/2013)	10.00% Cash, 3.00% PIK	2/8/2008	8,946	8,946 \$	1.00(16)	
		Preferred stock (493,147 shares)	8.00% PIK	2/8/2008	9,129	12,177 \$	24.33(4)	
ELC Acquisition Corporation	Developer, manufacturer and retailer of educational products	Senior secured loan (\$177 par due 11/2012)	4.27% (Libor + 3.75%/M)	11/30/2006	177	156 \$	0.88(3)	
		Junior secured loan (\$8,333 par due 11/2013)	7.52% (Libor + 7.00%/M)	11/30/2006	8,333	7,083 \$	0.85(3)	
Instituto de Banca y Comercio, Inc. Leeds IV Advisors, Inc.(8)	Private school operator	Senior secured loan (\$12,000 par due 3/2014)	8.50% (Libor + 6.00%/M)	3/15/2007	12,000	12,000 \$	1.00(15)	
		Senior secured loan (\$7,247 par due 3/2014)	8.50% (Libor + 6.00%/M)	3/15/2007	7,247	7,247 \$	1.00(15)	
		Senior secured loan (\$4,975 par due 3/2014)	8.50% (Libor + 6.00%/M)	3/15/2007	4,975	4,975 \$	1.00(3)(15)	
		Senior secured loan (\$11,790 par due 3/2014)	8.50% (Libor + 6.00%/M)	3/15/2007	11,790	11,790 \$	1.00(3)(15)	
		Senior subordinated loan (\$40,196 par due 6/2014)	10.50% Cash, 3.50% PIK	6/4/2008	40,309	40,309 \$	1.00(4)	
		Preferred stock (165,811 shares)		6/4/2008	788	2,146 \$	12.94(5)	
		Common stock (214,286 shares)		6/4/2008	54	214 \$	1.00(5)	
		Preferred stock (140,577 shares)		3/31/2009	668	1,820 \$	12.94(5)	
Lakeland Finance, LLC	Private school operator	Senior secured note (\$18,000 par due 12/2012)	11.50%	12/13/2005	18,000	17,280 \$	0.96	
		Senior secured note (\$15,000 par due 12/2012)	11.50%	12/13/2005	15,000	14,400 \$	0.96(2)	
R3 Education, Inc. (formerly known as Equinox EIC Partners, LLC and MUA Management	Medical school operator	Senior secured revolving loan (\$1,800 par due 12/2012)	8.25% (Base Rate + 5.00%/D)	4/3/2007	1,800	1,764 \$	0.98	

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Company)(7)(8)							
Senior secured revolving loan (\$1,750 par due 12/2012)	8.25% (Base Rate + 5.00%/D)	4/3/2007	1,750	1,715	\$	0.98	
Senior secured revolving loan (\$3,000 par due 12/2012)	9.25% (Base Rate + 6.00%/D)	4/3/2007	3,000	2,940	\$	0.98	
Senior secured revolving loan (\$1,000 par due 12/2012)	6.48% (Libor + 6.00%/M)	4/3/2007	1,000	980	\$	0.98	
Senior secured loan (\$2,411 par due 12/2012)	6.52% (Libor + 6.00%/M)	4/3/2007	2,411	2,363	\$	0.98(2)	
Senior secured loan (\$14,113 par due 12/2012)	6.52% (Libor + 6.00%/M)	9/21/2007	14,113	13,830	\$	0.98(2)	
Senior secured loan (\$7,325 par due 12/2012)	6.55% (Libor + 6.00%/M)	4/3/2007	7,325	7,179	\$	0.98(3)	

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Table of Contents

Company(1)	Industry	Investment	Interest(10)	Acquisition Date	Amortized Cost	Fair Value	Fair Value Per Unit	Percentage of Net Assets
		Common membership interest (26.27% interest)		9/21/2007	15,800	20,785	\$ 1.32(5)	
		Preferred stock (800 shares)			200	200	\$ 250.00(5)	
					218,370	227,639		20.92%
Restaurants and Food Services								
ADF Capital, Inc. & ADF Restaurant Group, LLC	Restaurant owner and operator	Senior secured revolving loan (\$1,632 par due 11/2013)	5.75% (Base Rate + 2.50%/D)	11/27/2006	1,632	1,485	\$ 0.91	
		Senior secured revolving loan (\$2,005 par due 11/2013)	4.935% (Libor + 3.00% Cash, 0.50% PIK/Q)	11/27/2006	2,008	1,827	\$ 0.91(4)	
		Senior secured loan (\$22,596 par due 11/2012)	9.935% (Libor + 7.50% Cash, 1.00% PIK/Q)	11/27/2006	22,657	21,521	\$ 0.95(4)	
		Senior secured loan (\$990 par due 11/2012)	9.935% (Libor + 7.50% Cash, 1.00% PIK/Q)	11/27/2006	992	943	\$ 0.95(2)(4)	
		Senior secured loan (\$11,055 par due 11/2012)	9.935% (Libor + 7.50% Cash, 1.00% PIK/Q)	11/27/2006	11,076	10,529	\$ 0.95(3)(4)	
		Promissory note (\$12,079 par due 11/2016)	10.00% PIK	6/1/2006	12,395	12,406	\$ 1.00(4)	
		Warrants to purchase 0.61 shares		6/1/2006			\$ 0.00(5)	
Encanto Restaurants, Inc.(8)	Restaurant owner and operator	Junior secured loan (\$21,000 par due 8/2013)	7.50% Cash, 3.50% PIK	8/16/2006	21,489	19,389	\$ 0.92(2)(4)	
		Junior secured loan (\$4,000 par due 8/2013)	7.50% Cash, 3.50% PIK	8/16/2006	4,093	3,693	\$ 0.92(3)(4)	
OTG Management, Inc.	Airport restaurant operator	Junior secured loan (\$15,466 par due 6/2013)	18.00% (Libor + 11.00% Cash, 4.00% PIK/Q)	6/19/2008	15,466	14,383	\$ 0.93(4)(15)	
		Warrants to purchase up to 9 shares of common stock					\$ 0.00(5)	
Vistar Corporation and Wellspring Distribution Corp.	Food service distributor	Senior subordinated loan (\$48,625 par due 5/2015)	13.50%	5/23/2008	48,625	46,680	\$ 0.96	
		Senior subordinated loan (\$25,000 par due 5/2015)	13.50%	5/23/2008	25,000	24,000	\$ 0.96(2)	

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		Class A non-voting common stock (1,366,120 shares)		5/23/2008	7,500	3,490 \$	2.55(5)
					172,933	160,346	14.74%
Beverage, Food and Tobacco							
3091779 Nova Scotia Inc.(8)	Baked goods manufacturer	Junior secured loan (Cdn \$14,117 par due 11/2012)	11.50% Cash, 1.50% PIK	11/2/2007	14,946	10,642 \$	0.75(4)(12)
		Warrants to purchase 57,545 shares				\$	(5)
Apple & Eve, LLC and US Juice Partners, LLC(6)	Juice manufacturer	Senior secured revolving loan (\$3,000 par due 10/2013)	6.51% (Libor + 6.00%/M)	10/5/2007	3,000	2,760 \$	0.92
		Senior secured revolving loan (\$4,500 par due 10/2013)	6.94% (Libor + 6.00%/B)	10/5/2007	4,500	4,140 \$	0.92(5)
		Senior secured revolving loan (\$2,500 par due 10/2013)	6.95% (Libor + 6.00%/M)	10/5/2007	2,500	2,300 \$	0.92
		Senior secured revolving loan (\$2,500 par due 10/2013)	6.97% (Libor + 6.00%/M)	10/5/2007	2,500	2,300 \$	0.92
		Senior secured loan (\$9,445 par due 10/2013)	6.96% (Libor + 6.00%/M)	10/5/2007	9,445	8,689 \$	0.92

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Table of Contents

Company(1)	Industry	Investment	Interest(10)	Acquisition Date	Amortized Cost	Fair Value	Fair Value Per Unit	Percentage of Net Assets
		Senior secured loan (\$19,921 par due 10/2013)	6.96% (Libor + 6.00%/M)	10/5/2007	19,921	18,327	\$ 0.92(2)	
		Senior secured loan (\$11,937 par due 10/2013)	6.96% (Libor + 6.00%/M)	10/5/2007	11,937	10,982	\$ 0.92(3)	
		Senior units (50,000 units)			5,000	2,500	\$ 50.00	
Best Brands Corporation	Baked goods manufacturer	Senior secured loan (\$12,928 par due 12/2012)	7.75% (Libor + 5.00% Cash, 2.25% PIK/M)	2/15/2008	10,840	12,407	\$ 0.95(4)	
		Junior secured loan (\$4,329 par due 6/2013)	10.00% Cash, 8.00% PIK	12/14/2006	4,413	4,196	\$ 0.95(4)	
		Junior secured loan (\$26,341 par due 6/2013)	10.00% Cash, 8.00% PIK	12/14/2006	26,849	25,532	\$ 0.95(2)(4)	
		Junior secured loan (\$12,199 par due 6/2013)	10.00% Cash, 8.00% PIK	12/14/2006	12,405	11,795	\$ 0.95(3)(4)	
Bumble Bee Foods, LLC and BB Co-Invest LP	Canned seafood manufacturer	Senior subordinated loan (\$31,100 par due 11/2018)	16.25% (12.00% Cash, 4.25% Optional PIK)	11/18/2008	31,100	31,100	\$ 1.00(4)	
		Common stock (4,000 shares)		11/18/2008	4,000	4,000	\$ 1,000.00(5)	
Charter Baking Company, Inc.	Baked goods manufacturer	Senior subordinated note (\$5,543 par due 2/2013)	12.00% PIK	2/6/2008	5,704	5,704	\$ 1.00(2)(4)	
		Preferred stock (6,258 shares)		9/1/2006	2,500	2,500	\$ 399.49(5)	
					171,560	159,874		14.69%
Services Other								
American Residential Services, LLC	Plumbing, heating and air-conditioning services	Junior secured loan (\$20,201 par due 4/2015)	10.00% Cash, 2.00% PIK	4/17/2007	20,300	18,280	\$ 0.90(2)(4)	
Diversified Collection Services, Inc.	Collections services	Senior secured loan (\$11,355 par due 8/2011)	8.00% (Base Rate + 4.75%/D)	2/2/2005	9,302	10,787	\$ 0.95	
		Senior secured loan (\$4,041 par due 8/2011)	8.00% (Base Rate + 4.75%/D)	2/2/2005	4,041	3,839	\$ 0.95(3)	
		Senior secured loan (\$1,837 par due 2/2011)	10.75% (Base Rate + 7.50%/D)	2/2/2005	1,837	1,745	\$ 0.95(2)	
		Senior secured loan (\$7,125 par due 8/2011)	10.75% (Base Rate + 7.50%/D)	2/2/2005	7,125	6,769	\$ 0.95(3)	
		Preferred stock (14,927 shares)		5/18/2006	169	109	\$ 7.30(5)	
		Common stock (114,004 shares)		2/2/2005	295	414	\$ 3.63(5)	

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GCA Services Group, Inc.	Custodial services	Senior secured loan (\$23,927 par due 12/2011)	12.00%	12/15/2006	23,927	23,927 \$	1.00(2)
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Table of Contents

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		Senior secured loan (\$2,838 par due 12/2011)	12.00%	12/15/2006	2,838	2,838	\$ 1.00	
		Senior secured loan (\$10,706 par due 12/2011)	12.00%	12/15/2006	10,706	10,706	\$ 1.00(3)	
Growing Family, Inc. and GFH Holdings, LLC	Photography services	Senior secured revolving loan (\$1,513 par due 8/2011)	8.42% (Libor + 3.00% Cash, 4.00% PIK/M)	3/16/2007	1,513	454	\$ 0.30(4)(14)	
		Senior secured loan (\$11,188 par due 8/2011)	13.84% (Libor + 3.50% Cash, 6.00% PIK/Q)	3/16/2007	11,188	3,355	\$ 0.30(4)(14)	
		Senior secured loan (\$372 par due 8/2011)	11.25% (Libor + 3.50% Cash, 6.00% PIK/D)	3/16/2007	372	111	\$ 0.30(4)(14)	
		Senior secured loan (\$3,575 par due 8/2011)	16.34% (Libor + 6.00% Cash, 6.00% PIK/Q)	3/16/2007	3,575	1,073	\$ 0.30(4)(14)	
		Senior secured loan (\$147 par due 8/2011)	18.00% (Libor + 6.00% Cash, 6.00% PIK/Q)	3/16/2007	147	44	\$ 0.30(4)(14)	
		Common stock (552,430 shares)		3/16/2007	872	\$	(5)	
NPA Acquisition, LLC	Powersport vehicle auction operator	Junior secured loan (\$12,000 par due 2/2013)	7.31% (Libor + 6.75%/M)	8/23/2006	12,000	12,000	\$ 1.00(3)	
		Common units (1,709 shares)		8/23/2006	1,000	2,300	\$ 1,345.82(5)	
Web Services Company, LLC	Laundry service and equipment provider	Senior subordinated loan (\$17,875 par due 8/2016)	11.50% Cash, 2.50% PIK	8/29/2008	17,875	16,981	\$ 0.95(4)	
		Senior subordinated loan (\$25,317 par due 8/2016)	11.50% Cash, 2.50% PIK	8/29/2008	25,317	24,051	\$ 0.95(2)(4)	
					154,399	139,783		12.85%
Financial								
Carador PLC(6)(8)(9)	Investment company	Ordinary shares (7,110,525 shares)		12/15/2006	9,033	2,666	\$ 0.38(5)	
CIC Flex, LP(9)	Investment partnership	Limited partnership units (0.69 unit)		9/7/2007	34	34	\$ 49,644.93(5)	
Covestia Capital Partners, LP(9)	Investment partnership	Limited partnership interest (47% interest)		6/17/2008	1,059	1,059	\$ 1.00(5)	
Firstlight Financial Corporation(6)(9)	Investment company	Senior subordinated loan (\$71,289 par due 12/2016)	8.00% PIK	12/31/2006	71,289	64,160	\$ 0.90(4)	

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		Common stock (10,000 shares)		12/31/2006	10,000		\$	(5)
		Common stock (30,000 shares)		12/31/2006	30,000		\$	(5)
Ivy Hill Middle Market Credit Fund, Ltd. (7)(8)(9)	Investment company	Class B deferrable interest notes (\$40,000 par due 11/2018)	7.25% (Libor + 6.00%/Q)	11/20/2007	40,000	36,000	\$	0.90
		Subordinated notes (\$16,000 par due 11/2018)		11/20/2007	16,000	14,400	\$	0.90(5)

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Table of Contents

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Imperial Capital Group, LLC and Imperial Capital Private Opportunities, LP (6)(9)	Investment banking services	Limited partnership interest (80% interest)		5/10/2007	790	790 \$	1.00(5)	
		Common units (7,710 units)		5/10/2007	14,997	14,997 \$	1,945.14(5)	
		Common units (2,526 units)		5/10/2007	3	3 \$	1.00(5)	
		Common units (315 units)		5/10/2007		\$	(5)	
Partnership Capital Growth Fund I, LP(9)	Investment partnership	Limited partnership interest (25% interest)		6/16/2006	2,634	2,634 \$	(5)	
Trivergance Capital Partners, LP(9)	Investment partnership	Limited partnership interest (100% interest)		6/5/2008	1,060	1,060 \$	(5)	
VSC Investors LLC(9)	Investment company	Membership interest (4.63% interest)		1/24/2008	281	281 \$	(5)	
					197,180	138,084		12.69%
Business Services								
Booz Allen Hamilton, Inc.	Strategy and technology consulting services	Senior secured loan (\$746 par due 7/2015)	7.50% (Libor + 4.50%/S)	7/31/2008	731	728 \$	0.98(3)(15)	
		Senior subordinated loan (\$22,400 par due 7/2016)	11.00% Cash, 2.00% PIK	7/31/2008	22,176	20,160 \$	0.90(2)(4)	
		Senior subordinated loan (\$250 par due 7/2016)	11.00% Cash, 2.00% PIK	7/31/2008	219	225 \$	0.90(2)(4)	
Investor Group Services, LLC(6)	Financial services	Senior secured revolving loan (\$500 par due 6/2011)	6.72% (Libor + 5.50%/Q)	6/22/2006	500	500 \$	1.00	
		Limited liability company membership interest (10.00% interest)		6/22/2006		500 \$	5,000.00(5)	
Pillar Holdings LLC and PHL Holding Co.(6)	Mortgage services	Senior secured revolving loan (\$375 par due 11/2013)	6.02% (Libor + 5.50%/M)	11/20/2007	375	375 \$	1.00	
		Senior secured revolving loan (\$938 par due 11/2013)	6.02% (Libor + 5.50%/M)	11/20/2007	938	938 \$	1.00	
		Senior secured loan (\$7,375 par due 5/2014)	14.50%	7/31/2008	7,375	7,375 \$	1.00	
		Senior secured loan (\$17,202 par due 11/2013)	6.02% (Libor + 5.50%/M)	11/20/2007	17,202	17,202 \$	1.00(2)	
		Senior secured loan (\$10,737 par due 11/2013)	6.02% (Libor + 5.50%/B)	11/20/2007	10,737	10,737 \$	1.00(3)	

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		Common stock (84.78 shares)		11/20/2007	3,768	5,267 \$	62,127.93(5)
Primis Marketing Group, Inc. and Primis Holdings, LLC(6)	Database marketing services	Senior subordinated note (\$10,222 par due 2/2013)	11.00% Cash, 2.50% PIK	8/24/2006	10,222	1,022 \$	0.10(4)(14)
		Preferred units (4,000 units)		8/24/2006	3,600	\$	(5)
		Common units (4,000,000 units)		8/24/2006	400	\$	(5)
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 note (\$25,883 par due 2/2014)	11.50% Cash, 2.00% PIK	2/8/2007	26,141	24,847 \$	0.96(4)
		Senior subordinated note (\$25,968 par due 2/2014)	11.50% Cash, 2.00% PIK	2/8/2007	26,227	24,928 \$	0.96(2)(4)
		Preferred stock (30,000 shares)		4/11/2006	3,000	5,636 \$	187.87(5)

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Table of Contents

Company(1)	Industry	Investment	Interest(10)	Acquisition Date	Amortized Cost	Fair Value	Fair Value Per Unit	Percentage of Net Assets
R2 Acquisition Corp.	Marketing services	Common stock (250,000 shares)		5/29/2007	250	250 \$	1.00(5)	
Summit Business Media, LLC	Business media consulting services	Junior secured loan (\$10,000 par due 11/2013)	9.00% (Base Rate + 5.75%/D)	8/3/2007	10,000	5,000 \$	0.50(3)	
VSS-Tranzact Holdings, LLC(6)	Management consulting services	Common membership interest (8.51% interest)		10/26/2007	10,000	6,000 \$	60.00(5)	
					153,861	131,690		12.10%
Retail								
Apogee Retail, LLC	For-profit thrift retailer	Senior secured revolving loan (\$1,170 par due 3/2012)	7.25% (Base Rate + 4.00%/D)	3/27/2007	1,170	1,170 \$	1.00	
		Senior secured loan (\$11,070 par due 11/2012)	12.00% Cash, 4.00% PIK	5/28/2008	11,070	11,070 \$	1.00(4)	
		Senior secured loan (\$2,301 par due 3/2012)	8.71% (Libor + 5.25%/M)	3/27/2007	2,301	2,025 \$	0.88	
		Senior secured loan (\$24,575 par due 3/2012)	8.71% (Libor + 5.25%/M)	3/27/2007	24,575	21,626 \$	0.88(2)	
		Senior secured loan (\$11,760 par due 3/2012)	8.71% (Libor + 5.25%/M)	3/27/2007	11,760	10,349 \$	0.88(3)	
		Senior secured loan (\$4,876 par due 3/2012)	6.49% (Libor + 5.25%/Q)	3/27/2007	4,876	4,291 \$	0.88	
Dufry AG(8)	Retail newstand operator	Common stock (39,056 shares)		3/28/2008	3,000	589 \$	15.08(5)	
Savers, Inc. and SAI Acquisition Corporation	For-profit thrift retailer	Senior subordinated note (\$6,044 par due 8/2014)	10.00% Cash, 2.00% PIK	8/8/2006	6,060	5,576 \$	0.92(4)	
		Senior subordinated note (\$22,236 par due 8/2014)	10.00% Cash, 2.00% PIK	8/8/2006	22,295	20,516 \$	0.92(2)(4)	
		Common stock (1,170,182 shares)		8/8/2006	4,500	5,301 \$	4.53(5)	
Things Remembered, Inc. and TRM Holdings Corporation	Personalized gifts retailer	Senior secured loan (\$4,506 par due 9/2012)	6.5%, 1.00% PIK Option	9/28/2006	4,506	3,154 \$	0.70(3)	
		Senior secured loan (\$25,295 par due 9/2012)	6.5%, 1.00% PIK Option	9/28/2006	25,295	17,707 \$	0.70(2)	
		Senior secured loan (\$3,107 par due 9/2012)	6.5%, 1.00% PIK Option	9/28/2006	3,107	2,175 \$	0.70	
		Senior secured loan (\$7,303 par due 9/2012)	6.5%, 1.00% PIK Option	9/28/2006	7,304	5,113 \$	0.70(3)	
		Common stock (800 shares)		9/28/2006	200	\$	(5)	
				9/28/2006	1,800	\$	(5)	

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Preferred stock (80 shares)								
	Warrants to purchase 858 shares of common stock		3/19/2009			\$		(5)
	Warrants to purchase 73 shares of preferred stock		3/19/2009			\$		(5)
					133,819	110,662		10.17%
Manufacturing								
Arrow Group Industries, Inc.	Residential and outdoor shed manufacturer	Senior secured loan (\$5,616 par due 4/2010)	6.46% (Libor + 5.00%/Q)	3/28/2005	5,655	5,335	\$	0.95(3)(15)

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Table of Contents

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Emerald Performance Materials, LLC	Polymers and performance materials manufacturer	Senior secured loan (\$9,018 par due 5/2011)	8.25% (Libor + 4.25%/A)	5/16/2006	9,018	8,296	\$ 0.92(3)(15)	
		Senior secured loan (\$469 par due 5/2011)	8.25% (Libor + 4.25%/M)	5/16/2006	469	432	\$ 0.92(3)(15)	
		Senior secured loan (\$536 par due 5/2011)	8.25% (Libor + 4.25%/A)	5/16/2006	536	493	\$ 0.92(3)(15)	
		Senior secured loan (\$1,523 par due 5/2011)	10.00% (Libor + 6.00%/A)	5/16/2006	1,523	1,401	\$ 0.92(3)(15)	
		Senior secured loan (\$81 par due 5/2011)	10.00% (Libor + 6.00%/A)	5/16/2006	81	75	\$ 0.92(3)(15)	
		Senior secured loan (\$4,571 par due 5/2011)	10.00% Cash, 3.00% PIK	5/16/2006	4,591	4,362	\$ 0.95(2)(4)	
		Senior secured loan (\$244 par due 5/2011)	10.00% Cash, 3.00% PIK	5/16/2006	245	232	\$ 0.95(2)(4)	
Qualitor, Inc.	Automotive aftermarket components supplier	Senior secured loan (\$1,752 par due 12/2011)	5.22% (Libor + 4.00%/Q)	12/29/2004	1,752	1,664	\$ 0.95(3)	
		Junior secured loan (\$5,000 par due 6/2012)	8.22% (Libor + 7.00%/Q)	12/29/2004	5,000	4,750	\$ 0.95(3)	
Reflexite Corporation (7)	Developer and manufacturer of high-visibility reflective products	Senior subordinated loan (\$16,183 par due 2/2015)	12.50% Cash, 4.00% PIK	2/28/2008	16,203	16,203	\$ 1.00(4)	
		Common stock (1,821,860 shares)		3/28/2006	27,435	27,435	\$ 15.06(5)	
Saw Mill PCG Partners LLC	Precision components manufacturer	Common units (1,000 units)		2/2/2007	1,000	\$	(5)	
UL Holding Co., LLC	Petroleum product manufacturer	Senior secured loan (\$11,000 par, due 12/2012)	7.86% (Libor + 6.25% / Q)	2/13/2009	11,000	10,670	\$ 0.97(5)	
		Senior secured loan (\$3,000 par, due 12/2012)	11.75%	2/13/2009	3,000	2,910	\$ 0.97(5)	
		Senior secured loan (\$1,000 par, due 12/2012)	11.75%	2/13/2009	1,000	970	\$ 0.97(5)	
		Common units (50,000 units)		4/25/2008	500	500	\$ 10.00(5)	
		Common units (50,000 units)		4/25/2008			\$ (5)	
Universal Trailer Corporation(6)	Livestock and specialty trailer manufacturer	Common stock (74,920 shares)		10/8/2004	7,930	\$	(5)	

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96,938

85,728

7.88%

Environmental Services

AWTP, LLC	Water treatment services	Junior secured loan (\$402 par due 12/2012)	11.5% (Libor + 7.50% Cash, 1.00% PIK/D)	12/23/2005	402	241 \$	0.60(4)(14)
		Junior secured loan (\$3,018 par due 12/2012)	11.5% (Libor + 7.50% Cash, 1.00% PIK/D)	12/23/2005	3,018	1,811 \$	0.60(3)(4)(14)
		Junior secured loan (\$805 par due 12/2012)	13.48% (Libor + 7.50% Cash, 1.00% PIK/A)	12/23/2005	805	483 \$	0.60(4)(14)

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Table of Contents

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		Junior secured loan (\$6,036 par due 12/2012)	13.48% (Libor + 7.50% Cash, 1.00% PIK/A)	12/23/2005	6,036	3,622	\$ 0.60(3)(4)(14)	
		Junior secured loan (\$402 par due 12/2012)	11.35% (Libor + 7.50% Cash, 1.00% PIK/A)	12/23/2005	402	241	\$ 0.60(4)(14)	
		Junior secured loan (\$3,018 par due 12/2012)	11.35% (Libor + 7.50% Cash, 1.00% PIK/A)	12/23/2005	3,018	1,811	\$ 0.60(3)(4)(14)	
Mactec, Inc.	Engineering and environmental services	Class B-4 stock (16 shares)		11/3/2004			\$ (5)	
		Class C stock (5,556 shares)		11/3/2004		150	\$ 27.00(5)	
Sigma International Group, Inc.	Water treatment parts manufacturer	Junior secured loan (\$1,833 par due 10/2013)	8.00% (Libor + 7.50%/M)	10/11/2007	1,833	1,558	\$ 0.85(2)	
		Junior secured loan (\$4,000 par due 10/2013)	8.00% (Libor + 7.50%/M)	10/11/2007	4,000	3,400	\$ 0.85(3)	
		Junior secured loan (\$2,750 par due 10/2013)	8.00% (Libor + 7.50%/M)	11/1/2007	2,750	2,338	\$ 0.85(2)	
		Junior secured loan (\$6,000 par due 10/2013)	8.00% (Libor + 7.50%/M)	11/1/2007	6,000	5,100	\$ 0.85(3)	
		Junior secured loan (\$917 par due 10/2013)	8.00% (Libor + 7.50%/M)	11/6/2007	917	779	\$ 0.85(2)	
		Junior secured loan (\$2,000 par due 10/2013)	8.00% (Libor + 7.50%/M)	11/6/2007	2,000	1,700	\$ 0.85(3)	
Waste Pro USA, Inc.	Waste management services	Senior subordinated loan (\$25,000 par due 11/2013)	13.75%	11/9/2006	25,000	25,000	\$ 1.00(2)	
		Preferred stock (15,000 shares)	14.00% PIK	11/9/2006	15,000	15,000	\$ 1,000.00(4)	
		Warrants to purchase 682,671 shares		11/9/2006		6,827	\$ 10.00(5)	
Wastequip, Inc.(6)	Waste management equipment manufacturer	Senior subordinated loan (\$12,991 par due 2/2015)	10.00% Cash, 2.00% PIK	2/5/2007	12,991	6,496	\$ 0.50(4)	
		Common stock (13,889 shares)		2/2/2007	1,389		\$ (5)	
					85,561	76,557		7.04%
Printing, Publishing and Media				5/25/2005	11,847	11,138	\$ 0.94(2)(15)	

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Canon Communications LLC	Print publications services	Junior secured loan (\$11,826 par due 11/2011)	12.17% (Libor + 10.75%/M)					
		Junior secured loan (\$12,052 par due 11/2011)	12.17% (Libor + 10.75%/M)	5/25/2005	12,073	11,350 \$		0.94(3)(15)
Courtside Acquisition Corp.	Community newspaper publisher	Senior subordinated loan (\$34,295 par due 6/2014)	17.00% PIK	6/29/2007	34,295	1,715 \$		0.05(4)(14)
LVCG Holdings LLC(7)	Commercial printer	Membership interests (56.53% interest)		10/12/2007	6,600	7,651 \$		115.92(5)
National Print Group, Inc.	Printing management services	Senior secured revolving loan (\$502 par due 3/2012)	8.25% (Base Rate + 5.00%/D)	3/2/2006	502	377 \$		0.75(15)

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Table of Contents

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		Senior secured revolving loan (\$1,826 par due 3/2012)	9.00% (Libor + 6.00%/S)	3/2/2006	1,826	1,370	\$ 0.75(15)	
		Senior secured loan (\$6,905 par due 3/2012)	14.25% (Base Rate + 5.00 Cash, 6.00% PIK/D)	3/2/2006	7,009	5,283	\$ 0.75(3)(15)	
		Senior secured loan (\$1,524 par due 3/2012)	15.00% (Base Rate + 5.00 Cash, 6.00% PIK/D)	3/2/2006	1,547	1,166	\$ 0.75(3)(15)	
		Preferred stock (9,344 shares)		3/2/2006	2,000	\$	(5)	
The Teaching Company, LLC and The Teaching Company Holdings, Inc.(11)	Education media provider	Senior secured loan (\$18,000 par due 9/2012)	10.50%	9/29/2006	18,000	17,100	\$ 0.95(2)(11)	
		Senior secured loan (\$10,000 par due 9/2012)	10.50%	9/29/2006	10,000	9,500	\$ 0.95(3)(11)	
		Preferred stock (29,969 shares)	8.00%	9/29/2006	2,997	2,997	\$ 100.00(5)	
		Common stock (15,393 shares)		9/29/2006	3	3	\$ 0.19(5)	
					108,699	69,650		6.40%
Aerospace & Defense								
AP Global Holdings, Inc.	Safety and security equipment manufacturer	Senior secured loan (\$7,878 par due 10/2013)	5.02% (Libor + 4.50%/M)	11/8/2007	7,720	7,247	\$ 0.92(3)	
ILC Industries, Inc.	Industrial products provider	Junior secured loan (\$12,000 par due 8/2012)	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 (\$791 par due 3/2011)	4.02% (Libor + 3.50%/M)	3/28/2005	791	759	\$ 0.96(3)	
		Senior secured loan (\$2,757 par due 3/2012)	4.48% (Libor + 4.00%/Q)	3/28/2005	2,757	2,509	\$ 0.91(3)	
		Senior subordinated notes (\$2,106 par due 9/2012)	11.50% Cash, 2.75% PIK	3/28/2005	2,106	2,057	\$ 0.97(4)	
		Senior subordinated notes (\$3,325 par due 9/2012)	11.50% Cash, 2.75% PIK	3/28/2005	3,325	3,247	\$ 0.97(2)(4)	
		Senior subordinated notes (\$2,679 par due 3/2013)	11.50% Cash, 2.50% PIK	3/21/2006	2,696	2,615	\$ 0.97(2)(4)	
		Preferred stock (71,552 shares)		3/28/2005	716	716	\$ 10.01(5)	

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		Common stock (1,460,246 shares)		3/28/2005	15	15 \$	0.01(5)
Wyle Laboratories, Inc. and Wyle Holdings, Inc.	Provider of specialized engineering, scientific and technical services	Junior secured loan (\$16,000 par due 7/2014)	8.96% (Libor + 7.50%/Q)	1/17/2008	16,000	15,200 \$	0.95
		Junior secured loan (\$12,000 par due 7/2014)	8.96% (Libor + 7.50%/Q)	1/17/2008	12,000	11,400 \$	0.95(3)
		Common stock (246,279 shares)		1/17/2008	2,100	1,680 \$	6.82(5)
					62,226	59,445	5.46%
Consumer Products Non-Durable							
Innovative Brands, LLC	Consumer products and personal care manufacturer	Senior secured loan (\$9,823 par due 9/2011)	14.50%	10/12/2006	9,823	9,823 \$	1.00
		Senior secured loan (\$9,067 par due 9/2011)	14.50%	10/12/2006	9,067	9,067 \$	1.00(3)

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Table of Contents

Company(1)	Industry	Investment	Interest(10)	Acquisition Date	Amortized Cost	Fair Value	Fair Value Per Unit	Percentage of Net Assets
Making Memories Wholesale, Inc.(6)	Scrapbooking branded products manufacturer	Senior secured loan (\$21,509 par due 3/2011)	8.25% (Base Rate + 5.00%/D)	5/5/2005	11,953	10,968	\$ 0.50	(14)
		Senior subordinated loan (\$16,250 par due 5/2012)	12.00% Cash, 4.00% PIK	5/5/2005	10,465	\$		(4)(14)
		Preferred stock (4,259 shares)		5/5/2005	3,759	\$		(5)
Shoes for Crews, LLC	Safety footwear and slip-related mat manufacturer	Senior secured revolving loan (\$1,000 par due 7/2010)	5.25% (Base Rate + 2.00%/D)	10/8/2004	1,000	1,000	\$ 1.00	
		Senior secured loan (\$568 par due 7/2010)	5.31% (Libor + 3.50%/S)	10/8/2004	572	572	\$ 1.00	(3)
The Thymes, LLC(7)	Cosmetic products manufacturer	Preferred stock (6,283 shares)	8.00% PIK	6/21/2007	6,406	5,150	\$ 819.67	(4)
		Common stock (5,400 shares)		6/21/2007		\$		(5)
Wear Me Apparel, LLC(6)	Clothing manufacturer	Senior subordinated notes (\$26,278 par due 4/2013)	17.50% PIK	4/2/2007	24,110	12,055	\$ 0.50	(4)(14)
		Common stock (10,000 shares)		4/2/2007	10,000	\$		(5)
					87,155	48,635		4.47%
Telecommunications								
American Broadband Communications, LLC and American Broadband Holding Company	Broadband communication services	Senior subordinated loan (\$32,680 par due 11/2014)	18.00% (10.00% Cash, 8.00% PIK)	2/8/2008	32,680	32,680	\$ 1.00	(4)
		Senior subordinated loan (\$8,246 par due 11/2014)	18.00% (10.00% Cash, 8.00% PIK)	11/7/2007	8,246	8,246	\$ 1.00	(4)
		Warrants to purchase 170 shares		11/7/2007		\$		(5)
					40,926	40,926		3.76%
Cargo Transport								
The Kenan Advantage Group, Inc.	Fuel transportation provider	Senior subordinated notes (\$25,186 par due 12/2013)	9.50% Cash, 3.50% PIK	12/15/2005	25,476	24,217	\$ 0.95	(2)(4)
		Senior secured loan (\$2,419 par due 12/2011)	3.52% (Libor + 3.00%/M)	12/15/2005	2,419	2,177	\$ 0.90	(3)
		Preferred stock (10,984 shares)	8.00% PIK	12/15/2005	1,116	1,476	\$ 134.38	(4)(5)
		Common stock (30,575 shares)		12/15/2005	31	41	\$ 1.34	(5)
					29,042	27,911		2.57%
Containers-Packaging								

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Industrial Container Services, LLC(6)	Industrial container manufacturer, reconditioner and servicer	Senior secured revolving loan (\$1,239 par due 9/2011)	4.52% (Libor + 4.00%/M)	6/21/2006	1,239	1,202
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