



UBS Small and Mid-Cap One-on-One Conference

August 2015

Disclaimer

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Company Overview



Ares Capital Overview

Market Leading Non-Bank Direct Lender

- Ares Capital Corporation (“ARCC” or “Ares Capital”) is a leading specialty finance company focused on direct lending to middle market companies
- Provides “one-stop” financing
- Regulated as a business development company (“BDC”)
- IPO in 2004 – the largest BDC measured by total assets and market capitalization⁽¹⁾
- \$8.6 billion portfolio at fair value with 207 portfolio companies as of 6/30/15
- \$5.1 billion market capitalization as of July 29, 2015

Externally Managed by Ares Management L.P. ("Ares")

- Externally managed by a publicly traded (NYSE: ARES), leading global alternative asset manager⁽²⁾
- Ares has expertise investing in tradable credit, direct lending, private equity and real estate
- Platform generates meaningful benefits to ARCC through access to research, due diligence, deal flow, capital access and infrastructure

Focus on Attractive Dynamics in Middle Market

- Focus on lending to high free cash flowing companies in defensive industries in the middle market
 - Significant direct origination team in multiple geographies
 - Target companies with EBITDA of \$10 - \$250 million and enterprise values of \$100 million - \$1 billion generally
 - Loan sizes generally \$30 - \$500 million⁽³⁾
- Direct lending opportunity has been enhanced by secular trends
 - Significant consolidation among larger commercial banks
 - Commercial and investment banks focusing on larger corporate borrowers deemed more strategic
 - Increased regulation – more costly for banks to hold middle market and /or below investment grade loans

1. Measured using total assets as of June 30, 2015 and market capitalization as of July 29, 2015.

2. Ares is the parent to several registered investment advisers, including Ares Capital Management LLC (“Ares Capital Management”), ARCC’s investment adviser.

3. Includes Ares Capital and certain of its financial services portfolio companies.

Company Highlights

Market Leader in Non-Bank Sector

- Largest BDC by market capitalization and assets ⁽¹⁾
- Long track record with sponsors and deal sources
- Significant visibility in middle market lending

Significant Competitive Advantages

- Scaled, national platform with ability to underwrite and hold up to \$500 million ⁽²⁾
- 79 investment professionals ⁽³⁾
- Multi-asset class approach

Thoughtful Organic & External Growth

- Onboarding of teams in new verticals
- Organic growth in core while staying selective
- Successful acquisition track record

Superior Long Term Performance

- Average annual total shareholder return of approximately 13% since 10/04 ⁽⁴⁾
- Outperformed most relevant peers, stock and bond indices ⁽⁵⁾
- Cumulative IRR to ARCC of 13% on \$11.1 billion of investments realized since 10/04 ⁽⁶⁾
- Cumulative net realized annual investment gains of approximately 1.1% ⁽⁷⁾

Strong & Asset Sensitive Balance Sheet

- Moderate leverage and long dated liabilities
- 81% of investments (at fair value) are floating rate ⁽³⁾
- Majority of funded liabilities are fixed rate

Consistent Dividends with Strong Coverage

- Paid \$16.41 per share since IPO in 10/04 through 6/30/15 ⁽⁸⁾
- Cumulative coverage from GAAP and core earnings/net realized gains
- Carried forward estimated excess taxable income of approximately \$0.58 ⁽⁹⁾ per share from 2014 into 2015

1. Measured using total assets as of June 30, 2015 and market capitalization as of July 29, 2015.

2. Includes Ares Capital and certain of its financial services portfolio companies.

3. As of June 30, 2015.

4. As of June 30, 2015. Ares Capital Corp's stock price-based total return is calculated assuming dividends are reinvested at the end of day stock price on the relevant quarterly ex-dividend dates. Total return is calculated assuming investors did not participate in Ares Capital Corp's rights offering issuance as of March 20, 2008. Time period selected to include ARCC IPO in October 2004. Past performance is not indicative of future results.

5. Measured by total return to shareholders since ARCC IPO in October 2004 compared to S&P 500, Russell 1000, Merrill Lynch High Yield Master II and BDC Peer Group of American Capital, Apollo Investment Corp., Gladstone Capital Corp., MCG Capital Corp., Prospect Capital Corp. and TICC Capital Corp.

6. Based on original cash invested, net of syndications, of approximately \$11.1 billion and total proceeds from such exited investments of approximately \$13.6 billion. Internal rate of return is the discount rate that makes the net present value of all cash flows related to a particular investment equal to zero. Internal rate of return is gross of expenses related to investments as these expenses are not allocable to specific investments. Investments are considered to be exited when the original investment objective has been achieved through the receipt of cash and/or non-cash consideration upon the repayment of ARCC's debt investment or sale of an investment, or through the determination that no further consideration was collectible and, thus, a loss may have been realized. These IRR results are historical results relating to ARCC's past performance and are not necessarily indicative of future results, the achievement of which cannot be assured.

7. From inception through June 30, 2015, excludes \$196 million one-time gain on the acquisition of Allied Capital in Q2-10 and gains/losses from extinguishment of debt and sale of other assets. Calculated as an average of the historical annual net realized gain/loss rates (where annual net realized gain/loss rate is calculated as the amount of net realized gains/losses for a particular period from ARCC IPO in October 2004 to June 30, 2015 divided by the average quarterly investments at amortized cost in such period).

8. From ARCC IPO in October 2004 to June 30, 2015. There can be no assurance that the dividends will continue at historical levels or at all. Past performance is not indicative of future results.

9. The amount of excess 2014 taxable income available for carry over into 2015 is only an estimate based on estimated 2014 taxable income. The calculation of estimated 2014 taxable income includes a number of estimated inputs, including information received from third parties and, as a result, actual 2014 taxable income will not be finally determined until the Company's 2014 tax return is filed in 2015. Consequently, both 2014 taxable income and the amount of excess taxable income available for carry over into 2015 is subject to change. For more information, see Note 11 to the Company's 2014 audited financial statements filed with the Company's 10-K for the fiscal year ended December 31, 2014.

Market Opportunity

Potential Supply Constraints

- Long term trend of bank consolidation has eliminated a number of former bank competitors
- More costly for banks to hold middle market loans and illiquid/below investment grade loans
- Implementation of stricter regulatory requirements may reduce bank competition
- Commercial and investment banks focusing on larger corporate borrowers
- Expiration of reinvestment periods for collateralized loan obligation ("CLO") vehicles
- Capital formation for sub scale lending platforms remains challenged

Demand Dynamics

- Approximately \$535 billion of un-invested U.S. private equity capital seeking financing⁽¹⁾
- Middle market borrowers represent a large segment of economy
 - Middle market companies account for one-third of U.S. private sector employment (47.9 million people)⁽²⁾
 - Economic growth drives ongoing need for credit

We believe the middle market has transitioned into an institutional funded market with fewer scaled providers involved in sourcing and holding loans, creating attractive opportunities for risk-adjusted returns

1. Source: PitchBook Private Equity 1H-15 Fundraising and Capital Overhang Report.

2. Source: National Center for the Middle Market 1Q-15 Middle Market Indicator. Middle market defined to include companies with annual revenues between \$10 million and \$1 billion.

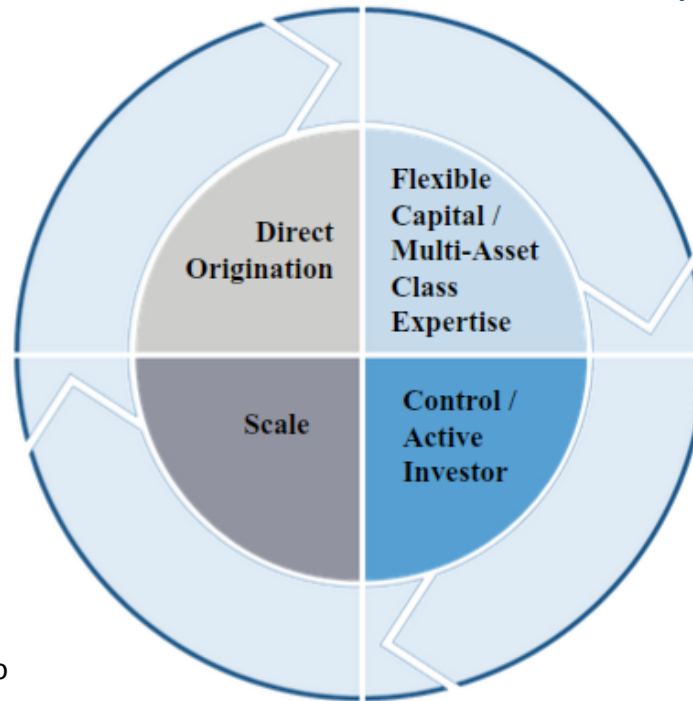
Competitive Advantages

Direct Origination

- 79 investment professionals⁽¹⁾
- Drives asset selectivity and ability to optimize portfolio mix
- Improves due diligence, management access and control over deal terms
- Ability to underwrite and syndicate to drive fee income

Scale

- Commit and hold up to \$500 million in a single transaction⁽²⁾
- Incumbency creates organic growth opportunities within existing portfolio
- More efficient access to capital



Flexible Capital/Multi-Asset Class Expertise

- Multi-asset class “one-stop” solutions to match client needs
- Rotate between asset classes with superior relative value
- Cycle durable business model

Control/Active Investor

- Focus on lead investing for primary diligence and additional control over investment outcomes
- Active investor post-closing with seats or observation rights on 39%⁽¹⁾ of portfolio company board of directors
- Focus on controlling the tranche or being the sole lender

1. As of June 30, 2015.

2. Includes Ares Capital and certain of its financial services portfolio companies.

Ares Capital Origination and Platform Strengths

Ares Capital's team employs a multi channel approach to direct origination

Sponsored

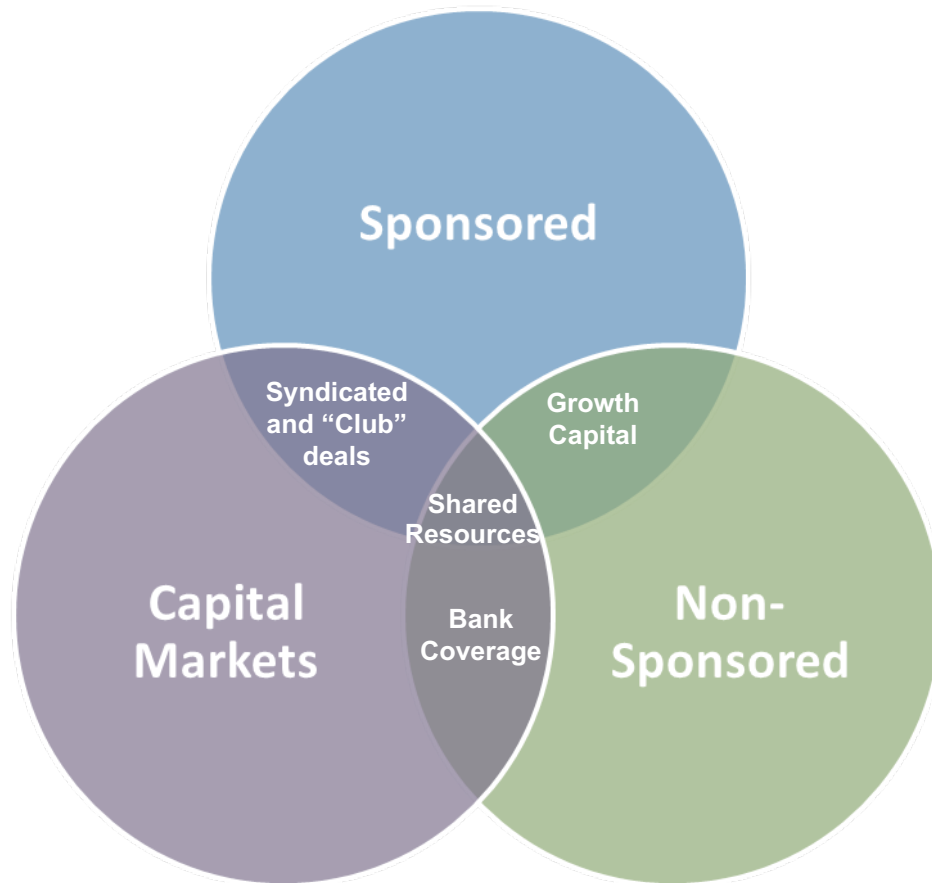
- Active dialogue with over 375 U.S. sponsors
- ARCC has closed transactions with over 175 sponsors since 2004

Non-Sponsored

- Direct calling effort on companies, management teams, intermediaries and M&A advisors
- Ongoing communication with regional accounting firms, law firms and business brokers
- Incremental deal flow from sourcing efforts of Ares Private Equity Group

Capital Markets

- Active dialogue with capital market participants and with all large investment banks due to Ares' significant global leveraged finance franchise
- Strong analyst pool improves research and due diligence
- Ares Tradable Credit Group and Ivy Hill Asset Management ("IHAM") provide transaction referrals

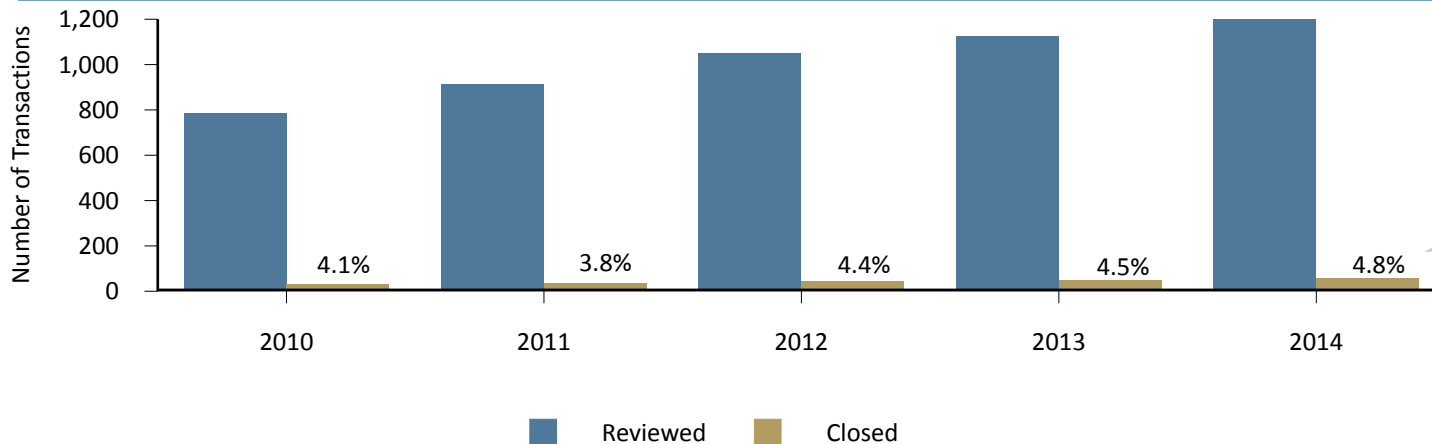


This multi-pronged approach enhances the probability that ARCC will have the opportunity to invest in the highest quality businesses

Direct Origination Focus

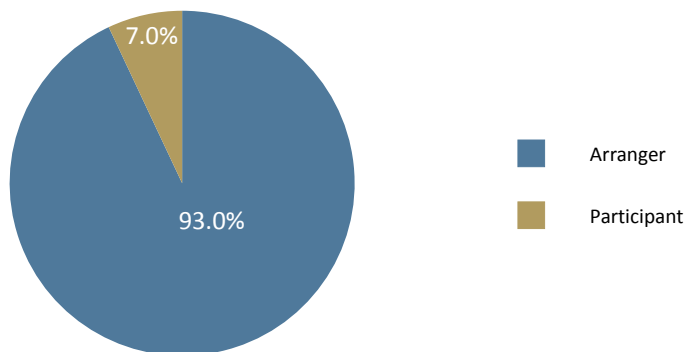
We believe that our scale, seasoned investment team and direct origination capabilities represent significant competitive advantages and allow for strong asset selectivity

ARCC - Closing Conversion Rates⁽¹⁾

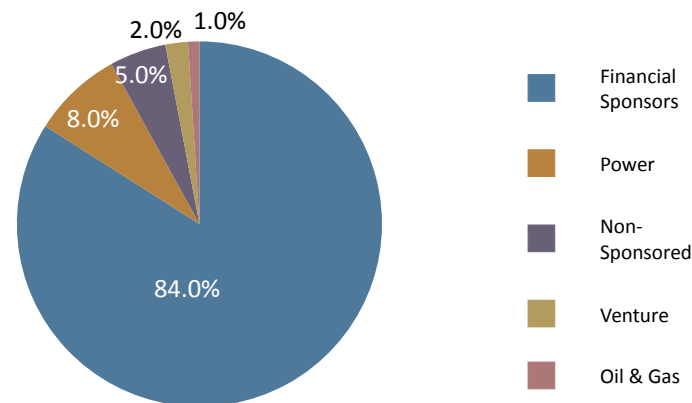


High degree of selectivity, with an average ~4% closing rate

ARCC's Underwriting Role⁽²⁾



Sourcing: Portfolio Composition⁽²⁾



1. Calculation based on ARCC's reviewed and closed transactions with new portfolio companies (excludes any additional investments in existing portfolio companies) in each calendar year excluding equity-only investments and legacy investments from portfolio acquisitions.

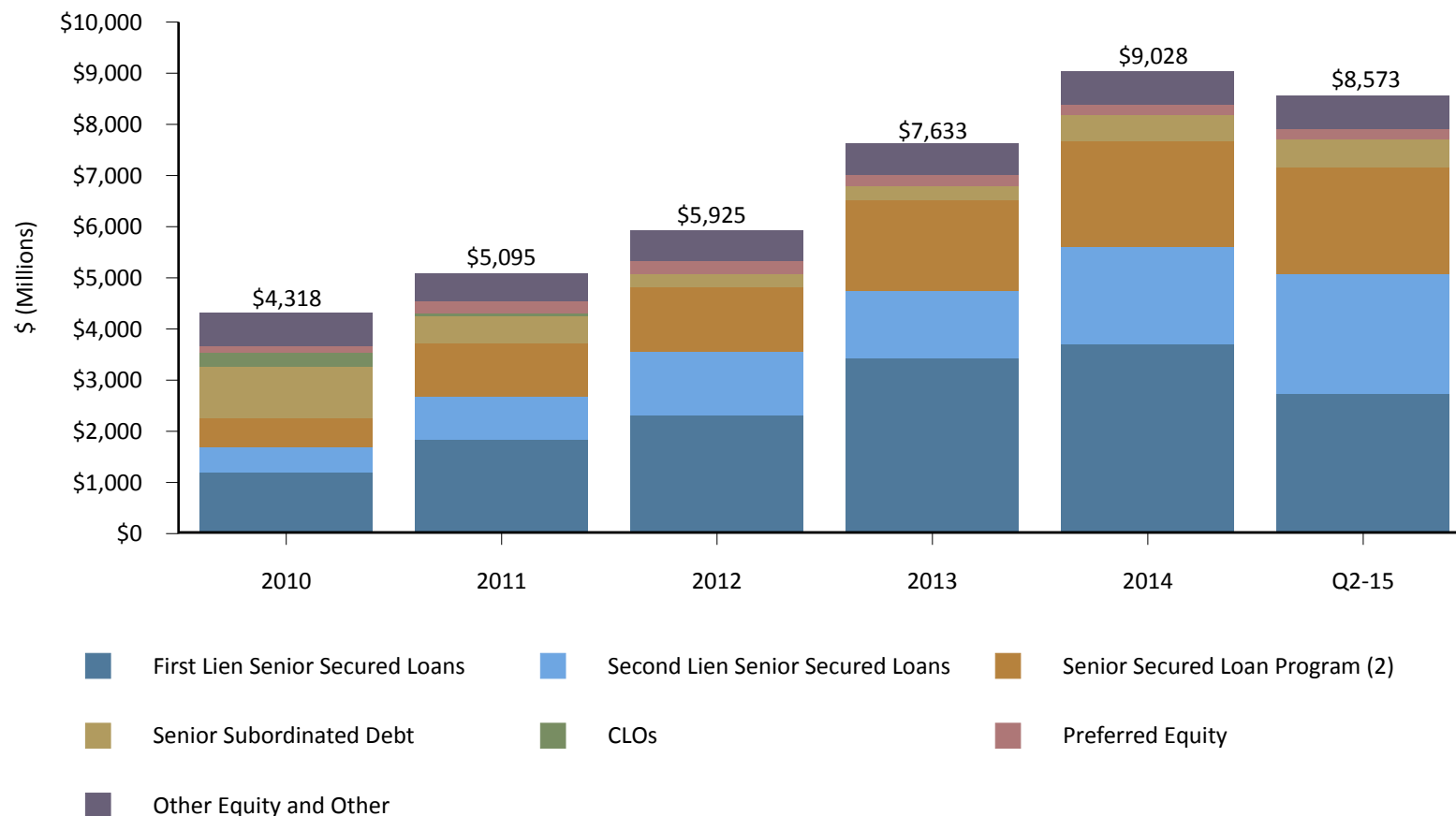
2. Calculated based on the cost basis of ARCC's portfolio as of December 31, 2014, excluding equity-only investments and legacy investments from portfolio acquisitions.

Portfolio and Performance Review



Investment Portfolio

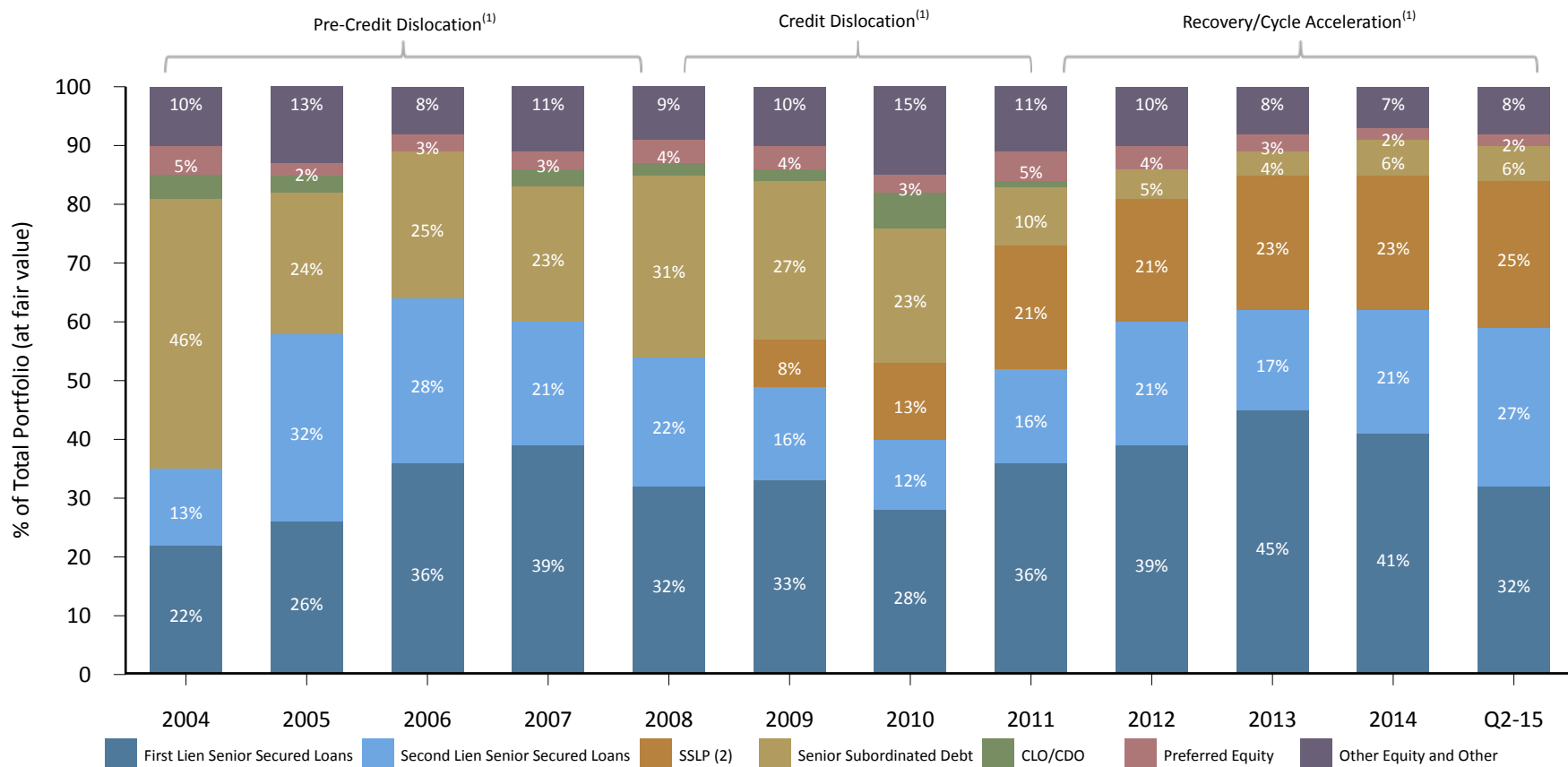
ARCC has grown through organic expansion to achieve scale since 2010 ⁽¹⁾



1. All data as of December 31 of the respective years, excluding Q2-15, which is as of June 30, 2015. Investments represent amounts at fair value.

2. Represents ARCC's portion of its co-investments with GE Sponsor Finance LLC and General Electric Capital Corporation (collectively, "GE") in first lien senior secured loans of middle market companies. See Note 4 to Ares Capital's consolidated financial statements included in its quarterly report on Form 10-Q for the quarter ended June 30, 2015 for information regarding GE's exit of its U.S. Sponsor Finance business and its impact on the SSLP.

Portfolio Asset Mix Changes With Our Views on Risk and Return



	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Q2 2015
Wtd. Avg. Yield on Debt and Income Producing Securities at FV	12.4%	11.3%	12.0%	11.7%	12.8%	12.7%	12.9%	12.0%	11.3%	10.4%	10.1%	10.6%
Wtd. Avg. Yield on Total Investments at FV	10.8%	10.4%	9.9%	9.9%	11.2%	11.2%	10.5%	10.4%	10.0%	9.3%	9.1%	9.6%
3-month LIBOR	2.6%	4.5%	5.4%	4.7%	1.4%	0.3%	0.3%	0.6%	0.3%	0.3%	0.3%	0.3%
Implied Spread over 3-month LIBOR⁽³⁾	9.8%	6.8%	6.6%	7.0%	11.4%	12.4%	12.6%	11.4%	11.0%	10.1%	9.8%	10.3%

1. All data as of December 31 of the respective years, excluding Q2-15, which is as of June 30, 2015.

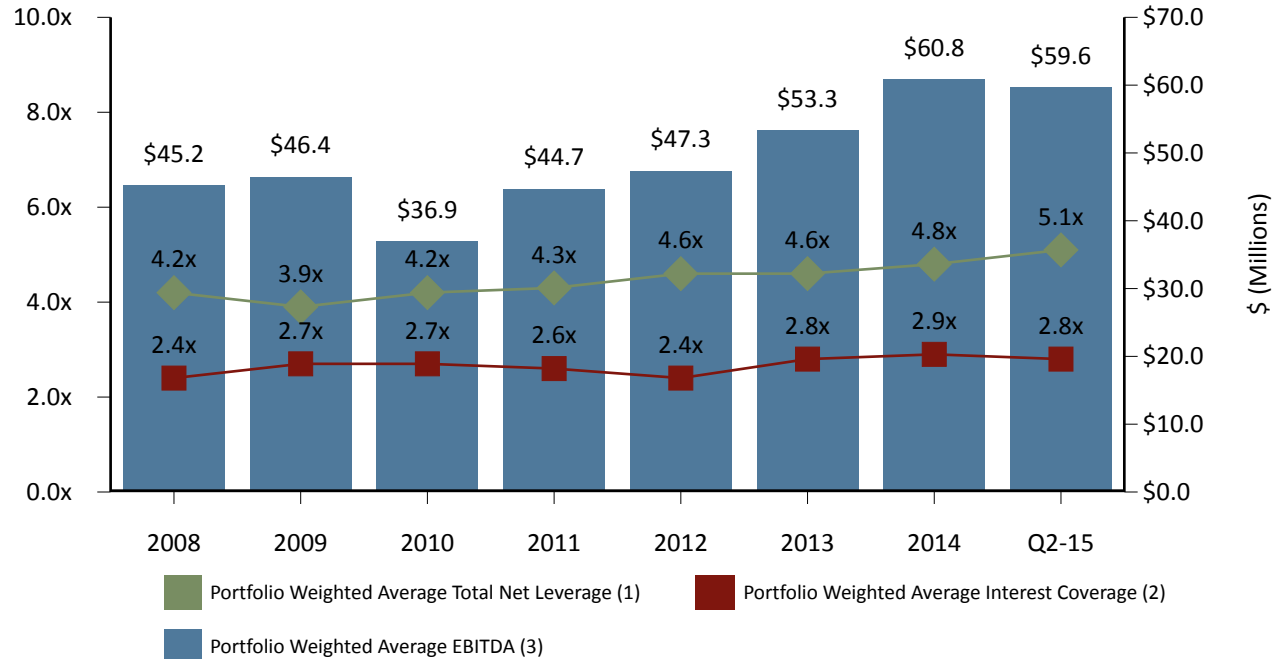
2. Represents ARCC's portion of its co-investments with GE in first lien senior secured loans of middle market companies. See Note 4 to Ares Capital's consolidated financial statements included in its quarterly report on Form 10-Q for the quarter ended June 30, 2015 for information regarding GE's exit of its U.S. Sponsor Finance business and its impact on the SSLP.

3. Spread of weighted average yield on debt and income producing securities at fair value over 3-month LIBOR.

Consistent Portfolio Company Credit Statistics

Portfolio company leverage has typically ranged between 4.0-5.0x over time

- Strong weighted average interest coverage at 2.8x provides meaningful cushion for ARCC portfolio companies



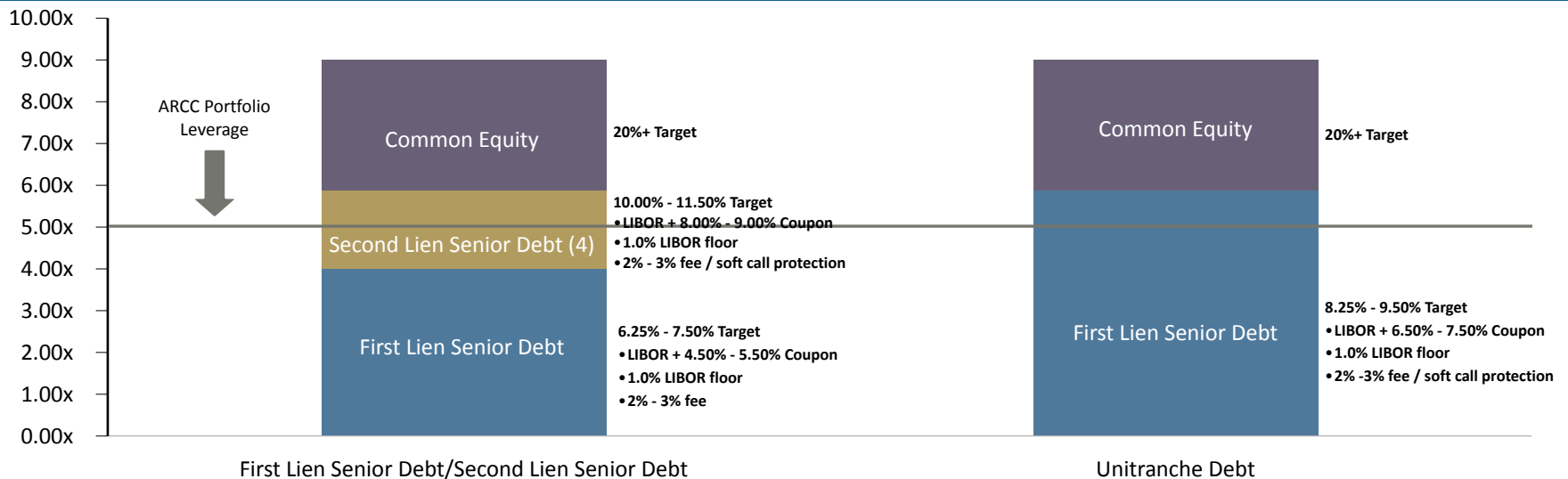
Note: This portfolio weighted average total net leverage multiple and weighted average interest coverage ratio data includes information solely in respect of corporate portfolio companies in which Ares Capital has debt investment (subject to the exclusions described in the following sentence). Excluded from the ratios above is information in respect of the following: (i) the Senior Secured Loan Program (and the underlying borrowers in the Senior Secured Loan Program), (ii) portfolio companies that do not report EBITDA, including IHAM, (iii) investment funds/vehicles, (iv) discrete projects in the project finance/power generation sector, (v) certain oil and gas companies, (vi) venture capital backed companies and (vii) commercial real estate finance companies.

- The weighted average total net leverage multiple for the underlying borrowers in the Senior Secured Loan Program was 3.8x, 4.5x, 4.5x, 4.8x, 4.8x and 4.9x as of year end 2010, 2011, 2012, 2013, 2014 and Q2-15 respectively. Weighted average EBITDA amounts are weighted based on the fair value of the portfolio company investments except for the weighted average EBITDA for the Senior Secured Loan Program, which is weighted based on the principal amount of the loan made by the Senior Secured Loan Program to such portfolio company. EBITDA amounts are estimated from the most recent portfolio company financial statements, have not been independently verified by Ares Capital and may reflect a normalized or adjusted amount. Accordingly, Ares Capital makes no representation or warranty in respect of this information.
- The weighted average interest coverage ratio for the underlying borrowers in the Senior Secured Loan Program was 3.2x, 3.0x, 3.0x, 3.2x, 3.6x and 3.6x as of year end 2010, 2011, 2012, 2013, 2014 and Q2-15, respectively. Portfolio weighted average interest coverage ratio represents the portfolio company's EBITDA as a multiple of interest and facility fees expense. Portfolio company credit statistics are derived from the most recently available portfolio company financial statements, have not been independently verified by Ares Capital and may reflect a normalized or adjusted amount. Accordingly, Ares Capital makes no representation or warranty in respect of this information.
- Weighted average EBITDA amounts are weighted based on the fair value of the portfolio company investments except for the weighted average EBITDA for the Senior Secured Loan Program, which is weighted based on the principal amount of the loan made by the Senior Secured Loan Program to such portfolio company. EBITDA amounts are estimated from the most recent portfolio company financial statements, have not been independently verified by Ares Capital and may reflect a normalized or adjusted amount. Accordingly, Ares Capital makes no representation or warranty in respect of this information.

Current U.S. Middle Market Capital Structures

- Transaction structures are typically comprised of first lien and second lien senior debt or unitranche debt
- Leverage multiples on new first lien senior debt generally range from 3.75x to 4.25x first lien senior debt to EBITDA with total leverage multiples ranging from 5.25x to 6.50x debt to EBITDA
- ARCC's portfolio weighted average total net leverage multiple was 5.1x as of 6/30/15⁽¹⁾⁽²⁾

Illustrative Returns and Capital Structures of Primary Middle Market Buyouts⁽³⁾

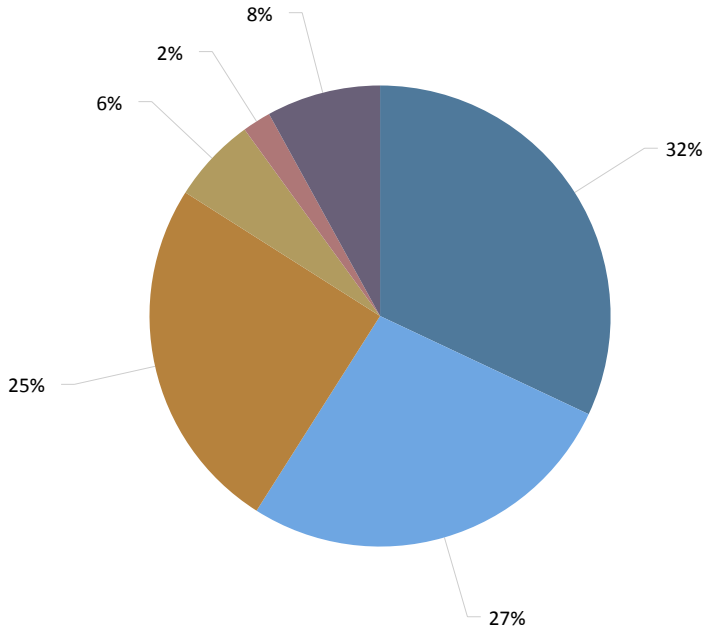


1. Portfolio weighted average total net leverage multiples represent Ares Capital's last dollar of invested debt capital (net of cash) as a multiple of EBITDA. Portfolio company credit statistics are derived from the most recently available portfolio company financial statements, have not been independently verified by Ares Capital and may reflect a normalized or adjusted amount. Accordingly, Ares Capital makes no representation or warranty in respect of this information. This portfolio weighted average total net leverage multiple includes information solely in respect of corporate portfolio companies in which Ares Capital has a debt investment (subject to the exclusions described in the following sentence). Excluded from the ratios above is information in respect of the following: (i) the Senior Secured Loan Program (and the underlying borrowers in the Senior Secured Loan Program), (ii) portfolio companies that do not report EBITDA, including IHAM, (iii) investment funds/vehicles, (iv) discrete projects in the project finance/power generation sector, (v) certain oil and gas companies, (vi) venture capital backed companies and (vii) commercial real estate finance companies.
2. EBITDA is a non-GAAP financial measure. For a particular portfolio company, EBITDA typically represents net income before net interest expense, income tax expense, depreciation and amortization. EBITDA amounts are estimated from the most recent portfolio company financial statements, have not been independently verified by Ares Capital and may reflect a normalized or adjusted amount. Accordingly, Ares Capital makes no representation or warranty in respect of this information.
3. ARCC estimates as of June 30, 2015. Based on hypothetical transactions and a review of current market conditions. For illustrative purposes only and does not necessarily represent the actual structure of transactions in the ARCC portfolio. ARCC's portfolio investments can differ materially from those discussed here.
4. Mezzanine may also be used in place of second lien debt. Illustrative mezzanine pricing ranges from 10.0% - 12.0% with 2% fee/ 2 points average call protection.

Portfolio Diversification

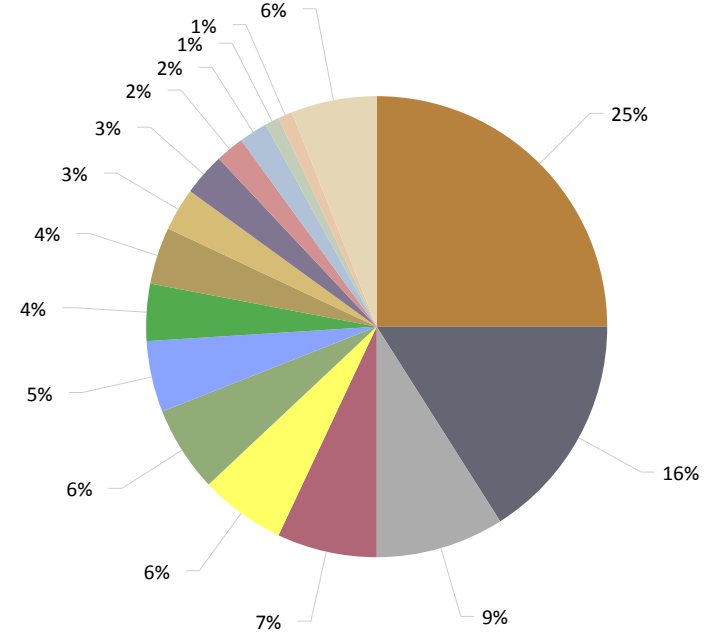
ARCC primarily invests in high free cash flow companies in defensively positioned industries

Portfolio by Asset Class ⁽¹⁾



- First Lien Senior Secured Loans
- Second Lien Senior Secured Loans
- Senior Secured Loan Program⁽²⁾
- Senior Subordinated Debt
- Preferred Equity
- Other Equity and Other

Portfolio by Industry ⁽¹⁾



- Senior Secured Loan Program⁽²⁾
- Healthcare Services
- Other Services
- Consumer Products
- Business Services
- Power Generation
- Financial Services
- Education
- Restaurants and Food Services
- Manufacturing
- Containers and Packaging
- Oil and Gas
- Automotive Services
- Aerospace and Defense
- Retail
- Other

1. At fair value as of June 30, 2015.

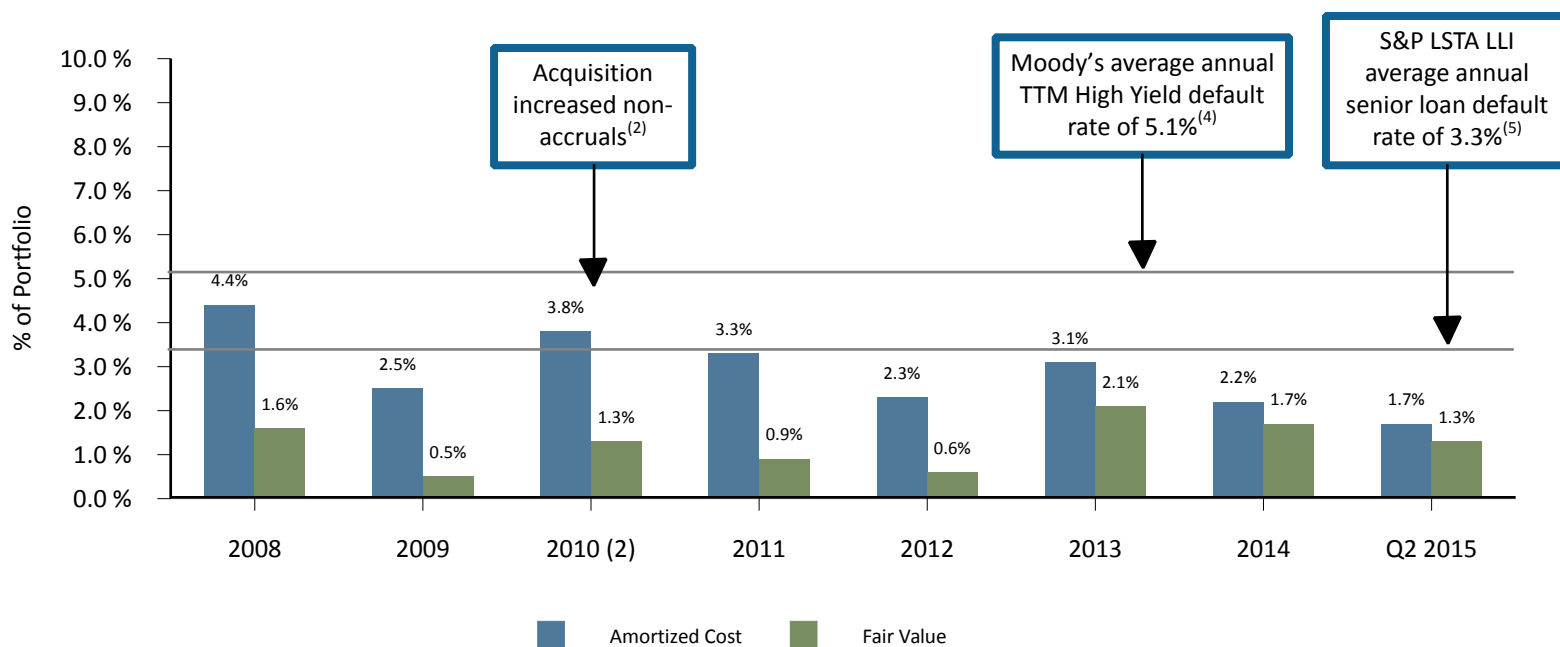
2. Represents ARCC's portion of its co-investments with GE in first lien senior secured loans of middle market companies. See Note 4 to Ares Capital's consolidated financial statements included in its quarterly report on Form 10-Q for the quarter ended June 30, 2015 for information regarding GE's exit of its U.S. Sponsor Finance business and its impact on the SSLP.

Strong Historical Credit Performance

ARCC has consistently generated a low level of non-accruals since its inception⁽¹⁾

- Non-accruals have generally remained well below the industry average annual default rate for leveraged senior loans and high yield bonds
- As of June 30, 2015, 1.7% of the total portfolio at amortized cost and 1.3% at fair value were on non-accrual status

Non-Accruing Investments as a % of Portfolio at Amortized Cost and Fair Value⁽³⁾



1. Non-accrual rates were not reported prior to 2007. Past performance is not indicative of future results.

2. On April 1, 2010, ARCC completed the acquisition of Allied Capital.

3. All data as of December 31 of the respective years, excluding Q2-15, which is as of June 30, 2015.

4. Source: Moody's U.S. Trailing 12-month issuer-weighted spec-grade default rate. Actual speculative grade default data taken from January 2000 to June 2015.

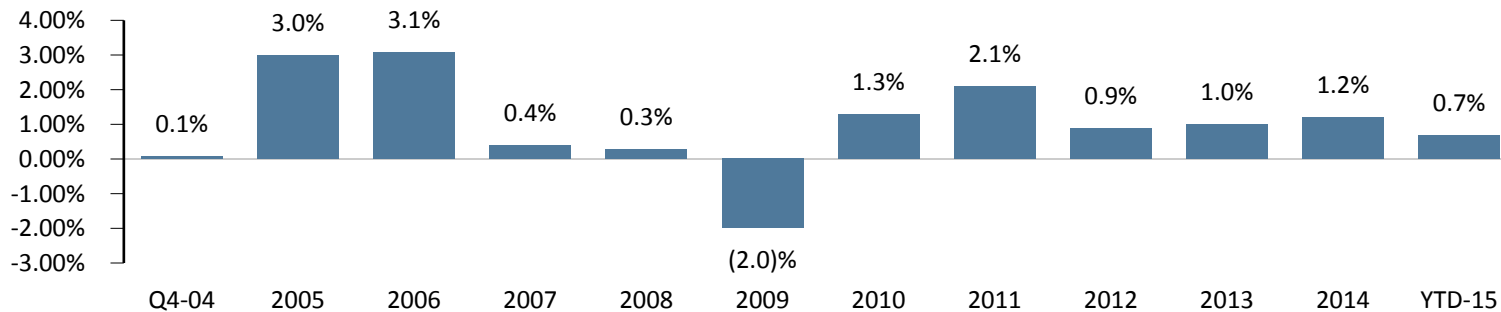
5. Source: S&P LCD data for LSTA Leveraged Loan Index ("LLI"). Calculated as average of rolling twelve month default rates for the LLI from January 2000 to June 2015.

Strong Historical Investment Performance

ARCC had cumulative realized investment gains in excess of cumulative realized investment losses of \$408 million since inception⁽¹⁾

- Low net realized losses on loans combined with net realized gains on equity positions have resulted in an average annualized net realized gain/loss rate of +1.1% , with a net realized loss in only one fiscal year⁽²⁾⁽³⁾
- Since IPO in October 2004 through 6/30/15, cumulative internal rate of return to ARCC totaled 13%⁽⁴⁾ on \$11.1 billion of investments realized

Net Realized Gain (Loss) Rate – Total Portfolio



Average annualized net realized gain rate of 1.1%⁽²⁾⁽³⁾

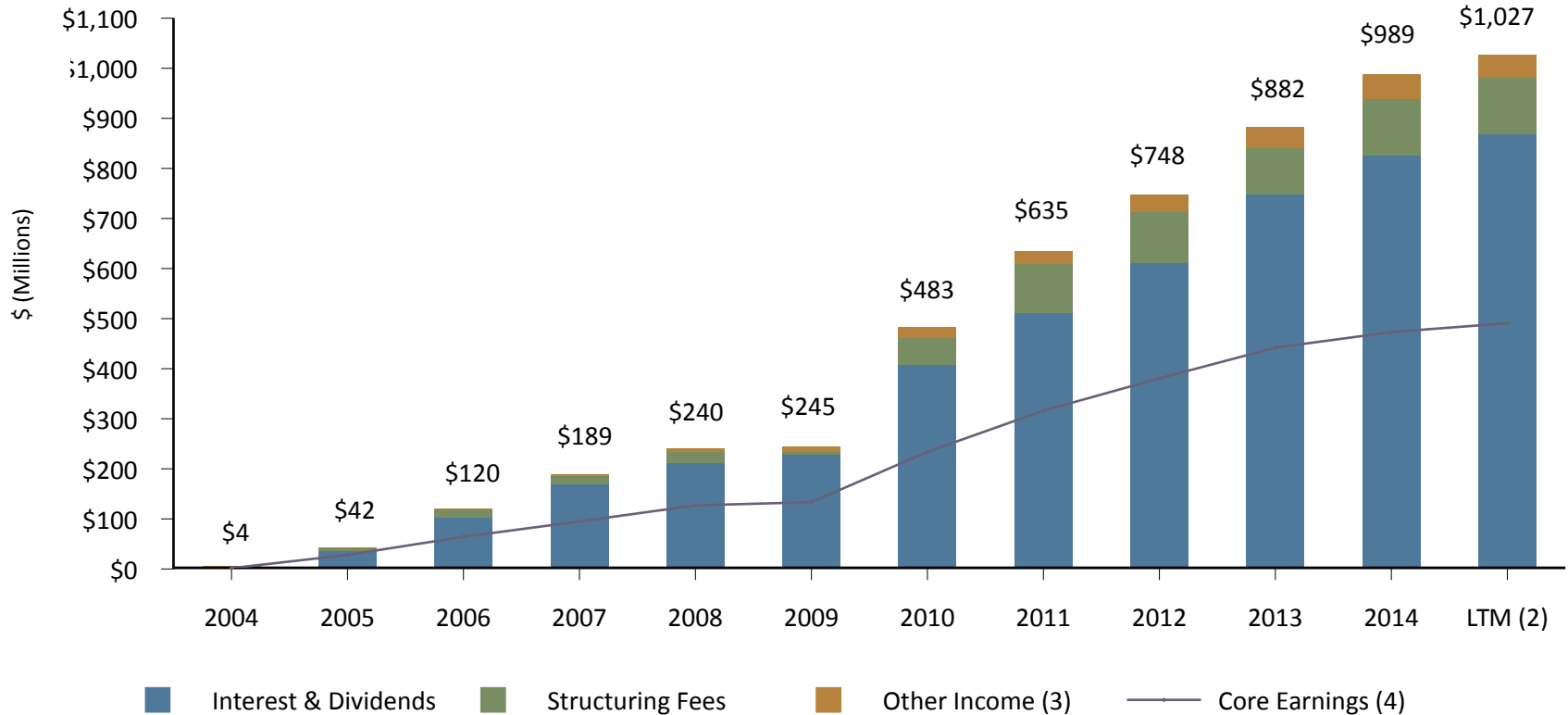
1. From inception through June 30, 2015 and excludes \$196 million one-time gain on the acquisition of Allied Capital in Q2-10 and gains/losses from the extinguishment of debt and sale of other assets.
 2. From inception through June 30, 2015 and excludes \$196 million one-time gain on the acquisition of Allied Capital in Q2-10 and gains/losses from the extinguishment of debt and sale of other assets. Calculated as the annualized average of the historical net realized gain/loss rates (where the net realized gain/loss rate for a particular period is calculated as the amount of the net realized gains/losses during such period divided by the average quarterly investments at amortized cost in such period).
 3. For purposes of this calculation, SSLP sub certs are considered debt investments.
 4. Based on original cash invested, net of syndications, of approximately \$11.1 billion and total proceeds from such exited investments of approximately \$13.6 billion. Internal rate of return is the discount rate that makes the net present value of all cash flows related to a particular investment equal to zero. Internal rate of return is gross of expenses related to investments as these expenses are not allocable to specific investments. Investments are considered to be exited when the original investment objective has been achieved through the receipt of cash and/or non-cash consideration upon the repayment of ARCC's debt investment or sale of an investment, or through the determination that no further consideration was collectible and, thus, a loss may have been realized. These IRR results are historical results relating to ARCC's past performance and are not necessarily indicative of future results, the achievement of which cannot be assured.

Financial Review and Capitalization



Revenue and Earnings Growth

- ARCC's revenue sources have become more diversified ⁽¹⁾
- Since 2010, interest and dividend income has averaged 84% of revenues while structuring fees have averaged 12%



1. Excludes realized and unrealized gains and losses. Past performance is not indicative of future results.

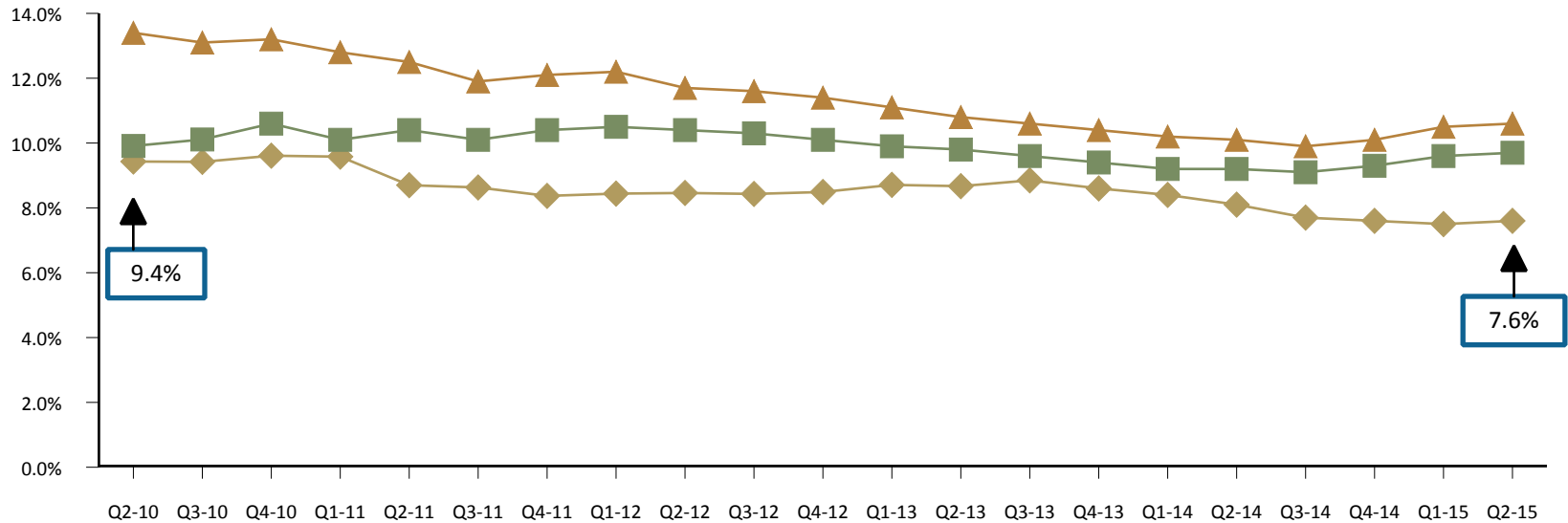
2. Last twelve months through 6/30/15.

3. Includes management fees and other income.

4. Core Earnings is a non-GAAP financial measure. Core Earnings is the net increase (decrease) in stockholders' equity resulting from operations less realized and unrealized gains and losses, any capital gains incentive fees attributable to such realized and unrealized gains and losses and any income taxes related to such realized gains and losses. Please see slide 36 for a reconciliation of core earnings to GAAP earnings.

Attractive Net Interest and Dividend Margin

Weighted Average Yields vs. Net Interest and Dividend Margin

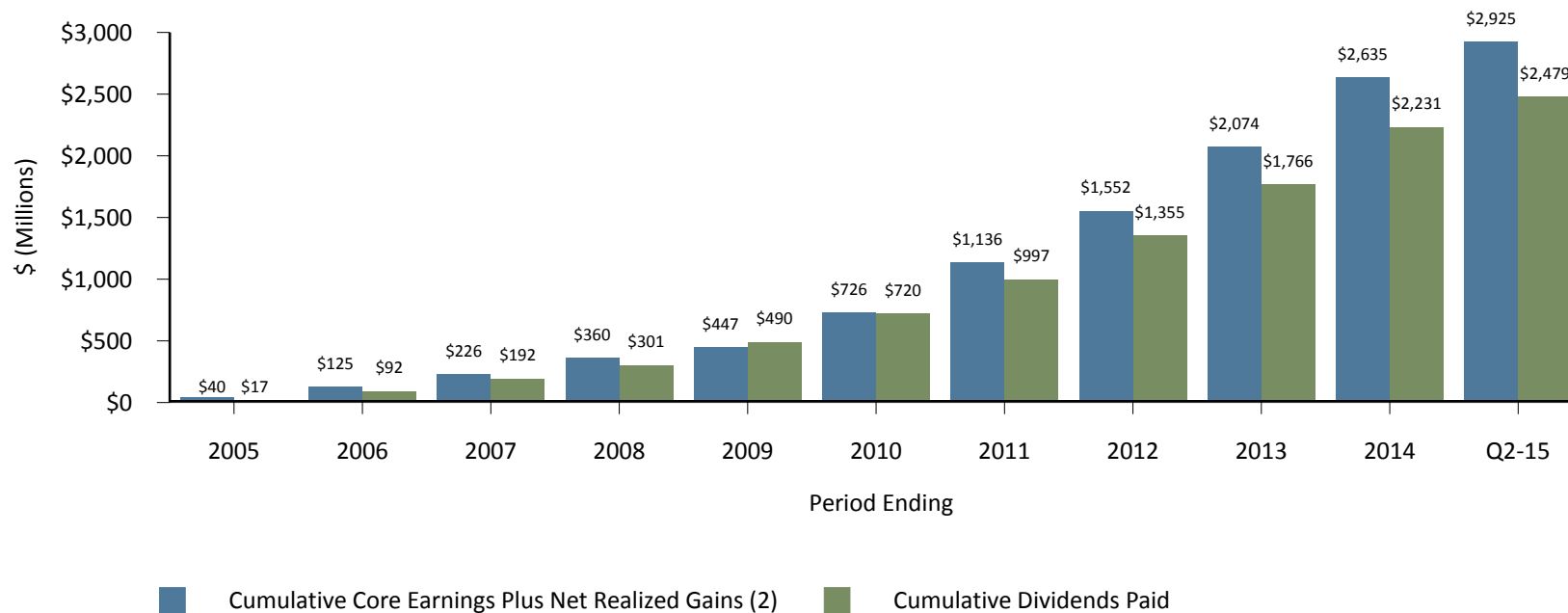


- ▲ Wtd. Average Yield of Total Debt & Other Income Producing Securities at Amortized Cost(1)
- Wtd. Average Yield of Total Portfolio at Amortized Cost(2)
- ◆ Net Interest & Dividend Margin(3)

1. The weighted average yield on debt and other income producing securities at amortized cost is computed as (a) annual state interest rate or yield earned plus the net annual amortization of original issue discount and market discount or premium earned on accruing debt and other income producing securities, divided by (b) total accruing debt and other income producing securities at amortized cost.
2. The weighted average yield on the total investment portfolio at amortized cost is computed as (a) annual stated interest rate or yield earned plus the net annual amortization of original issue discount and market discount or premium earned on accruing debt and other income producing securities, divided by (b) total investments at amortized cost.
3. Net interest and dividend margin represents the difference between interest and dividend income and interest and credit facility fees expense for the last twelve month period divided by average total investments at amortized cost during the same period.

Dividend and Core Earnings Track Record

Cumulative Core Earnings Plus Net Realized Gains vs. Cumulative Dividends⁽¹⁾



ARCC estimates that it has carried forward excess taxable income of approximately \$181 million⁽³⁾ or \$0.58 per share from 2014 for distribution to stockholders in 2015

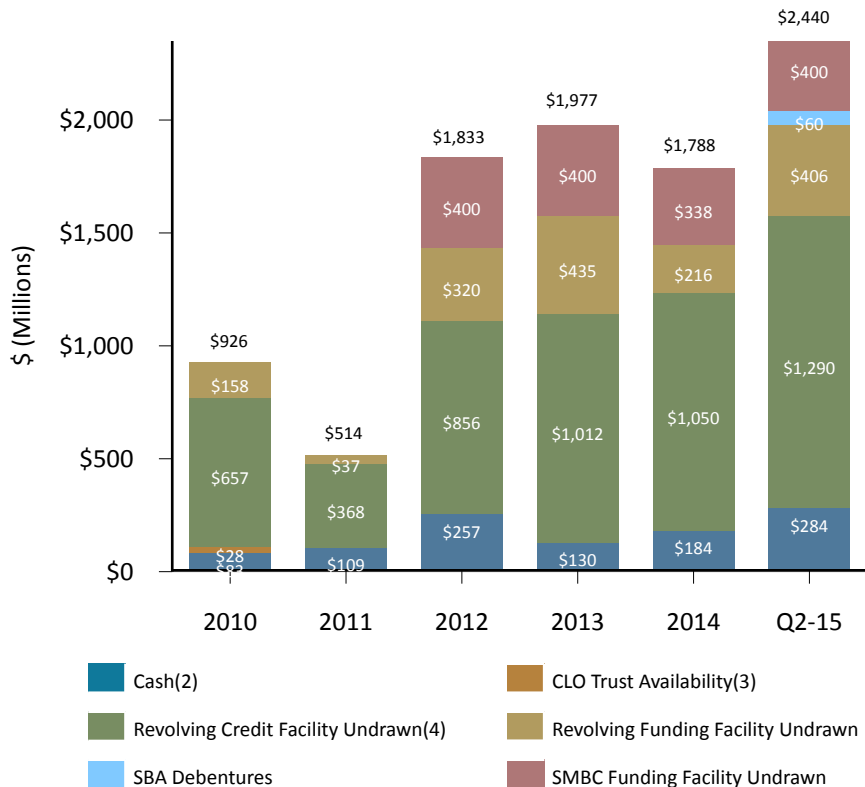
Note: All data as of December 31 of the respective years, excluding Q2-15 which is as of June 30, 2015.

1. There can be no assurance that dividends will continue to be paid at historic levels or at all. Past performance is not indicative of future results.
2. Core Earnings is a non-GAAP financial measure. Core Earnings is the net increase (decrease) in stockholders' equity resulting from operations less realized and unrealized gains and losses, any capital gains incentive fees attributable to such realized and unrealized gains and losses and any income taxes related to such realized gains and losses. Please see slide 36 for a reconciliation of core earnings to GAAP earnings. Net Realized Gains are net of income tax expense related to realized gains and losses and capital gains incentive fees incurred and payable as calculated under the investment advisory and management agreement.
3. The amount of excess 2014 taxable income available for carry over into 2015 is only an estimate based on estimated 2014 taxable income. The calculation of estimated 2014 taxable income includes a number of estimated inputs, including information received from third parties and, as a result, actual 2014 taxable income will not be finally determined until the Company's 2014 tax return is filed in 2015. Consequently, both 2014 taxable income and the amount of excess taxable income available for carry over into 2015 is subject to change. For more information, see Note 11 to the Company's 2014 audited financial statements filed with the Company's 10-K for the fiscal year ended December 31, 2014.

ARCC Capitalization Overview

ARCC has historically maintained strong liquidity and has access to a diverse set of channels for capital

Available Liquidity⁽¹⁾



Access To Capital Across Capital Structure⁽⁵⁾

- Demonstrated ability to access diverse market channels since ARCC's IPO in October 2004
 - Raised over \$3.8 billion in gross proceeds in public equity in 18 separate equity offerings
 - Accessed the convertible notes market in five transactions raising over \$1.5 billion
 - Accessed the high grade notes market in four transactions raising \$1.4 billion
 - Accessed the retail notes market three times raising \$526.3 million
 - Raised over \$2.2 billion in revolving credit facilities
 - Proactively extended maturities on revolving facilities and reduced borrowing rates
- Generated \$2.9 billion in average annual repayments from investment portfolio over the last three years⁽⁶⁾

Note: All data as of December 31 of the respective years, excluding Q2-15 which is as of June 30, 2015.

1. Subject to borrowing base, leverage and other restrictions. ARCC is only allowed to borrow amounts such that its asset coverage (calculated pursuant to the Investment Company Act of 1940) equals at least 200% after such borrowing.

2. Excludes restricted cash as well as cash held for dividends payable and for uses specifically designated for paying interest and expenses on certain debt.

3. The CLO reinvestment period ended in 2011. In June 2012, in conjunction with the repayment in full of \$60 million aggregate principal amount of the notes outstanding under the 2006 Debt Securitization, ARCC terminated or discharged the agreements governing the 2006 Debt Securitization.

4. Excludes letters of credit outstanding under the facility.

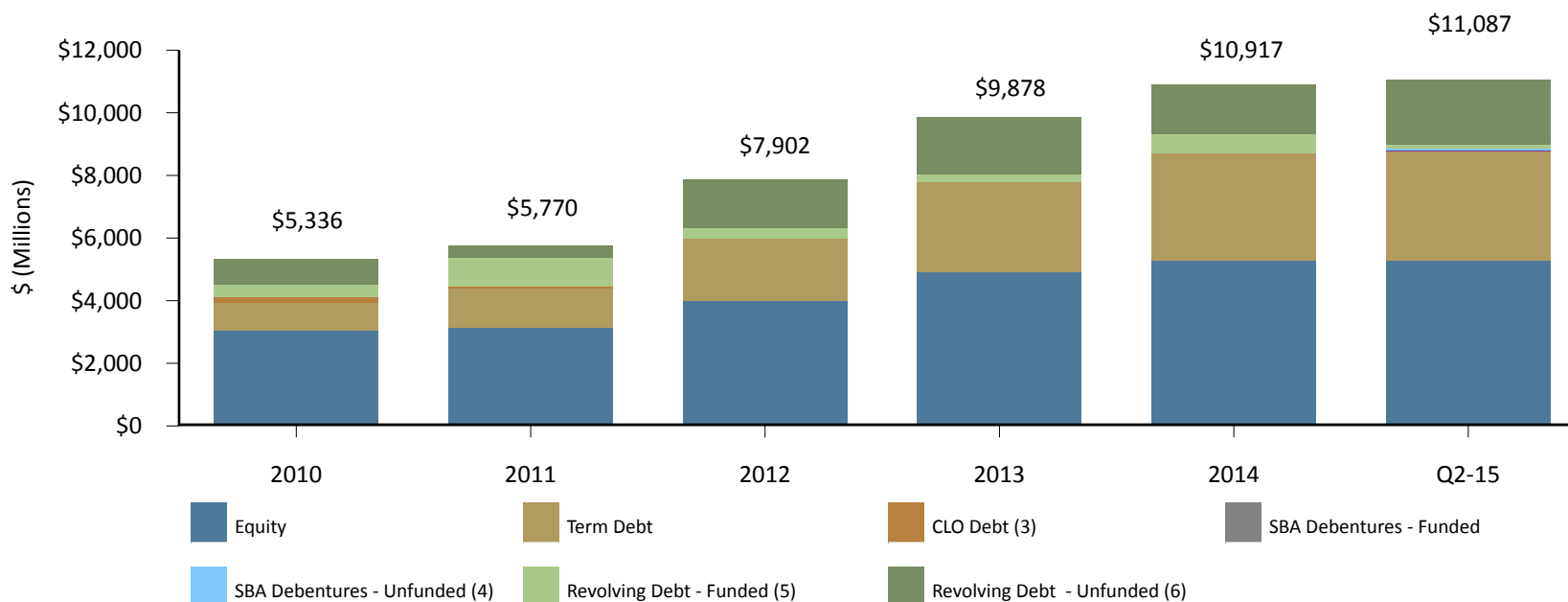
5. From IPO in October 2004 through June 30, 2015. Excludes debt assumed and equity issued as part of the acquisition of Allied Capital.

6. Represents an average of the three years ended June 30, 2015.

Debt and Equity Capitalization

Over the last two years ARCC has reduced the stated interest rate paid on its committed debt by over 20 basis points

Total Debt Facilities and Equity Capital⁽¹⁾⁽²⁾



Debt to Equity Ratio	0.45x	0.66x	0.55x	0.61x	0.74x	0.68x
% Unsecured Debt⁽⁷⁾	62.1%	56.9%	86.9%	94.0%	86.1%	96.3%
Wtd Avg Maturity of Debt (in years)⁽⁷⁾	11.8	9.3	9.8	7.9	6.5	6.1
Wtd Avg Stated Interest Rate⁽⁷⁾	5.2%	4.8%	5.5%	5.3%	4.9%	5.0%

1. All data as of December 31 of the respective years, excluding Q2-15 which is as of June 30, 2015.

2. Excludes post June 30, 2015 events.

3. In June 2012, in conjunction with the repayment in full of \$60 million aggregate principal amount of the notes outstanding under the 2006 Debt Securitization, ARCC terminated or discharged the agreements governing the 2006 Debt Securitization.

4. Includes undrawn SBA Debentures subject to certain restrictions.

5. Includes amounts outstanding under Ares Capital's revolving credit facilities, including letters of credit outstanding under one of the facilities.

6. Includes undrawn amounts under revolving credit facilities subject to borrowing base and leverage restrictions.

7. Based on debt outstanding for period presented.

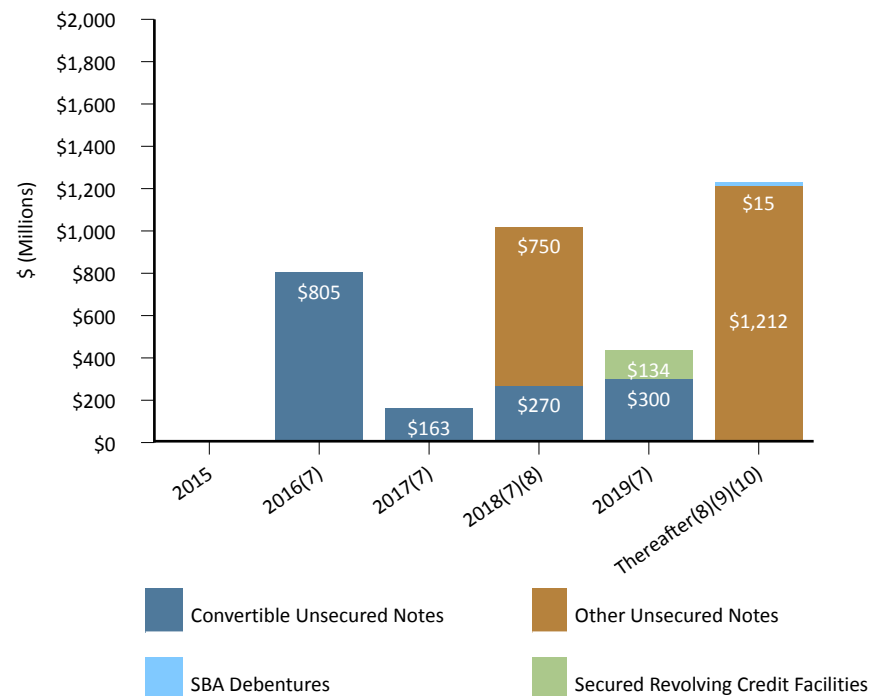
ARCC Debt Capitalization Detail

Gross annual returns on ARCC's total assets need to be at least 2.0% to cover annual interest payments

(\$ in millions) ⁽¹⁾	Total Aggregate Principal Amount Committed/ Outstanding ⁽³⁾	Principal Amount Outstanding ⁽⁴⁾	Weighted Average Stated Interest Rate ⁽⁵⁾
Secured Revolving Facilities⁽⁶⁾			
Revolving Credit Facility	\$ 1,290	—	LIBOR + 1.75%
Revolving Funding Facility	540	134	LIBOR + 2.25%
SMBC Funding Facility	400	—	LIBOR + 2.00%
Subtotal	\$ 2,230	\$ 134	
SBA Debentures			
SBA Debentures	\$ 75	\$ 15	1.341%
Unsecured Notes Payable			
February 2016 Convertible Notes	\$ 575	\$ 575	5.750%
June 2016 Convertible Notes	230	230	5.125%
2017 Convertible Notes	163	163	4.875%
2018 Convertible Notes	270	270	4.750%
2019 Convertible Notes	300	300	4.375%
2018 Notes	750	750	4.875%
2020 Notes	600	600	3.875%
October 2022 Notes	182	182	5.875%
2040 Notes	200	200	7.750%
2047 Notes	230	230	6.875%
Subtotal	\$ 3,500	\$ 3,500	5.159%
Total	\$ 5,805	\$ 3,649	5.043%

Portfolio exits and repayments have averaged approximately \$2.9 billion per year over the last three years ⁽²⁾

Debt Maturities ⁽⁴⁾



- As of June 30, 2015. Excludes post June 30, 2015 events, if any.
- Represents an average of the three years ended June 30, 2015.
- Subject to borrowing base, leverage and other restrictions. Represents total aggregate amount committed or outstanding, as applicable, under such instrument.
- Represents the total aggregate principal amount outstanding as of June 30, 2015.
- Effective stated rate as of June 30, 2015.
- Requires periodic payments of interest and may require repayments of a portion of the outstanding principal once their respective reinvestment periods end but prior to the stated maturity.
- While we expect to settle each of the February 2016 Convertible Notes, June 2016 Convertible Notes, 2017 Convertible Notes, 2018 Convertible Notes and 2019 Convertible Notes of \$575.0 million, \$230.0 million, \$162.5 million, \$270.0 million and \$300.0 million, respectively, in cash, we have the option to settle each in cash, shares of common stock or a combination of cash and shares of common stock.
- The 2018 Notes and 2020 Notes may be redeemed in whole or in part at any time at the Company's option at a redemption price equal to par plus a "make whole" premium, as determined in the indenture governing the 2018 Notes and 2020 Notes, and any accrued and unpaid interest.
- October 2022 Notes and 2040 Notes of \$182.5 million and \$200.0 million, respectively, may be redeemed in whole or in part at any time or from time to time at ARCC's option on or after October 1, 2015 and October 15, 2015, respectively, at par redemption price of \$25 per security plus accrued and unpaid interest.
- 2047 Notes with aggregate principal amount of \$230.0 million may be redeemed in whole or in part at any time or from time to time at ARCC's option, at par redemption price of \$25 per security plus accrued and unpaid interest.

Summary



Summary

Market Leader in Inefficient Asset Class

- A leader in middle market direct lending with meaningful competitive advantages
- Largest BDC measured by total assets and market capitalization⁽¹⁾
- Less efficient market with favorable supply/demand dynamics

Attractive and Consistent Current Income

- Current annualized dividend of \$1.52 per share (yield of 9.4%)⁽²⁾
- Paid \$16.41 per share in cumulative dividends since October 2004 IPO⁽³⁾
- Carried forward estimated excess taxable income of approximately \$0.58⁽⁴⁾ per share from 2014 into 2015

Strong Track Record

- From October 8, 2004 through June 30, 2015, ARCC's total return to shareholders was 262.97% versus 134.17% for the Russell 1000 and 125.94% for the S&P 500⁽⁵⁾
- Cumulative realized losses more than offset by cumulative realized gains since inception and only one year with a net realized loss (2009)

Moderate Leverage with Strong Balance Sheet

- Net debt to equity ratio averaged 0.59x over the last five years⁽⁶⁾; regulatory limit of 1:1
- Financing shorter term assets with weighted average remaining duration of 4.7 years⁽⁷⁾ with longer term liabilities with weighted average remaining duration of 6.1 years
- Investment transparency and third party valuation

1. Measured using total assets as of June 30, 2015 and market capitalization as of July 29, 2015.

2. Dividend yield is based on Q2-15 \$0.38 per share regular dividend annualized, which was then divided by the closing stock price of \$16.13 as of July 29, 2015. ARCC's share price will fluctuate and its market price will differ from its NAV. ARCC's performance changes over time and currently may be different from that shown.

3. From ARCC IPO in October 2004 to June 30, 2015. There can be no assurance that the dividends will continue at historical levels or at all. Past performance is not indicative of future results.

4. The amount of excess 2014 taxable income available for carry over into 2015 is only an estimate based on estimated 2014 taxable income. The calculation of estimated 2014 taxable income includes a number of estimated inputs, including information received from third parties and, as a result, actual 2014 taxable income will not be finally determined until the Company's 2014 tax return is filed in 2015. Consequently, both 2014 taxable income and the amount of excess taxable income available for carry over into 2015 is subject to change. For more information, see Note 11 to the Company's 2014 audited financial statements filed with the Company's 10-K for the fiscal year ended December 31, 2014.

5. Source: SNL Financial. Total return on security or index with dividends; assumes dividends are reinvested at the closing price of the security on the ex-date of the dividend.

6. Trailing last five years ended 6/30/15.

7. As of June 30, 2015. Weighted average remaining duration of investments at fair value excludes the investment in the subordinated certificates of the SSLP and equity securities. The weighted average remaining duration of investments within the SSLP portfolio was 4.4 years.

Appendix



Ares Management Overview

- **Ares Management, L.P. (NYSE: ARES) is a leading global alternative asset manager with approximately \$87 billion of assets under management⁽¹⁾**
 - Since our inception in 1997, we have adhered to a disciplined investment philosophy that focuses on delivering compelling risk-adjusted investment returns throughout market cycles
- **We have four distinct but complementary investment groups that have the ability to invest across the capital structure**
 - We believe each group is a market leader that has demonstrated a consistent investment track record

	Tradable Credit	Direct Lending	Private Equity	Real Estate
	<i>A leading participant in the tradable, non-investment grade corporate credit markets</i>	<i>One of the largest self-originating direct lenders to the U.S. and European middle markets</i>	<i>One of the most consistent private equity managers in the U.S. with a growing international presence</i>	<i>A leading participant in the real estate private equity markets and a growing direct lender</i>
Assets Under Management ⁽¹⁾	\$33 billion	\$29 billion	\$15 billion	\$10 billion
Strategies	Long-Only Credit Alternative Credit	U.S. Direct Lending European Direct Lending	U.S. / European Flexible Capital U.S. Power and Energy Assets China Growth Capital	Real Estate Debt Real Estate Equity

1. As of March 31, 2015, AUM amounts include capital available to vehicles managed or co-managed by Ares, including funds managed by Ivy Hill Asset Management, L.P.

Members of Investment Committee & Other Senior Professionals

	Years of Relevant Experience	Background		Years of Relevant Experience	Background
Mark Affolter Ares – Partner of Direct Lending Group	26	CIT – Managing Director	Jim Miller Ares – Partner of Direct Lending Group	16	Silver Point Capital – Vice President GE Commercial Finance – Vice President
Michael Arougheti Ares Capital Corporation – Co-Chairman of the Board of Directors and Executive Vice President Ares – Co-Founder, President, Partner and Co-Head of Direct Lending Group	22	RBC Capital Partners – Managing Partner Indosuez Capital – Principal	Bennett Rosenthal Ares Capital Corporation – Co-Chairman of the Board of Directors Ares – Co-Founder, Senior Partner and Co-Head of Private Equity Group	29	Merrill Lynch – Managing Director, Global Leveraged Finance
Kipp deVeer Ares Capital Corporation – Chief Executive Officer Ares – Partner and Co-Head of Direct Lending Group	20	RBC Capital Partners – Partner Indosuez Capital – Vice President	David Sachs Ares – Partner of Tradable Credit Group	34	Taylor & Co. – Bass Family Investment Office Columbia Savings & Loan – EVP, Investment Management
Mitch Goldstein Ares Capital Corporation – Co-President Ares – Partner of Direct Lending Group	21	Credit Suisse First Boston – Managing Director Indosuez Capital – Principal Bankers Trust – Vice President	Kort Schnabel Ares – Partner of Direct Lending Group	17	Walker Digital Corporation – Corporate Development Group Morgan Stanley Dean Witter – Corporate Finance Group
John Kissick Ares – Co-Founder and Senior Partner; Partner of Private Equity Group	40	Apollo – Co-Founder Drexel Burnham Lambert – Head of Corporate Finance	David Schwartz Ares – Partner of Direct Lending Group	15	RBC Capital Partners – Associate Indosuez Capital – Analyst
Tim Lower Ares – Partner of Direct Lending Group	17	RBC Capital Partners – Associate Salomon Smith Barney – Analyst	Michael Smith Ares Capital Corporation – Co-President Ares – Partner of Direct Lending Group	20	RBC Capital Partners – Partner Indosuez Capital – Vice President

Other Senior Professionals

Joshua M. Bloomstein – Vice President, General Counsel and Secretary
Carl Drake – Managing Director / Head of IR, Ares Management
Miriam Krieger – Chief Compliance Officer
Scott Lem – Chief Accounting Officer, Vice President and Treasurer
Jana Markowicz – Managing Director / Head of IR, ARCC

Michael McFerran – Vice President and Assistant Treasurer
Daniel Nguyen – Vice President and Assistant Treasurer
Penni Roll – Chief Financial Officer
Michael Weiner – Vice President
Raymond L. Wright – SVP and Chief Administrative Officer

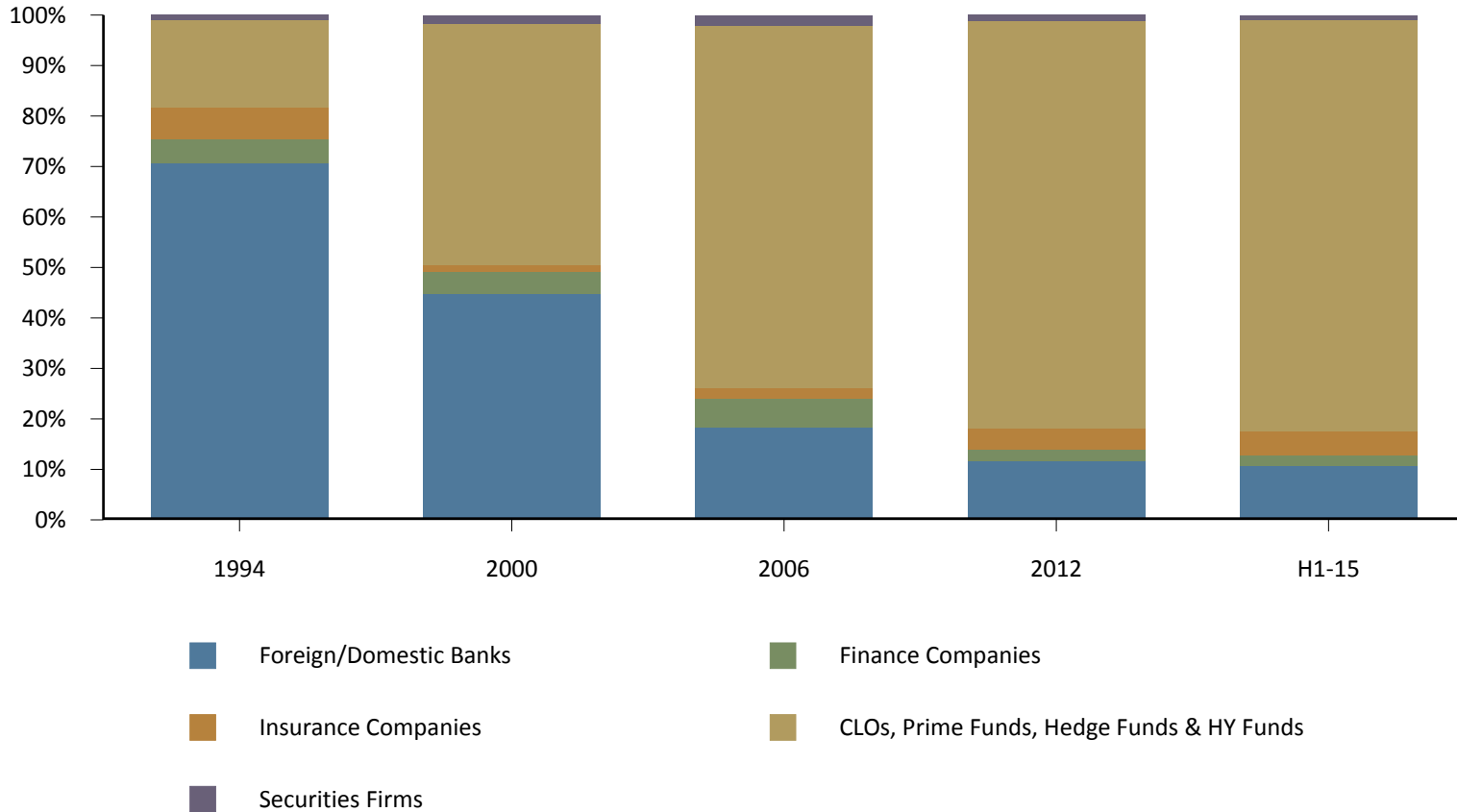
Board of Directors

	Title	Experience
Michael J Arougheti	Co-Chairman/Director	Ares Capital Corporation – Co-Chairman and Executive Vice President Ares Capital Management LLC – Investment Committee Member Ares – Co-Founder and President; Co-Head and Partner of Direct Lending Group Ares Management Limited - Investment Committee Member Ares Commercial Real Estate Corporation – Director Ares Commercial Real Estate Management LLC – Investment Committee Member RBC Capital Partners – Managing Partner ⁽¹⁾ Indosuez Capital – Principal ⁽¹⁾
Ann Torre Bates	Director Chairperson – Audit Committee	Allied Capital Corporation – Director ⁽¹⁾ Franklin Mutual Series and Recovery Funds – Director SLM Corporation – Director ⁽¹⁾ NHP, Inc. – Executive Vice President, CFO, Treasurer ⁽¹⁾ U.S. Airways – Vice President, Treasurer ⁽¹⁾
Steven B. Bartlett	Director	BIPAC – Director ⁽¹⁾ Financial Services Roundtable – President and CEO ⁽¹⁾ Dallas, Texas – Mayor ⁽¹⁾ U.S. Congress – Member ⁽¹⁾ Meridian Products – Founder ⁽¹⁾
Steven B. McKeever	Director	Hidden Beach Recordings – Founder, CEO Motown Records – Executive Vice President ⁽¹⁾ Irell & Manella LLP – Associate ⁽¹⁾ College Bound, African-Ancestry.com – Director The Pacific Institute Spirit Board – Director
Frank E. O’Bryan	Director	The First American Corporation – Director ⁽¹⁾ Standard Pacific Corporation – Director ⁽¹⁾ Farmers & Merchants Bank – Director ⁽¹⁾ WMC Mortgage – Chairman and Vice Chairman ⁽¹⁾
Antony P. Ressler	Director	Ares – Co-Founder, Chairman and Chief Executive Officer; Partner of Private Equity Group Painted Turtle Camp – Founding Member of Board of Directors Drexel Burnham Lambert Inc. – Senior Vice President ⁽¹⁾
Robert L. Rosen	Director	Ares – Operating Adviser to Private Equity Group RLR Capital Partners, RLR Focus Fund – Managing Partner RLR Partners LLC – CEO National Financial Partners – Founder, Chairman and CEO ⁽¹⁾ Ares Commercial Real Estate Corporation – Director Dolphin Domestic Fund II – Co-Managing Partner ⁽¹⁾ Damon Corporation – Chairman and CEO ⁽¹⁾ Maxxam Group – Vice Chairman ⁽¹⁾
Bennett Rosenthal	Co-Chairman/Director	Ares – Co-Founder and Senior Partner; Co-Head and Partner of Private Equity Group Ares Capital Management LLC – Investment Committee Member National Bedding Company LLC – Co-Chairman/Director Merrill Lynch – Managing Director, Global Leveraged Finance ⁽¹⁾
Eric B. Siegel	Director/Lead Independent Director	El Paso Electric Company – Director and Chairman of the Nominating and Governance Committee Kerzner International – Director ⁽¹⁾ Apollo Advisors L.P. and Lion Advisors L.P. – Retired Limited Partner ⁽¹⁾

1. Represents positions held previously.

Banks De-Emphasizing Lending

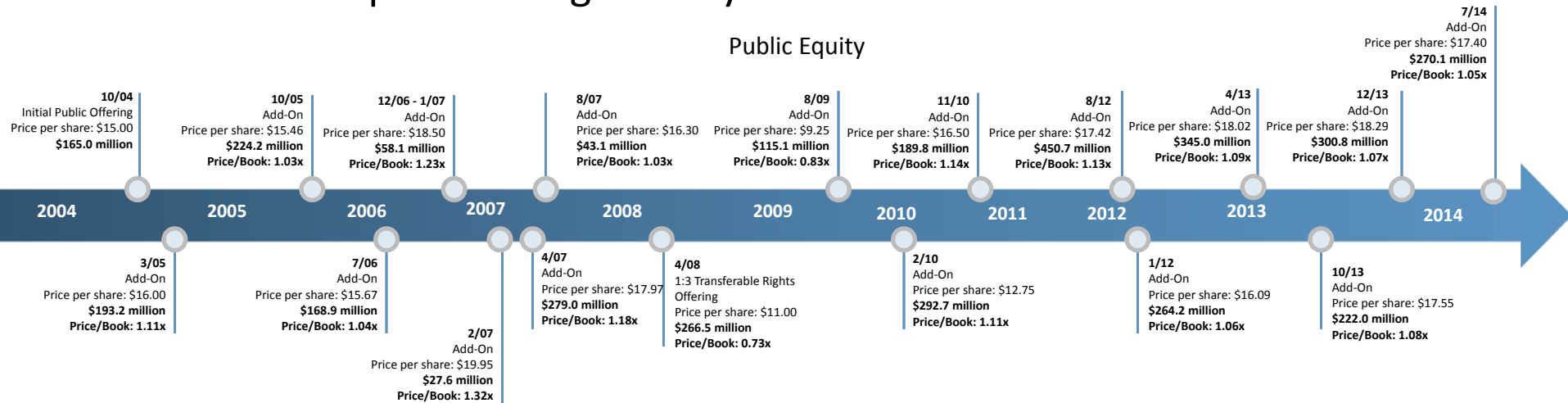
Secular Decline in Bank Funding to Leveraged Loan Market⁽¹⁾



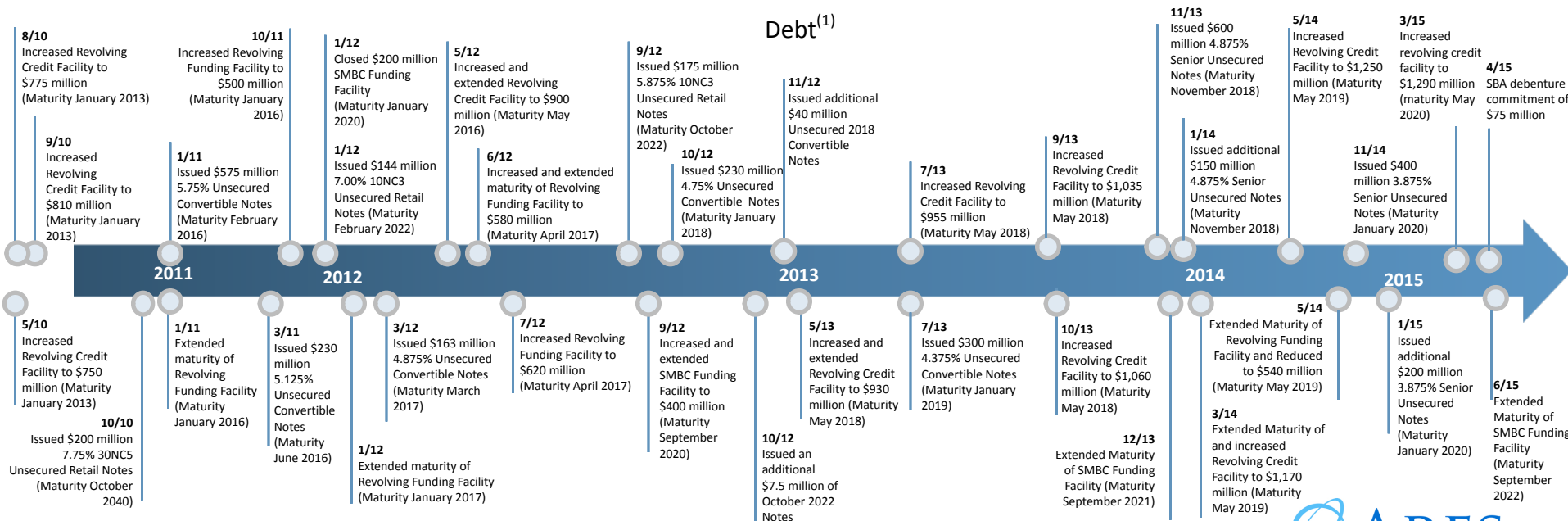
1. Source: S&P LCD Leveraged Lending Review Q2-15. Excludes left and right agent commitments (including administrative, syndication and documentation agent as well as arranger).

Timeline of Capital Raising Activity

Public Equity



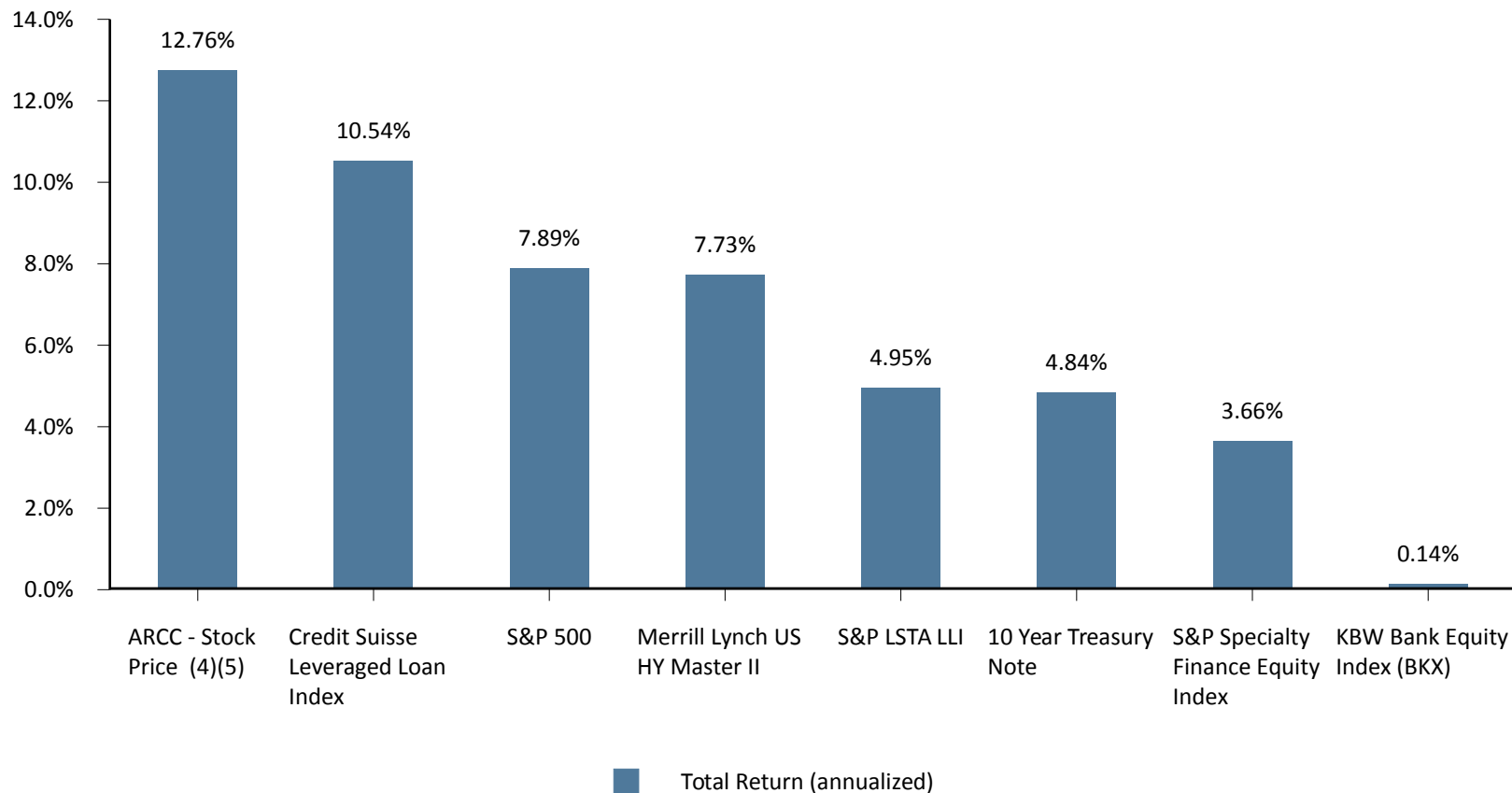
Debt⁽¹⁾



1. ARCC's use of debt capital is subject to borrowing base, leverage and other restrictions.

ARCC Has Delivered Strong Returns Since 2004

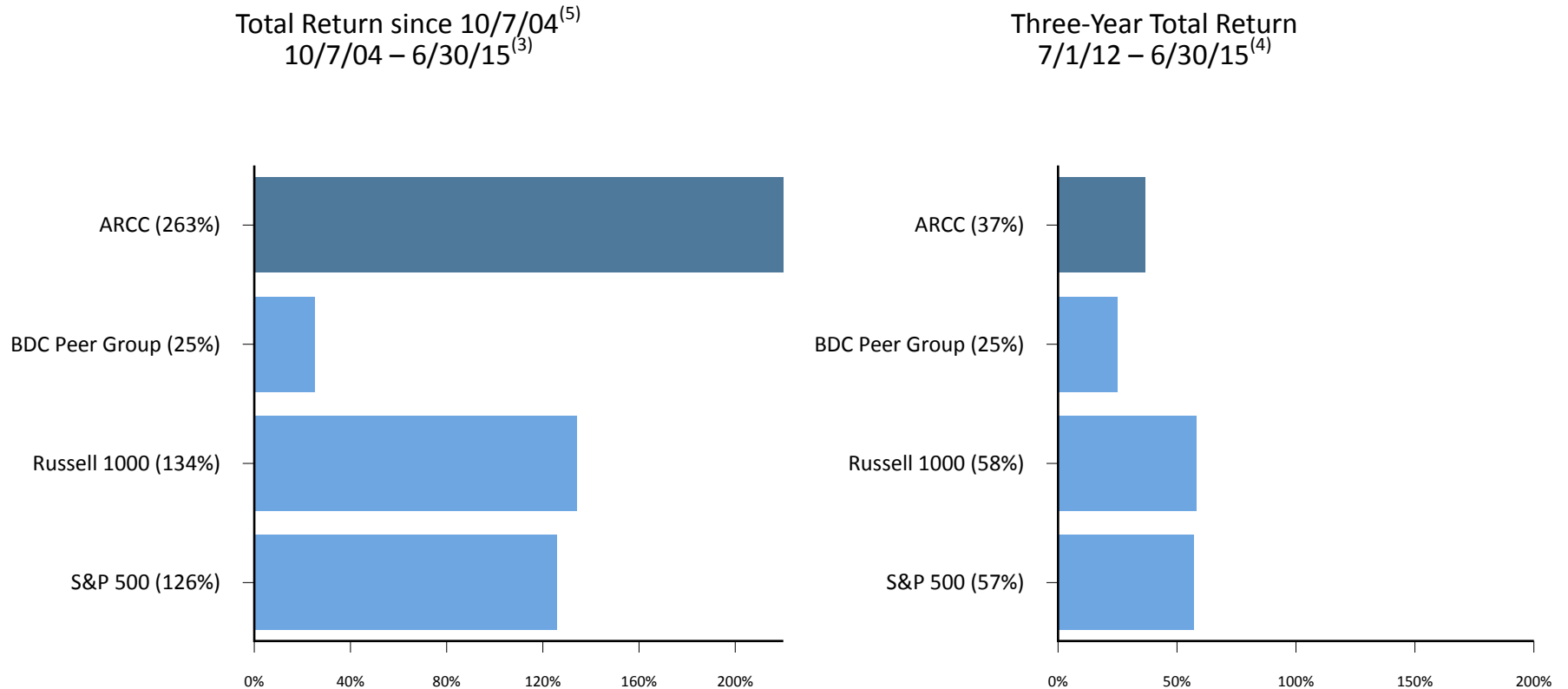
Annualized Total Return since 10/7/2004
10/7/04 – 6/30/15 ⁽¹⁾⁽²⁾⁽³⁾



1. The benchmarks included represent investments in either the U.S. non-investment grade credit or equity market. The Merrill Lynch US HY Master II is a broad index tracking high-yield corporate bonds, the S&P 500 Index is a broad index tracking the U.S. equity markets, the S&P LSTA LLI is a broad index tracking the U.S. loan market and the Credit Suisse Leveraged Loan Index is a broad index tracking the non-investment grade bank loans.
2. Time period selected to include ARCC IPO in October 2004.
3. Past performance is not indicative of future results.
4. Ares Capital's stock price-based total return is calculated assuming dividends are reinvested at the end of day stock price on the relevant quarterly ex-dividend dates.
5. Total return is calculated assuming investors did not participate in Ares Capital's rights offering issuance as of March 20, 2008.

ARCC's Relative Performance

ARCC Total Return vs. BDC Peers and Other Indices⁽¹⁾⁽²⁾



1. Past performance is not indicative of future results.

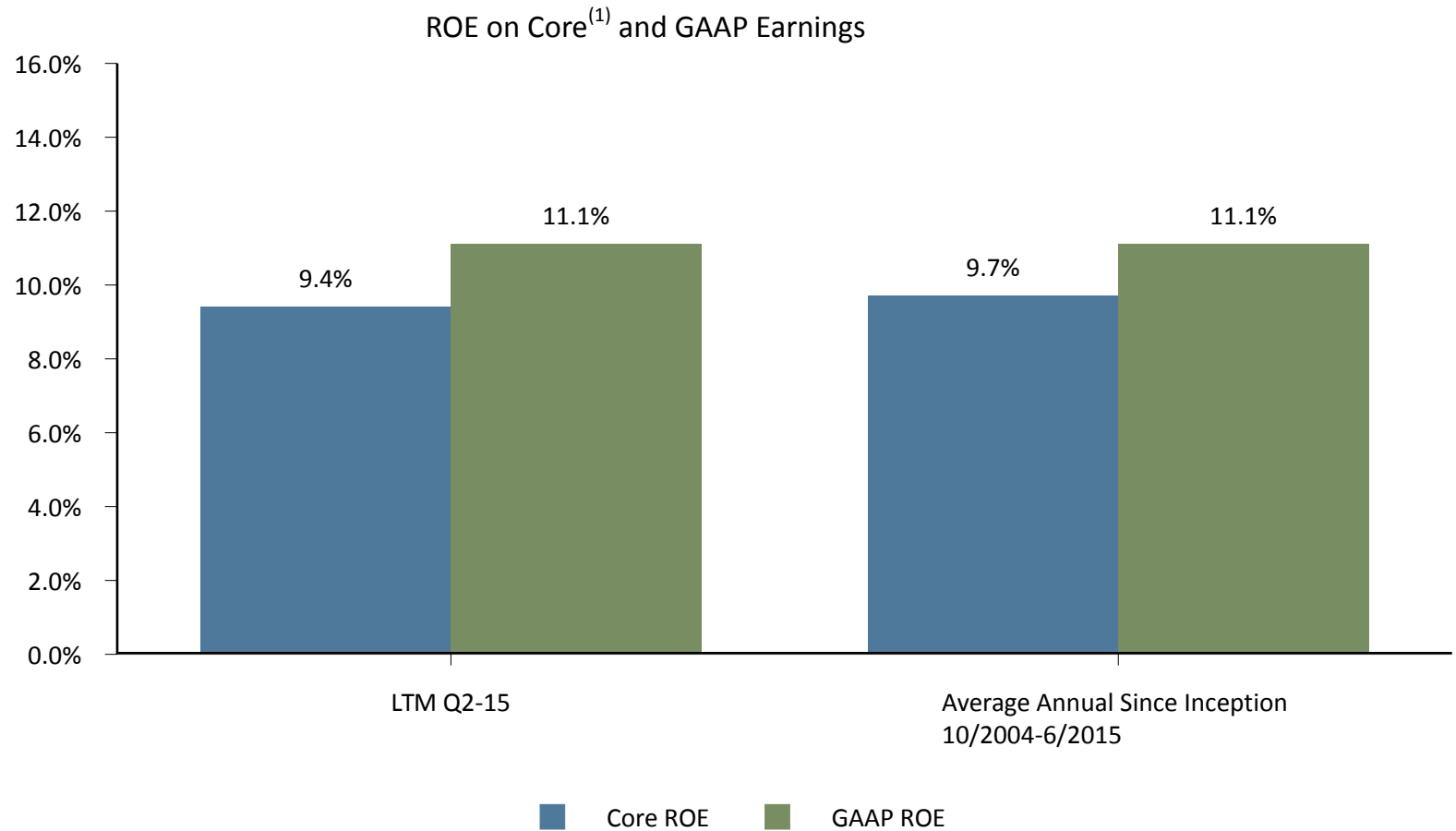
2. Source: SNL Financial. Total return on security or index with dividends; assumes dividends are reinvested at the closing price of the security on the ex-date of the dividend.

3. BDC Peer Group includes American Capital, Apollo Investment Corp., Gladstone Capital Corp., MCG Capital Corp., Prospect Capital Corp. and TICC Capital Corp.

4. BDC Peer Group includes American Capital, Apollo Investment Corp., Blackrock Kelso Capital, Fidus Investment Corp., Fifth Street Finance Corp., Gladstone Capital Corp., Golub Capital BDC, Hercules Technology Growth Capital, Main Street Capital Corp., MCG Capital Corp., Medley Capital Corp., New Mountain Finance Corp., PennantPark Floating Rate Investment Corp., PennantPark Investment Corp., Prospect Capital Corp, Solar Capital Ltd., Solar Senior Capital Ltd., TCP Capital Corp., TICC Capital Corp and Triangle Capital Corp.

5. Time period selected to include ARCC IPO in October 2004.

Consistent ROE



1. Core Earnings is a non-GAAP financial measure. Core Earnings is the net increase (decrease) in stockholders' equity resulting from operations less realized and unrealized gains and losses, any capital gains incentive fees attributable to such realized and unrealized gains and losses and any income taxes related to such realized gains and losses. Please see slide 36 for a reconciliation of core earnings to GAAP earnings.

Reconciliation of Core Earnings⁽¹⁾

Reconciliations of Core Earnings to earnings computed in accordance with GAAP:

(in 000's)	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Q1-15	Q2-15
Core Earnings	\$28,103	\$ 64,266	\$ 94,949	\$ 126,992	\$ 133,406	\$ 233,925	\$ 316,116	\$ 380,724	\$ 442,046	\$ 473,086	\$ 117,457	\$ 115,798
Net realized and unrealized gains (losses)	14,727	13,063	(4,117)	(266,447)	69,287	280,142	37,050	159,317	58,115	153,147	(21,101)	38,019
Gain on the Allied Acquisition	-	-	-	-	-	195,876	-	-	-	-	-	-
Incentive fees attributable to net realized and unrealized gains and losses	(979)	(3,448)	-	-	-	(15,609)	(33,348)	(31,863)	(11,640)	(29,467)	4,220	(7,682)
Income tax expense related to realized gains and losses	-	(4,186)	-	-	-	(2,500)	(365)	-	-	(5,817)	-	387
GAAP Earnings	\$41,851	\$ 69,695	\$ 90,832	\$(139,455)	\$ 202,693	\$ 691,834	\$ 319,453	\$ 508,178	\$ 488,521	\$ 590,949	\$ 100,576	\$ 146,522

1. Core earnings is a non-GAAP financial measure. Core earnings is the net per share increase (decrease) in stockholders' equity resulting from operations less realized and unrealized gains and losses, any capital gains incentive fees attributable to such realized and unrealized gains and losses and any income taxes related to such realized gains and losses. GAAP earnings is the most directly comparable GAAP financial measure. Ares Capital believes that core earnings provides useful information to investors regarding financial performance because it is one method Ares Capital uses to measure its financial condition and results of operations. The presentation of this additional information is not meant to be considered in isolation or as a substitute for financial results prepared in accordance with GAAP.

