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Market Leading Company in Direct Lending

Market Leading Business Development Company

Compelling Track Record in Attractive Middle Market

Significant Competitive Advantages

Distinct Opportunities for Growth

Key Statistics / Track Record

- Market Capitalization of $6.9 billion & trading at a 9.7% dividend yield¹
- Invested Approximately $49 billion² with a realized asset level gross IRR of 15%³
- Average Annual Shareholder Return 12%⁴ since IPO
- Average Annual Net Realized Gains 1.3%⁵ since IPO

Distinct Growth Opportunities

- High Level of Dry Powder Given Under-Levered Balance Sheet
- Strong Asset Sensitive Balance Sheet
- SBCAA Adoption Builds on Long Track Record to Potentially Drive Higher Earnings with Lower Fees
- Investment Grade Rated by Moody’s, S&P and Fitch

Leader in Middle Market Direct Lending With a Compelling Long Term Track Record of Delivering Shareholder Value

As of September 30, 2018, unless otherwise stated. Past performance is not indicative of future results. There is no assurance that dividends will continue to be paid at these levels or at all. Refer to Endnotes on slides 49 - 55 for additional important information.

Ares Capital Corporation - Not for Publication or Distribution
Overview of Ares Management

With approximately $125 billion in assets under management, Ares Management, L.P. is a leading global alternative asset manager with three distinct but complementary investment groups.

Profile
- Founded: 1997
- AUM: $125bn
- Employees: 1,000+
- Investment Professionals: ~400
- Global Offices: 18
- Direct Institutional Relationships: ~870
- Listing: NYSE – Market Capitalization: $5bn

The Ares Edge
- Founded with consistent credit based approach to investments
- Deep management team with integrated and collaborative approach
- 20+ year track record of compelling risk adjusted returns through market cycles
- Pioneer and a leader in leveraged finance and private credit

Global Footprint

Credit
- AUM: $91.5bn
- Strategies:
  - High Yield Bonds
  - Syndicated Loans
  - Structured Credit
  - Direct Lending

Private Equity
- AUM: $23.0bn
- Strategies:
  - Corporate Private Equity
  - Special Opportunities
  - Energy Opportunities
  - Infrastructure and Power

Real Estate
- AUM: $10.6bn
- Strategies:
  - Real Estate Equity
  - Real Estate Debt

NOTE: As of September 30, 2018 AUM amounts include funds managed by Ivy Hill Asset Management, L.P., a wholly owned portfolio company of Ares Capital Corporation and registered investment adviser.
Extensive Ares Credit Group Provides Many Benefits to ARCC

Integrated scaled global platform combines direct origination, deep fundamental credit research and broad perspective of relative value

<table>
<thead>
<tr>
<th>Advantages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deep Investment Opportunity Set</td>
</tr>
<tr>
<td>Access to Differentiated Information to Inform Credit Decisions</td>
</tr>
<tr>
<td>Ability to Express Relative Value</td>
</tr>
</tbody>
</table>

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<table>
<thead>
<tr>
<th>Origination, Research &amp; Investment Management</th>
</tr>
</thead>
<tbody>
<tr>
<td>$91.5 billion AUM(^{(1)})</td>
</tr>
<tr>
<td>~30 Partners averaging 24 years of experience</td>
</tr>
<tr>
<td>~250 dedicated investment professionals</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Syndication, Trading &amp; Servicing</th>
</tr>
</thead>
<tbody>
<tr>
<td>4 traders in the U.S. and Europe</td>
</tr>
<tr>
<td>7 dedicated capital markets professionals</td>
</tr>
<tr>
<td>30 direct lending professionals focused solely on asset management</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Investor Relations &amp; Business Operations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Established investor relations and client service across the Americas, Europe, Asia, Australia and the Middle East</td>
</tr>
</tbody>
</table>

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<table>
<thead>
<tr>
<th>Advantages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deep Investment Opportunity Set</td>
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<td>Access to Differentiated Information to Inform Credit Decisions</td>
</tr>
<tr>
<td>Ability to Express Relative Value</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Leading Platform of Liquid Credit, Structured Credit &amp; Direct Lending Strategies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Syndicated Loans</td>
</tr>
<tr>
<td>Structured Credit / CMBS</td>
</tr>
<tr>
<td>Middle Market Cash Flow Loans</td>
</tr>
<tr>
<td>Private Mezz/Opportunistic</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Liquid Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>High Yield</td>
</tr>
<tr>
<td>Asset Based Lending</td>
</tr>
<tr>
<td>Project Finance</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Illiquid Credit</th>
</tr>
</thead>
</table>

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<table>
<thead>
<tr>
<th>Accolades(^{(2)})</th>
</tr>
</thead>
<tbody>
<tr>
<td>ARCC Received Most Honored Designation &amp; Highest Rankings for Best CEO, CFO, IR Professional and Investor Relations Program</td>
</tr>
<tr>
<td>Top Quartile Rankings for Several Funds</td>
</tr>
<tr>
<td>Lender of the Year North America 2014, 2015, 2016 &amp; 2017</td>
</tr>
<tr>
<td>Global Fund Manager, Lender (Americas), &amp; Deal (Americas) of the Year - 2017</td>
</tr>
</tbody>
</table>

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Note: As of September 30, 2018, unless otherwise noted.
1. AUM amounts include funds managed by Ivy Hill Asset Management, L.P., a wholly owned portfolio company of Ares Capital Corporation and a registered investment adviser.
2. The performance, awards/ratings noted herein relate only to selected funds/strategies and may not be representative of any given client’s experience and should not be viewed as indicative of Ares’ past performance or its funds’ future performance. All investments involve risk, including loss of principal. Please refer to the Performance Notes on slides 49 – 55 for additional definitions, information and notes.
ARCC’s Proven Business Model and Processes

ARCC’s time-tested strategy and business model have driven attractive performance and returns for shareholders.

(1) Source: SNL Financial. As of September 30, 2018. Ares Capital Corp’s stock price-based total return is calculated assuming dividends are reinvested at the end of the 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. Past performance is not indicative of future results.

Ares Capital Corporation - Not for Publication or Distribution
Direct Origination & Scale Provide Distinct Competitive Advantages

Broad and Deep U.S. Origination Coverage with Experienced Team

Direct Origination and Scale Improve Asset Selectivity, Credit Quality and Control
- Over 100 investment professionals in six U.S. offices
- Drives asset selectivity and enhances returns
- Improves due diligence, access and influence over terms
- Focus on lead investing and controlling the tranche
- Active investor post-closing with board seats or observation rights on 41% of the portfolio (1)

Larger/Broader Product Capability Enhances Returns
- Commit and hold up to $500 million in a single transaction
- Incumbency creates organic growth opportunities within existing portfolio
- Ability to underwrite and selectively sell post-closing

Deep PE Sponsor Network
- Relationships with over 450 sponsors
- Closed at least one investment with approximately 350 financial sponsors and multiple investments with over 175 financial sponsors in the U.S.

Scale Creates Cost of Capital Advantages
- Enhances access to capital
- Leads to diversified funding sources and more efficient access to capital

Note: portfolio company locations excludes 29 portfolio companies outside of the United States. All data is as of September 30, 2018 unless otherwise noted.

(1) Based on fair value.
Direct Origination Benefits

Our direct origination platform drives our high asset selectivity and quality underwriting.

**ARCC - Closing Conversion Rates**

![Chart showing closing conversion rates with an average ~4% closing rate.]

**ARCC's Underwriting Role**

- **Arranger**: 96%
- **Participant**: 4%

**Sourcing: Portfolio Composition**

- **Financial Sponsors**: 84%
- **Non-Sponsored**: 7%
- **Power**: 5%
- **Oil & Gas**: 4%

---

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

(2) Calculated based on the cost basis of ARCC's portfolio as of September 30, 2018, excluding equity-only investments and legacy investments from portfolio acquisitions.
ARCC Benefits from Broad and Flexible Product Offerings

Going to market as a total solution provider to our prospective and existing borrowers allows us to see a broad view of market opportunities.

<table>
<thead>
<tr>
<th>TARGETED INVESTMENT HOLD SIZES</th>
<th>Corporate:</th>
<th>EBITDA Range:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>$30 - $250 million</td>
</tr>
<tr>
<td></td>
<td>Project Finance:</td>
<td>$10 - $200 million</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Generally under $100 million</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>TRANSACTION TYPES</th>
<th>Leveraged Buyouts</th>
<th>Acquisitions</th>
<th>Recapitalizations</th>
<th>Restructurings</th>
<th>General Refinancing</th>
<th>Rescue Financing</th>
<th>Growth Capital</th>
<th>Power Generation</th>
<th>Oil &amp; Gas</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>PRODUCTS</th>
<th>Revolvers</th>
<th>First Lien Loans</th>
<th>Stretch Senior</th>
<th>Unitranche Loans</th>
<th>Second Lien Loans</th>
<th>Mezzanine Debt</th>
<th>Junior Capital</th>
<th>Minority Equity</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>PARTNERS</th>
<th>Private Equity Sponsors</th>
<th>Management Teams</th>
<th>Intermediaries</th>
<th>Project Developers</th>
<th>Family Offices</th>
<th>Entrepreneurs</th>
<th>Other Lenders</th>
</tr>
</thead>
</table>
Long Tenured & Highly Experienced Investment Team

ARCC benefits from a long tenured and highly experienced team with significant experience in direct lending and extensive middle market knowledge

- ARCC’s investment team has invested approximately $49 billion across more than 1,000 transactions since 2004(1)
- Approximately 80% of senior investment professionals in our direct lending team have been with Ares for at least 5 years(2)
- The members of the investment committee possess an average of 23 years of investing experience and every member has been with Ares at least 10 years
- ARCC receives referrals from other teams across the Ares Platform

### U.S. Direct Lending Investment Committee

<table>
<thead>
<tr>
<th>Partners</th>
<th>Mark Affolter</th>
<th>Michael Arougheti</th>
<th>Kipp deVeer</th>
<th>Mitch Goldstein</th>
<th>Jim Miller</th>
<th>Kort Schnabel</th>
<th>Dave Schwartz</th>
<th>Michael Smith</th>
<th>Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industry Experience</td>
<td>29 Years</td>
<td>25 Years</td>
<td>23 Years</td>
<td>24 Years</td>
<td>19 Years</td>
<td>20 Years</td>
<td>17 Years</td>
<td>23 Years</td>
<td>23 Years</td>
</tr>
<tr>
<td>Years with Ares</td>
<td>11 Years</td>
<td>14 Years</td>
<td>14 Years</td>
<td>13 Years</td>
<td>12 Years</td>
<td>17 Years</td>
<td>14 Years</td>
<td>14 Years</td>
<td>14 Years</td>
</tr>
</tbody>
</table>

### Extensive Direct Lending Team

<table>
<thead>
<tr>
<th></th>
<th>Direct Lending</th>
<th>Commercial Finance</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. Senior Investment Professionals (2)</td>
<td>~40</td>
<td>~14</td>
</tr>
<tr>
<td>Average Industry Experience of Sr. Professionals</td>
<td>17 years</td>
<td>24 years</td>
</tr>
<tr>
<td>No. of Offices</td>
<td>6</td>
<td>7</td>
</tr>
</tbody>
</table>
Portfolio Diversification and Industry Selection

Attractively positioned portfolio, diversified by asset class, industry and borrower size

Focus on defensively positioned, attractive industries

Well diversified portfolio – 342 companies

Extensive investment discipline and focus on downside protection

Focus on high free cash flow businesses

Portfolio by Asset Class

- First Lien Senior Secured Loans - 44%
- Second Lien Senior Secured Loans - 30%
- Senior Direct Lending Program - 6%
- Senior Subordinated Loans - 7%
- Preferred Equity - 4%
- Other Equity and Other - 9%

Well diversified portfolio – 342 companies

Portfolio by Industry

- Healthcare Services - 21%
- Consumer Products - 8%
- Other Services - 6%
- Power Generation - 6%
- Restaurants and Food Services - 4%
- Automotive Services - 3%
- Wholesale Distribution - 2%
- Containers and Packaging - 2%

Senior oriented portfolio: 80% senior secured loans

(1) At fair value as of September 30, 2018.
(2) Including First Lien Senior Secured Loans, Second Lien Senior Secured Loans and investments in the subordinated certificates of the Senior Direct Lending Program.
Growth Has Enhanced the Portfolio Benefits of Scale

A larger balance sheet allows ARCC to finance larger, high quality companies

We have invested in larger and more stable businesses as our portfolio has grown

We have funded the growth of our highest performing portfolio companies

We have placed a greater emphasis on incumbency, unlocking attractive opportunities

Weighted average portfolio company EBITDA has doubled since 2010

We have committed over 50% of our aggregate capital to existing borrowers since 2013

We believe lending to incumbent borrowers has significant credit advantages that have supported our long term performance
Prudent Balance Sheet Management

We manage our balance sheet conservatively, which provides us with flexible, low cost funding and allows us to be opportunistic throughout the cycle.

- As of September 30, 2018, our leverage ratio was 0.54x debt to equity net of cash, slightly below our current target level of 0.65x to 0.75x and well below the current regulatory limit of 1.0x\(^1\).
- On June 21, 2018, our Board of Directors approved a lower asset coverage requirement through the SBCAA. We plan to gradually increase our leverage to 0.9x-1.25x debt to equity over the 12-36 months following the effective date (June 21, 2019). Our target would provide significant cushion to the new leverage limit of 2.0x\(^2\).

Maintaining Conservative Investment Grade Profile with SBCAA

- As of September 30, 2018, unless otherwise noted.
- The use of leverage magnifies the potential for gain or loss on the amount invested and may increase the risk of investment.
- On June 21, 2018, ARCC’s Board of Directors approved the application to the Company of the 150% minimum asset coverage ratio set forth in Section 61(a)(2) of the Investment Company Act of 1940, as amended by the Small Business Credit Availability Act (“SBCAA”). As a result, the minimum asset coverage ratio applicable to the Company will be reduced from 200% to 150% on June 21, 2019 (the effective date). Refer to Form 8-K filed on June 25, 2018 for additional important information.
- Weighted average maturity of outstanding liabilities of 4.3 years vs. weighted average maturity of investments at fair value of 4.4 years. The weighted average maturity of investments at fair value excludes the investment in the subordinated certificates of the SDLP. The weighted average maturity of investments within the SDLP portfolio was 4.0 years.

Strong Liquidity

- Maintain significant undrawn revolving capacity
- Accessed the debt and equity markets over 30 times since inception
- Significant annual cash flows from portfolio repayments and sales

Long Duration and Flexible Funding

- We have liability duration that is equal to or longer than our asset duration\(^3\)
- No “mark to market” financing
- Staggered debt maturity ladder

Diversity of Funding Sources

- Secured revolvers provided by 27 different banks
- Over 100 investors have invested in ARCC’s convertible and investment grade notes
- Significant permanent equity base of $7.3 billion

Diversified Portfolio

- Diversified $11.2 billion portfolio with 342 companies
- Our investments are spread across the country and 25+ industries
Financial and Portfolio Performance
Summary of ARCC’s Compelling Long Term Performance

ARCC’s high quality portfolio and leading track record supports our plan for higher leverage

- Built a high quality portfolio of **342 portfolio companies** with a **focus on senior secured floating rate loans** to middle market companies that has generated **long term ~270 bps of premium yields** as compared to average middle market leveraged loans

- **~14 year track record** with low realized credit losses on over $49 billion of capital invested that has resulted in attractive dividend coverage

- Approximately $1 billion in cumulative net realized gains on investments (**+1.3% average annual net realized gains**) with a consistent track record of generating net realized gains in 13 out of 14 years

- **15% asset level gross IRR on realized investments since inception in 2004**

- Attractive 5 year GAAP **net return on equity of greater than 10% with earnings volatility that is a third of the peer average**

- **12% average annual shareholder return since IPO in 2004**
  - Outperformed the S&P 500, BDC peers and representative bank index

As of September 30, 2018, unless otherwise stated.
Note: Past performance is not indicative of future results. Refer to Endnotes on slides 49 - 55 for additional important information.
Sustained Market Premium for ARCC Yields with Lower Losses

ARCC’s portfolio has historically generated premium performance to middle market and syndicated bank loans and high yield bonds.

ARCC’s Portfolio Yield vs. Leveraged Loans & High Yield Bonds

Premium yields...

<table>
<thead>
<tr>
<th></th>
<th>Yield 9/30/18</th>
<th>ARCC Premium</th>
</tr>
</thead>
<tbody>
<tr>
<td>ARCC Yield on Debt and Income Producing Securities at Fair Value (1)</td>
<td>10.3%</td>
<td>-</td>
</tr>
<tr>
<td>ICE BofAML U.S. High Yield Master II</td>
<td>6.5%</td>
<td>3.8%</td>
</tr>
<tr>
<td>S&amp;P LSTA Leveraged Loan Yields</td>
<td>5.8%</td>
<td>4.5%</td>
</tr>
<tr>
<td>S&amp;P LSTA Middle Market Leveraged Loan Yields</td>
<td>8.6%</td>
<td>1.7%</td>
</tr>
<tr>
<td>3-month LIBOR</td>
<td>2.4%</td>
<td>7.9%</td>
</tr>
</tbody>
</table>

...with lower loss rates

<table>
<thead>
<tr>
<th></th>
<th>Non-Accrual Rate/Default Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average ARCC Non-Accrual Rate at Amortized Cost (5)</td>
<td>2.7%</td>
</tr>
<tr>
<td>High Yield Bond Default Rate (6)</td>
<td>5.1%</td>
</tr>
<tr>
<td>Average Annual Gain/(Loss) Rate (7)</td>
<td>1.3%</td>
</tr>
<tr>
<td>ARCC (7)</td>
<td>(2.7)%</td>
</tr>
<tr>
<td>High Yield Bonds (8)</td>
<td></td>
</tr>
</tbody>
</table>

As of September 30, 2018. Past performance is not indicative of future results. Refer to Endnotes on slides 49 - 55 for additional important information.
ARCC Has an Outstanding Track Record of Credit Performance

ARCC’s annual loss rate has been significantly better than the industry averages.

### ARCC Credit Experience Since Inception (1)

<table>
<thead>
<tr>
<th>Period Measured (1)</th>
<th>First Lien</th>
<th>Second Lien &amp; Subordinated</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004 - Q2-18</td>
<td>ARCC &lt; 0.4%</td>
<td>Subordinated Unsecured Loans - 2.9%(6)</td>
</tr>
<tr>
<td>$36 billion</td>
<td>ARCC &lt; 0.1%</td>
<td></td>
</tr>
<tr>
<td>74% Realized</td>
<td>ARCC &lt; 0.1%</td>
<td></td>
</tr>
<tr>
<td>900+ Investments</td>
<td>ARCC &lt; 0.1%</td>
<td></td>
</tr>
<tr>
<td>&lt; 10 bps (2)</td>
<td>ARCC &lt; 0.1%</td>
<td></td>
</tr>
<tr>
<td>$10 billion</td>
<td>ARCC &lt; 0.1%</td>
<td></td>
</tr>
<tr>
<td>61% Realized</td>
<td>ARCC &lt; 0.1%</td>
<td></td>
</tr>
<tr>
<td>250+ Investments</td>
<td>ARCC &lt; 0.1%</td>
<td></td>
</tr>
<tr>
<td>&lt; 40 bps (3)</td>
<td>ARCC &lt; 0.1%</td>
<td></td>
</tr>
</tbody>
</table>

### ARCC’s loss rates are well below industry averages

- **First Lien**
  - Middle Market Senior Loans - 0.6%(4)
  - Broadly Syndicated Market Senior Loans - 0.9%(5)
  - ARCC < 0.1%

- **Second Lien & Subordinated**
  - Subordinated Unsecured Loans - 2.9%(6)
  - ARCC < 0.4%

As of June 30, 2018, unless otherwise stated.
Note: Past performance is not indicative of future results. Refer to Endnotes on slides 49 - 55 for additional important information.
Compelling Credit and Investment Performance

ARCC’s net realized gain and loss rates have consistently outperformed the BDC peer group.

Since IPO in October 2004 through September 30, 2018:

- **15% IRR** (1)(2) Cumulative internal rate of return on ~$24 billion of original amounts invested
- **~$1 billion Net Realized Gains** (3) Cumulative net realized gains generated
- **1.3% Net Realized Gain Rate%** (3) Average annualized net realized gain rate on the principal amount of its investments. ARCC had a net realized loss in only one fiscal year since inception

### ARCC and BDC Peers Net Realized Gain (Loss) Rate

<table>
<thead>
<tr>
<th>Year</th>
<th>ARCC(3)</th>
<th>BDC Peer Group Avg(4)</th>
<th>Outperformance (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>CY2007</td>
<td>0.4%</td>
<td>0.3%</td>
<td>0.1%</td>
</tr>
<tr>
<td>CY2008</td>
<td>0.3%</td>
<td>(2.0)%</td>
<td>—%</td>
</tr>
<tr>
<td>CY2009</td>
<td>(2.0)%</td>
<td>(7.6)%</td>
<td>5.6%</td>
</tr>
<tr>
<td>CY2010</td>
<td>1.3%</td>
<td>(4.3)%</td>
<td>5.6%</td>
</tr>
<tr>
<td>CY2011</td>
<td>2.1%</td>
<td>(1.4)%</td>
<td>3.5%</td>
</tr>
<tr>
<td>CY2012</td>
<td>0.9%</td>
<td>(0.5)%</td>
<td>1.4%</td>
</tr>
<tr>
<td>CY2013</td>
<td>1.0%</td>
<td>(0.9)%</td>
<td>1.9%</td>
</tr>
<tr>
<td>CY2014</td>
<td>1.2%</td>
<td>0.7%</td>
<td>0.5%</td>
</tr>
<tr>
<td>CY2015</td>
<td>1.5%</td>
<td>(0.1)%</td>
<td>1.6%</td>
</tr>
<tr>
<td>CY2016</td>
<td>1.2%</td>
<td>(1.4)%</td>
<td>2.6%</td>
</tr>
<tr>
<td>CY2017</td>
<td>0.2%</td>
<td>(2.7)%</td>
<td>2.9%</td>
</tr>
<tr>
<td>YTD(6)</td>
<td>3.3%</td>
<td>(2.3)%</td>
<td>5.6%</td>
</tr>
<tr>
<td>Avg(7)</td>
<td>1.3%</td>
<td>(1.2)%</td>
<td>2.5%</td>
</tr>
</tbody>
</table>

Note: Past performance is not indicative of future results. Refer to Endnotes on slides 49 - 55 for additional important information.
ARCC Has Generated Realized Gains to Offset Losses

Active portfolio management and internal resources seek to protect downside and have generated net returns on the principal amount of investments across a variety of methods.

Our ability to successfully invest equity, acquire companies, structure loans and work out troubled investments has created ~$1 billion of net realized gains since our inception (1)

Sources of Cumulative Net Realized Gains Since Inception (1)

<table>
<thead>
<tr>
<th>Source</th>
<th>Nature of Gains / Losses</th>
<th>$ in mm</th>
<th>Annual Rate %</th>
</tr>
</thead>
<tbody>
<tr>
<td>ARCC Restructuring Gains</td>
<td>Primarily equity received in workouts</td>
<td>~$250</td>
<td>+0.3%</td>
</tr>
<tr>
<td>Acquired Portfolio Net Gains</td>
<td>Effective monetization of controlled buyouts, CLOs and other investments</td>
<td>~$545</td>
<td>+0.7%</td>
</tr>
<tr>
<td>ARCC Equity Net Gains</td>
<td>Primarily equity tags and minority equity investments</td>
<td>~$290</td>
<td>+0.4%</td>
</tr>
<tr>
<td>ARCC Other Debt Gains</td>
<td>Primarily call protection and discount accretion</td>
<td>~$220</td>
<td>+0.3%</td>
</tr>
<tr>
<td>ARCC Debt Losses</td>
<td>Relatively minimal losses through credit selection &amp; loss avoidance once in deals</td>
<td>~$(305)</td>
<td>(0.4%)</td>
</tr>
<tr>
<td>Total Net Realized Gains</td>
<td></td>
<td>~$1,000</td>
<td>+1.3%</td>
</tr>
</tbody>
</table>

Note: Past performance is not indicative of future results.
(1) From inception on October 8, 2004 through September 30, 2018. Excludes $196 million one-time gain on the acquisition of Allied Capital Corporation in Q2-10 and gains/losses from extinguishment of debt and sale of other assets.
Leading Credit Performance

ARCC has generated the highest net realized gains in the BDC peer group

Annualized Net Realized Gain/Loss Rates\(^{(1)}\)
Since 2004 or IPO for ARCC and BDCs ≥$400 million market capitalization\(^{(2)}\)

ARCC has generated net realized gains in 13 out of 14 years

---

\(^{(1)}\) Calculated as an average of a BDC’s 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 divided by the average quarterly investments at amortized cost in such period.

\(^{(2)}\) The BDC peer group consists of BDCs with a market capitalization of $400 million or greater as June 30, 2018, or who are under common management with a BDC that meets these criteria. This includes: AINV, BKCC, CGBD, CCT, OCSL, OCSI, FSIC, GBDC, GSBD, HTGC, MAIN, NMFC, PFLT, PNNT, PSEC, SLRC, SUNS, TCAP, TCPC and TSLX.
Dividend and Core Earnings Plus Net Realized Gains Track Record

ARCC has generated cumulative core earnings and net realized gains in excess of our dividends paid since our IPO.

We’ve out-earned our dividend with cumulative core earnings plus net realized gains

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

Recently declared quarterly dividend of $0.39 per share payable in December 2018

Note: As of September 30, 2018. 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. (1) Core Earnings is a non-GAAP financial measure. Core Earnings is the net increase (decrease) in stockholders’ equity resulting from operations less professional fees and other costs related to the American Capital Acquisition, expense reimbursement from Ares Capital Management LLC (the “Ares Reimbursement”), net realized and unrealized gains and losses, any capital gains incentive fees attributable to such net realized and unrealized gains and losses and any income taxes related to such net realized gains and losses. Net increase (decrease) in stockholders’ equity 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.
ARCC’s Portfolio Has Generated Higher Returns with Less Risk

ARCC has generated outsized, risk-adjusted returns for shareholders with very low volatility.

- ARCC has generated over 50% higher GAAP ROE vs. the Peer average over the past 5 years \(^{1(2)}\)
- ARCC’s earnings have been approximately 1/3 as volatile than the Peer average over the past 5 years \(^{1(3)}\)
- ARCC has delivered 12% average annual stock based total return for investors since inception in 2004\(^{4}\)

As of June 30, 2018, unless otherwise stated. Past performance is not indicative of future results. Refer to Endnotes on slides 49 - 55 for additional important information.
ARCC’s Portfolio Has Generated Higher Returns with Less Risk

Our investment strategy and competitive advantages have led to attractive returns with lower volatility.

As of June 30, 2018, unless otherwise stated. Past performance is not indicative of future results. Refer to Endnotes on slides 49 - 55 for additional important information.
ARCC’s Stock Has Generated Attractive Returns to Investors

ARCC has outperformed major indices through a variety of market environments since IPO in 2004

12% Cumulative Shareholder Total Return Since Inception 10/8/04 - 9/30/18 (1)(2)

Note: Past performance not indicative of future results.

(1) Time period selected to include Ares Capital IPO in October 2004. The benchmarks included represent investments in either the U.S. non-investment grade credit or equity market. The ICE BofAML 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) Source: SNL Financial. As of September 30, 2018. 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, and assuming investors did not participate in Ares Capital’s rights offering issuance as of March 20, 2008.

Note: SNL Financial. As of September 30, 2018. 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, and assuming investors did not participate in Ares Capital’s rights offering issuance as of March 20, 2008.
Current Market Opportunities & Strategic Initiatives
ARCC’s Approach to Managing Current Market Conditions

**Long Term Structural Positives**
- Healthy demand trends from vibrant middle market companies
- Continued bank retrenchment
- Substantial private equity dry powder (~5x direct lending dry powder)
- Significant level of equity contributions in structures

**Near Term Challenges in Current Environment**
- Spreads have compressed
- Debt to EBITDA multiples are elevated
- Covenants and documentation are weaker
- Significant new capital has formed, including new entrants with need to deploy capital in a limited timeframe

**Ares Capital’s Approach**
- Seek to invest in leading, non-cyclical businesses with attractive growth prospects and high free cash flows
- Use direct origination and scale to provide greater influence on loan structures to maintain high selectivity
- Seek to be the lead lender with voting control to have the ability to impact outcomes
- Use incumbent positions to support growth of leading portfolio companies and enhance credit quality
- Be proactive managing investments and use our robust process to preserve capital and create value
Distinct Opportunities for Growth

ARCC has various defined opportunities to grow earnings:

- Using Moderately Higher Leverage Under SBCAA (1)
- Benefiting from Higher LIBOR Rates
- Expanding Use of 30% Basket
- High Level of Dry Powder Given Under-Levered Balance Sheet

(1) The use of leverage magnifies the potential for gain or loss on the amount invested and may increase the risk of investments.
ARCC Adopted Reducing the Asset Coverage Requirement Under the SBCAA

The adoption of the 150% asset coverage ratio and the use of modest incremental leverage provides increased flexibility and potential for incremental earnings while maintaining our conservative risk profile.

1. **BUILDS ON LEADING TRACK RECORD TO DRIVE HIGHER EARNINGS WITH LOWER FEES**
   - We believe our high quality, senior oriented portfolio supports additional leverage.
   - We expect to generate higher core earnings.
   - We will reduce our base management fee to 1.0% on all assets financed using leverage over 1.0x debt to equity.

2. **INCREASED FLEXIBILITY DE-RISKS THE COMPANY**
   - Increases cushion to regulatory leverage limit and therefore reduces default risk on our outstanding debt.
   - Increases flexibility to manage ARCC through credit cycles.

3. **MAINTAINS CONSERVATIVE INVESTMENT GRADE PROFILE**
   - Revised target leverage of 0.90x to 1.25x remains conservative.
   - Revised target leverage is lower than allowed by the advance rates of our credit facilities (1).
   - We intend to operate in a manner whereby ARCC maintains its investment grade credit profile.

4. **ENHANCES GROWTH, SCALE & DIVERSIFICATION OPPORTUNITIES**
   - Increases ARCC’s flexibility.
   - Adds to our potential investment opportunities.
   - Increases opportunities for diversification and scale.
   - Should enhance ARCC’s access to capital.

As of June 21, 2018, unless otherwise stated. As stated in “ARCC’s Plan for the Small Business Credit Availability Act,” an investor presentation which was included as Exhibit 99.2 to Form 8-K filed on June 25, 2018. The use of leverage magnifies the potential for gain or loss on the amount invested and may increase the risk of investments.

1. For assets eligible to be pledged to our Revolving Credit Facility, advance rates are based on current advance rates under our Revolving Credit Facility. For assets not eligible to be pledged to our Revolving Credit Facility, advance rates are based on our estimate of market allowable leverage. Such advance rates are subject to change.
Driving Earning Opportunities by Expanding Use of 30% Basket

ARCC has various defined opportunities consistent with its capabilities and investment philosophy.

- Increase SDLP
- Grow Ivy Hill Asset Management
- Add Commercial Finance
- Add Private Asset Based Securities
ARCC’s Earnings Will Likely Benefit from Higher LIBOR Rates

ARCC has an asset sensitive balance sheet that we believe will benefit from an expected rise in base interest rates.

<table>
<thead>
<tr>
<th>3 Month LIBOR Forward Rates (1)</th>
<th>Enhanced Ability to Benefit from Rising Rates (2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oct. 2018</td>
<td>• Heavily weighted to floating-rate loans (3)</td>
</tr>
<tr>
<td></td>
<td>o 93% floating rate loan portfolio</td>
</tr>
<tr>
<td></td>
<td>o 6% fixed rate loan portfolio</td>
</tr>
<tr>
<td>Oct. 2019</td>
<td>• 100% weighted to fixed-rate borrowings (4)</td>
</tr>
<tr>
<td></td>
<td>• Conservative Leverage</td>
</tr>
<tr>
<td></td>
<td>o 0.54x net debt to equity</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Increase in LIBOR</th>
<th>Annual Per Share Impact (2)(5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>100 bps</td>
<td>$0.17 per share</td>
</tr>
<tr>
<td>200 bps</td>
<td>$0.35 per share</td>
</tr>
<tr>
<td>300 bps</td>
<td>$0.52 per share</td>
</tr>
</tbody>
</table>

(1) Source: Chatham Financial. Reflects the current and forward 3 month LIBOR rates for October 23, 2018 and 2019.
(2) As of September 30, 2018.
(3) Remaining 1% consists of non-accruals and non-coupon bearing loans.
(4) Includes $395 million of the term loan tranche of Ares Capital’s Revolving Credit Facility which Ares Capital effectively fixed the interest rate at 3.8% through an interest rate swap agreement.
(5) Marginal EPS contributions, which is net of income-based fees.
ACAS Update: Rotation of The Portfolio Has Improved Portfolio Quality and Provided Incremental Returns

Recognized significant gains on ACAS portfolio following Alcami exit and continue to reinvest non-core assets into higher yields

As of September 30, 2018, unless otherwise noted.

- $427 million in net realized gains
- Exited $2.5 billion of lower yielding investments
- $427 million in net unrealized appreciation
- $19 million in net unrealized appreciation

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Ares Capital Excluding Investments Acquired in the American Capital Acquisition</th>
<th>Remaining Investments Acquired in the American Capital Acquisition</th>
<th>Total Ares Capital</th>
</tr>
</thead>
<tbody>
<tr>
<td>8%</td>
<td>4%</td>
<td>7%</td>
<td>4%</td>
</tr>
<tr>
<td>4%</td>
<td>23%</td>
<td>2%</td>
<td>4%</td>
</tr>
<tr>
<td>7%</td>
<td>14%</td>
<td>7%</td>
<td>7%</td>
</tr>
<tr>
<td>6%</td>
<td>29%</td>
<td>6%</td>
<td>6%</td>
</tr>
<tr>
<td>23%</td>
<td>46%</td>
<td>29%</td>
<td>46%</td>
</tr>
<tr>
<td>23%</td>
<td>2%</td>
<td>72%</td>
<td>23%</td>
</tr>
<tr>
<td>7%</td>
<td>35%</td>
<td>35%</td>
<td>35%</td>
</tr>
<tr>
<td>6%</td>
<td>29%</td>
<td>29%</td>
<td>29%</td>
</tr>
<tr>
<td>4%</td>
<td>14%</td>
<td>14%</td>
<td>14%</td>
</tr>
<tr>
<td>7%</td>
<td>19%</td>
<td>19%</td>
<td>19%</td>
</tr>
<tr>
<td>6%</td>
<td>46%</td>
<td>46%</td>
<td>46%</td>
</tr>
</tbody>
</table>

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Conclusion

We believe ARCC is well positioned to continue to generate attractive and expanded future financial performance.

Distinct Competitive Advantages

- Market leading company with long tenured management team
- Benefits from Ares Platform
- Competitive advantages of scale
- Portfolio of larger companies in defensive industries
- Conservatively funded balance sheet with efficient capital

Distinct Opportunities for Growth

- Using Moderately Higher Leverage Under SBCAA
- Benefiting from Higher LIBOR Rates
- Expanding Use of 30% Basket
- Reinvesting Non-Core ACAS Assets

Track Record of Outperformance

- Compelling performance
- Generated 12% average annual shareholder return since IPO (1)
- Long term track record of attractive and stable core ROEs
- Strong coverage of dividends from earnings sources
- Higher risk adjusted returns vs. BDC peers, leveraged loans and high yield bonds over 3 and 5 years and since inception (2)

Note: As of September 30, 2018, unless otherwise stated. Past performance is not indicative of future results. The use of leverage magnifies the potential for gain or loss on the amount invested and may increase the risk of investment.

1. Source: SNL Financial. As of September 30, 2018. Ares Capital Corp’s stock price-based total return is calculated assuming dividends are reinvested at the end of the 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. Past performance is not indicative of future results.

2. Refer to slide 23 for further details.
Appendix A: Small Business Credit Availability Act Additional Considerations
The Relaxed Asset Coverage Ceiling Improves Risk Profile

SBCAA election expands the cushion to the regulatory limit, which should make ARCC more durable through market cycles.

We intend to operate with a greater cushion to our leverage limit, which would help reduce risk for debt and equity investors.

Note: The degree of cushion depends on underlying asset volatility and use of leverage. The use of leverage magnifies the potential for gain or loss on the amount invested and may increase the risk of investments.
Target Leverage Range is Still Below Borrowing Capacity

Based on our Q3-18 portfolio and current advance rates, our portfolio could be leveraged to ~1.5x D:E

The use of leverage magnifies the potential for gain or loss on the amount invested and may increase the risk of investments.

1. For illustrative purposes only to demonstrate borrowing capacity without giving consideration to any regulatory or contractual constraints on leverage. For assets eligible to be pledged to our Revolving Credit Facility, advance rates are based on current advance rates under our Revolving Credit Facility. For assets not eligible to be pledged to our Revolving Credit Facility, advance rates are based on our estimate of market allowable leverage. Such advance rates are subject to change.
Our Conservative Leverage Profile is Favorable Compared to Other Entities

After adopting benefits of the SBCAA, our long term debt to equity target is 0.9x-1.25x

Refer to Endnotes on slides 49 - 55 for additional important information.

The use of leverage magnifies the potential for gain or loss on the amount invested and may increase the risk of investments.

*The SBA has the ability to approve leverage requests in excess of 200 percent of Regulatory Capital up to 300 percent, but most often SBIC funds operate with a leverage limit to Regulatory Capital of 200 percent. SBIC commitments are often made to much smaller companies than our typical portfolio companies without any limitations on asset classes.
Historical Market Default Rates Imply Minimal Risk at 0.9 – 1.25x Target Leverage

History of CLOs holding leveraged loans demonstrates minimal incremental risk to increasing leverage at ARCC

<table>
<thead>
<tr>
<th>Original Rating</th>
<th>S&amp;P US CLO Tranche Default History By Rating (1)</th>
<th>Moody’s US CLO Impairments by Rating (2)</th>
<th>Implied Debt/Equity</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total Tranches</td>
<td>Defaulted Tranches</td>
<td>Default Rate</td>
</tr>
<tr>
<td>AAA/Aaa</td>
<td>1,992</td>
<td>0</td>
<td>0.00%</td>
</tr>
<tr>
<td>AA/Aa</td>
<td>1,005</td>
<td>0</td>
<td>0.00%</td>
</tr>
<tr>
<td>A/A</td>
<td>1,119</td>
<td>5</td>
<td>0.45%</td>
</tr>
<tr>
<td>BBB/Baa</td>
<td>1,069</td>
<td>3</td>
<td>0.28%</td>
</tr>
<tr>
<td>BB/Ba</td>
<td>841</td>
<td>14</td>
<td>1.66%</td>
</tr>
<tr>
<td>B/B</td>
<td>115</td>
<td>3</td>
<td>2.61%</td>
</tr>
<tr>
<td>Total</td>
<td>6,141</td>
<td>25</td>
<td>0.41%</td>
</tr>
</tbody>
</table>

While CLO tranches rated AAA or AA are levered 2x - 3x D:E, these tranches have never defaulted or experienced a loss.

The use of leverage magnifies the potential for gain or loss on the amount invested and may increase the risk of investments. Refer to Endnotes on slides 49 - 55 for additional important information.
Appendix B:
Market and Other Investment Considerations
ARCC Serves Strong and Vibrant Middle Market Companies

Defining the U.S. Middle Market

- Annual Revenue: $10M–$1B
- Nearly 200,000 Businesses
- 3rd Largest Global Economy
- Nearly 33% of Private Sector GDP
- 1/3 of All U.S. Jobs

Strong Industry Fundamentals

- Middle Market Cumulative Revenue Growth vs. S&P 500
- Middle Market Hiring Remains Strong

For illustrative purposes only. Source: National Center for the Middle Market. As of September 30, 2018. Ares Capital Corporation - Not for Publication or Distribution
Drivers of Market Demand

Dry powder statistics suggest plenty of additional capacity for direct lending strategy

- Direct lending dry powder in North America is currently $68 billion, which represents 19% of buyout dry powder
- We believe scaled providers will benefit from the available capacity

Source: Preqin. As of October 2018.
Supply Constraints Create an Attractive Market Opportunity

We believe supply constraints in the middle market have resulted in attractive risk adjusted returns for direct lenders.

**Total Number of U.S. Banks Continues to Decline (1)**

- 1998: 11,000
- 2018 Q2: 5,000

47% Decline Since 1998

**Banks' Share of the U.S. Leveraged Loan Market Continues to Shrink (2)**

- 1994: 29% Foreign/Domestic Banks, 71% Non-Bank Companies/Funds
- 2000: 55% Foreign/Domestic Banks, 45% Non-Bank Companies/Funds
- 2006: 82% Foreign/Domestic Banks, 18% Non-Bank Companies/Funds
- 2012: 88% Foreign/Domestic Banks, 12% Non-Bank Companies/Funds
- Q3'18 YTD: 93% Foreign/Domestic Banks, 7% Non-Bank Companies/Funds

---

(1) Source: Federal Deposit Insurance Corp Quarterly Banking Profile Q2-18.
(2) Source: S&P Global Market Intelligence U.S. Leverage Loan Data as of Q3-18. Amounts are based on administrative, syndication and documentation agent as well as arranger roles.

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Rigorous Underwriting and Credit Management

Our in-depth process often spans several months, allowing for thoughtful decision making.

---

### Key Attributes of ARCC Borrowers

- Franchise businesses
- High free cash flow
- Above market growth prospects
- Diverse sources of profitability
- Premier financial sponsors with meaningful “skin in the game”
- Leading management teams
- Appropriate capital structure
- ARCC has lead role

---

**Ares’ Approach:**

- Seek to invest in leading, non-cyclical businesses with attractive growth prospects and high free cash flows
- Use direct origination and scale to provide greater influence on loan structures to maintain high selectivity
- Seek to be the lead lender with voting control to have the ability to impact outcomes
- Use incumbent positions to support growth of leading portfolio companies and to help enhance credit quality
- Be proactive managing investments and use our robust process to preserve capital and create value

---

(1) Not every investment meets each of the criteria.

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Deep and Diverse Access to Low Cost Debt Financing

We believe that ARCC is a very efficient issuer of liabilities

<table>
<thead>
<tr>
<th>Aggregate Principal Amount of Commitments Outstanding</th>
<th>Principal Outstanding</th>
<th>Weighted Average Stated Interest Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Secured Revolving Facilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revolving Credit Facility</td>
<td>$2,133</td>
<td>$414</td>
</tr>
<tr>
<td>Revolving Funding Facility</td>
<td>1,000</td>
<td>—</td>
</tr>
<tr>
<td>SMBC Funding Facility</td>
<td>400</td>
<td>—</td>
</tr>
<tr>
<td>Subtotal</td>
<td>$3,533</td>
<td>$414</td>
</tr>
<tr>
<td><strong>Unsecured Notes Payable</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2018 Notes</td>
<td>750</td>
<td>750</td>
</tr>
<tr>
<td>2019 Convertible Notes</td>
<td>300</td>
<td>300</td>
</tr>
<tr>
<td>2020 Notes</td>
<td>600</td>
<td>600</td>
</tr>
<tr>
<td>January 2022 Notes</td>
<td>600</td>
<td>600</td>
</tr>
<tr>
<td>2022 Convertible Notes</td>
<td>388</td>
<td>388</td>
</tr>
<tr>
<td>2023 Notes</td>
<td>750</td>
<td>750</td>
</tr>
<tr>
<td>2025 Notes</td>
<td>600</td>
<td>600</td>
</tr>
<tr>
<td>2047 Notes</td>
<td>230</td>
<td>230</td>
</tr>
<tr>
<td>Subtotal</td>
<td>$4,218</td>
<td>$4,218</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$7,751</td>
<td>$4,632</td>
</tr>
<tr>
<td><strong>Weighted Average Stated Interest Rate</strong></td>
<td>4.12%</td>
<td>4.16%</td>
</tr>
</tbody>
</table>

- Significant access to long-dated, lower cost revolving debt facilities with 5-7 year terms
- Reduced pricing over time and continue to periodically extend maturities
- No “mark to market” financing
- Seasoned issuer in the institutional unsecured debt market, raising over $5.5 billion in unsecured notes since 2011
- More than 100 investors have invested in ARCC’s Convertible and Investment Grade Notes

All data as of September 30, 2018, unless otherwise noted. Refer to Endnotes on slides 49 - 55 for additional important information.
Prudent Maturity Ladder (1)

Maturity ladder reduces refinancing risk and provides for the effective extension of liabilities

- Availability on revolving credit facilities, cash flows from portfolio exits and repayments and relatively modest leverage significantly hedges against refinancing risk
  - ~$3.5 billion of committed revolving credit facilities
  - Generated ~$5.0 billion in average annual repayments and exits from investment portfolio over the last three years (2)
- ARCC has proactively extended the maturity of its revolving credit facilities to maintain longer durations

All data as of September 30, 2018, unless otherwise noted. The use of leverage magnifies the potential for gain or loss on the amount invested and may increase the risk of investment. Refer to Endnotes on slides 49 - 55 for additional important information.
Appendix C:
Management and Core Earnings Reconciliation
## Members of Investment Committee & Other Senior Professionals

<table>
<thead>
<tr>
<th>Members of Investment Committee</th>
<th>Years of Relevant Experience</th>
<th>Years at Ares</th>
<th>Background</th>
</tr>
</thead>
</table>
| **Michael Arougheti**           | 25                          | 14            | RBC Capital Partners – Managing Partner  
Ares Capital Corporation – Co-Chairman of the Board of Directors and Executive Vice President  
Ares – Co-Founder, Chief Executive Officer, and President  
Indosuez Capital – Principal |
| **Kipp deVeer**                 | 23                          | 14            | RBC Capital Partners – Partner  
Indosuez Capital – Vice President |
| **Mitch Goldstein**             | 24                          | 13            | Credit Suisse First Boston – Managing Director  
Indosuez Capital – Principal  
Bankers Trust – Vice President |
| **Michael Smith**               | 23                          | 14            | RBC Capital Partners – Partner  
Indosuez Capital – Vice President |
| **Mark Affolter**               | 29                          | 11            | CIT – Managing Director  
GE Capital – Senior Managing Director  
Heller Financial – Senior Vice President |
| **Jim Miller**                  | 19                          | 12            | Silver Point Capital – Vice President  
GE Commercial Finance – Vice President |
| **Kort Schnabel**               | 20                          | 17            | Walker Digital Corporation – Corporate Development Group  
Morgan Stanley Dean Witter – Corporate Finance Group |
| **Dave Schwartz**               | 17                          | 14            | RBC Capital Partners – Associate  
Indosuez Capital – Analyst |

### Other Senior Professionals

- **Joshua M. Bloomstein** – Partner, General Counsel and Secretary
- **Michael Dieber** – Partner / Co-Head of Portfolio Management
- **Carl Drake** – Partner / Head of Public IR, Ares Management
- **Ian Fitzgerald** – Managing Director/Associate General Counsel
- **Daniel Katz** – Partner / Co-Head of Portfolio Management
- **Miriam Krieger** – Chief Compliance Officer
- **Scott Lem** – Chief Accounting Officer, Vice President and Treasurer
- **Jana Markowicz** – Partner / Head of Product Management, U.S. Direct Lending
- **Patti Roll** – Chief Financial Officer
- **John Stilmar** – Principal, Public IR
- **Michael Weiner** – Vice President
- **Raymond L. Wright** – Managing Director and Chief Administrative Officer

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Note: As of September 30, 2018.
Ares Capital Corporation - Not for Publication or Distribution
## Board of Directors

<table>
<thead>
<tr>
<th>Director</th>
<th>Title</th>
<th>Experience</th>
</tr>
</thead>
<tbody>
<tr>
<td>Michael J Arougeti</td>
<td>Co-Chairman/Director</td>
<td><strong>Ares Capital Corporation</strong> — Co-Chairman and Executive Vice President &lt;br&gt; <strong>Ares</strong> — Co-Founder, Chief Executive Officer, President and Partner &lt;br&gt; <strong>Ares Management Limited</strong> — Management Committee Member &lt;br&gt; <strong>Ares Credit Group</strong> — Partner and Member of U.S. and European Direct Lending Investment Committees &lt;br&gt; <strong>Ares Commercial Real Estate Corporation</strong> — Director &lt;br&gt; <strong>RBC Capital Partners</strong> — Managing Partner* &lt;br&gt; <strong>Indosuez Capital</strong> — Principal*</td>
</tr>
<tr>
<td>Ann Torre Bates</td>
<td>Director Chairperson – Audit Committee</td>
<td><strong>Allied Capital Corporation</strong> — Director* &lt;br&gt; <strong>Franklin Mutual Series and Recovery Funds</strong> — Director &lt;br&gt; <strong>SLM Corporation</strong> — Director* &lt;br&gt; <strong>NHP, Inc.</strong> — Executive Vice President, CFO, Treasurer* &lt;br&gt; <strong>U.S. Airways</strong> — Vice President, Treasurer*</td>
</tr>
<tr>
<td>Steven B. Bartlett</td>
<td>Director</td>
<td><strong>BIPAC</strong> — Director* &lt;br&gt; <strong>Financial Services Roundtable</strong> — President and CEO* &lt;br&gt; <strong>Dallas, Texas</strong> — Mayor* &lt;br&gt; <strong>U.S. Congress</strong> — Member* &lt;br&gt; <strong>Meridian Products</strong> — Founder*</td>
</tr>
<tr>
<td>Kipp deVeer</td>
<td>Director</td>
<td><strong>Ares Capital Corporation</strong> — Chief Executive Officer &lt;br&gt; <strong>Ares</strong> — Partner and Head of Credit Group &lt;br&gt; <strong>RBC Capital Partners</strong> — Partner* &lt;br&gt; <strong>Indosuez Capital</strong> — Vice President*</td>
</tr>
<tr>
<td>Daniel G. Kelly, Jr.</td>
<td>Director</td>
<td><strong>Davis Polk &amp; Wardell LLP</strong> — Partner*</td>
</tr>
<tr>
<td>Steven B. McKeever</td>
<td>Director</td>
<td><strong>Hidden Beach Recordings</strong> — Founder, CEO &lt;br&gt; <strong>Motown Records</strong> — Executive Vice President* &lt;br&gt; <strong>Irell &amp; Manella LLP</strong> — Associate* &lt;br&gt; <strong>College Bound, African-Ancestry.com</strong> — Director &lt;br&gt; <strong>The Pacific Institute Spirit Board</strong> — Director</td>
</tr>
<tr>
<td>Robert L. Rosen</td>
<td>Director</td>
<td><strong>Ares</strong> — Strategic Adviser to Private Equity Group &lt;br&gt; <strong>RLR Capital Partners, RLR Focus Fund</strong> — Managing Partner* &lt;br&gt; <strong>RLR Partners LLC</strong> — CEO* &lt;br&gt; <strong>National Financial Partners</strong> — Founder, Chairman and CEO* &lt;br&gt; <strong>Dolphin Domestic Fund II</strong> — Co-Managing Partner* &lt;br&gt; <strong>Damon Corporation</strong> — Chairman and CEO* &lt;br&gt; <strong>Maxxam Group</strong> — Vice Chairman*</td>
</tr>
<tr>
<td>Bennett Rosenthal</td>
<td>Co-Chairman/Director</td>
<td><strong>Ares</strong> — Co-Founder and Partner; Co-Head and Partner of Private Equity Group &lt;br&gt; <strong>National Bedding Company LLC</strong> — Co-Chairman/Director &lt;br&gt; <strong>Merrill Lynch</strong> — Managing Director, Global Leveraged Finance*</td>
</tr>
<tr>
<td>Eric B. Siegel</td>
<td>Director/Lead Independent Director</td>
<td><strong>El Paso Electric Company</strong> — Director and Chairman of the Nominating and Governance Committee &lt;br&gt; <strong>Kerzner International</strong> — Director* &lt;br&gt; <strong>Apollo Advisors L.P. and Lion Advisors L.P.</strong> — Retired Limited Partner*</td>
</tr>
</tbody>
</table>
Reconciliation of Core Earnings

Reconciliations of Core Earnings to GAAP Earnings

<table>
<thead>
<tr>
<th>(in millions)</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>YTD Q3-17</th>
<th>YTD Q3-18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Core Earnings (1)</td>
<td>$381</td>
<td>$442</td>
<td>$473</td>
<td>$486</td>
<td>$504</td>
<td>$592</td>
<td>$427</td>
<td>$525</td>
</tr>
<tr>
<td>Professional fees and other costs related to the American Capital Acquisition (2)</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>(12)</td>
<td>(40)</td>
<td>(34)</td>
<td>(3)</td>
</tr>
<tr>
<td>Ares Reimbursement (3)</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>12</td>
</tr>
<tr>
<td>Net realized and unrealized gains (losses)</td>
<td>159</td>
<td>58</td>
<td>153</td>
<td>(129)</td>
<td>(20)</td>
<td>156</td>
<td>64</td>
<td>214</td>
</tr>
<tr>
<td>Incentive fees attributable to net realized and unrealized gains and losses</td>
<td>(32)</td>
<td>(11)</td>
<td>(29)</td>
<td>27</td>
<td>5</td>
<td>(41)</td>
<td>(23)</td>
<td>(43)</td>
</tr>
<tr>
<td>Income tax and other expenses related to net realized and unrealized gains and losses</td>
<td>—</td>
<td>—</td>
<td>(6)</td>
<td>(5)</td>
<td>(3)</td>
<td>—</td>
<td>1</td>
<td>—</td>
</tr>
<tr>
<td><strong>GAAP Earnings</strong></td>
<td><strong>$508</strong></td>
<td><strong>$489</strong></td>
<td><strong>$591</strong></td>
<td><strong>$379</strong></td>
<td><strong>$474</strong></td>
<td><strong>$667</strong></td>
<td><strong>$435</strong></td>
<td><strong>$705</strong></td>
</tr>
</tbody>
</table>

(1) Core Earnings is a non-GAAP financial measure. Core Earnings is the net increase (decrease) in stockholders’ equity resulting from operations less professional fees and other costs related to the American Capital Acquisition, expense reimbursement from Ares Capital Management LLC (the “Ares Reimbursement”), net realized and unrealized gains and losses, any capital gains incentive fees attributable to such net realized and unrealized gains and losses and any income taxes related to such net realized gains and losses. Net increase (decrease) in stockholders’ equity 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.

(2) See Note 14 to Ares Capital’s consolidated financial statements included in the annual report on Form 10-Q for the quarter ended September 30, 2018 for information regarding the American Capital Acquisition.

(3) See Note 12 to Ares Capital’s consolidated financial statements included in the annual report on Form 10-Q for the quarter ended September 30, 2018 for information regarding the Ares Reimbursement.
Endnotes

Slide 3: Market Leading Company in Direct Lending

1. Based on market prices as of October 24, 2018.
2. Includes invested capital from inception on October 8, 2004 through September 30, 2018. Includes investments made through Ares Capital Corporation, the Senior Secured Loan Program and the Senior Direct Lending Program. Excludes syndications within one year of origination, $1.8 billion of investments acquired from Allied Capital on April 1, 2010 and $2.5 billion of investments acquired from American Capital on January 3, 2017.
3. Based on original cash invested, net of syndications, of approximately $24.2 billion and total proceeds from such exited investments of approximately $31.0 billion from inception on October 8, 2004 through September 30, 2018. Internal rate of return (“IRR”) 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 management fees and expenses related to investments as these fees and expenses are not allocable to specific investments. The effect of such management and other expenses may reduce, maybe materially, the IRR’s shown herein. 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 Ares Capital Corporation’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 Ares Capital Corporation’s past performance and are not necessarily indicative of future results, the achievement of which cannot be assured.
4. Source: SNL Financial. As of September 30, 2018. Ares Capital Corp’s stock price-based total return is calculated assuming dividends are reinvested at the end of the 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. Past performance is not indicative of future results.
5. 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 Ares Capital IPO in October 2004 to September 30, 2018 divided by the average quarterly investments at amortized cost in such period). Excludes $196 million one-time gain on the acquisition of Allied Capital Corporation in Q2-10 and gains/losses from extinguishment of debt and sale of other assets.

Performance Notes:
• ARCC received the 2018 All-America Executive Team award alongside 43 other companies. Various Ares personnel received first place awards in the following categories: CEO, CFO, IR Professional and IR program. 248 other institutions also received a first-, second-, or third-place ranking in one or more of those four categories. Institutional Investor based these awards on the opinions of 1,940 portfolio managers and buy-side analysts, and 826 sell-side analysts who participated in this survey.
• Institutional Investor logo from Institutional Investor, ©2018 Institutional Investor, LLC. All rights reserved. Used by permission and protected by the Copyright Laws of the United States. The printing, copying, redistribution, or retransmission of this Content without express written permission is prohibited.
• Lipper Rankings reported in Lipper Marketplace Best Money Managers, June 30, 2018. Lipper Marketplace is the source of the long-only and multi-strategy credit rankings. Lipper’s Best Money Managers rankings consider only those funds that meet the following qualification: performance must be calculated “net” of all fees and commissions; must include cash; performance must be calculated in U.S. dollars; asset base must be at least $10 million in size for “traditional” U.S. asset classes (equity, fixed income, and balanced accounts); and, the classification of the product must fall into one of the categories which they rank. Lipper defines Short Duration as 1-5 years. Lipper’s Active Duration definition does not specify a time period but rather refers to an Active rather than Passive strategy. Ares Institutional Loan Fund was ranked 13 out of 60 for the 20 quarters ended June 30, 2018. Composites for Ares U.S. Bank Loan Aggregate and Ares U.S. High Yield additionally received rankings of 12 of 60 and 6 of 39, respectively, for the 20 quarters ended June 30, 2018.
• Private Equity International selected Ares Management as Mid-Cap Lender of the Year – North America for 2014 and Ares Capital Corporation as Lender of the Year – North America for 2015, 2016 and 2017 – Awards based on an industry wide global survey across 60 categories conducted by Private Equity International. In the Mid-Cap Lender of the Year in North America category (renamed to Lender of the Year in 2015), Ares was listed as one of three shortlisted firms as suggested by the editorial board of PEI Media. Survey participants voted independently. In addition, survey participants could nominate another firm not listed in the category.
• Private Debt Investor selected Ares Capital Corporation as Global Sponsored Deal of the Year (Qlik Technologies) for 2017. Awards based on an industry wide global survey across 43 categories conducted by Private Debt Investor. In the Global Sponsored Deal of the Year category Ares was listed as one of four shortlisted firms as suggested by the editorial board of PEI Media. Survey participants voted independently. In addition, survey participants could nominate another firm not listed in the category.
Endnotes

Slide 12: Growth Has Enhanced the Portfolio Benefits of Scale
1. Represents the average of the last four quarters weighted average EBITDA. The computation is weighted based on the fair value of the portfolio company investments at each period end. EBITDA amounts are estimated from the most recent portfolio company financial statements, have not been independently verified by Ares Capital Corporation and may reflect a normalized or adjusted amount. Accordingly, Ares Capital Corporation makes no representation or warranty in respect of this information.

2. This portfolio weighted average EBITDA data includes information solely in respect of corporate investments in Ares Capital Corporation’s portfolio, subject to the exclusions described in the following sentence. Excluded from the data above is information in respect of the following: (i) the SSLP (and the underlying borrowers in the SSLP), (ii) the SDLP (and the underlying borrowers in the SDLP), (iii) portfolio companies that do not report EBITDA, including IHAM, (iv) investment funds/vehicles, (v) discrete projects in the project finance/power generation sector, (vi) certain oil and gas companies, (vii) venture capital backed companies and (viii) commercial real estate financial companies.

Slide 15: Summary of ARCC’s Compelling Long Term Performance
1. Calculated as the average spread between ARCC’s yield on debt and income producing securities and the yield on the S&P LSTA Middle Market Leveraged Loan Index from 2013 to 2018 year-to-date as of September 30, 2018.

2. Includes invested capital from inception on October 8, 2004 through September 30, 2018. Includes investments made through Ares Capital Corporation, the Senior Secured Loan Program and the Senior Direct Lending Program. Excludes syndications within one year of origination, $1.8 billion of investments acquired from Allied Capital on April 1, 2010 and $2.5 billion of investments acquired from American Capital on January 3, 2017.

3. 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 Ares Capital IPO in October 2004 to September 30, 2018 divided by the average quarterly investments at amortized cost in such period). Excludes $196 million one-time gain on the acquisition of Allied Capital Corporation in Q2-10 and gains/losses from extinguishment of debt and sale of other assets.

4. Based on original cash invested, net of syndications, of approximately $24.2 billion and total proceeds from such exited investments of approximately $31.0 billion from inception on October 8, 2004 through September 30, 2018. Internal rate of return (“IRR”) 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 management fees and expenses related to investments as these fees and expenses are not allocable to specific investments. The effect of such management and other expenses may reduce, maybe materially, the IRR’s shown herein. 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 Ares Capital Corporation’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 Ares Capital Corporation’s past performance and are not necessarily indicative of future results, the achievement of which cannot be assured.

5. Analysis includes externally managed BDCs with market capitalizations of at least $400 million or greater as of June 30, 2018, which have been publicly listed for 5 years: AINV, BKCC, FSIC, GBDC, OCSL, PFLT, PNNT, PSEC, SLRC and TCPC. GAAP ROE is measured by net income divided by average equity over the five year period ended June 30, 2018. Volatility is measured by the standard deviation of net income divided by average net income over the five years ended June 30, 2018.

6. Source: SNL Financial. As of September 30, 2018. Ares Capital Corporation’s stock price-based total return is calculated assuming dividends are reinvested at the end of the day stock price on the relevant quarterly ex-dividend dates. Total return is calculated assuming investors did not participate in Ares Capital Corporation’s rights offering issuance as of March 20, 2008.

Endnotes

Slide 16: Sustained Market Premium for ARCC Yields with Lower Losses
1. The weighted average yield on debt and other income producing securities 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 accruing debt and other income producing securities at fair value.
2. The S&P/LSTA Leveraged Loan Index is a market value-weighted index designed to measure the performance of the U.S. leveraged loan market based upon market weightings, spreads and interest payments. Term loans from syndicated credits must meet the following criteria at issuance in order to be eligible for inclusion in the index: senior secured, minimum initial term of one year, US dollar denominated, minimum initial spread of LIBOR + 125 basis points, $50M initially funded loans. Inception date: January 1, 1997.
3. The Middle Market Index consists of middle market facilities drawn from the larger S&P/LSTA (Loan Syndications and Trading Association) Leveraged Loan Index. It is designed to measure the performance of the U.S. leveraged loan market. S&P/LSTA defines the middle market as deals with an EBITDA of less than $50 million.
4. The ICE BofAML US High Yield Index ("H0A0") tracks the performance of US dollar denominated below investment grade corporate debt publicly issued in the US domestic market. Qualifying securities must have a below investment grade rating (based on an average of Moody’s, S&P and Fitch), at least 18 months to final maturity at the time of issuance, at least one year remaining term to final maturity as of the rebalancing date, a fixed coupon schedule and a minimum amount outstanding of $100 million. Index constituents are capitalization-weighted based on their current amount outstanding times the market price plus accrued interest. Inception date: August 31, 1986.
5. Represents ARCC’s average quarterly non-accrual rate at amortized cost from inception on October 8, 2004 to September 30, 2018.
7. 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 Ares Capital IPO in October 2004 to September 30, 2018 divided by the average quarterly investments at amortized cost in such period). Excludes $196 million one-time gain on the acquisition of Allied Capital Corporation in Q2-10 and gains/losses from extinguishment of debt and sale of other assets.

Slide 17: ARCC Has an Outstanding Track Record of Credit Performance
1. Includes invested capital from inception on October 8, 2004 through June 30, 2018. Includes investments made through Ares Capital Corporation, the Senior Secured Loan Program and the Senior Direct Lending Program. Excludes syndications within one year of origination, $1.8 billion of investments acquired from Allied Capital on April 1, 2010 and $2.5 billion of investments acquired from American Capital on January 3, 2017.
2. Loss experience includes traditional first lien and unitranche loans.
3. Loss experience includes second lien and subordinated loans.
4. Represents the average annual middle market senior loan default rate of 1.9% per “Fitch U.S. Leveraged Loan Default Insights” for 2007-2017 multiplied by (1 minus the recovery rate for senior secured loans of 69%) per “Moody’s Annual Default Study” for 2007-2017.
5. Represents the average annual broadly syndicated senior loan default rate of 2.8% per “Fitch U.S. Leveraged Loan Default Insights” for 2007-2017 multiplied by (1 minus the recovery rate for senior secured loans of 69%) per “Moody’s Annual Default Study” for 2007-2017.
Slide 18: Compelling Credit and Investment Performance

1. As of September 30, 2018. Based on original cash invested, net of syndications, of approximately $24.2 billion and total proceeds from such exited investments of approximately $31.0 billion from inception on October 8, 2004 through September 30, 2018.

2. Internal rate of return ("IRR") 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 management fees and expenses related to investments as these fees and expenses are not allocable to specific investments. The effect of such management and other expenses may reduce, maybe materially, the IRR’s shown herein. 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 Ares Capital’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 Ares Capital’s past performance and are not necessarily indicative of future results, the achievement of which cannot be assured.

3. 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 Ares Capital IPO in October 2004 to September 30, 2018 divided by the average quarterly investments at amortized cost in such period). Excludes $196 million one-time gain on the acquisition of Allied Capital Corporation in Q2-10 and gains/losses from extinguishment of debt and sale of other assets.

4. BDC peer group consists of BDCs with a market capitalization of $400 million or greater as of June 30, 2018 or who are under common management with a BDC that meets these criteria. Peers include: AINV, BKCC, CGBD, CCT, OCSL, OCSI, FSIC, GBDC, GSBD, HTGC, MAIN, NMFC, PFLT, PNNT, PSEC, SLRC, SUNS, TCAP, TCPC and TSLX. Net realized gain/(loss) rate calculated as an average of a BDC’s 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 divided by the average quarterly investments at amortized cost in such period.

5. YTD period for ARCC is January 1, 2018 to September 30, 2018. YTD period for BDC Peer Group is January 1, 2018 to June 30, 2018 as not all BDC Peers have filed September 30, 2018 financial results as of October 26, 2018.

6. Annual average for ARCC is from December 31, 2004 through September 30, 2018. Annual average for BDC Peer group is from December 31, 2004 to June 30, 2018, as not all BDC Peers have filed September 30, 2018 financial results as of October 26, 2018.

Slide 22: ARCC Portfolio Has Generated Higher Returns with Less Risk

1. Includes externally managed BDCs with market capitalizations of at least $400 million or greater as of June 30, 2018, which have been publicly listed for 5 years: AINV, BKCC, FSIC, GBDC, OCSL, PFLT, PNNT, PSEC, SLRC and TCPC.

2. Represents annual GAAP ROE for the five years ended June 30, 2018.

3. Represents the standard deviation of net income divided by average net income over the five years ended June 30, 2018.

4. Source: SNL Financial. As of June 30, 2018. Ares Capital Corporation’s stock price-based total return is calculated assuming dividends are reinvested at the end of the day stock price on the relevant quarterly ex-dividend dates. Total return is calculated assuming investors did not participate in Ares Capital Corporation’s rights offering issuance as of March 20, 2008.

Slide 23: ARCC's Portfolio Has Generated Higher Returns with Less Risk

1. Returns are calculated as annualized average returns of dividends paid plus changes in net asset value over the time periods represented.

2. BDC peer group consists of BDCs with a market capitalization of $400 million or greater as of June 30, 2018, who are under common management with a BDC that meets these criteria. This includes: AINV, BKCC, CGBD, CCT, OCSL, OCSI, FSIC, GBDC, GSBD, HTGC, MAIN, NMFC, PFLT, PNNT, PSEC, SLRC, SUNS, TCAP, TCPC and TSLX. Of this group, the following companies have been public for at least 3 years as of June 30, 2018: AINV, BKCC, FSIC, GBDC, GSBD HTGC, MAIN, NMFC, OCSL, OCSI, PFLT, PNNT, PSEC, SLRC, SUNS, TCAP and TCPC. The following companies have been public for at least 5 years as of June 30, 2018: AINV, BKCC, GBDC, HTGC, MAIN, NMFC, OCSL, PFLT, PNNT, PSEC, SLRC, SUNS, TCAP and TCPC. The following companies have been public for since ARCC’s IPO in October 2004: AINV and PSEC. The High Yield Index represents the ICE BofAML Master II Index (“H0A0”) and the Loan Index represents the S&P/LSTA U.S. Leveraged Loan Index (“SPLLI”). Data is presented as of June 30, 2018.
Endnotes

Slide 36: Our Conservative Leverage Profile is Favorable Compared to Other Entities

1. Reflects the ratio of deposits and borrowings divided by tangible equity for U.S. banks with a market capitalization below $10 billion as of December 7, 2017, which includes 760 banks, according to SNL Financial.

2. Reflects the average debt to equity ratio of all rated tranches of 5 most broadly syndicated CLOs as of April 6, 2018 according to S&P LCD. The 5 CLOs used were: TICP CLO III-2 Reissue, Barings CLO 2018-II, OZLM XX CLO, Crestline Denali CLO XII Reset, and Ballyrock CLO 2018-1.

3. Reflects the debt to equity ratio for BBB- tranche debt within the Ivy Hill MM CF XIV, LTD. CLO, the collateral for which is primarily middle market first lien loans, including loans acquired from ARCC.

Slide 37: Historical Market Default Rates Imply Minimal Incremental Risk

1. Reflects the most recent U.S. CLO industry default analysis by rating provided by S&P as of March 22, 2018 titled “Twenty Years Strong: A Look Back At U.S. CLO Ratings Performance From 1994 Through 2013.”

2. Reflects the most recent U.S. CLO industry default analysis by rating provided by Moody’s as of March 22, 2018 titled “Impairment and Loss Rates of U.S. and European CLOs: 1993-2016.”

Slide 43: Deep and Diverse Access to Low Cost Debt Financing

1. Subject to borrowing base, leverage and other restrictions. Represents total aggregate amount committed or outstanding, as applicable, under such instrument.

2. Effective stated rate as of September 30, 2018.

3. 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 applicable stated maturity.

4. The interest rate charged on the Revolving Credit Facility is based on an applicable spread of either 1.75% or 1.875% over LIBOR or 0.75% or 0.875% over an "alternate base rate" (as defined in the agreements governing the Revolving Credit Facility), in each case, determined monthly based on the total amount of borrowing base relative to the total commitments of the Revolving Credit Facility and other debt, if any, secured by the same collateral as the Revolving Credit Facility. As of September 30, 2018, the interest rate in effect was LIBOR plus 1.75%. The Revolving Credit Facility consists of a $414 million term loan tranche with a stated maturity date of March 30, 2023 and a $1,719 million revolving tranche. For $1,624 million of the revolving tranche, the end of the revolving period and the stated maturity date are March 30, 2022 and March 30, 2023, respectively. For $50 million of the revolving tranche, the end of the revolving period and the stated maturity date are January 4, 2021 and January 4, 2022, respectively. For the remaining $45 million of the revolving tranche, the end of the revolving period and the stated maturity date are May 4, 2019 and May 4, 2020, respectively. In December 2017, Ares Capital entered into an interest rate swap agreement to effectively fix the interest rate in connection with $395 million of the term loan tranche of the Revolving Credit Facility. The stated interest rate for the Revolving Credit Facility reflects the fixed interest rate of 2.064% plus the applicable spread of 1.75%, or 3.814% on $395 million of the term loan tranche.

5. The interest rate charged on the SMBC Funding Facility is based on an applicable spread of either 1.75% or 2.00% over LIBOR or 0.75% or 1.00% over a "base rate" (as defined in the agreements governing the SMBC Funding Facility), in each case, determined monthly based on the amount of the average borrowings outstanding under the SMBC Funding Facility. As of June 30, 2018, the interest rate in effect was LIBOR plus 2.00%.

6. Assumes all committed capital is fully drawn. In December 2017, Ares Capital entered into an interest rate swap agreement to effectively fix the interest rate in connection with the $395 million term loan tranche of the Revolving Credit Facility. The stated interest rate for the Revolving Credit Facility reflects the fixed interest rate of 2.064% plus the applicable spread of 1.75%, or 3.814% on the term loan tranche.
**Endnotes**

**Slide 44: Prudent Maturity Ladder**

1. Represents the total aggregate principal amount outstanding due on the stated maturity date.

2. Represents an average of the three years ended September 30, 2018.

3. While Ares Capital expects to settle the 2022 Convertible Notes of $388.00 million in cash, Ares Capital has the option to settle the 2022 Convertible Notes in cash, shares of common stock or a combination of cash and shares of common stock. To the extent the 2019 Convertible Notes of $300.0 million are converted, the 2019 Convertible Notes will settle with a combination of cash and shares of our common stock.

4. The 2018 High Grade Notes, the 2020 High Grade Notes, the 2022 High Grade Notes, the 2023 High Grade Notes and the 2025 High Grade Notes may be redeemed in whole or in part at any time at Ares Capital’s option at a redemption price equal to par plus a “make whole” premium, as determined in the indentures governing the 2018 High Grade Notes, the 2020 High Grade Notes, the 2022 High Grade Notes, the 2023 High Grade Notes and the 2025 High Grade Notes and any accrued and unpaid interest.

5. The 2047 Notes with an aggregate principal amount of $230.0 million may be redeemed in whole or in part at any time or from time to time at Ares Capital’s option at par redemption price of $25 per security plus accrued and unpaid interest.

6. As of September 30, 2018, the end of the reinvestment period for the Revolving Credit Facility is March 30, 2022. Subsequent to the end of this reinvestment period and prior to the stated maturity date of March 30, 2023, Ares Capital is required to repay outstanding principal amounts under such revolving tranche on a monthly basis in an amount equal to 1/12th of the outstanding principal amount at the end of the revolving period.