ARES

ARES CAPITAL CORPORATION

Investor Day 2024

Important Notice

This presentation has been prepared for Ares Capital Corporation ("ARCC") for the benefit of its public stockholders. This presentation is solely for information purposes in connection with evaluating the business, operations and financial results of ARCC. Any discussion of ARCC's investment adviser Ares Capital Management LLC ("ACM"), a subsidiary of Ares Management Corporation ("Ares Management"), or of Ares Management is provided solely to demonstrate such entities' role as they relate to ARCC and their contribution to the business, operations and financial results of ARCC. This presentation does not constitute, and shall not be construed as, an offer to buy or sell, or the solicitation of an offer to buy or sell, any securities, investment funds, vehicles or accounts, investment advice, or any other service by ARCC, Ares Management of any of their respective affiliates or subsidiaries. Nothing in this presentation constitutes the provision of tax, accounting, financial, investment, regulatory, legal or other advice by ARCC, Ares Management of any of their respective advisors.

This presentation may not be referenced, quoted or linked by website, in whole or in part, except as agreed to in writing by ARCC.

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that are subject to risks and uncertainties. Forward-looking statements can be identified by the use of forward-looking words such as "outlook," "target," "forecast," "believes," "expects," "potential," "continues," "may," "will," "should," "seeks," "predicts," "intends," "plans," "estimates," "anticipates," "foresees" or negative versions of those words, other comparable words or other statements that do not relate to historical or factual matters. In this presentation such statements relate to expectations regarding future financial and market performance, growth drivers and targets, strategic priorities, and similar matters. Such forward-looking statements are based on various assumptions and expectations regarding future performance and trends. While ARCC believes that these assumptions and expectations are reasonable, they are subject to risks and uncertainties relating to, among other factors, our operations, financial results, financial condition, business prospects, growth strategy and liquidity. Actual results may vary materially from those indicated in the forward-looking statements as a result of a number of factors, including those described from time to time in our filings with the Securities and Exchange Commission (the "SEC"). As such, there is no assurance that the objectives or target results discussed in this presentation will be achieved or sustained as expected or at all. Any forward-looking statements are made pursuant to the safe harbor provisions available under applicable securities laws and speak only as of the date of this presentation. ARCC does not undertake any obligation to update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise, except as required by law.

The following slides contain summaries of certain financial and statistical information about ARCC, its investment adviser ACM and Ares Management. The information contained in this presentation is summary information that is intended to be considered in the context of ARCC's and Ares Management SEC filings and other public announcements that ARCC or Ares Management may make, by press release or otherwise, from time to time. In addition, this presentation contains information about ARCC, ACM, Ares Management, its affiliated funds and certain of their respective personnel and affiliates, and their respective historical performance and general information about the market. Information related to the market or to the past performance of ARCC, ACM, Ares Management and their affiliated funds is not indicative of future results, the achievement of which cannot be assured.

Certain information set forth herein includes estimates and targets and involves significant elements of subjective judgment and analysis. No representations are made as to the accuracy of such estimates or targets or that all assumptions relating to such estimates or targets have been considered or stated or that such estimates or targets will be realized.

Management uses certain non-GAAP financial measures, including Core Earnings to evaluate ARCC's performance. Management believes that these measures provide investors with a greater understanding of ARCC's business and that investors should review the same supplemental non-GAAP financial measures that management uses to analyze ARCC's performance. The measures described in this presentation represent such non-GAAP measures used by management, in each case, before giving effect to the consolidation of certain funds within its results in accordance with GAAP. These measures should be considered in addition to, and not in lieu of, ARCC's financial statements prepared in accordance with GAAP. The definitions and reconciliations of these measures to the most directly comparable GAAP measures, as well as an explanation of why we use these measures, are included in "Endnotes – Reconciliations of GAAP Net Income to Core Earnings." Amounts and percentages may reflect rounding adjustments and consequently totals may not appear to sum.

Certain information discussed in this presentation was derived from third party sources and has not been independently verified and, accordingly, ARCC makes no representation or warranty in respect of this information and assumes no responsibility for independent verification of such information. Reproduction and distribution of third party content in any form is prohibited except with the prior written permission of the related third party. Third party content providers do not guarantee the accuracy, completeness, timeliness or availability of any information, including ratings, and are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or for the results obtained from the use of such content. THIRD PARTY CONTENT PROVIDERS GIVE NO EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE. THIRD PARTY CONTENT PROVIDERS SHALL NOT BE LIABLE FOR ANY DIRECT, INDIRECT, INCIDENTAL, EXEMPLARY, COMPENSATORY, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES, COSTS, EXPENSES, LEGAL FEES, OR LOSSES (INCLUDING LOST INCOME OR PROFITS AND OPPORTUNITY COSTS OR LOSSES CAUSED BY NEGLIGENCE) IN CONNECTION WITH ANY USE OF THEIR CONTENT.

The statements contained in this presentation are made as of March 31, 2024, unless otherwise specified, and access to this presentation at any given time shall not imply that there has been no change in the facts set forth in this presentation since that date. Certain historical amounts within this presentation were prepared to conform with our accounting policies that were implemented in each of the respective historical years.

For additional important information, please refer to the footnotes and endnotes of each section of this presentation.

Note: For Additional Important Disclosure Information, please refer to the Footnotes and Endnotes of each section of this presentation, as needed.

REF: AM-03273

Ares Capital Corporation Welcome Remarks

John Stilmar

Partner, Public Markets Investor Relations

Key Themes for the Day

Market Leader

ARCC is a market leading BDC sponsored by a global leader in direct lending

Flexible Strategy Drives Returns

ARCC's flexible capital investing strategy has led to strong and differentiated performance for our investors

Attractive Market & Positioning

The fundamental drivers and growth in our addressable market position us to build upon our long-term performance track record through cycles

Future Positioning

By leveraging the strengths of our team, portfolio, processes and funding, we believe we are well prepared to navigate changing market conditions and economic conditions

As of March 31, 2024, unless otherwise stated. Forward looking statements are not reliable indicators of future events, and actual results may vary from such forward looking statements. There is no assurance that such results will be achieved or sustained as expected or at all. Please refer to the Important Notice for cautionary factors about forward-looking statements and the endnotes for additional important information.

Key Accomplishments Since 2022 Analyst Day

With an experienced team and consistent approach, we have further strengthened our positioning and performance since 2022

ARCC's Performance Since 2022

$2.39
Record LTM Core EPS[2]

$19.53
Record NAV/share

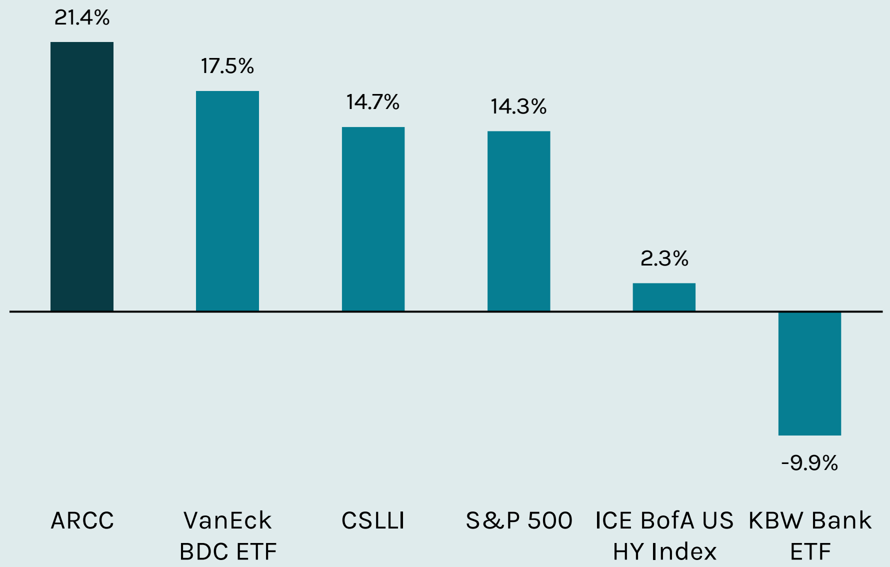
125%
LTM Dividend Coverage

20%
Increase in LTM Core EPS[1,2]

580bps
Premium NAV/share Growth vs. BDC Peers[3*]

14%
Increase in Regular Quarterly Dividends[1]

Cumulative Total Return Since 2022[1]



ARCC's Core Earnings and NAV/share Continue to Reach New Records

Healthy 10% Dividend Well Covered by Core Earnings[4]

ARCC Has Delivered Outsized Stock Returns Since 2022[1]

ARCC Delivered a 710 bps Premium to the S&P 500 Over the Past 2 Years[1]

Note: As of March 31, 2024, unless otherwise stated. Past performance is not indicative of future results. Please see the Important Notice and notes at the end of this presentation for additional important information. Core Earnings is a non-GAAP measure. See Endnotes - Reconciliations of GAAP Net Income to Core Earnings for further information. *Peers include: BBDC, BCSF, BKCC, BXSL, CGBD, CION, FSK, GBDC, GSBD, HTGC, MAIN, MFIC, NMFC, OBDC, OCSL, PFLT, PNNT, PSEC, SLRC, TCPC, and TSLX. From March 31, 2022 to December 31, 2023 as not all BDC peers reported their Q1-24 earnings results as of May 5, 2024.

1:15	**Welcome Remarks**	John Stilmar
Overview & Market Update		
1:20	**Ares Management Update & Benefits to ARCC**	Michael Arougheti
1:30	**Ares Credit & Direct Lending Platform**	Kipp deVeer
1:40	**Market Overview & Merits of Asset Class**	Mitch Goldstein & Jim Miller
ARCC Strategy Update		
1:55	**Key Elements to Our Investment Strategy**	Kort Schnabel
2:10	**Differentiated Sourcing**	Jana Markowicz (Moderator), Mark Affolter, Shelly Cleary, Doug Dieter, Andrew Kenzie
2:30	**Portfolio Management Drives Differentiated Outcomes**	Michael Dieber, Phil LeRoy, Adam Ferrarini
2:45	**Our Results Across Various Asset Classes**	Kort Schnabel
Balance Sheet Management & Performance		
2:55	**Balance Sheet & Capital Management**	Scott Lem
3:05	**Performance, Outlook & Conclusion**	Kipp deVeer
3:20	**Q&A**	Kipp deVeer, Scott Lem & John Stilmar

Ares Management Update & Benefits to ARCC

Michael Arougheti

Director, Co-Founder, Chief Executive Officer and President of Ares
Chairman of Ares Capital Corporation

Ares Overview

With approximately $428 billion of AUM, Ares Management is a leading global alternative investment manager

Complementary Businesses | Q1 2024 AUM

Credit	$308.6N
Real Assets	$64.1BN
Private Equity	$24.5BN
Secondaries	$25.6BN
Other Businesses	$5.5BN

Global Footprint[1]

~2,900
Employees

35+
Global Offices[1]

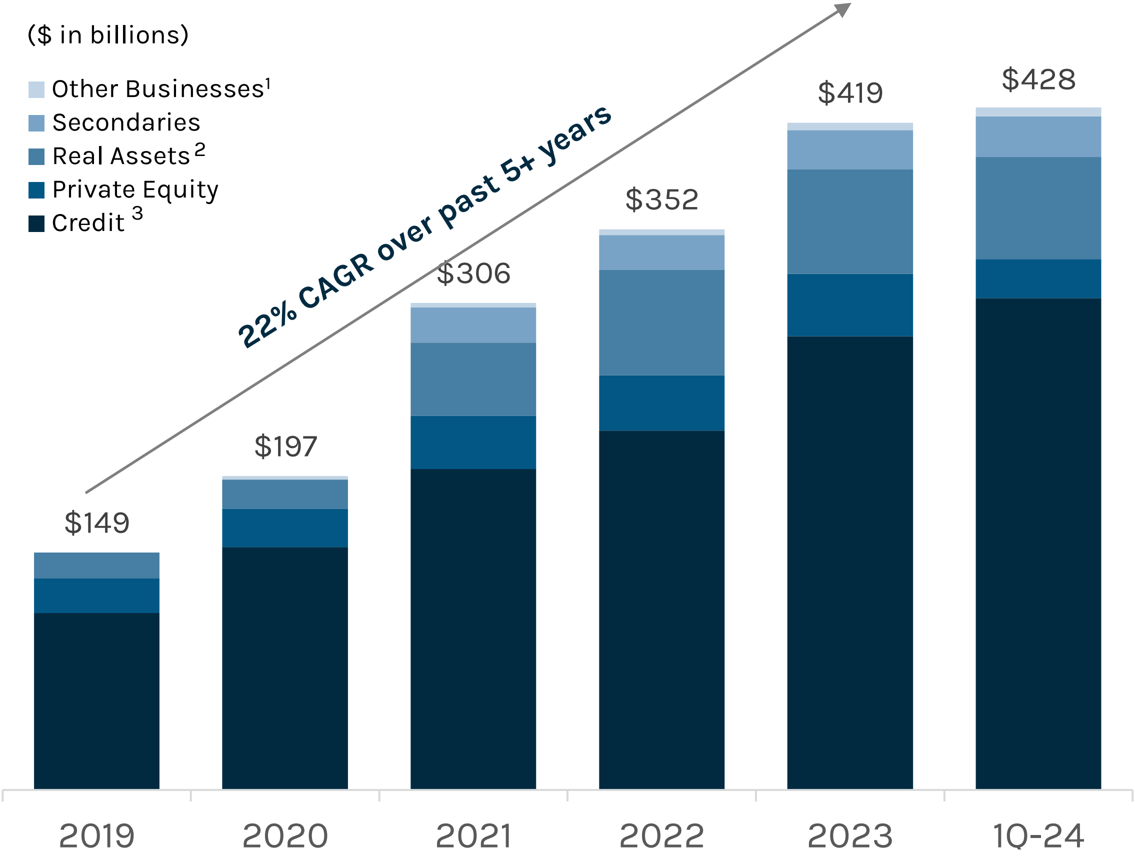
Note: As of March 31, 2024. AUM amounts include funds managed by Ivy Hill Asset Management, L.P., a wholly owned portfolio company of Ares Capital Corporation and registered investment adviser.
Past performance is not indicative of future results.

1. New Delhi office is operated by a third party with whom Ares Asia maintains an ongoing relationship relating to the sourcing, acquisition and/or management of investments.

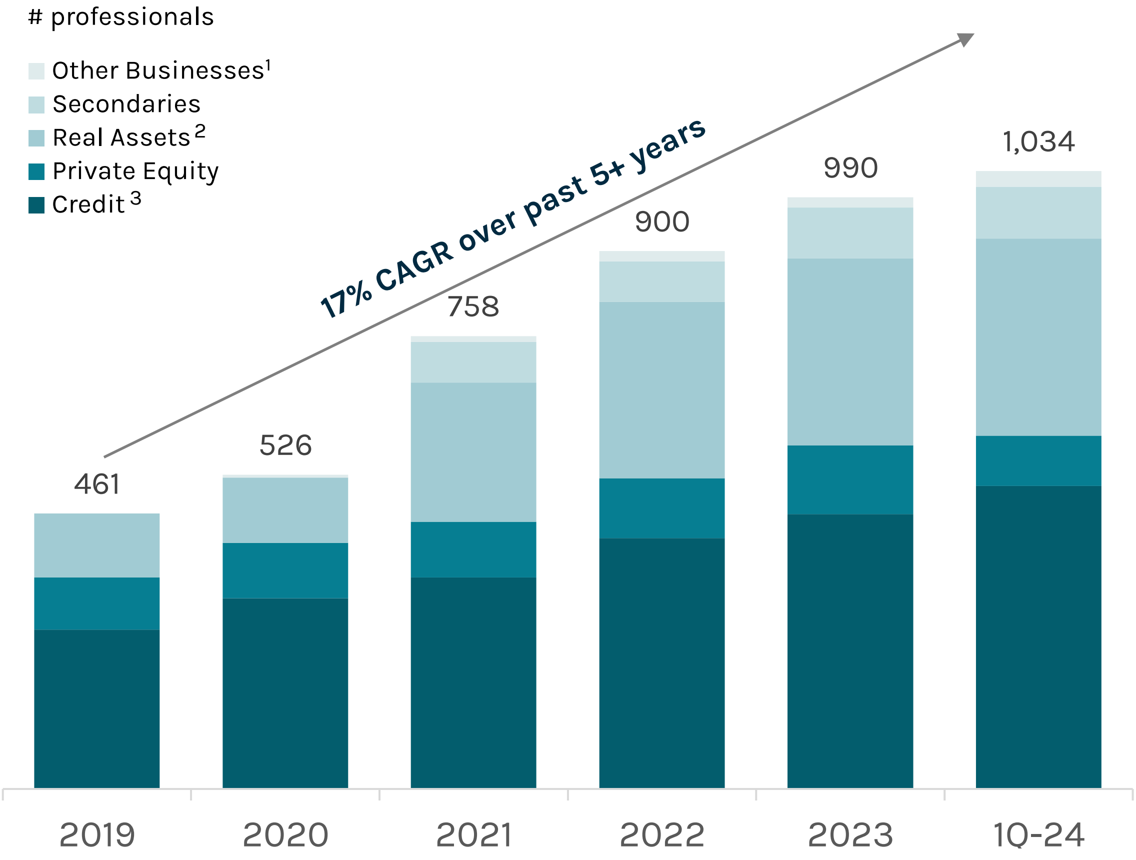
Ares Management's Platform Growth Over Past 5+ Years

As Ares has scaled, it continues to invest in building out its team of investment professionals

Ares Management AUM



Ares Management Investment Professionals

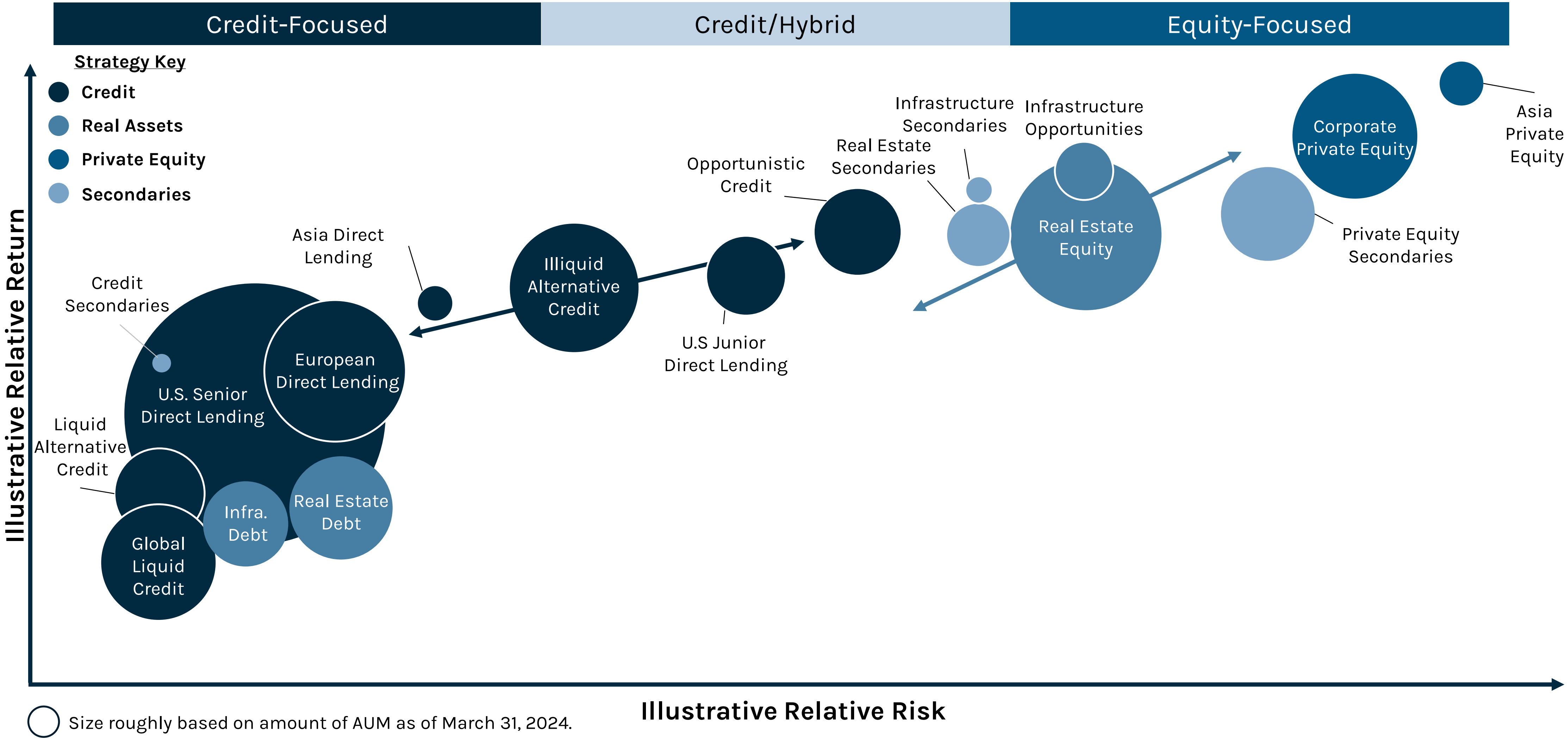


Note: As of March 31, 2024. AUM amounts include funds managed by Ivy Hill Asset Management, L.P., a wholly owned portfolio company of Ares Capital Corporation and a registered investment adviser. Past performance is not indicative of future results. For the years 2020 through 2022, Ares Asia assets were included in Other Businesses.

1. AUM managed by Ares Insurance Solutions excludes assets which are sub-advised by other Ares investment groups or invested in Ares funds and investment vehicles.
2. AUM managed by Real Assets was not inclusive of Infrastructure Opportunities funds until Q4-21, previously this capital sat within Private Equity as reflected in the graph above.
3. In Q1 2024, we moved our Special Opportunities strategy from our Private Equity Group into our Credit Group as Opportunistic Credit. The fund name remains Special Opportunities. Opportunistic Credit has been reclassified and presented within the Credit Group and reflected on a historical basis.

Ares Management Offers a Range of Investment Solutions

Ares Management seeks to generate excess returns through a wide range of investment solutions across the risk spectrum



Note: For illustrative purposes only. Forward looking statements are not reliable indicators of future events, and actual results may vary from such forward looking statements. There is no assurance that such results will be achieved or sustained as expected or at all. Please refer to the Important Notice for cautionary factors about forward-looking statements and the endnotes for additional important information.

Ares Management's Culture Makes Us Different

Principles…

Foster Culture of Collaboration

…Resulting In

Share Best Practices, Hold Frequent Offsites/Town Halls, Cross Pollinate ICs

Invest in our People

Educate, Mentor and Promote from Within

Align Incentives via Compensation Philosophy

Increases Retention and Enhances Collaboration

Work with a Purpose

Created Ares Foundation & Funds with Charitable Tie-Ins

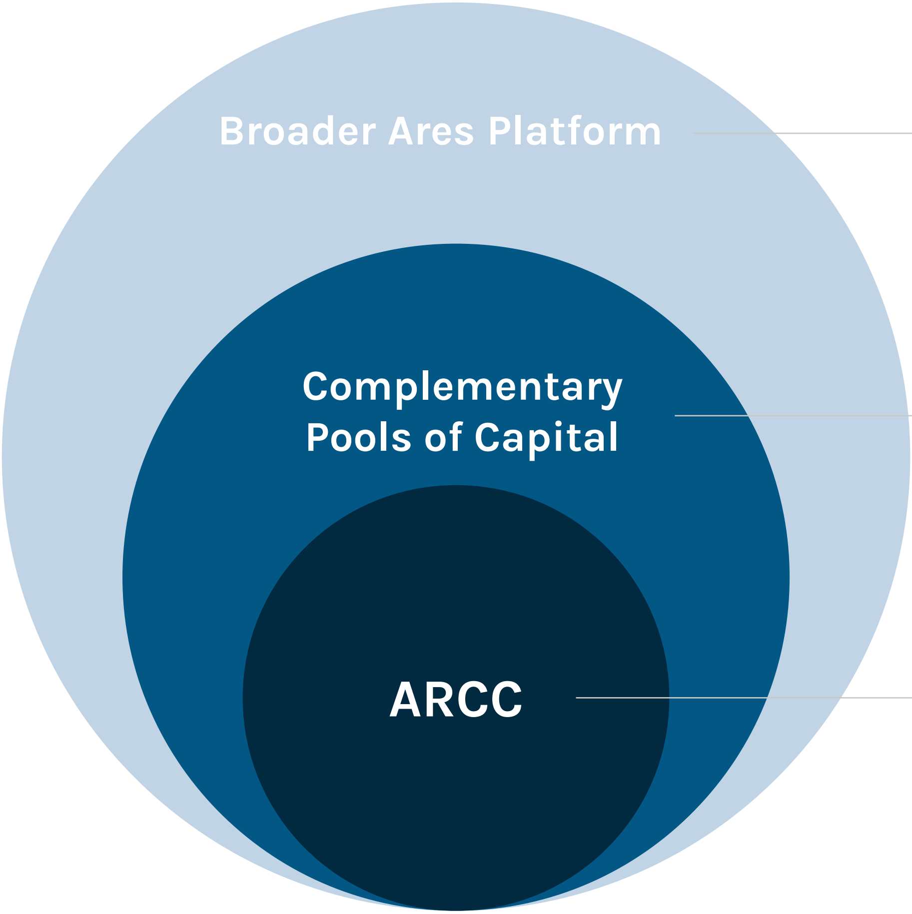
Awards

"Most Honored" Company 2023-2024

Note: The awards/ratings noted herein relate only to selected funds/strategies for the entire or segments of the firm and may not be representative of any client's experience and should not be viewed as indicative of Ares past performance or its funds' future performance. Ares did not pay to participate in any award or selection process.

ARCC Benefits from Ares' Complementary Pools of Capital and Market Insights

Collaboration and market insights across the Ares platform drive our differentiated investing capabilities



Market Insights

- European Direct Lending
- Alternative Credit
- Liquid Credit
- Asia Credit
- Corporate Private Equity
- Real Estate
- Secondaries

Collaboration & Co-investment

- Senior Direct Lending
- Junior Direct Lending
- Sports, Media & Entertainment
- Specialty Healthcare
- Infrastructure & Renewables
- Opportunistic Credit

Flagship U.S. Direct Lending Fund

Flexibility to invest across Ares' U.S. direct lending – senior, junior and diverse industries

Ares Credit and Direct Lending Platform

Kipp deVeer

Director, Partner, Head of Ares Credit Group
Director, Chief Executive Officer of Ares Capital Corporation

Ares Credit Group – Over $300B AUM in Five Global Verticals

With more than two decades of experience, we believe Ares has one of the largest and most diversified credit platforms in the industry

$309bn[1]	500+	~75	3,200+
In Ares Credit Group AUM	Dedicated Investment Professionals	Partners Averaging 25 Years of Experience	Investments Across Ares Credit Group

A Global Leader Across Five Verticals

Direct Lending	Alternative Credit	Liquid Credit	Opportunistic Credit	APAC Credit
$199 bn AUM[1]	$36 bn AUM	$46 bn AUM	$15 bn AUM	$12 bn AUM

25+ Year Track Record of Investing Through Cycles[2]

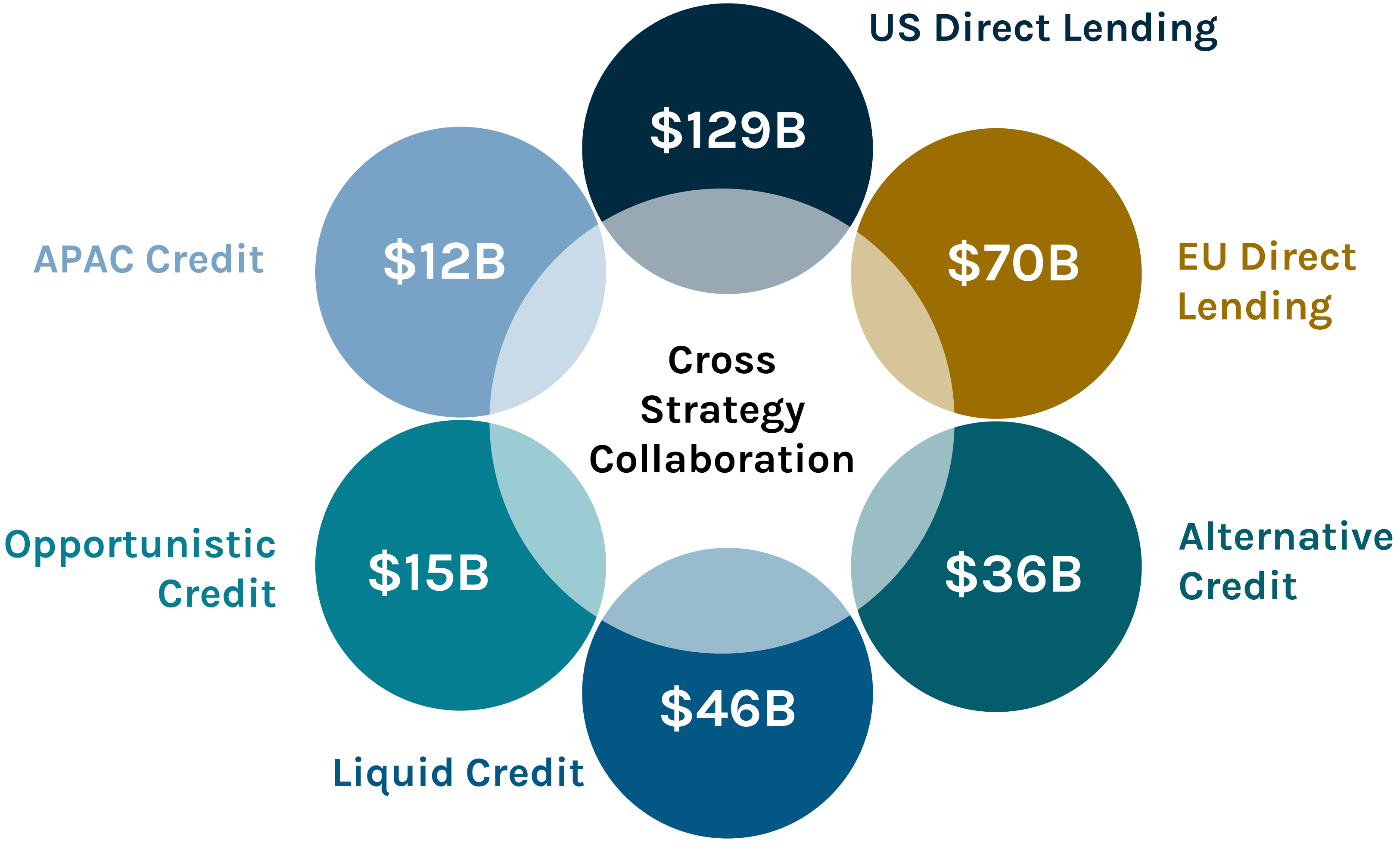
- Global Fund Manager of the Year[3]
- Largest Direct Lender U.S., Europe, APAC[4]
- Responsible Investor of the Year, Americas[5]
- Retail Investor of the Year, Global for Alternative Credit Deal[6]
- Distressed Debt Investor of the Year, N. America[7]
- Top 6 Global CLO Manager[8]

Note: Data as of March 31, 2024, unless otherwise stated. Please see the Important Notice and notes at the end of this presentation for additional important information.

1. AUM amounts include vehicles managed by Ivy Hill Asset Management, L.P., a wholly owned portfolio company of ARCC and a SEC-registered investment adviser ("IHAM").

Integrated Credit Platform Drives Collaboration Across Our Investment Strategies

We believe all our strategies benefit from the sourcing and credit advantages of Ares integrated credit platform

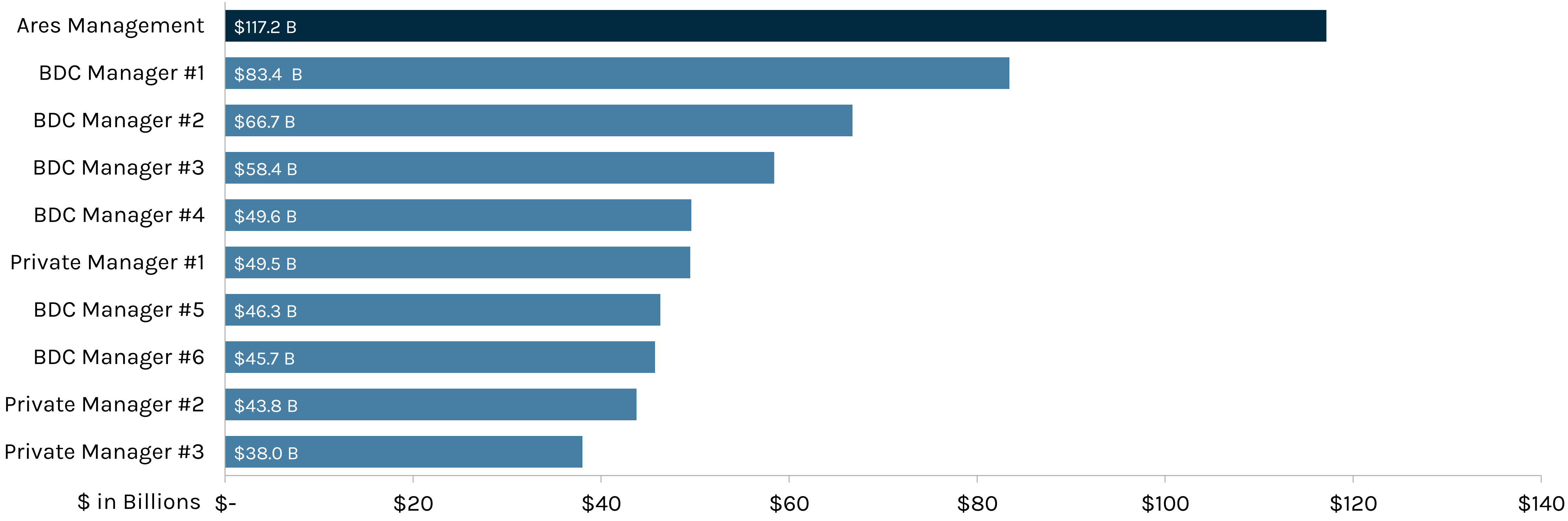


AUM amounts as of March 31, 2024. AUM amounts include vehicles managed by Ivy Hill Asset Management, L.P., a wholly owned portfolio company of ARCC and a SEC-registered investment adviser ("IHAM").

Scale Matters In the Private Markets

Global institutional investors have invested more dollars with Ares' private debt funds than with any of our peers' private debt funds over the past 5 years

Private Debt – Top Institutional Fundraising Globally Over the Last 5 Years – Top 10 Firms



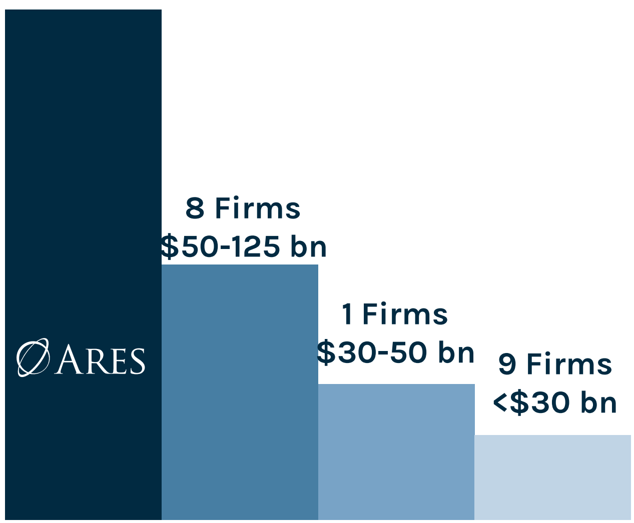
Ares Has Been Named #1 in PDI's Annual Survey Every Year Since 2019

Source: Private Debt Investor, The 2023 PDI 100.

Ares Has a Differentiated and Leading Position in the Global Direct Lending Market

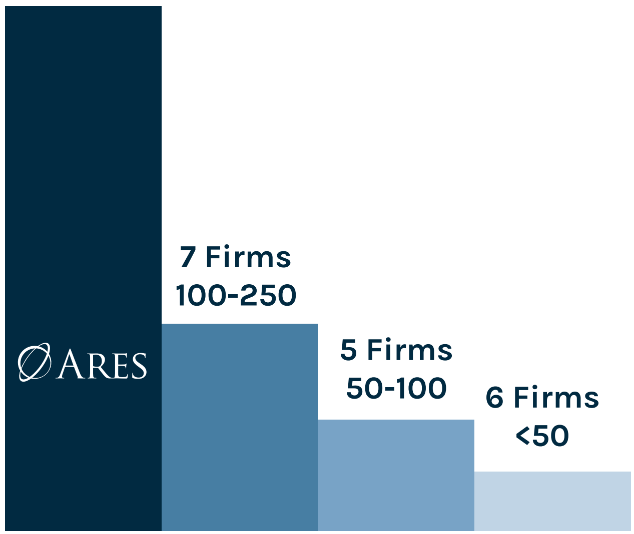
Our Market Position

$190 bn+ of Global Direct Lending AUM[1]



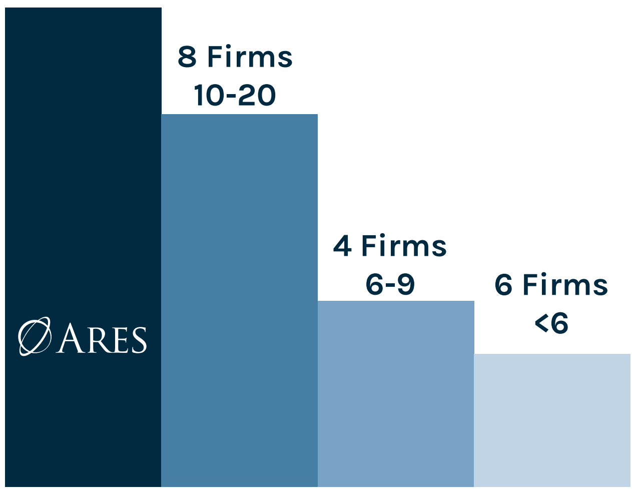
Global Direct Lending AUM

340+ Investment Professionals[1]



Investment Professionals

24 Originating Offices[1]



Originating Offices

Ares has one of the largest and most established direct lending platforms with flexible capital globally

As of December 31, 2023. Based on Ares observations of the market, competitor universe represents most relevant Ares competitors and is not fully representative of all global direct lending firms.

1. Analysis includes Ares Capital Corporation (“ARCC”), Ares’ U.S. direct lending funds and SMAs, Ares’ European direct lending funds and SMAs, and Ares SSG Special Situations funds and Secured Lending funds.

Largest U.S. Direct Lending Platform

$129B AUM

- Public BDC & Affiliates[1]
- Perpetual Private Strategies
- Senior Loan Strategies
- Junior Capital Strategies
- Specialty Strategies
- SMA & Other

Large complementary pools of capital support ARCC

Invested Capital Since Inception[2]	Sponsor Relationships
$142B	~620
Portfolio Companies	**Transactions Completed**
525+	2,100+

#1 manager in U.S. Direct Lending ranked by AUM and fundraising[3,4]

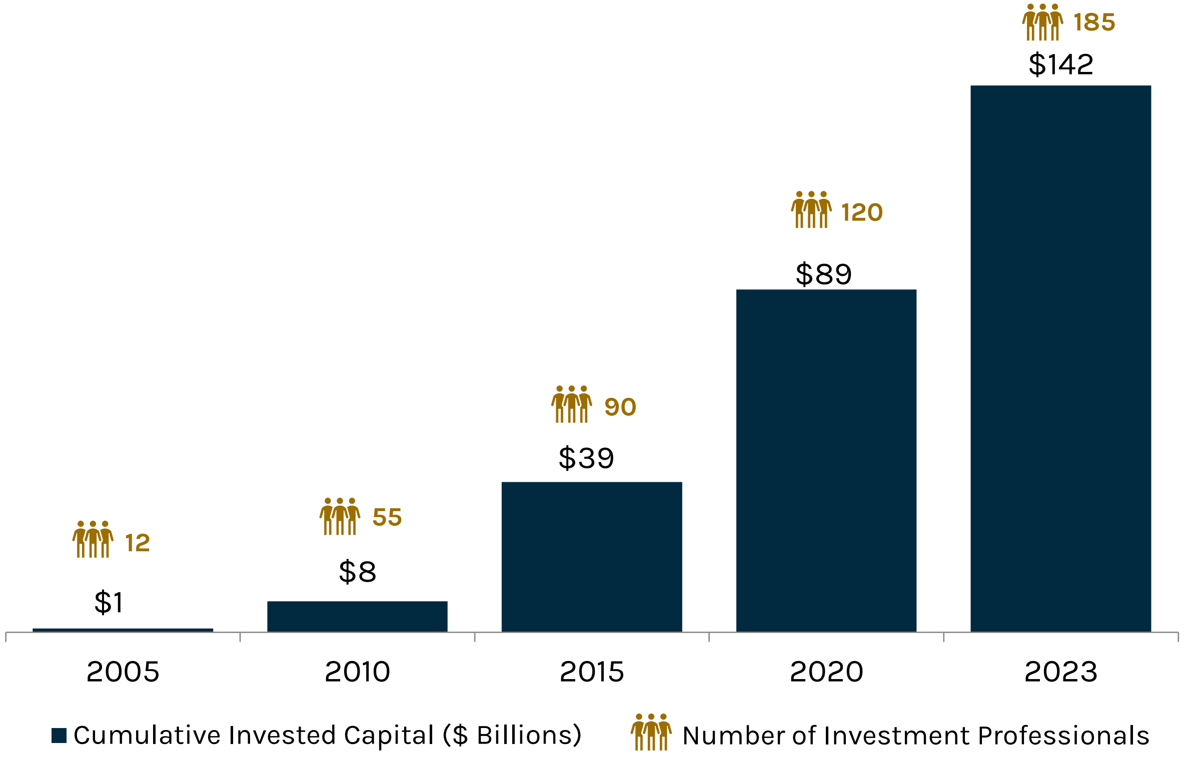
As of March 31, 2024, unless otherwise stated. $ in billions. AUM amounts include vehicles managed by Ivy Hill Asset Management, L.P., a wholly owned portfolio company of ARCC and a SEC-registered investment adviser ("IHAM"). Please see the Important Notice and notes at the end of this presentation for additional important information.

A Differentiated Team Has Supported the Success of Ares U.S. Direct Lending

Ares has invested in its team, culture and resources alongside its growing invested capital

Our Scaled Platform

Cumulative Invested Capital Since Inception & Number of Investment Professionals[1]



Large and Experienced Team

Tenure & Consistency Contribute to a Strong Credit Culture

~185
Investment Professionals
Largest U.S. Direct Lending investment team

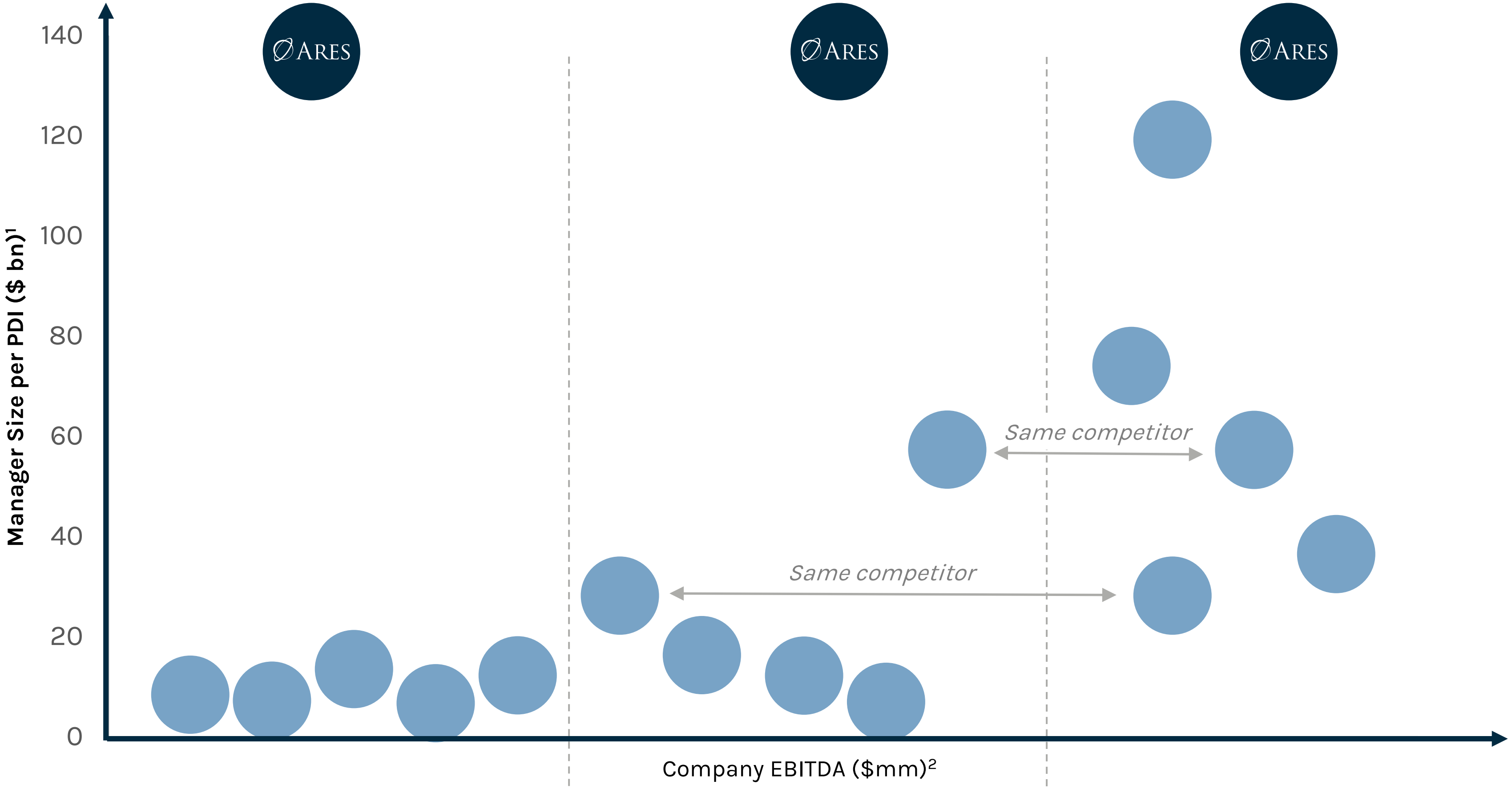
300+
Team Members[2]
Dedicated exclusively to Ares U.S. Direct Lending

29
Years Average Experience
Of Ares U.S. Direct Lending Investment Committee Members

10+
Years Average Tenure
Of 65 Senior Investment Professionals (Principal, MDs, Partners)

As of December 31, 2023, unless noted otherwise. Please see the Important Notice and notes at the end of this presentation for additional important information.

Ares Has Comprehensive U.S. Direct Lending Market Coverage



Lower Middle Market	Middle Market	Upper Middle Market
Highly fragmented with the largest competitor in the lower middle market being less than ~1/4 the size of Ares	Of the five most active competitors in the middle market, only one other manager is ranked a top 10 Manager[1]	Beyond the five active competitors identified, there are several competitors that episodically participate with only one ranking as having capital >$75 billion

Chart Legend

- ARES
- 5 most active competitors in the lower middle market, middle market and upper middle market, respectively

Key Highlights

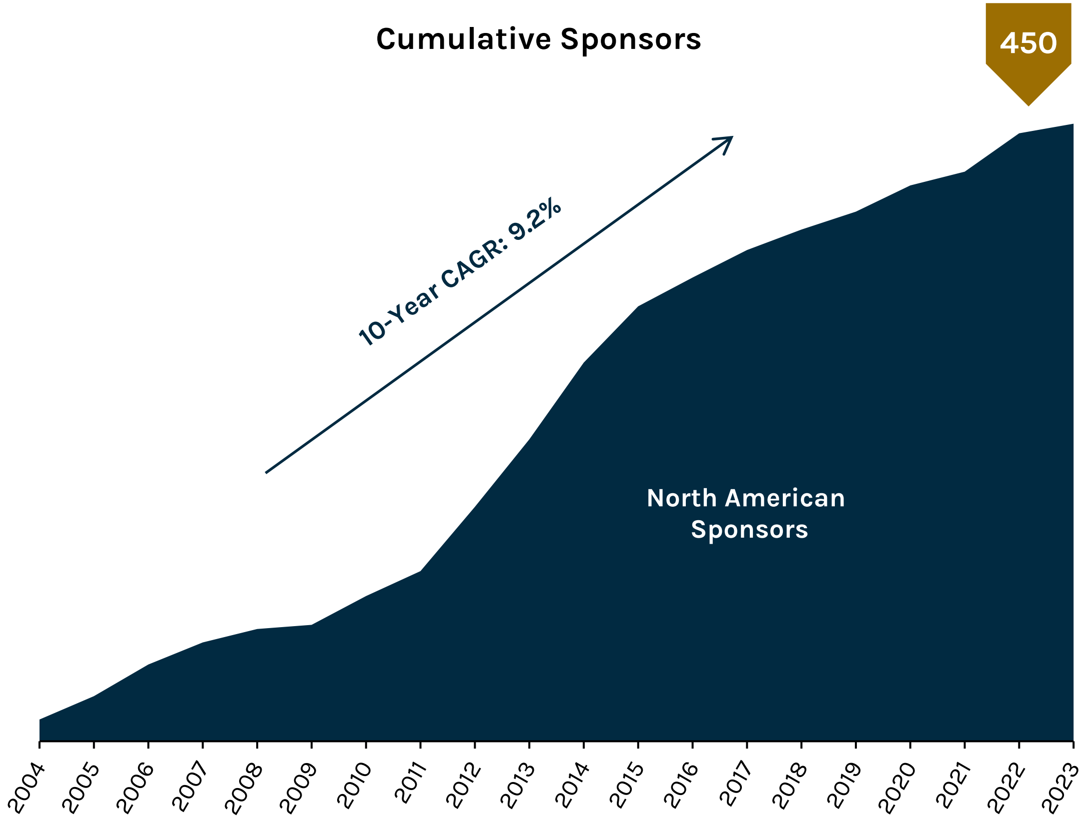
- Ares is the largest U.S. DL manager and only one active in all segments of the middle market[1]
- The upper middle market is concentrated with a small group of active DL managers that mostly focus on this segment
- Ares is the only top 10 manager to focus on the middle and lower middle markets, which provides significant scale advantages

1. Determined as the sum of (i) the aggregate level of capital raised per Private Debt Investor "PDI 200" and (ii) total asset value per Private Debt Investor "BDC Manager Rankings" as of December 2023.
2. Company EBITDA ranges are $0-$25mm for the lower middle market, $25-$75mm for the middle market and $75+ mm for the upper middle market.

Extensive Sponsor and Company Relationships

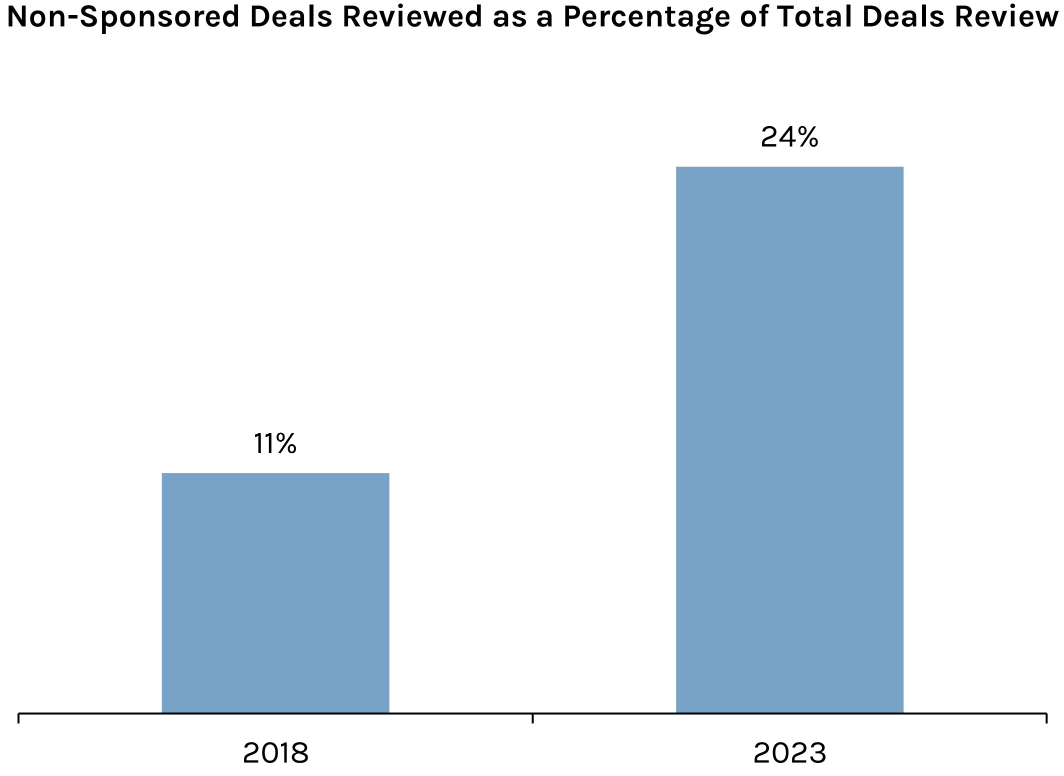
Growth in Sponsor Relationships

We have closed at least 1 investment with 450 financial sponsors



Increase in Non-Sponsored Activity

The percentage of non-sponsored deals reviewed has more than doubled since 2018



Ares’ Focus on Specialized Industry Verticals Provides Further Differentiation

Ares continues to invest in innovation and further strengthening credit acumen through industry specialization

Ares U.S. Direct Lending Specialized Industries

- Software
- Financial Services
- Industrial & Business Services
- Specialty Healthcare
- Infrastructure & Power
- Energy
- Sports, Media & Entertainment
- Consumer

Merits of Industry Specialization

- Deal flow from large and growing markets supported by industry tailwinds
- Diverse underlying sub-sector exposure
- Industry experience enhances credit decisions and can command enhanced terms and pricing
- Supports expansion further into non-sponsored transactions with higher barriers to entry

As of December 31, 2023, unless noted otherwise.

Ares' Differentiated Investment Track Record

Ares Senior U.S. Direct Lending

$51bn

Realized investments across 1,123 transactions[1]

~485 bps

Annual Premium on Realized Investments vs. Leveraged Loan Index Since Inception[3]

Ares Junior U.S. Direct Lending

$14bn

Realized investments across 311 transactions[2]

~495 bps

Annual Premium on Realized Investments vs. High Yield Index Since Inception[3]

Ares has a ~20 year track record of generating premium investment returns

As of December 31, 2023, unless otherwise noted. Past performance is not indicative of future results. Please see the Important Notice and notes at the end of this presentation for additional important information.

Market Overview & Merits of Asset Class

Mitch Goldstein
Partner and Co-Head of the Ares Credit Group
Co-President of Ares Capital Corporation

Jim Miller
Partner, Co-Head of Ares U.S. Direct Lending

Market Overview & Merits of Asset Class

ARCC invests in a large and growing addressable market that is experiencing secular growth

$5.4 Trillion Total Addressable Market[1] with Significant Growth Drivers

Growth of Direct Lending Supported by Reliability of Capital and Performance

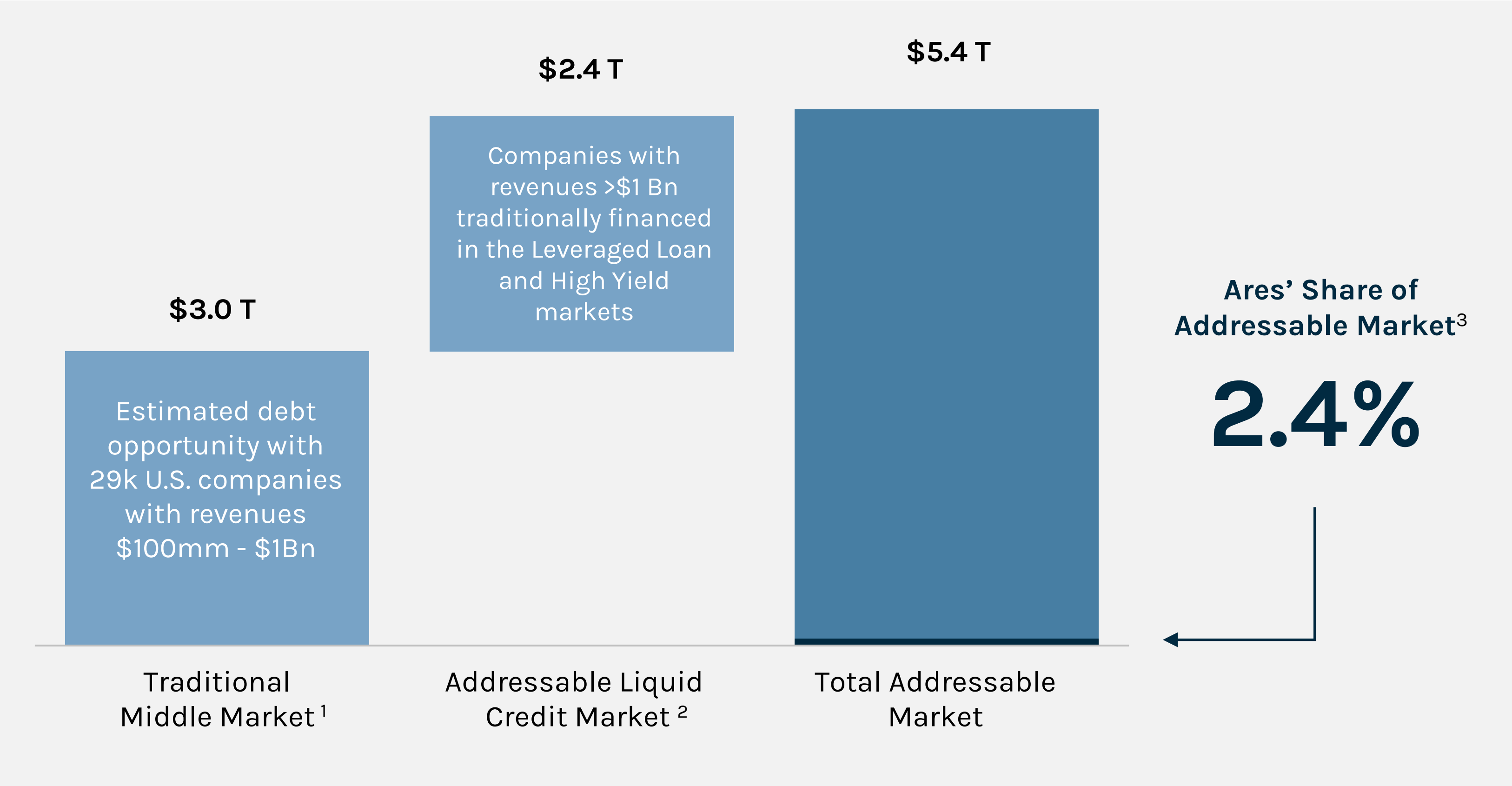
Current Market Environment for Direct Lending Remains Attractive

As of December 31, 2023. Please see the Important Notice and notes at the end of this presentation for additional important information.

1. Refer to slide “Large Addressable Market for Direct Lending & Significant Growth Opportunity” and related notes for more detailed information regarding the total addressable market.

Large Addressable Market for Direct Lending & Significant Growth Opportunity

Ares U.S. Direct Lending – Estimated Total Addressable Market (TAM) of $5.4 Trillion[1,2]



The addressable market for U.S. direct lending now spans the traditional middle market opportunity and the addressable liquid credit market

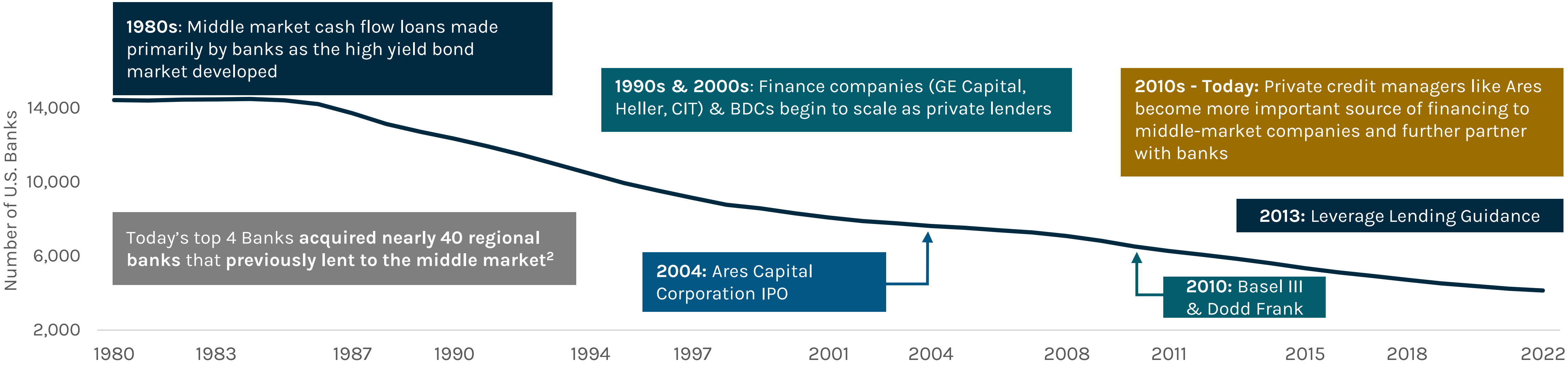
We estimate a $5.4 Trillion total addressable market for U.S. direct lending[1,2]

Ares' share of the estimated total addressable market is only 2.4% illustrating an expansive future opportunity[1,2,3]

As of December 31, 2023, unless otherwise stated. Please see the Important Notice and notes at the end of this presentation for additional important information.

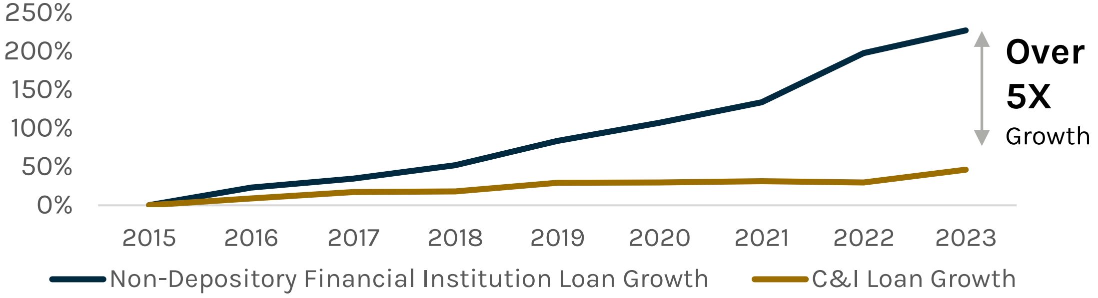
Secular Shift From Banks Over 40 Years Underscores Demand for Direct Lending

Bank Consolidation Has Meaningfully Reduced the Number of Banks[1]



C&I Loans Have Declined Meaningfully as a % of Bank Balance Sheets[3]

Banks are Increasingly Lending To Non-Banks (including Private Credit Managers) at 5x the Rate They Are Growing C&I Loans[3]

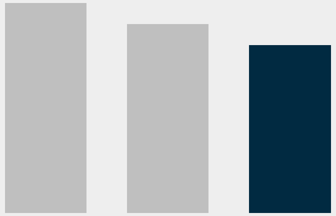


As of December 31, 2023, unless otherwise stated. Please see the Important Notice and notes at the end of this presentation for additional important information.

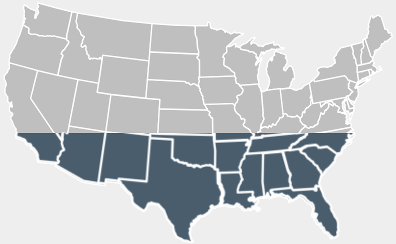
Direct Lending Opportunity Underpinned by Strong and Vibrant Middle Market

Defining the U.S. Middle Market

3rd Largest
Global Economy[1,2]



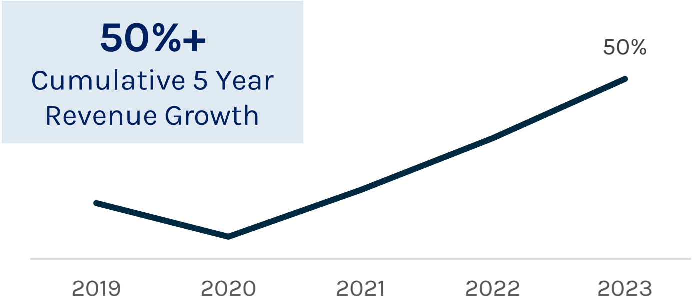
Nearly 33%
of Private Sector GDP[3]



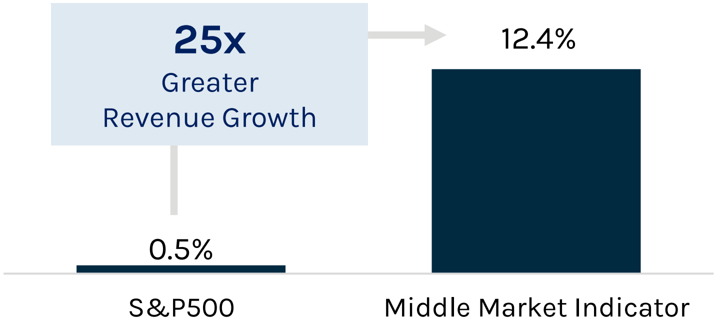
40MM
U.S. Jobs[1]

Strong Industry Fundamentals

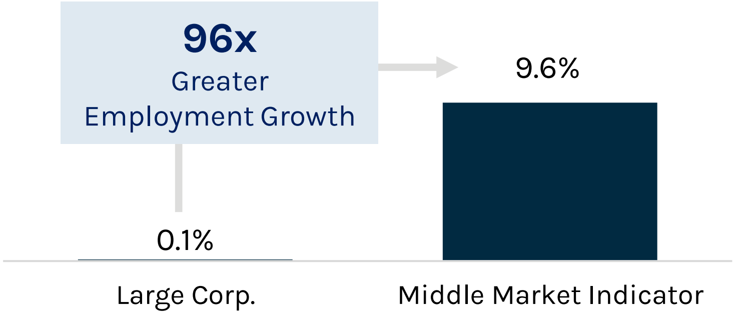
Middle Market Revenue Growth Over the Last Five Years[3]



Q4'23 Middle Market Revenue Growth vs. S&P 500[3]



Q4'23 Middle Market Employment Growth vs. Large Corps.[3]



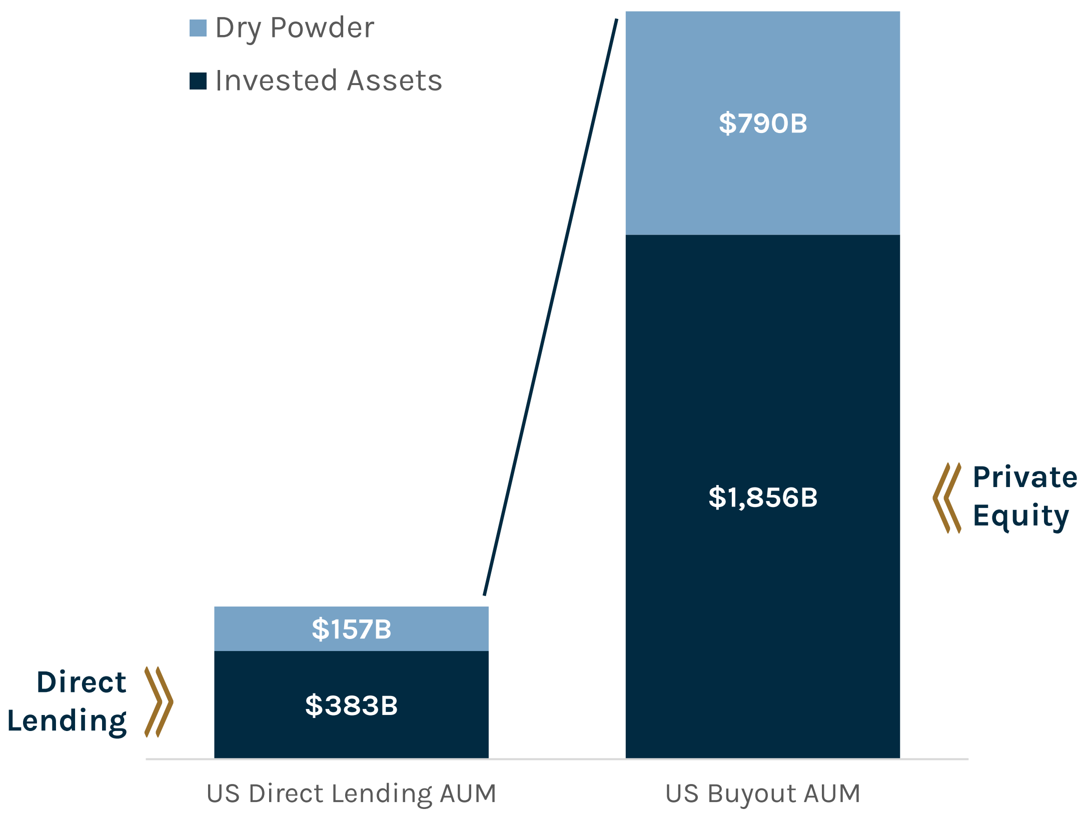
As of December 31, 2023, unless otherwise stated. Please see the Important Notice and notes at the end of this presentation for additional important information.

Sponsor Demand Expected to Support the Growth of Direct Lending

Despite significant fundraising in Direct Lending, its AUM and dry powder remains a fraction of PE buyout dry powder

US Direct Lending vs. Buyout[1]

Private AUM Tracked by Preqin



US Direct Lending AUM is about

20%

of US Private Equity AUM

US Direct Lending Dry Powder is about

20%

of US Private Equity AUM

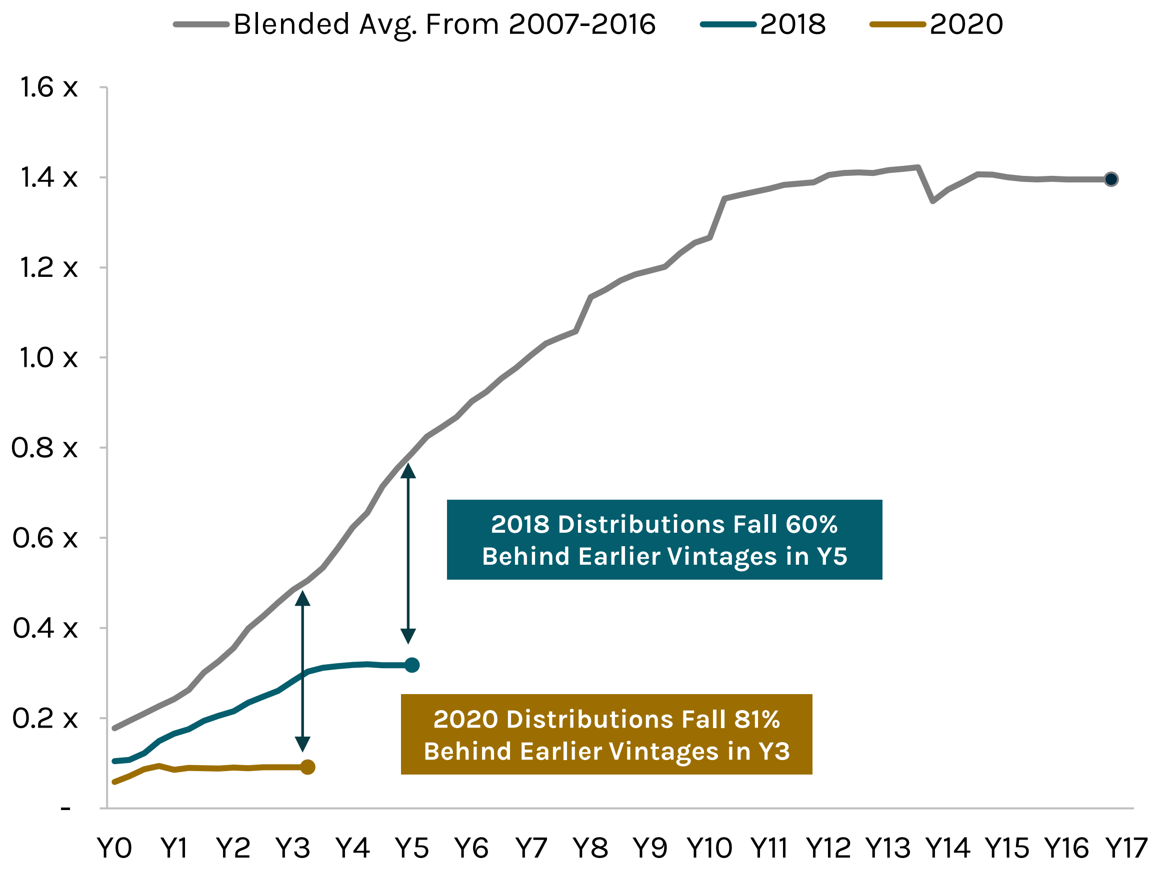
Assuming a 40% loan to value,
Direct Lending AUM could more than double
before fully addressing the current
Private Equity opportunity

1. Source: Preqin data as of September 2023.

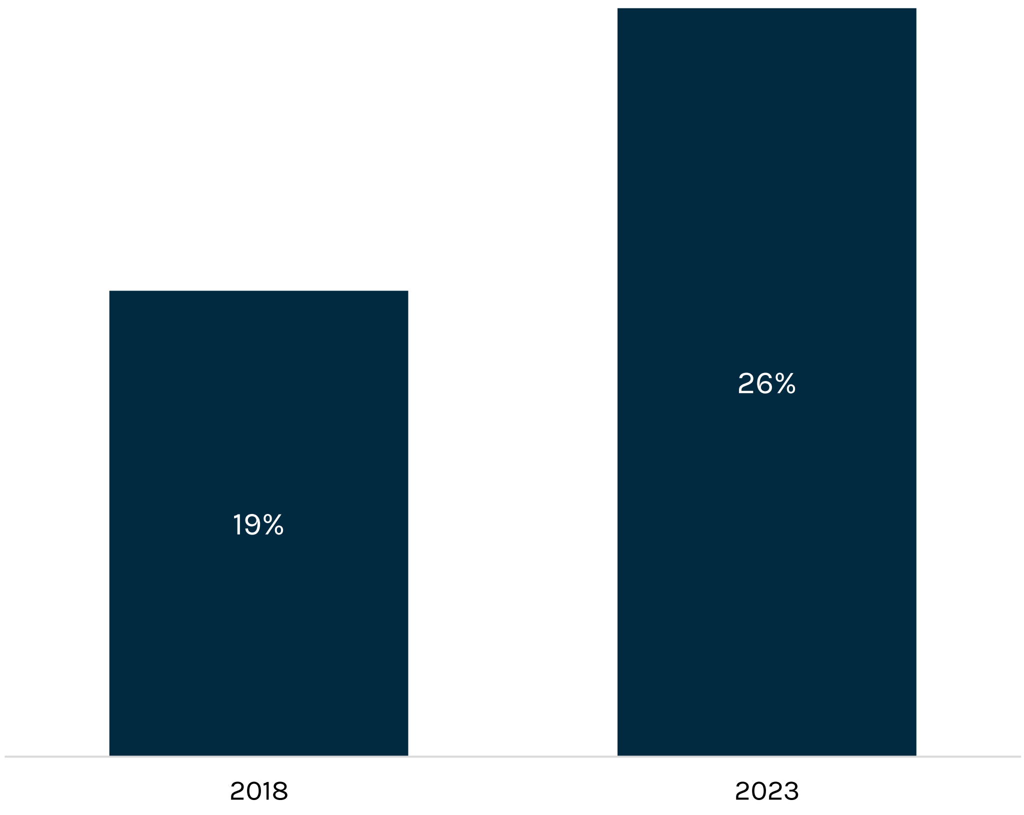
Private Equity Dynamics Likely to Support Increased Transaction Activity

We expect an increase in transaction activity driven by pressure from LPs to increase lagging distributions and sponsors' desire to utilize aging dry powder

Global Buyout Average Distributions to Paid-In Capital (DPI)[1]



Global Buyout Dry Powder Aged 4+ Years[2]



1. Source: 2023 Goldman Sachs Investment Banking, "Observations on Private Equity Cash Flow Trends". DPI represents total LP distributions as a multiple of capital paid in by LPs. Information as of December 2023.
2. Preqin. 2023 data as of June 30, 2023.

Borrower Acceptance Has Expanded the Direct Lending Opportunity

Borrowers continue to see the benefits of direct lending, which has led to greater acceptance among borrowers who traditionally access the broadly syndicated market

Pre-Transaction

Execution Certainty

Direct lenders are **fully committed at signing**, while broadly syndicated financings are market dependent

Market Access

Available in varying market conditions vs. periodic liquidity constraints in the broadly syndicated market

Pricing Certainty

Final pricing and terms are **agreed upon at signing**, vs. "flex" rights in broadly syndicated transactions

Confidentiality

Typically, **bilateral or small clubs** vs. broad lender groups and rating agencies in the broadly syndicated market

Post-Execution

Partnership

Borrowers know their lender, which facilitates **strong, valuable partnerships among** borrowers and lenders

Follow-On Capital

Flexible capital and strong relationships can facilitate **more seamless future transactions**

Secondary Trading

Direct lenders typically **hold loans to maturity**/repayment, limiting turnover and risks to attracting adversarial participants

Amendments

Long-term relationships and frequent dialogue with known lenders incentivize more **constructive negotiations**

Returns for Direct Loans Have Exceeded Bank Loans and other Credit Assets

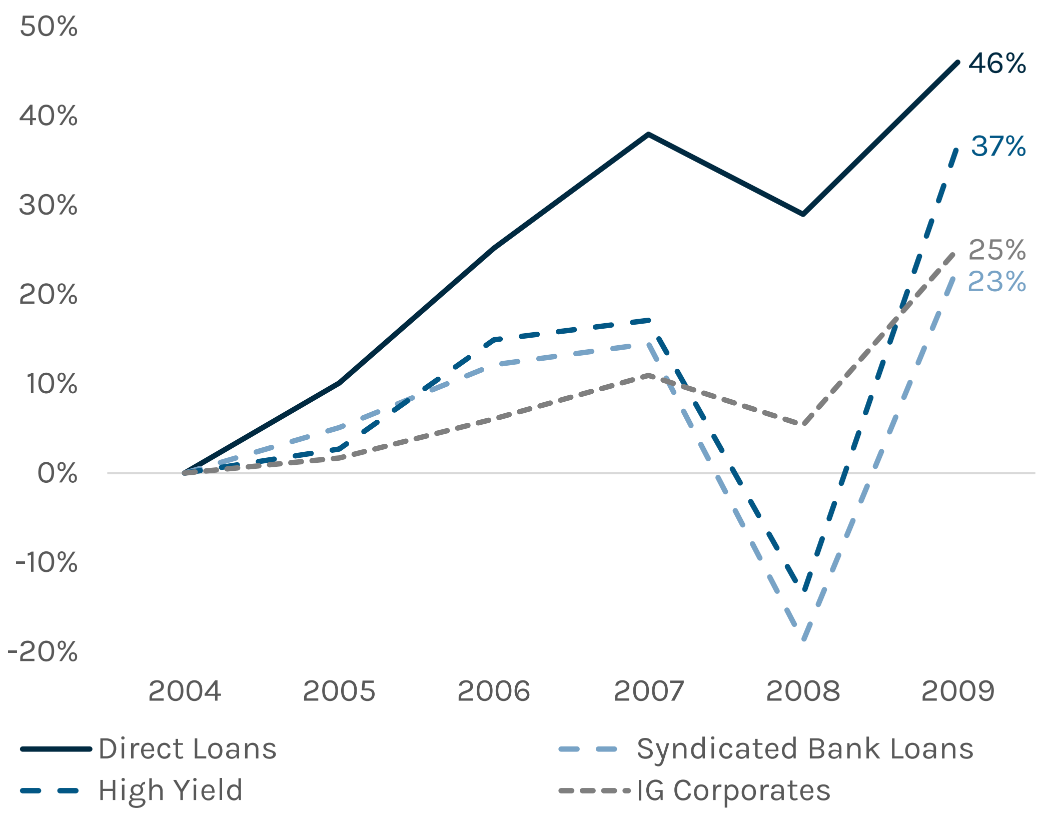
Total Annualized Net Returns Since Inception (2005-2023)[1]	Index	Credit Loss / Charge Off Rates Since Inception (2005-2023)[1]
9.45%	Cliffwater Direct Lending Index	1.02%
6.35%	Bloomberg High Yield Index	1.48%
4.82%	Morningstar LSTA U.S. Leveraged Loan Index	0.94%

As of December 31, 2023, unless otherwise stated. Please see the Important Notice and notes at the end of this presentation for additional important information.

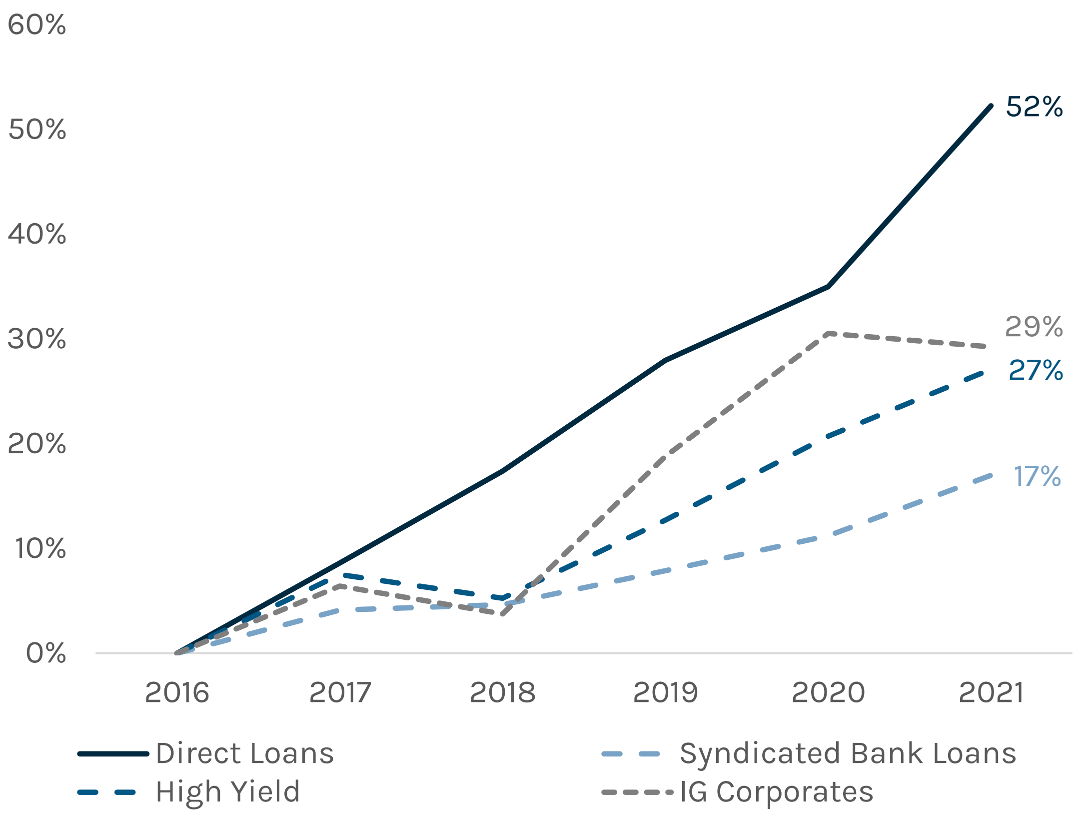
Direct Loans Have Provided Strong and Stable Returns During Periods of Volatility

Direct Loans have outperformed investment grade bonds, high yield bonds and bank loans through the past two credit cycles of: (1) Rising Rates, (2) Recession, and (3) Recovery

Cumulative Returns: 2005-2009[1]



Cumulative Returns: 2017-2021[1]



Please see the Important Notice and notes at the end of this presentation for additional important information.

What is Happening Today?

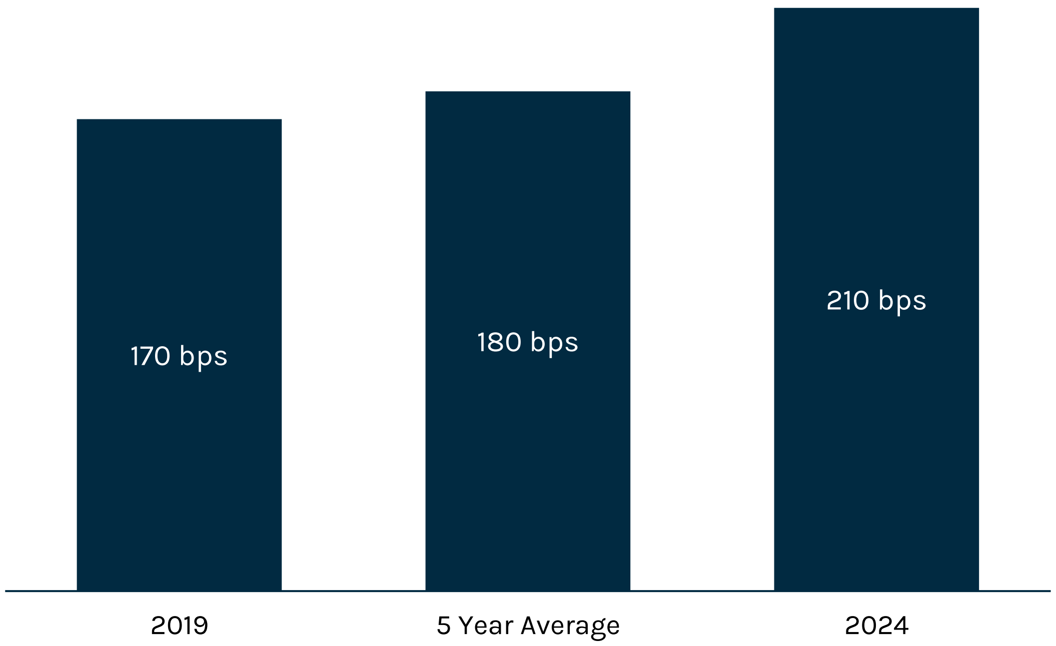
	1	2	3
Broad Market Trend	**+4.2x** Increase in Institutional Loan Volumes in Q1-24 YoY[1]	**78%** Increase in U.S. M&A Activity in Q1-24 YoY[2]	**+142%** Increase in Refinancing Activity in Q1-24 YoY[1]
	Syndicated loan markets are strengthening, private credit deal share continues to increase	M&A volumes are increasing, private credit volumes continue to accelerate	Credit spreads have tightened in recent quarters, but overall yields remain elevated
Private Credit Trend	**85%** of LBOs Financed by Private Credit in LTM Q1-24[1]	**+2.0x** Increase in Direct Lending Volume for PE-Backed Borrowers in Q1-24 YoY[1]	**+235 bps** Ares Senior Yield Premium Over the BSL Market (5Y average)[3]

For illustrative purposes only. As of March 31, 2024, unless noted otherwise. Please refer to Endnotes for additional important information.

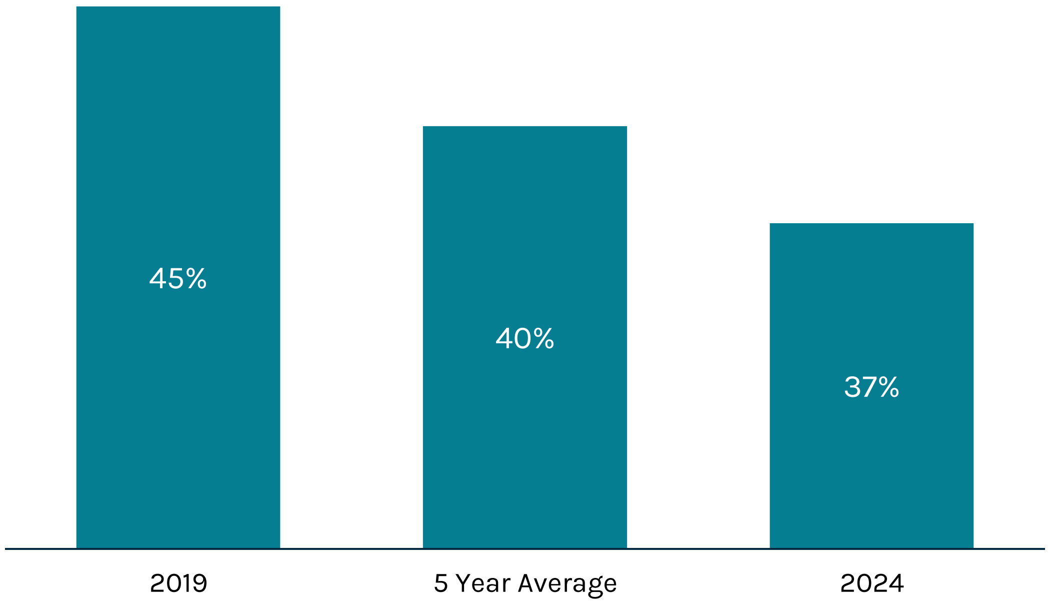
We are Finding Attractive Investment Opportunities in Today’s Market

ARCC’s new investments in 2024 have generally had higher risk-adjusted yields and lower LTVs than previous years

Yield Per Unit of Leverage[1] On New Investments



Loan To Value at Closing On New Investments



As of March 31, 2024, unless otherwise noted.
1. Calculated as the spread on new investments divided by the average leverage of the investments originated in each respective period. Yield may not be representative of return.

Key Elements of Our Investment Strategy

Kort Schnabel
Partner, Co-Head of Ares U.S. Direct Lending
Co-President of Ares Capital Corporation

Key Elements of Our Investment Strategy

1 **Origination Scale & Selectivity**

2 **Broad Market Coverage**

3 **Experienced Team**

4 **Incumbency**

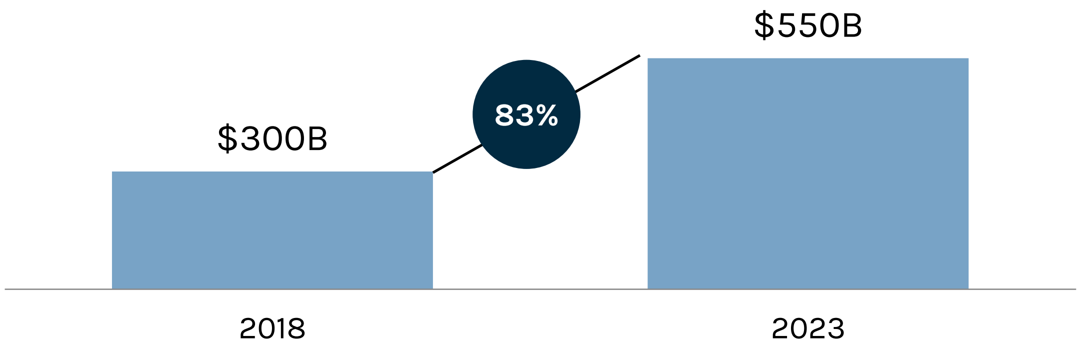
5 **Flexibility & Product Breadth**

6 **Portfolio Construction**

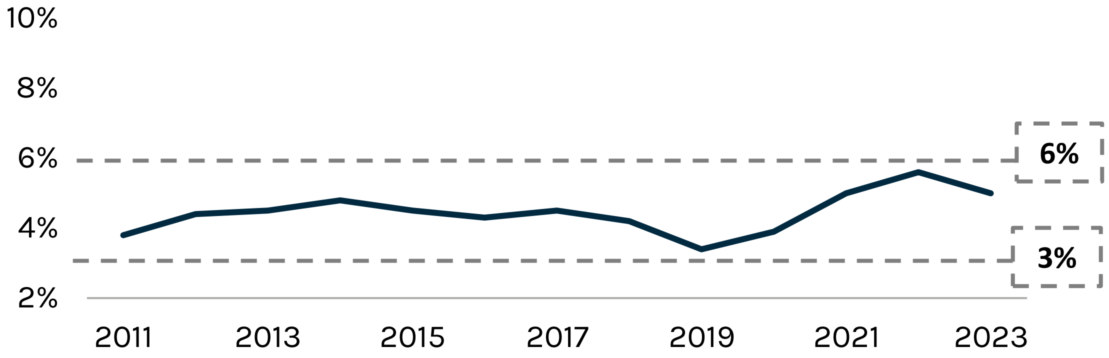
We believe these elements drive consistent performance and attractive total returns across market cycles

Scaled Origination Drives Selectivity

Value of U.S. Direct Lending Deals Reviewed by ARCC[1]



ARCC's Closing Rates on Transactions Remain ~5%



We Look for Companies with Attractive Underlying Fundamentals

- Resilient Industries
- Market Leadership
- Experienced Management Team
- Strong Equity Backing

Key Observations

- ~37,000 Investment opportunities reviewed since inception[2]
- ~620 Sponsors under coverage[3]
- ~450 Sponsors have closed at least 1 transaction with us[3]

As of December 31, 2023, unless otherwise noted. Please see the Important Notice and notes at the end of this presentation for additional important information.

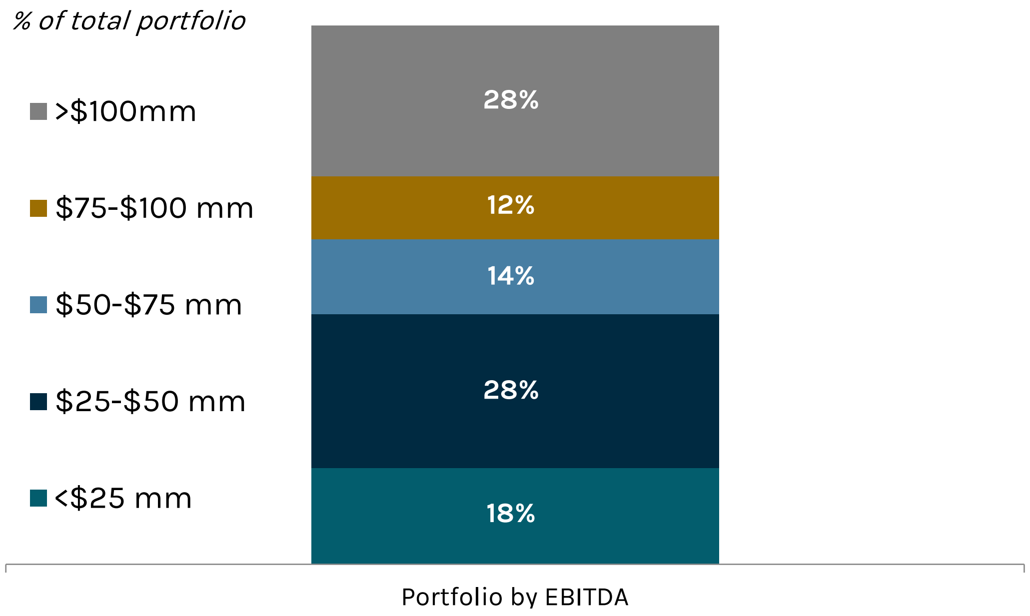
Origination Across the Company Size Spectrum

Flexibility across the size spectrum allows us to invest where we are seeing attractive risk-adjusted return opportunities

Ability to Invest Across the Market

Distribution of Originations by Borrower EBITDA Range[1]

5 Year Average



$80 million

Current Median Portfolio Company EBITDA[2]

60%

Originations with EBITDA <$75mm Over Last 5 Years[1,2]

As of December 31, 2023, unless otherwise noted. Based on ARCC's originations. Please see the Important Notice and notes at the end of this presentation for additional important information.

Ares Is One Of The Only Direct Lenders With An Investing History Since 2004

Long-Tenured U.S. Direct Lending Committee

Partners	Years of Industry Experience	Years with Ares
Mark Affolter	34	16
Michael Arougheti	30	19
Kipp deVeer	28	19
Michael Dieber	37	16
Mitch Goldstein	29	18
Jim Miller	24	17
Kort Schnabel	25	22
Michael Smith	28	19
Average	29	18

Deep and Experienced U.S. Direct Lending Team

~185	$142B+
Investment Professionals	Platform Originations Since Inception[1]

Average Across BDC Peer Group[2]

~56	$34B
Investment Professionals	Platform Originations Since Inception

Ares has the one of the largest and most experienced teams[2]

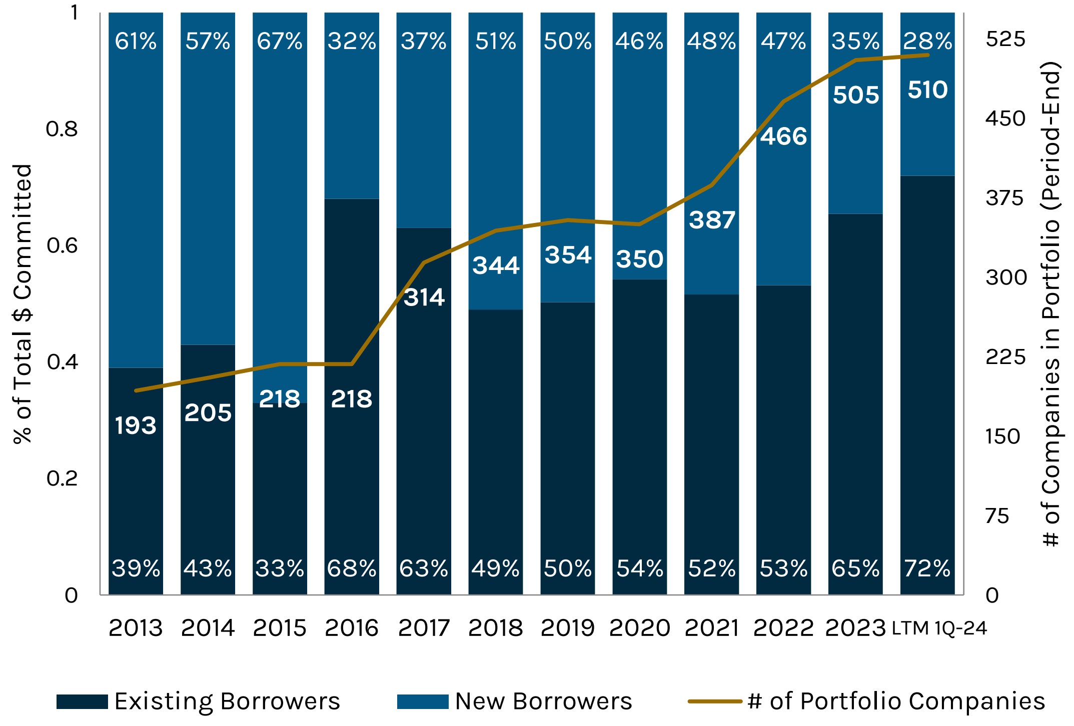
The Scale and Origination Experience of Ares' U.S. Direct Lending Team is Over 3x Greater Than the BDC Peer Group[2]

As of December 31, 2023, unless otherwise noted. Please see the Important Notice and notes at the end of this presentation for additional important information.

Benefits of Incumbency

Our 510 portfolio companies provide significant sourcing and credit advantages

Commitments to Existing vs. New Borrowers



Incumbency Differentiators

FIRST LOOK
at follow-on financings capitalizing on incumbent knowledge

INFORMATION EDGE
gives access to management teams and financial reporting

ORIGINAL TERMS
are often maintained, which can allow for stable pricing with strong governance controls and strong documentation

POTENTIAL FOR GROWTH
with performing companies

AIDS SELECTIVITY
and can help sustain high quality deployment in challenging markets

LAST LOOK
to review deals before the borrower moves forward

We Have Experienced Stronger Relative Credit Performance From Incumbent Companies[1]

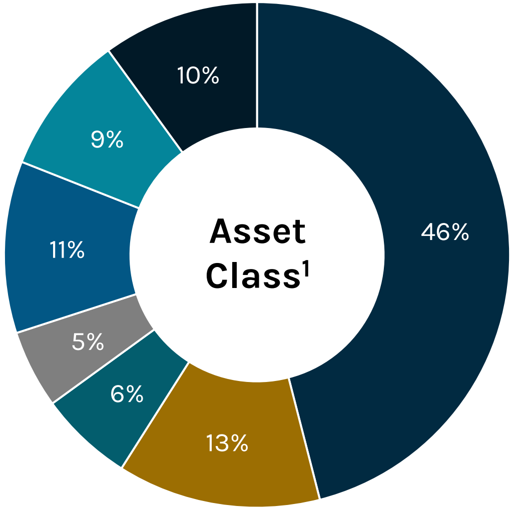
Larger Companies	Higher EBITDA Growth	Stronger Interest Coverage

As of March 31, 2024, unless otherwise noted. All investments involve risks and incumbency differentiators may not outline associated risks of investment.
1) Based on incumbent corporate portfolio companies vs. all corporate portfolio companies as of December 31, 2023.

Flexible Capital Across Diversified Product Offerings

ARCC has demonstrated its ability to be a total solutions provider, which we believe enhances our origination and our relationships with clients

ARCC's Asset Allocation



- First Lien Senior Secured Loans - 46%
- Senior Direct Lending Program - 6%[2]
- Preferred Equity - 11%
- Other Equity - 10%
- Second Lien Senior Secured Loans - 13%
- Senior Subordinated Loans - 5%
- Ivy Hill Asset Management - 9%[3]

Merits of a Flexible Approach

- Target best relative value opportunities across the capital structure
- Allows us to invest in sectors that wouldn't otherwise be available to us
- Access less competitive segments of the market
- Leverage scale and capabilities in effort to drive enhanced performance

As of March 31, 2024. Please see the Important Notice and notes at the end of this presentation for additional important information.

Our Approach to Payment-In-Kind

PIK provides an opportunity for enhanced returns in performing companies and can be an important tool with underperforming credits

Structured with the Initial Investment			Amendment PIK
PIK Toggle	**PIK Coupon**	**PIK Preferred**	**Amendment PIK**
Recent Phenomenon	***Opportunistic***	***Opportunistic***	***As Needed***
Select portfolio companies with **attractive underlying credit** fundamentals	Contractual income at origination for all or a portion of the coupon, typically in **junior capital** investments	**Contractual dividend** accrued with seniority ahead of common equity ownership	Negotiated in companies facing liquidity challenges, typically comes with cash equity support from the PE sponsor

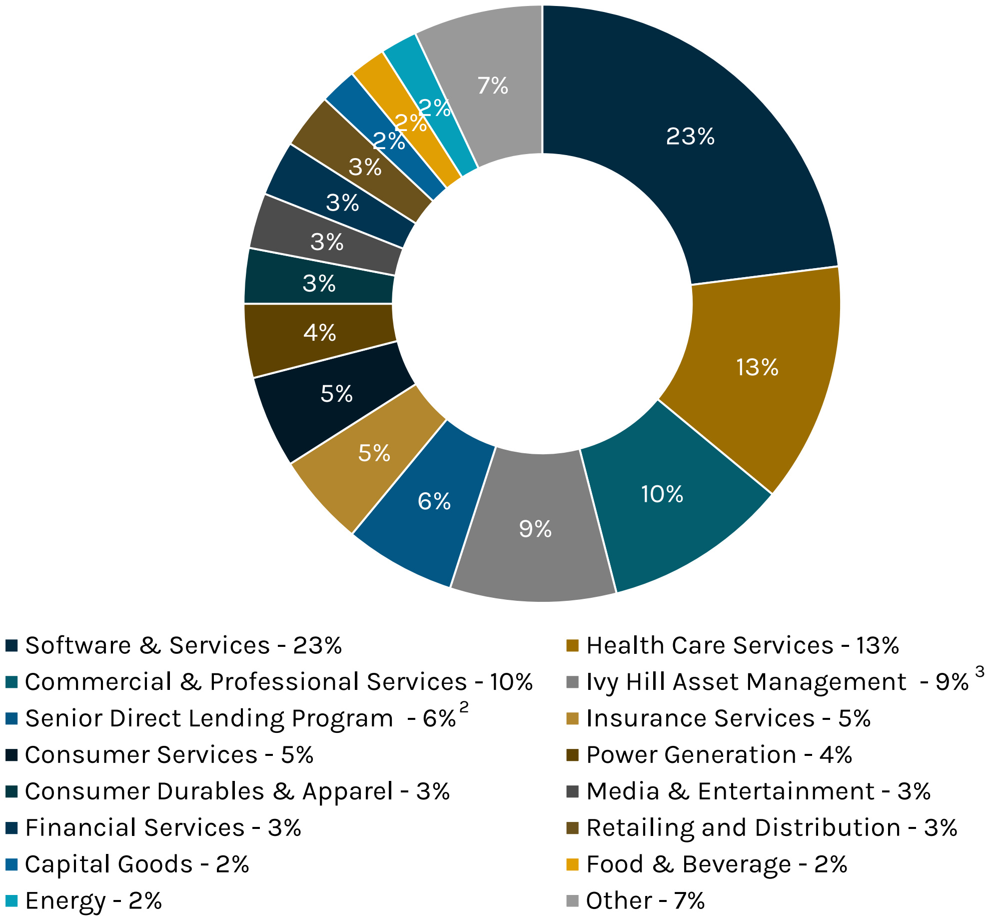
$333 mm	Weighted average EBITDA[1]	**46%**	Weighted average Loan to value	**100%**	Performing investments	**1.6%**	% total investment income attributed to PIK amendments
13%	LTM Organic EBITDA Growth[1]	**99%**	Weighted average Average mark (FV/Cost)		Potential opportunity for ***enhanced returns*** in strong performing companies	**~150 bps**	Premium on PIK amendments

As of March 31, 2024, unless otherwise stated. Past performance is not indicative of future results. Please see the Important Notice and notes at the end of this presentation for additional important information.

Industry Selection Supports Attractive Portfolio Performance

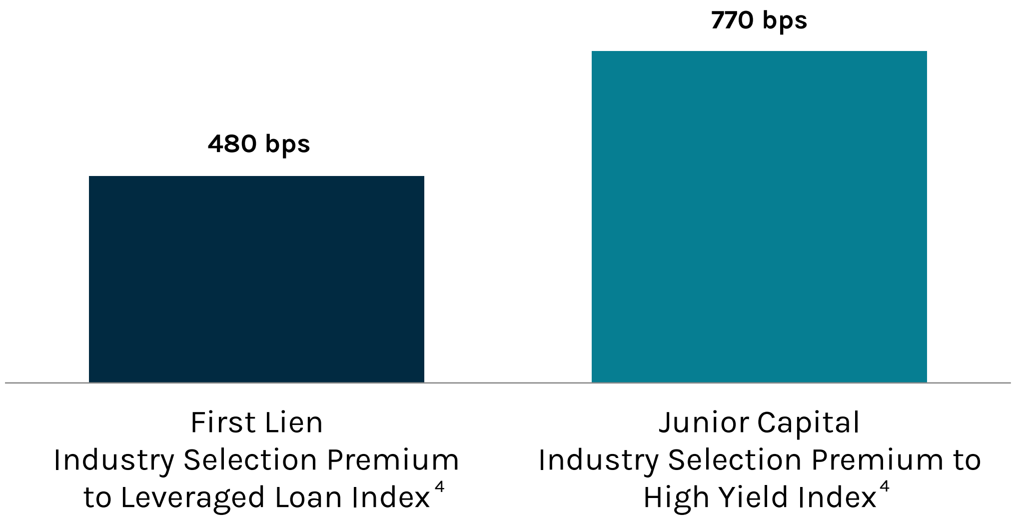
Focus on selecting defensively positioned companies in less cyclical industries

ARCC Portfolio by Industry[1]



Industry Selection Can Drive Premium Returns

Cumulative Return Premium over 10 Years[4]



Incremental return of the Leveraged Loan and High Yield Indices assuming their industry selection was consistent with Ares U.S. Direct Lending

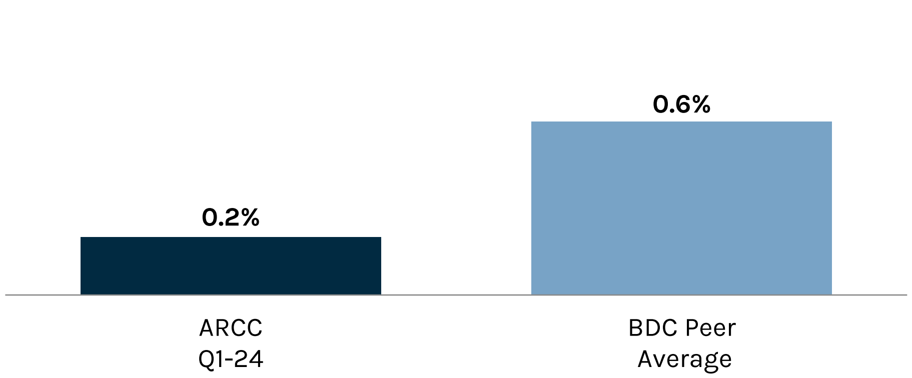
As of March 31, 2024, unless otherwise stated. Past performance is not indicative of future results. Please see the Important Notice and notes at the end of this presentation for additional important information.

Diversification Supports High Quality Credit Portfolio

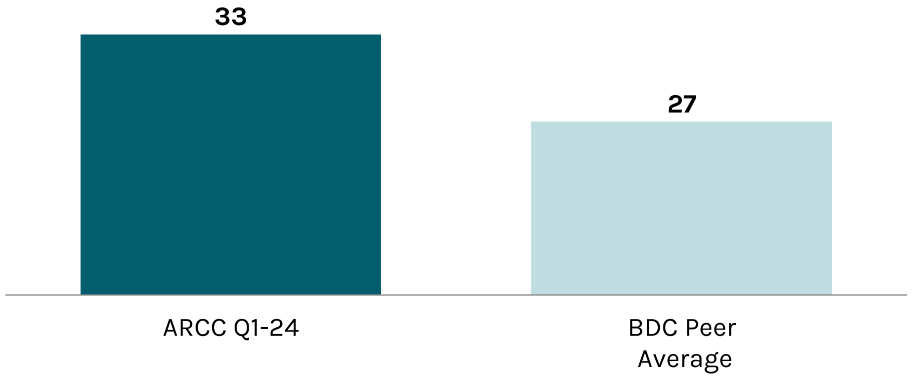
ARCC’s portfolio is designed to mitigate risk from any one issuer or industry

ARCC Portfolio by Industry[1]

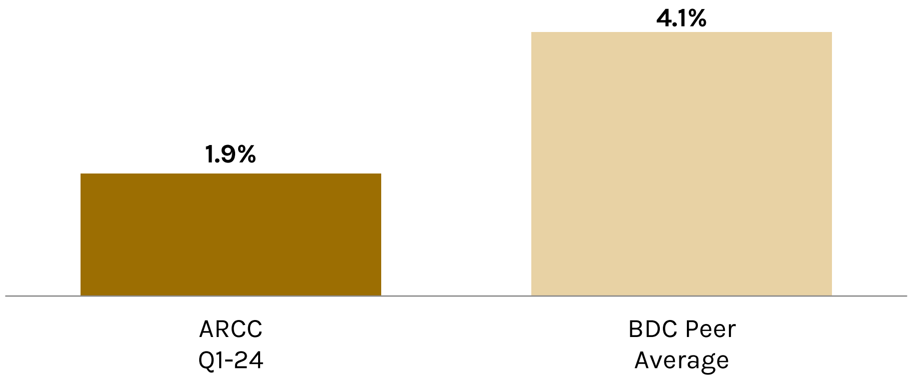
Average Investment[1]



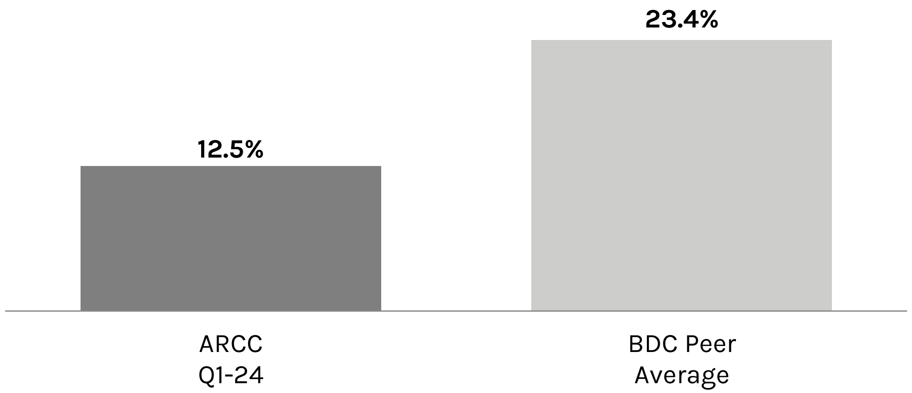
Number of Industries identified by LCD[1,3]



Largest Exposure at Fair Value[1,2]



Top 10 Investments at Fair Value[1,2]



As of March 31, 2024, unless otherwise stated. Please see the Important Notice and notes at the end of this presentation for additional important information.

Panel:
Differentiated Approach to Investing

MODERATOR

Jana Markowicz

Partner, Chief Operating Officer for U.S. Direct Lending
Chief Operating Officer of Ares Capital Corporation

Mark Affolter

Partner, Co-Head of U.S. Direct Lending

Shelly Cleary

Partner, President and Head of Ivy Hill Asset Management

Douglas Dieter, Dr. P.H.

Partner, Ares Credit Group

Andrew Kenzie

Managing Director, Ares Credit Group

ARCC Industry Sector Coverage

We have built out our industry teams to harness specialized efforts to support differentiated investing capabilities

- Consumer, Retail & Services
- Infrastructure & Power
- Financial Institution Groups
- Specialty Healthcare
- Industrials & Business Services
- Software & Technology
- Sports, Media & Entertainment
- Energy

Potential Benefits of Sector Specialization Include:

Improved Sourcing	Lower Leverage & LTV	Tighter Documentation
Better Diligence	Enhanced Yield	Attractive Total Economics
Deeper Credit Capabilities	Compelling Competitive Dynamics	Expanded Non-Sponsored Opportunities

Not all potential benefits will be applicable to every investment.

Software & Technology Vertical

Differentiated software investing leveraging deep industry experience and creative structuring solutions with flexible, scalable capital

Experienced Software Investors

~15 Years	~10 Years
Average Software Investing Experience	Average Ares Tenure

Demonstrated Track Record

~$28B	~$11B	Zero
Cumulative Capital Invested in Software[5]	Realized Capital from Software Investments[5]	Realized Software Investment Losses

ARCC Software Portfolio

- **$490MM** Portfolio Average EBITDA[1]
- **107** Borrowers
- **<40%** LTV[2]
- **20 BPS** Average hold size of ARCC's portfolio[3]

Deep Industry & Sub-Sector Insight Into Ever-Changing Software Landscape

- **DEEP SUB-SECTOR EXPERIENCE** Deep understanding of complexity across wide breadth of sub-sectors
- **EXPERIENCE THROUGH CYCLES** Investment criteria tested through market cycles & secular shifts
- **SPONSORED & NON-SPONSORED RELATIONSHIPS** Growing pipeline of direct-to-company opportunities
- **DEDICATED ARES AI TEAM** Leverage BootstrapLabs' experience building & investing in AI solutions[4]

As of March 31, 2024, unless otherwise noted. Please see the Important Notice and notes at the end of this presentation for additional important information.

Perspectives on Artificial Intelligence and Positioning in Software

We believe ARCC's software companies are well positioned to navigate the impact of AI on the software landscape

Disruption Potential by Enterprise Software Use Case

Highest Potential for Disruption → Lowest Potential for Disruption

ARCC Software Portfolio Focus: System of Record, Business Infrastructure, B2B Networks

Content Creation	Communication	Information & Data Synthesis	System of Record	Business Infrastructure	B2B Networks
Assisting with the creation of new content, including text, image and audio	Facilitating external & internal communication (e.g. customer chat)	Collecting, processing, and migrating data from disparate sources to generate insights	Centralizing critical operations data and business functions	Managing the underlying digital infrastructure needed to operate a business	Facilitating access to business networks / two-sided marketplace interactions

AI technology is complementary to most existing enterprise software products

Ares Healthcare & Specialty Healthcare Team

Ares' large dedicated specialty healthcare team drives the significant majority of ARCC's Healthcare Services investments

Ares Track Record in Healthcare

Ares Healthcare Investments (Since Inception in 2004)	Ares Specialty Healthcare Investments (Since Inception in 2004)	Dedicated Specialty Healthcare Team (Since 2019 – Dedicated Team)
~$42 bn Total Invested Capital	~$21 bn Total Invested Capital	~$13 bn Total Invested Capital
~4 bps Loss Rate[1]	~2 bps Loss Rate[1]	~0 bps Loss Rate[1]
~360 bps Relative Performance vs. HY Healthcare Index Since 2004[2,3,4]	~430 bps Relative Performance vs. HY Healthcare Index Since 2009[2,3,4]	~1,000 bps Relative Performance vs. HY Healthcare Index Since 2019[2,3,4]

Ares Specialty Healthcare Team

12 Person	14 Years	13 Advisors
Dedicated Investment Team	Years Average Experience of the Three Partners Leading the Strategy	Cohort of External Advisors with Leading Healthcare and Life Sciences Executives and Operators

What is Specialty Healthcare?

- Medical Devices
- Pharmaceuticals
- Tools & Diagnostics
- Specialty Services
- Healthcare IT

Why Specialty Healthcare?

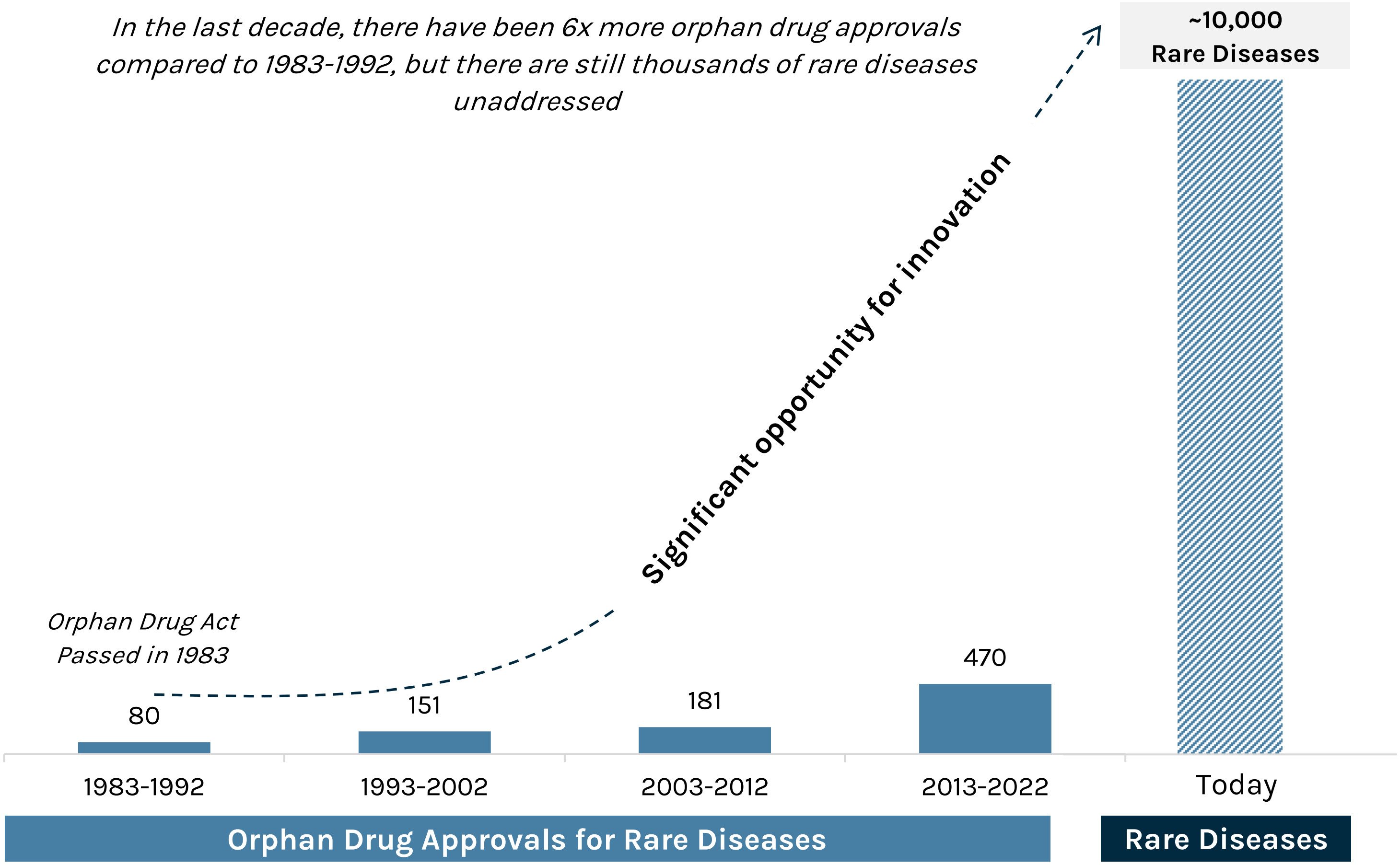
- Specialization creates barriers to entry
- Established companies with multiple revenue streams
- Significant non-sponsored opportunities
- Multiple ways to get repaid with attractive downside protection

As of December 31, 2023, unless otherwise stated. Past performance is not indicative of future results. Please see the Important Notice and notes at the end of this presentation for additional important information.

Healthcare – Pharmaceuticals Opportunity in Orphan Drug Approvals

While the industry has made extensive progress on investment into rare diseases, we likely have decades to go on investment and research into the sector

Orphan Drug Approvals by Decade, 1983-2022[1]



Rare Diseases and Orphan Drugs[1]

~10,000 Rare Diseases

1 in 10 Affected Americans[2]

882 Initial Approved Drugs Representing 392 Rare Diseases

Only 5% of Rare Diseases Have an FDA Approved Drug, Highlighting the Whitespace and Opportunity for Further Innovation

For illustrative purposes only.

1. Lewis J. Fermaglich and Kathleen L. Miller (June 23, 2023). "A comprehensive study of the rare diseases and conditions targeted by orphan drug designations and approvals over the forty years of the Orphan Drug Act."
2. Genetic and Rare Diseases Information Center. https://rarediseases.info.nih.gov/about

Ares' Leadership Position in Sports, Media and Entertainment Lending

Early mover differentiator given we launched a dedicated strategy in 2020

~$9BN	4	~30	15	0.1%
Invested	Continents Invested In	Sub-Sector Experts on Direct Lending Team	Leagues Invested In	Cumulative Average Realized Annual Loss Rate[1,2]

Encompassing the broader sports and media ecosystem beyond leagues and teams

Leagues	Teams	Clubs
Media Companies	Media Rights	Stadiums / Venues
Live Content	Talent Agencies	Streaming
Ticketing	Merchandising	Music

Ares SME Industry Advisory Board

David Checketts Former C-Suite with the Utah Jazz, NY Rangers, NY Knicks, and MSG	**Mike Forde** Executive Chairman of Sportsology	**Mia Hamm** Former FIFA player, Co-Owner of Los Angeles FC
Grant Hill Former NBA Player, Co-Owner of Atlanta Hawks	**Michael Lynton** Chairman of Snap Inc., Former. CEO Sony Pictures, ARES Director	**Greg Penske** Chairman & CEO of Penske Motor Group
Lionel Richie Int. Recording Artist, Oscar, Golden Globe & Grammy Winner	**John Skipper** Former President of ESPN, Former Exec. Chairman of DAZN Group	**Mark Teixeira** Former MLB Player, ESPN Analyst

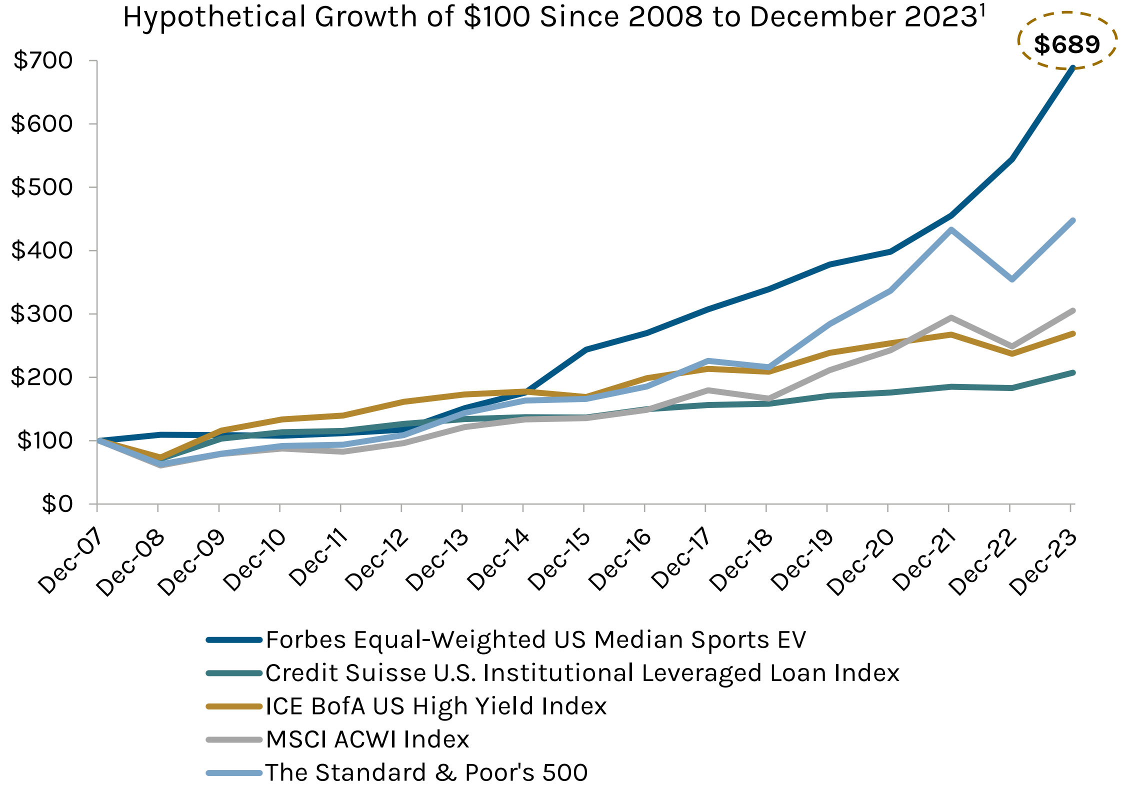
As of December 31, 2023, unless otherwise stated. All investments involve risk, including possible loss of principal. Please see the Important Notice and notes at the end of this presentation for additional important information.

In Our View, Sports Is Primed for Direct Lending Capital Solutions

Major sports franchises have remained resilient and less correlated to the broader market

Major Sports Franchises Volatility vs. the Public Market

Hypothetical Growth of $100 Since 2008 to December 2023[1]



Traditional Sports Enterprises' Capital Sources

Traditional Banks

- Provide traditional bank debt and rated securitization facilities at the league level
- Bank guidelines and regulatory restrictions limit capital availability and leverage

Funding Gap

- Provide control equity and minority equity stakes
- Growing valuations with a limited universe of individuals able to write check sizes sufficient to gain control drives demand for scaled capital

Private Equity & High Net Worth Individuals

As of December 31, 2023, unless otherwise stated. All investments involve risk, including the loss of principal. Please see the Important Notice and notes at the end of this presentation for additional important information.

Ivy Hill Asset Management Overview

Ivy Hill was established in 2007 and has become a leading middle market loan manager

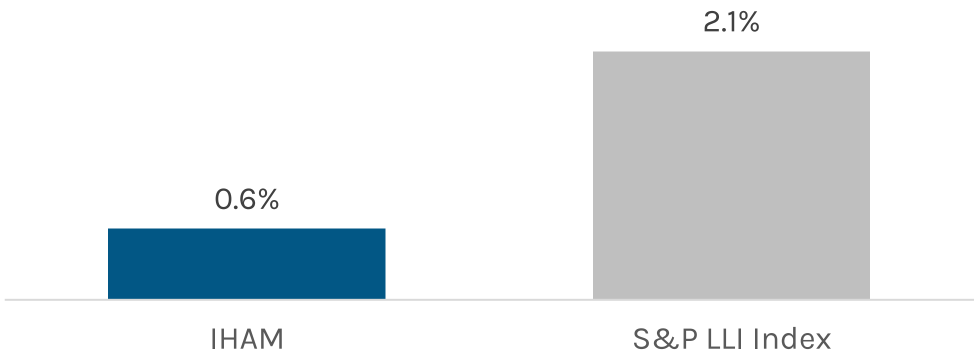
Ivy Hill Portfolio Characteristics

~$13bn AUM[3]	**21** Managed Vehicles
270 Borrowers	**20+** Industries

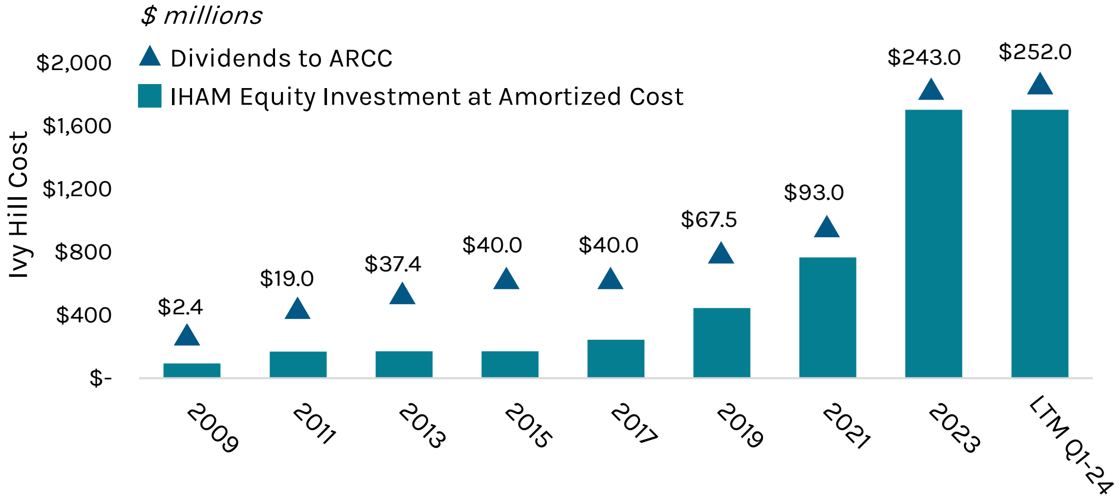
Ivy Hill Team and Performance

13+ Average Tenure in Years at IHAM of Senior Investment Professionals[1,2]	**15+** Year Track Record
17 Investment Professionals[1]	**~21%** Asset Level Gross Realized IRR[4]

IHAM Portfolio Annual Default Rate vs. Market Since Inception in 2007[5,6]



IHAM Investment and Regular Dividends to ARCC

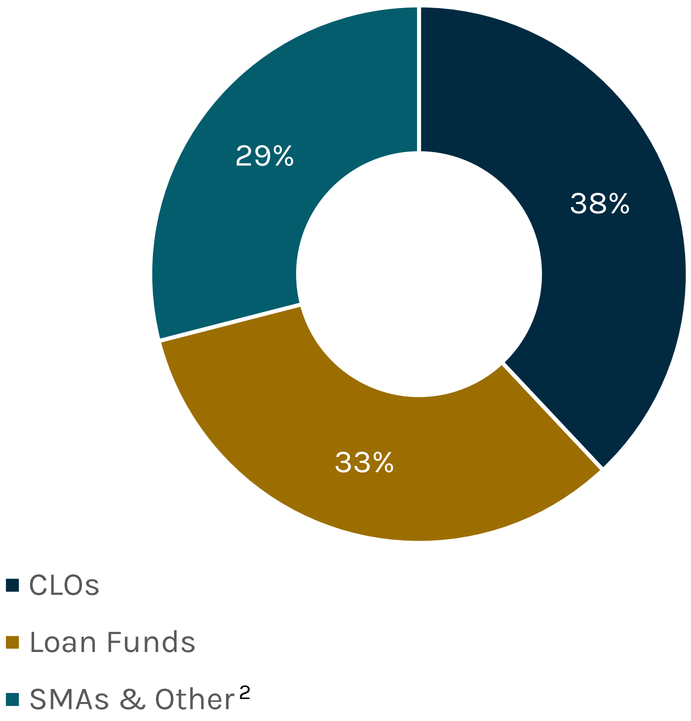


As of March 31, 2024, unless otherwise noted. Past performance is not indicative of future results. Please see the Important Notice and notes at the end of this presentation for additional important information.

Ivy Hill Asset Management's Scale and Diversification Drive Compelling Results

Ivy Hill's net earnings have exceeded its dividends paid to ARCC cumulatively since inception

Diversity in Fund Structure & Investments[1]



IHAM's Scale Drives Diversification…

1.7%	13.5%
Largest Borrower	Top 10 Borrowers

…and Supports Strong Outcomes

140%+	2.5x
LTM & Q1-24 Dividend Coverage	Consolidated Leverage[3]

As of March 31, 2024, unless otherwise noted.

1. Based on number of vehicles.
2. Other includes revolver funds, IHAM credit facilities and other legacy funds.
3. Refer to "Consolidated IHAM Vehicles" column within the "Selected Balance Sheet Information" table on page 151 in the Form 10-Q for the month ended March 31, 2024 for additional information. Calculated by reclassifying Subordinated notes of $1,218 as of March 31, 2024 into equity since these notes are the most junior tranche in the capital structure and are economically equity but are not presented this way for GAAP purposes.

Portfolio Management Drives Differentiated Outcomes

Michael Dieber

Partner, Head of U.S. Direct Lending Portfolio Management

Phil LeRoy

Partner, Head of Portfolio Monitoring & Valuation
in U.S. Direct Lending Portfolio Management

Adam Ferrarini

Partner, Head of Special Situations
in U.S. Direct Lending Portfolio Management

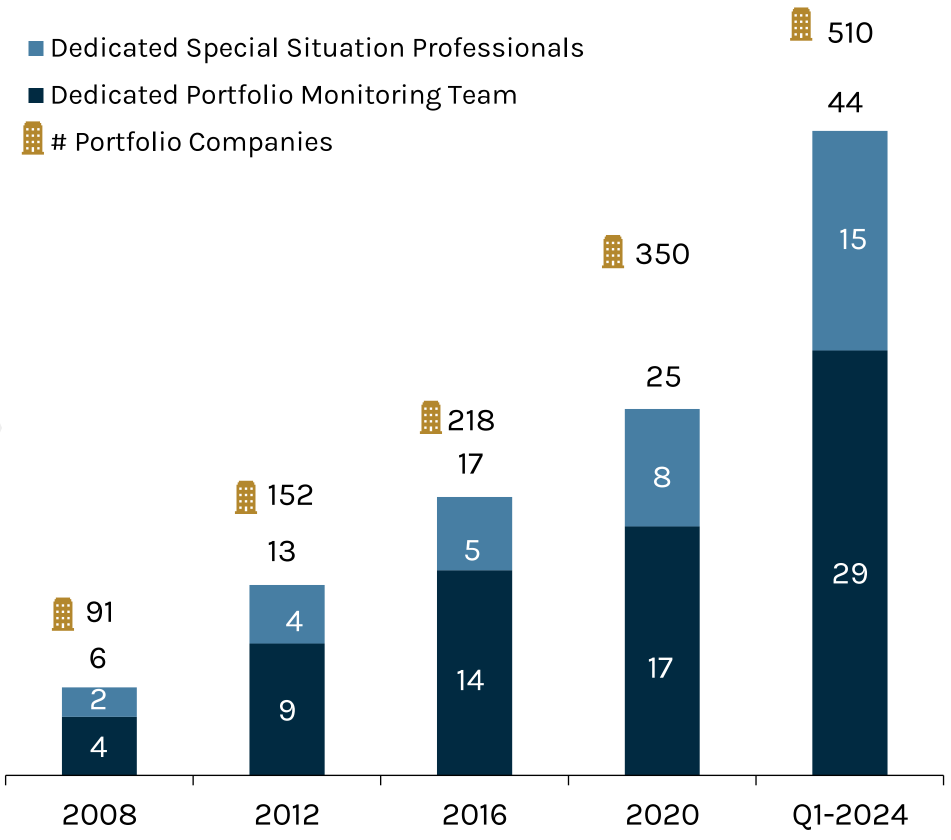
Differentiated Portfolio Management Capabilities & Focus

We believe we have the largest and most experienced portfolio management team amongst any other U.S. direct lending manager[1]

Portfolio Management Capabilities & Focus Areas

Sizable & Tenured team	44-person dedicated team including 15-person Special Situations team	**Robust coverage of portfolio company performance**
Active Portfolio Monitoring	Proactive portfolio monitoring of all investments including performance vs budget and prior year and portfolio level stats	**Ability to identify early warning signs**
Robust Valuation Procedures	Extensive internal valuation over all 500+ portfolio companies each quarter[2] Additional support from 5 independent valuation providers and auditors	**Appropriately value investments**
Special Situations Capabilities	Dedicated resources to underperforming names in order to drive value creation	**Track record of beneficial outcomes**
Supported by Culture of Credit	Life of loan approach results in broad accountability; further supported by head of Portfolio Management being a voting member of IC	**Fulsome credit views considered on each investment**

Experienced and Growing Portfolio Management Team



As of March 31, 2024, unless otherwise noted. Please see the Important Notice and notes at the end of this presentation for additional important information.

Detailed Portfolio Monitoring Process

The portfolio management team performs portfolio monitoring and risk management activities on a weekly, monthly, quarterly and on-going basis[1]

	Portfolio Monitoring	Risk Management
Weekly	• Review company financials and performance • Update calls with sponsors & management teams	• Reunderwrites on extra monitor and watchlist names • Internal team updates
Monthly	• Internal portfolio review • Prepare and present materials on portfolio health (i.e. scorecard)	• Assess potential covenant / liquidity issues • Watchlist meetings with senior management team
Quarterly	• Prepare detailed valuation analyses • Full portfolio review with USDL investment team	• Prepare watchlist reports / updates • Prepare industry vertical summaries

Select Monitoring Projects

- Supply Chain
- Interest Rates
- Inflation
- Documentation Vulnerabilities
- Geopolitical Impacts

Open collaboration and diligence leads to early problem detection and game planning

As of March 31, 2024, unless otherwise stated.

1. Post-closing monitoring procedures described herein are general practices. There may be exceptions and not all procedures are applicable for every borrower.

Ares Direct Lending Valuation Process

Robust internal valuation process conducted quarterly and verified by external third-party valuation providers

Internal Valuation	External Valuation
Quarterly, origination and portfolio management team prepare extensive valuation analysis for **every portfolio company**	In general, portfolio companies are **subject to review by independent valuation providers** (“IVPs”) at least once annually
Determine portfolio company **enterprise value** using market comparables and discounted cash flows	IVPs work closely with the Portfolio Management team and **prepare independent analysis**
Determine fair value of investment using yield analysis for debt investments	**IVPs issue opinion reports** for each portfolio company that provide a range of values for each investment
Initial valuation recommendations are produced and **presented to Valuation Committee and Senior Management Team**	Internal values **reconciled with ranges** provided by IVPs to ensure they are within ranges

Valuations finalized and approved by Valuation Committee

As of March 31, 2024, unless otherwise stated. Fair value is determined by management in accordance with U.S. generally accepted accounting principles. Valuations of private investments and private companies are inherently uncertain. Ares’ determinations of fair value may differ materially from the values that would have been used if a ready market for these investments existed and may differ materially from the values that may be ultimately realized for such investments. No reliance can be placed on third-party provider conclusions.

Robust Valuation Process

Our quarterly internal and external valuation process has resulted in appropriate marks[2]

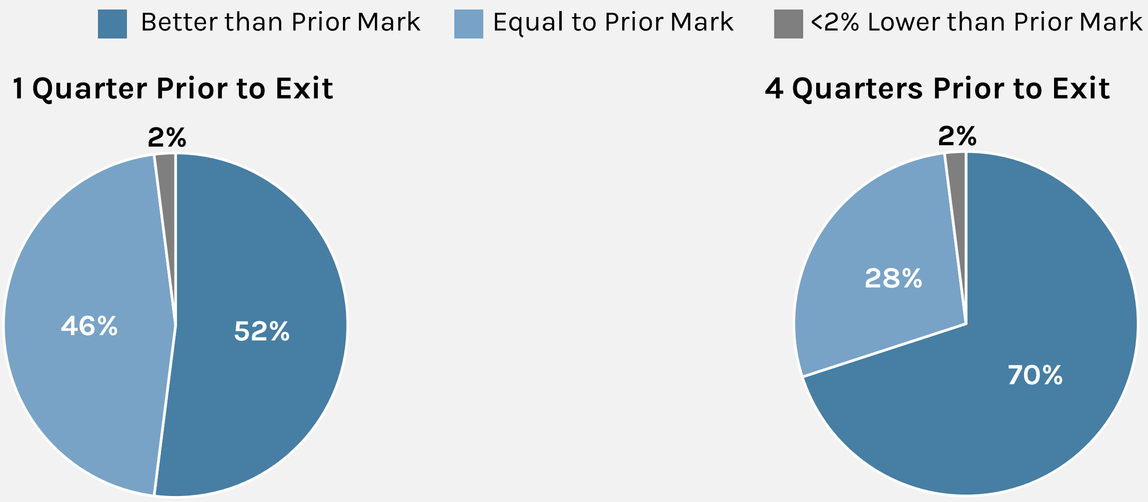
Valuation Framework

500+
Quarterly valuation on all portfolio companies[5]

5
Independent Valuation Firms

100%
Portfolio fair value independently reviewed at least once annually[5]

ARCC's 2023 Exits and Repayments vs. Prior Marks[1]



98%
of 2023 exits **completed at or above prior marks**[2]

35x
More likely to **exit above last year's** mark than below[3]

Since Inception, ARCC's Average Exit Value of 101% Compares to the Average Fair Value Mark of 99%[4]

Note: As of March 31, 2024. Fair value is determined by management in accordance with U.S. generally accepted accounting principles. Valuations of private investments and private companies are inherently uncertain. Ares' determinations of fair value may differ materially from the values that would have been used if a ready market for these investments existed and may differ materially from the values that may be ultimately realized for such investments. No reliance can be placed on third-party provider conclusions. Please see the Important Notice and notes at the end of this presentation for additional important information.

ARCC's Portfolio Health and Outlook

A Healthy Portfolio with Strong Underlying Performance

10%
LTM EBITDA Growth[1]

Healthy organic growth, more than 2x the LTM EBITDA growth of the S&P 500

1.6x
Interest Coverage

Interest Coverage (IC) has largely stabilized and IC on new originations averages 1.8x over the past year[3]

43%
Wtd. Avg. LTV

vs. 52% for liquid loan market over the past 5 years, demonstrating value beneath ARCC

100
Basis Points

Level of higher base rates at current EBITDA growth levels with no changes to interest coverage anticipated

1.7%
Non-Accruals at Cost

Well below ARCC's 2.9% historical average since the GFC & the 3.8% BDC average[2]

4%
Grade 1 & 2 Investments at Fair Value

Lowest rated investments below 8% historical average with a stable weighted average grade[4]

As of March 31, 2024, unless otherwise stated. Past performance is not indicative of future results. Please see the Important Notice and notes at the end of this presentation for additional important information.

Differentiated Capabilities in Challenging Credits - Be Early, Be Smart, Be Flexible

Our strategy, dedicated resources and cycle-tested capabilities seek to protect our investors' capital

Depth & Quality of Resources Helps in Workout Situations	Patience Enhances Our Position in Troubled Credits	Track Record of Successful Outcomes
15 Restructuring Team Members	**7** Number of quarters on average that non-accruals are on ARCC's balance sheet prior to exit[1]	**45+** Successful Workouts[3]
26 Average years of experience of two senior restructuring partners	**90%** Recovery rate on ARCC-originated non-accrual investments[2]	**$355** Million in Restructuring Gains Delivered to ARCC Investors Since Inception[4]

As of December 31, 2023, unless otherwise noted. Past performance is not indicative of future results. Please see the Important Notice and notes at the end of this presentation for additional important information.

Case Studies – Our Flexible Approach

Negative Outlook ⟷ Positive Outlook

	Forced Business Sale / Refinance	Take Control	Seek Additional Sponsor Commitment	Seek to Increase Return Given Risk
Industry	**Catered Events / Foodservice**	**Post-Secondary Education & Training**	**Educational Supplies**	**Business Services**
Situation Overview	• Company has a globally recognized brand, including valuable underlying real estate • Forced to shut most locations due to COVID lockdowns and furlough employees • Additionally, company saw continued margin pressure as the result of post pandemic raw material and wage inflation	• Company is the largest provider of non-degree certificates and training courses in a large regional market • 100% of the Company's customers receive some form of funding through Title IV • Due to regulatory headwinds and the fall out from a major natural disaster, the company faced significant operational challenges	• Company is a leading producer and distributor of educational products • ARCC has been invested in company for many years with multiple sponsors • Given both operational issues and significant headwinds from school shutdowns during COVID-19, the company faced near-term cash needs and became over levered	• Company is a leading provider of hotel booking and logistics services to other businesses • Steady performer for first 2 years of investment • The company faced significant headwinds as a result of nationwide COVID shutdowns and resulting curtailment in airline travel
Response	• ARCC entered into a series of amendments and provided bridge capital while access to the broader capital markets was constrained • Amendments required the company to meet milestones regarding exploring recapitalization options once the worst of COVID had subsided	• Through a series of amendments and a capital infusion, ARCC received controlling features to bridge to a better exit point • In addition, ARCC aligned its financial incentives with key managers inside the business and collaborated closely with those managers to return the company to profitability	• ARCC and the sponsor negotiated an amendment whereby the sponsor contributed significant incremental equity and agreed to an increase in rate in exchange for a covenant reset	• ARCC completed an amendment in Q2-20 providing for a short-term covenant waiver in exchange for incremental pricing, additional reporting, and BoD observation rights • Over the next several quarters, ARCC entered into further amendments and a maturity extension in exchange for fees and pricing while performance ramped
Outcome/ Current Status	• ARCC earned a high teens return and was fully repaid through a recapitalization of the company	• Through a series of dividends and an eventual transaction which resulted in a sale of 100% of the Company's assets, ARCC recovered close to 100% of its originally invested capital	• The business rebounded strongly as a result of both school re-openings and significant operational improvements and cost reductions executed by the sponsor • ARCC was repaid at par in Q1-24 and generated a higher spread than originally anticipated given the increased flexibility provided	• Performance has improved materially and the company has de-levered to under 2.5x leverage, with LTM EBITDA approximately double what it was at original underwriting • The sponsor is likely pursuing a sale in 2024. ARCC has an equity co-investment currently valued at ~7x its cost

The case studies shown represent a selection of investments across the amendment and workout spectrum. The transactions are shown for illustrative purposes only and are not necessarily indicative of every restructured investment made by the Ares' U.S. Direct Lending team, Any future investments may differ materially than those presented herein. There can be no guarantee that ARCC will have access to these companies in the future.

Time Tested Playbook for Owning Companies

Stage 4
Seek a sale to strategic or through marketing process. Ares relationships and experience has proven to drive value

Stage 3
Execute plan with oversight by Ares investment professionals
Ares does not charge fees to portfolio companies for workout services

Stage 2
Identify gaps in leadership, create alignment with new or existing management and utilize the scale of Ares to drive efficiencies

Stage 1
Have highly informed view on value opportunity, and utilize Ares' expertise to develop plan for success

ARCC's team has minimized losses and driven $355 million of realized gains from owning companies[1]

As of December 31, 2023, unless otherwise noted. Past performance is not indicative of future results. Please see the Important Notice and notes at the end of this presentation for additional important information.
1) Since inception through December 31, 2023. Restructuring gains comprised primarily of equity received in workouts.

Leading Portfolio Management Team

We stick to a well established and cycle tested approach in managing our portfolio

Our Playbook

Be Early

Identification of Potential Issues

Be Smart

Re-Underwrite Actionable Credits

Be Flexible

All Amendments / Workouts Are Not Alike

Differentiated Capabilities

Ability to Control Troubled Credits Starts with Initial Capital Commitment

44-Person Team Monitors Portfolio & Manages Special Situations

Patience Enhances Our Position in Troubled Credits

~1% Net Realized Gain Rate Since Inception

As of March 31, 2024, unless otherwise noted.
ARCC 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 March 31, 2024 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 other transactions.

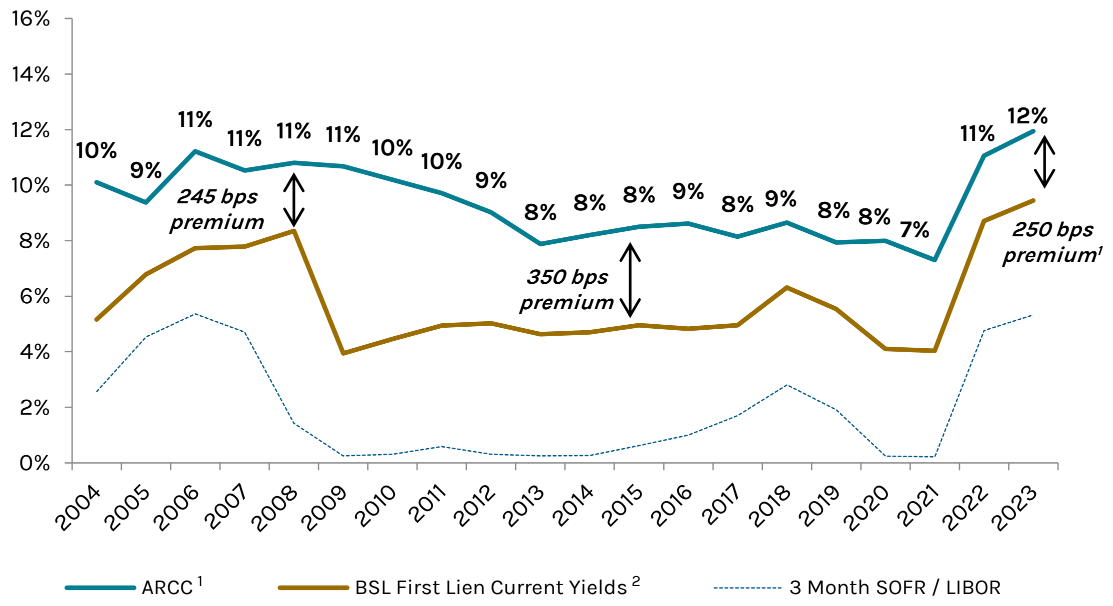
Our Results Across Various Asset Classes

Kort Schnabel
Partner, Co-Head of Ares U.S. Direct Lending
Co-President of Ares Capital Corporation

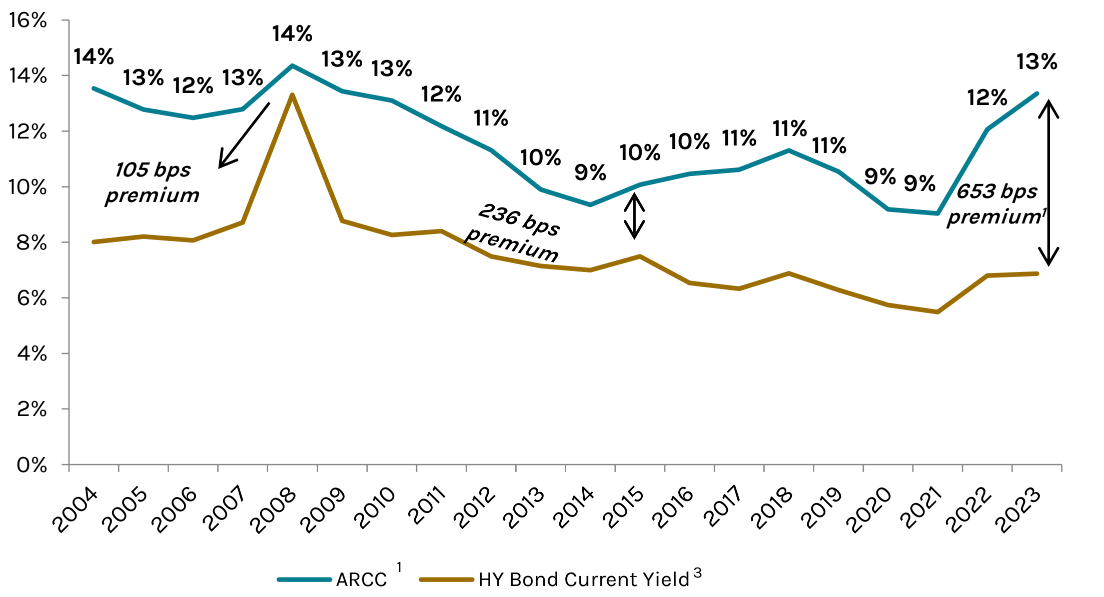
ARCC's Yield Premium Sustained Over Time

Our investments have historically provided a yield premium to the broadly syndicated and high yield markets

First Lien*



Junior Debt*



Typically Floating Rate Structures

Low Volatility of Returns

Lower Loss Rates

Strong Terms and Documentation

Note: As of December 31, 2023, unless otherwise noted. For illustrative purposes only. *Portfolio yields are representative of a gross portfolio at each data point in time and do not represent a return to investors. BSL First Lien Current Yields represented by the Credit Suisse Leveraged Loan Index ("CSLLI") and HY Bond Current Yield represented by the ICE BofA US High Yield Constrained Index ("HUC0"). Please see the Important Notice and notes at the end of this presentation for additional important information.

ARCC Has a Compelling Track Record of Credit Performance

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

ARCC Credit Experience Since Inception[1]	First Lien	Second Lien & Subordinated
Period Measured[1]	2004 – 2023	2004 – 2023
Significant Capital Deployed[1]	$67 billion	$17 billion
Meaningful Realizations	64% Realized	68% Realized
Long History of Investments	2,385+ Investments	400+ Investments
Leading Loss Performance	< 5 bps[2]	< 10 bps[3]

ARCC's loss rates are consistently below industry averages

As of December 31, 2023, unless otherwise stated. Past performance is not indicative of future results. All investments involve risk, including the loss of principal.
Please see notes at the end of this presentation for additional important information.

Track Record of Investing in Second Lien & Unsecured Debt Investments

Approach to Second Lien & Unsecured Investing

- Larger, non-cyclical companies
- Positions of incumbency
- Lead investor focus
- Defensive industries
- 19+ Year Track Record

Second Lien & Unsecured Portfolio Metrics

Weighted Avg EBITDA	Incumbent Companies	Average Time in Portfolio	Weighted Average LTV	Average Investment Size
$403m	55%+	6 years	49%	0.3%

Second Lien & Unsecured Performance Track Record

Capital Deployed[1]	Historical Yield Premium	Asset Level Gross Realized IRR	Lower Non-Accruals	Annualized Realized Loss Rate[1,6]
$17 Bn	400bps Vs. HY Bonds[2]	13.8% Vs. 6.4% HY Bonds[3,4]	85% Lower Than BDC Peer Average[5]	<10 bps

Data as of December 31, 2023. Past performance is not indicative of future results. All investments involve risk, including the loss of principal.

Highly Selective Approach to Preferred Equity Investments

Despite being lower in the capital structure, we believe our preferred equity assets still have significant equity cushion beneath them

ARCC Approach and Thesis	Preferred Investments Portfolio	
Larger Companies	$497mm	Weighted average EBITDA[1]
Well Protected Position	55%	Weighted average LTV[2]
Strong Underlying Performance	9%	Weighted average LTM EBITDA growth
Attractive Returns	19%	Asset level gross realized IRR on preferred equity investments since inception[3]

As of December 31, 2023. Past performance is not indicative of future results. Diversification does not assure profit or protect against market loss. Please see the Important Notice and notes at the end of this presentation for additional important information.

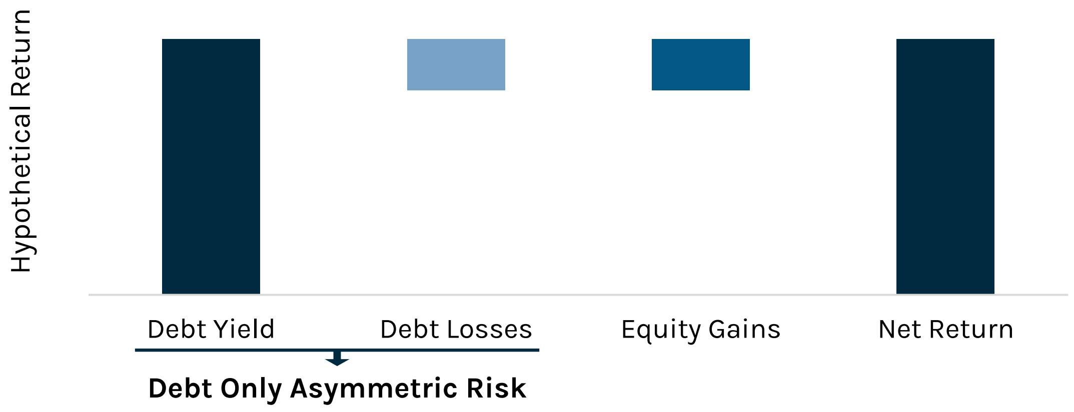
We Believe Our Equity Co-Investment Portfolio is a Significant Differentiator

$1+ billion
Committed to Equity Co-Investments Since Inception[1]

$950+ million
Proceeds in Excess of Invested Capital on Equity Co-Investments Since Inception[1]

40%+
Asset Level Gross Realized IRR on ARCC Originated Equity Co-investments over the Past 10 Years[2]

Diversified Model vs. Debt Only – Hypothetical Situation



ARCC's Strategy & Opportunity

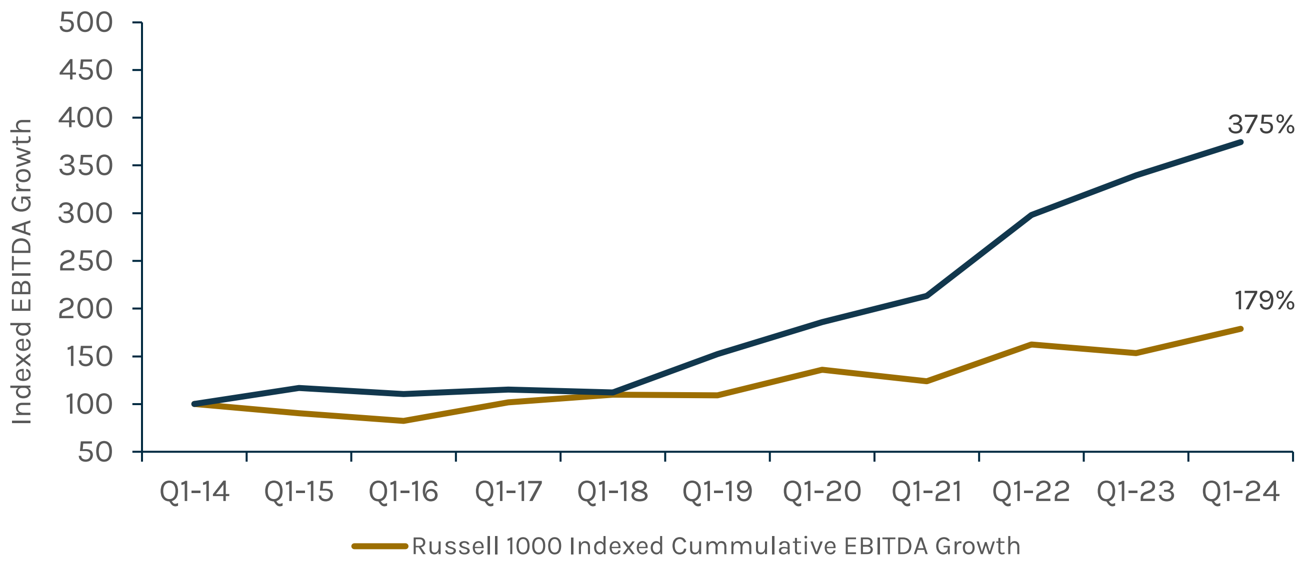
- ARCC may be offered opportunities to make minority equity investments alongside lead sponsors
- Allows for greater sponsor alignment without taking additional material risk
- Potential opportunities for enhanced returns

As of December 31, 2023. Past performance is not indicative of future results. Please see the Important Notice and notes at the end of this presentation for additional important information.

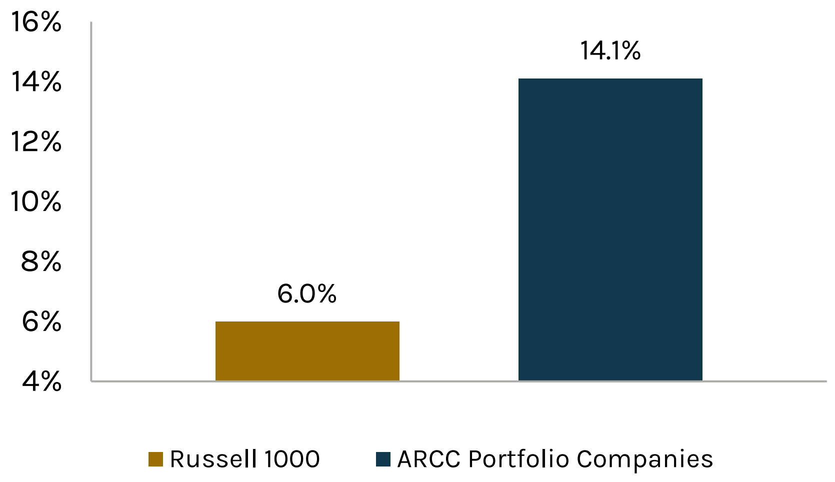
Our Portfolio Companies Have Demonstrated Strong Growth

Focus on middle market, defensive companies has led to resilient underlying portfolio company performance

ARCC Portfolio Company LTM EBITDA Growth[1] vs. Russell 1000[2]



10 Year Compound Annual EBITDA Growth Rate



EBITDA Growth for ARCC's Portfolio Companies Has Outpaced the Russell 1000 by 800+ bps On Average Annually Over the Past 10 Years

As of March 31, 2024. Please see the Important Notice and notes at the end of this presentation for additional important information.

ARES CAPITAL CORPORATION INVESTOR DAY 2024

Balance Sheet & Capital Management

Scott Lem

Partner, Chief Financial Officer of Ares Public Credit Funds
Chief Financial Officer and Treasurer of Ares Capital Corporation

Conservative Balance Sheet Management Philosophy

Our strong and cycle-tested balance sheet supports our flexibility and ability to be active in varying market conditions

- Use Dedicated, Diversified & Deep Sources of Financing
- Rigorous Focus on Maintaining Investment Grade Ratings
- Operate with Moderate Leverage
- Emphasize Unsecured Financing for Flexibility
- Maintain Strong Liquidity Profile
- Focus on Long-Dated Liabilities and Well Laddered Debt Maturities

Fortress Balance Sheet with Industry Leading Execution[1]

As of March 31, 2024, unless otherwise noted.

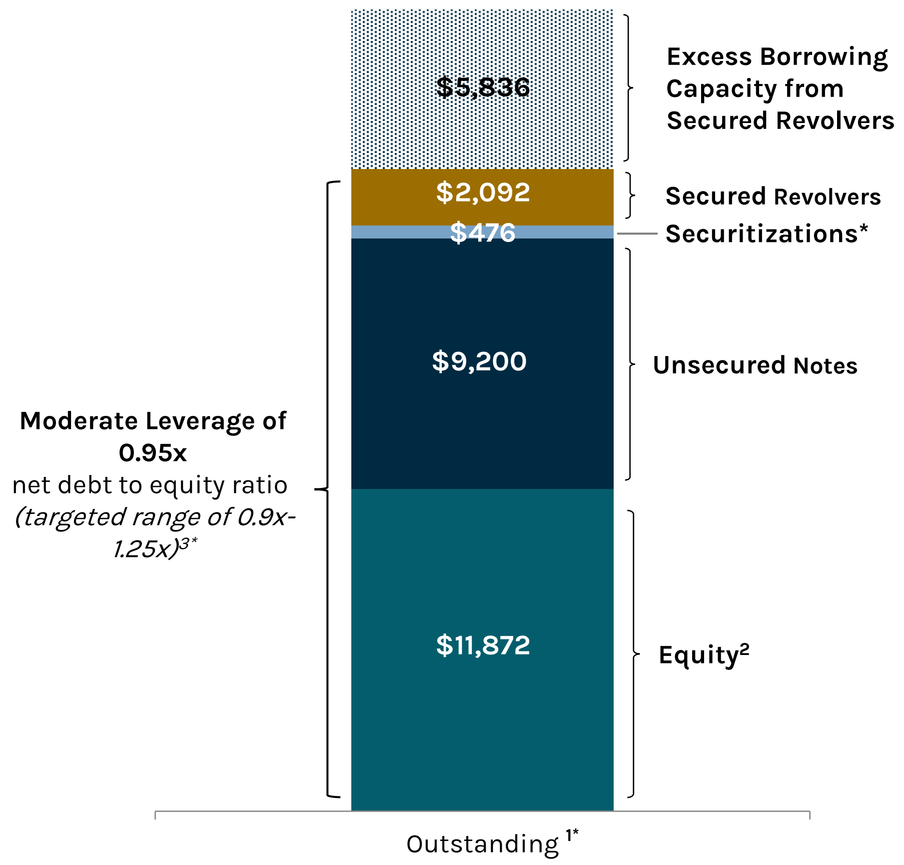
1. Refer to slide "ARCC's Demonstrated Track Record in Debt Capital Markets" for details.

ARCC Has Long Dated and Diversified Sources of Financing

Our deep bank and capital market relationships enhance our access to capital supported by our investment grade ratings

Fortified Balance Sheet*

$ in millions



Investment Grade Rated for 15 Years**

	Current Rating	Outlook
Fitch Ratings	BBB	Positive
Moody's	Baa3	Positive
S&P Global	BBB-	Positive

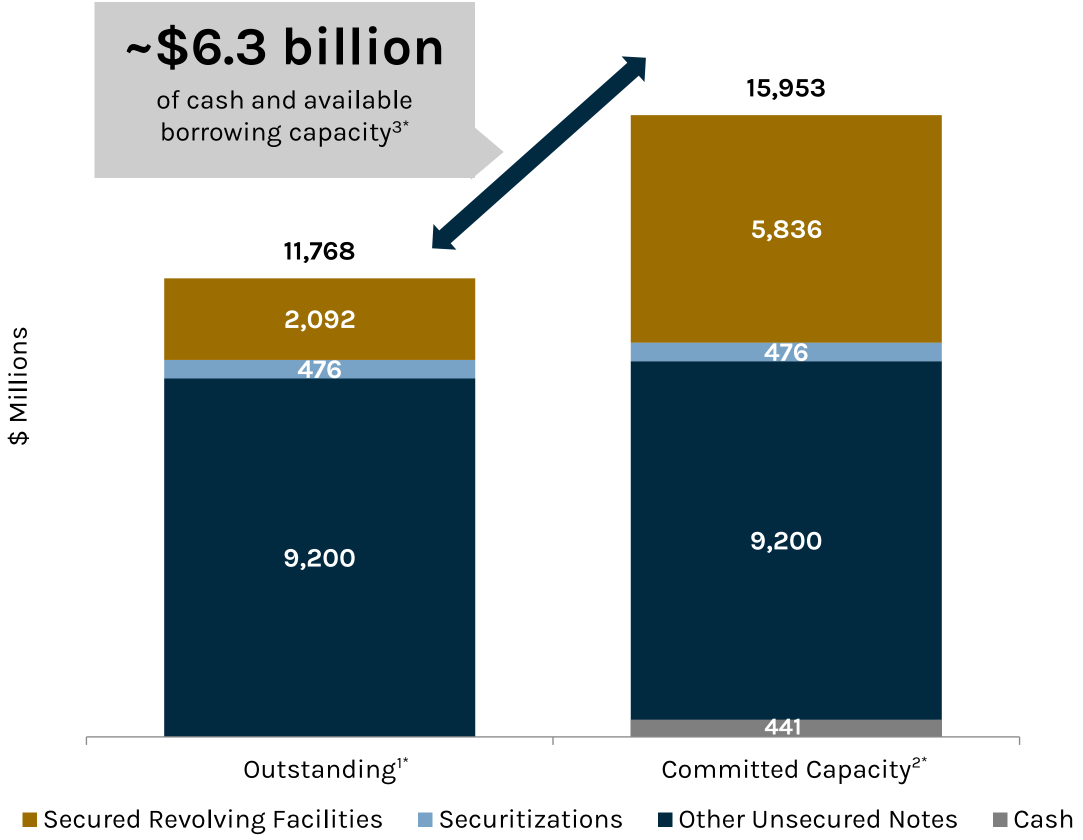
Banks	Capital Markets
43 banks across 4 revolving facilities	**Over 250 Investors** have invested in our unsecured notes, convertible notes and CLO
Efficient revolving debt facilities with **up to 5-year committed terms**	**Raised $15.7 billion** in unsecured and convertible notes since 2011*
Bank facilities over **2x** overcollateralized	**Repaid $6.7 billion** of unsecured and convertible notes since 2011*

All data as of March 31, 2024 unless otherwise noted. The ratings noted herein may not be representative of any given investor's experience. All investments involve risk, including loss of principal. Past performance is not indicative of future results. Please see the Important Notice and notes at the end of this presentation for additional important information. *Pro forma for the (1) $850mm public offering of July 2029 notes, (2) $476mm CLO expected to close in May 2024, subject to customary closing conditions, (3) Amendment to the Revolving Credit Facility and (4) repayment of $900mm June 2024 Notes. ** Investment grade rated by S&P since 2007, Fitch since 2009 and Moody's since 2010.

ARCC Has Significant Sources of Liquidity

Conservative balance sheet with a longstanding history of accessing diverse sources of financing

Sources of Liquidity*



Strong Liability and Funding Construction

Available liquidity 3.0x greater than unfunded investment commitments

Operated with ~**40% excess available debt capital** over the last 5 years on average

Strong Portfolio Provides Additional Source of Liquidity

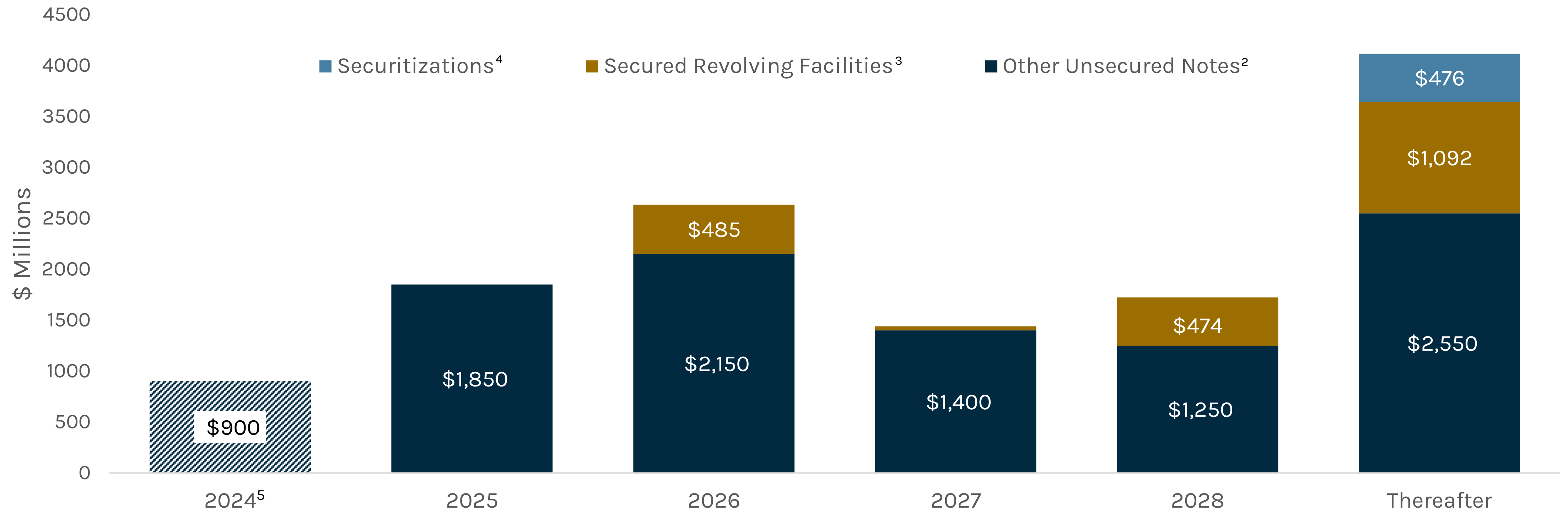
Annual repayment rates range from ~20% - 60% of the portfolio and have averaged 38% since inception

As of March 31, 2024, unless otherwise stated. Past performance is not indicative of future results. *Pro forma for the (1) $850mm public offering of July 2029 notes, (2) $476mm CLO expected to close in May 2024, subject to customary closing conditions, (3) Amendment to the Revolving Credit Facility and (4) repayment of $900mm June 2024 Notes.

Long Dated and Well Laddered Maturities

Debt maturities laddered over 7 years with only $900 million maturing for the remainder of this year

Term Debt Maturities Laddered Over 12 Years[1*]



The weighted average maturity of our liabilities of 3.9 years exceeds the typical life of our loans of 2.8 years[6*]

As of March 31, 2024. Please see the Important Notice and notes at the end of this presentation for additional important information.
*Pro forma for the (1) $850mm public offering of July 2029 notes, (2) $476mm CLO expected to close in May 2024, subject to customary closing conditions (3) Amendment to the Revolving Credit Facility and (4) repayment of $900mm June 2024 Notes.

ARCC's Demonstrated Track Record in Debt Capital Markets

Pioneer

Over a decade of accessing the unsecured bond market

First BDC institutional IG issuer in 2012[1]

First BDC 7 and 10-Year issuance of size[1]

Attractive Spreads

Investor demand in primary and secondary markets

Tightest original issue and secondary spreads among 5-Year BDC notes[2,3]

Despite tightening, there continues to be upside in spreads vs. Financials and Regional Banks[4]

Sustained Presence

Ability to raise substantial capital in a single security

Largest BDC Issuer[1] with ~$9.2bn Outstanding*

5 CUSIPs with $1Bn+ per tranche[1]

Access Through Cycles

Secured financings executed amidst headwinds

Successfully refinanced our revolving credit facility during the GFC

Proactively extended credit facilities including during COVID-19 and the 2023 regional banking crisis

As of March 31, 2024, unless otherwise noted. Please see the Important Notice and notes at the end of this presentation for additional important information.
*Pro forma for the (1) $850mm public offering of July 2029 notes, (2) $476mm CLO expected to close in May 2024, subject to customary closing conditions (3) Amendment to the Revolving Credit Facility and (4) repayment of $900mm June 2024 Notes.

Performance, Outlook & Conclusion

Kipp deVeer
Director, Partner, Head of Ares Credit Group
Director, Chief Executive Officer of Ares Capital Corporation

ARCC's Team and Portfolio Drive our Leading Track Record

01

Compelling Investment Performance Demonstrated Over Multiple Cycles

02

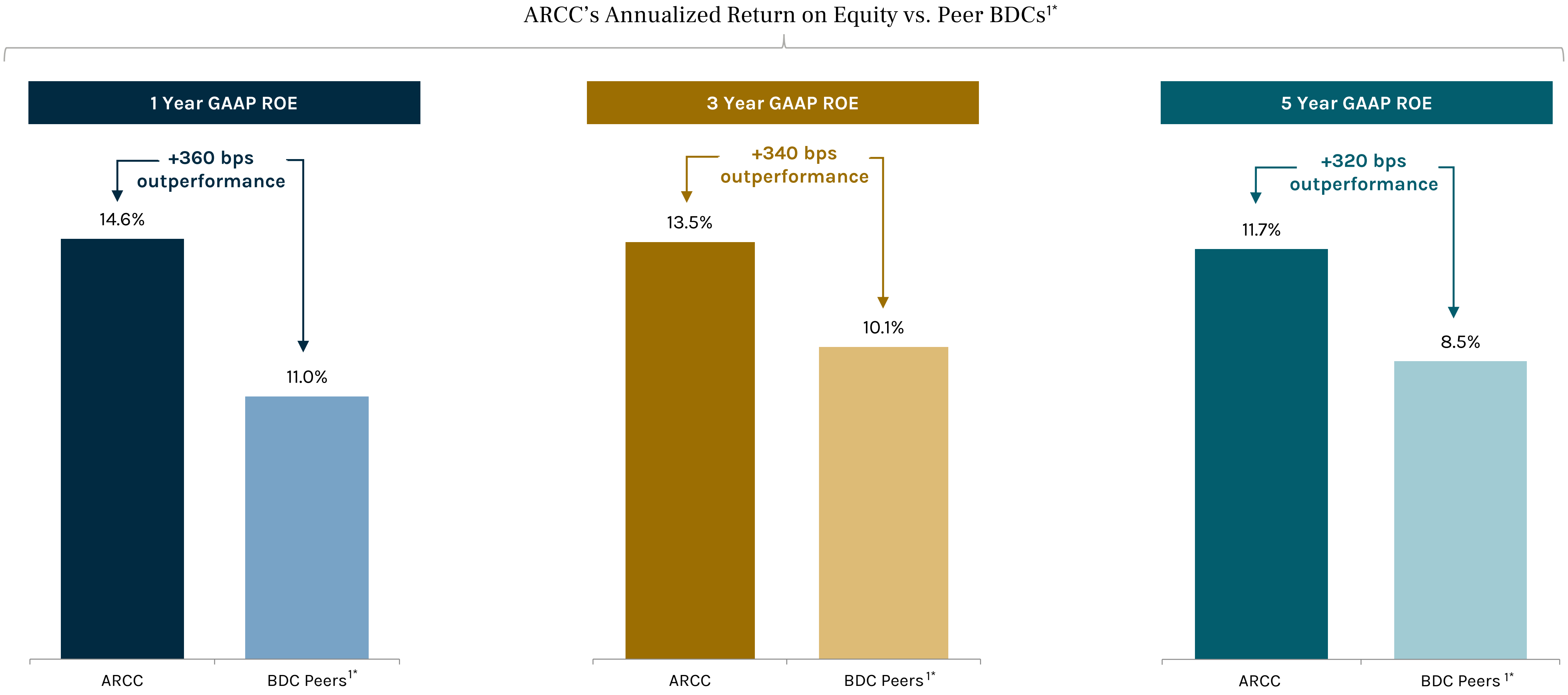
Differentiated Stock Performance

03

We believe ARCC is Well Positioned to Continue to Deliver Attractive Risk-Adjusted Returns

ARCC Has Outperformed BDC Peers Over Short and Medium Horizons

ARCC has demonstrated an ability to generate GAAP returns on equity above other BDCs over time

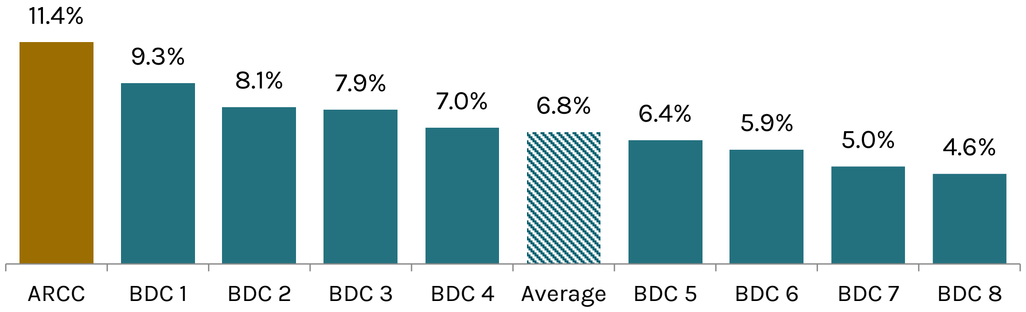


As of December 31, 2023, unless otherwise stated. Note: Past performance is not indicative of future results. Please see the Important Notice and notes at the end of this presentation for additional important information.
*Peers include: BBDC, BCSF, BKCC, BXSL, CGBD, CION, FSK, GBDC, GSBD, HTGC, MAIN, MFIC (AINV), NMFC, OCSL, OBDC, PNNT, PSEC, SLRC, TCPC, and TSLX.

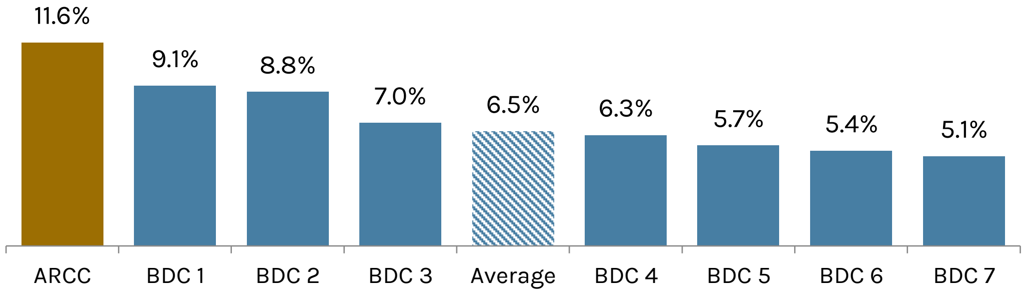
ARCC's Long-Term Outperformance

ARCC has delivered the highest stock-based total returns, NAV-based total returns, regular dividend growth and NAV growth when compared with every other large publicly traded BDC for the last 10 years[1]

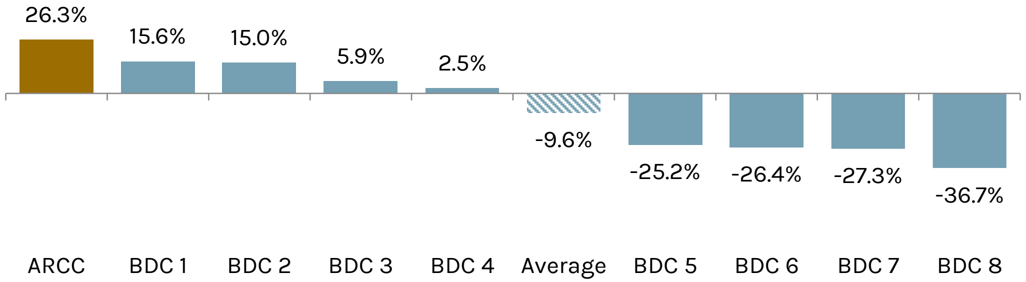
1 10-Year Annualized Stock Based Total Return[1,3]



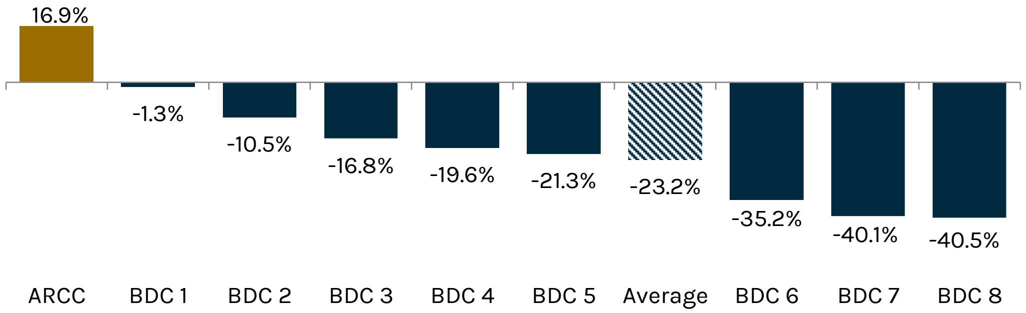
2 10-Year Annualized NAV Based Total Return[1,2]



3 10-Year Regular or Base Dividend Per Share Growth[1,2]



4 10-Year NAV Per Share Growth[1,2]



Past performance is not indicative of future results. All investments involve risk, including the loss of principal.

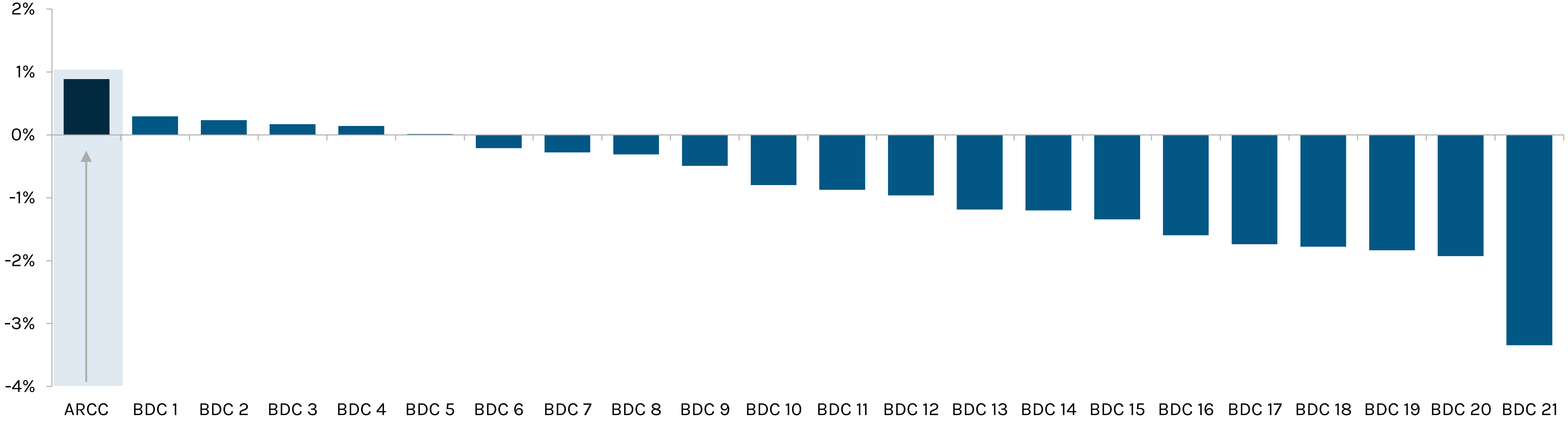
1. Comparable BDCs include externally managed peers with a market cap of over $700 million as of December 31, 2023 and publicly traded for the full comparison period. Peers include: MFIC (AINV), GBDC, NMFC, OCSL, PFLT, PSEC and SLRC. ARCC excluded from the BDC peer average.
2. As of December 31, 2023, as not all BDCs have filed March 31, 2024 financial statements as of May 1, 2024.
3. As of March 31, 2024.

ARCC's Track Record of Investment Outperformance

ARCC's net realized gains in excess of losses are #1 in the BDC peer group

Annualized Net Realized Gain/Loss Rates[1,2]

Since 2004 or IPO for ARCC and BDCs >$1.7 billion portfolio at fair value or >$2 billion combined portfolio at fair value if under common management[2]



ARCC has generated net realized gains since inception

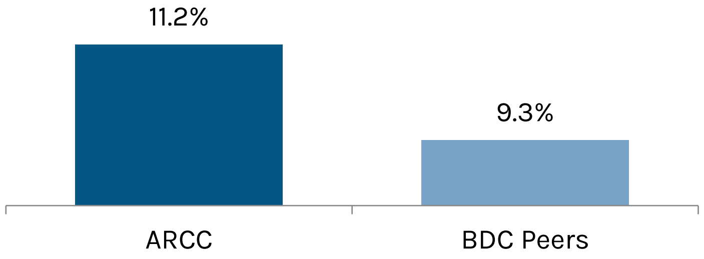
ARCC as of March 31, 2024. BDC peer group as of December 31, 2023, as not all peers have filed March 31, 2024 financial results as of May 1, 2024. Past performance is not indicative of future results. Please see the Important Notice and notes at the end of this presentation for additional important information.

Strong Financial Results Through Two Global Crises

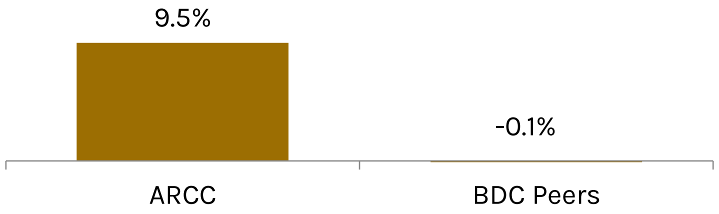
We have demonstrated our resilience through two major global crises, further enhancing our positioning coming out of each period of volatility

Performance During the GFC (2008 - 2009)

Core ROE[1,3*]



Realized ROE[2,3*]



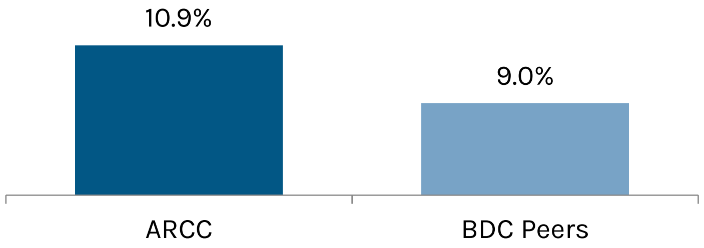
Non-Accruals[5*]

42% lower peak non-accruals than the BDC average

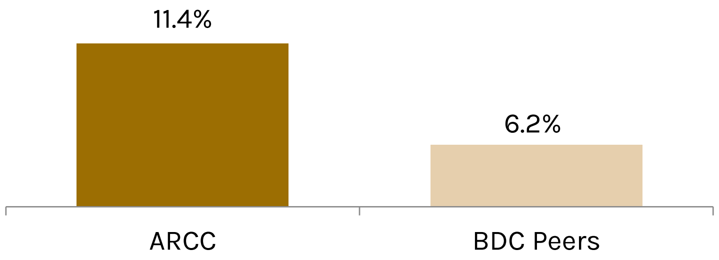
Navigated through GFC, which led to a transformational acquisition that solidified ARCC's market leadership

Performance During the COVID-19 Pandemic (2020 - 2021)

Core ROE[1,4*]



Realized ROE[2,4*]



Non-Accruals[5*]

28% lower peak non-accruals than the BDC average

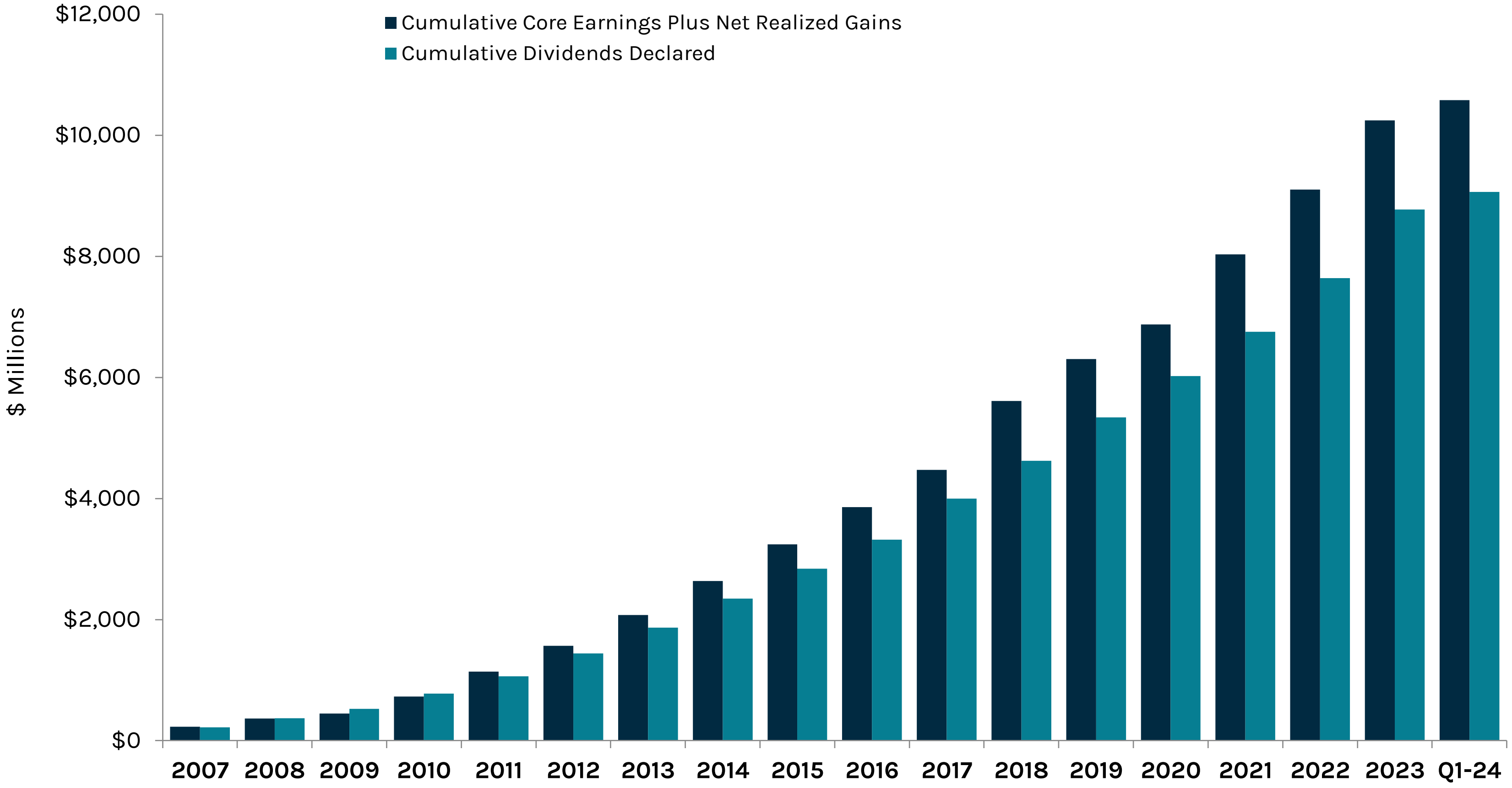
Reached record NAV, repurchased $100 million in stock, and invested actively but defensively through depths of pandemic without having to issue expensive capital to meet liquidity needs

Past performance is not indicative of future results. Please see the Important Notice and notes at the end of this presentation for additional important information. Core Earnings is a non-GAAP measure. See Endnotes - Reconciliations of GAAP Net Income to Core Earnings for further information. *BDC GFC peers include mid market focused BDCs that were publicly traded for at least one year as of December 31, 2007. For the 2020-2021 timeframe, BDC peer group consists of BDCs with a total portfolio at fair value greater than $1.5 billion or a combined portfolio at fair value greater than $2 billion if under common management and have been publicly traded for at least one year, as of December 31, 2021, excluding senior floating rate funds.

Long Track Record of Dividend Coverage

We have generated cumulative core earnings and net realized gains in excess of our dividends paid since our IPO

Cumulative Core Earnings Plus Net Realized Gains vs. Cumulative Dividends[1]



~15 Years of Steady to Growing Dividends

Highest regular dividend per share growth over the last 10 years among BDCs of size[2]

Core Earnings Coverage of 125% in Q1-24 provides cushion to the regular dividend

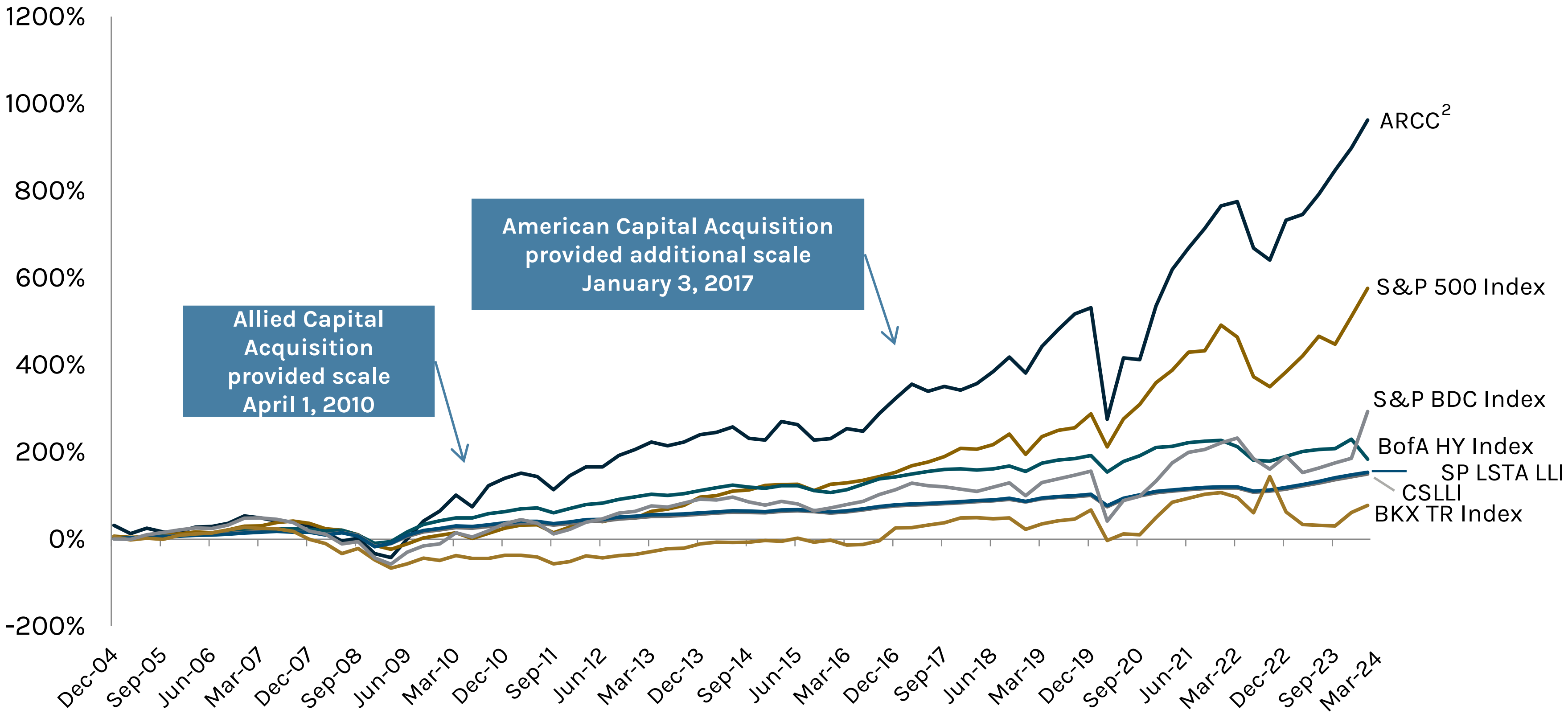
We believe if non-accruals were to reach GFC levels (~6% at cost), assuming no other changes, ARCC would still cover the current regular dividend*

$635mm or $1.05 per share of estimated taxable spillover income from 2023 for distribution to stockholders in 2024[3]

As of March 31, 2024, unless otherwise stated. Past performance is not indicative of future results. There can be no assurance that dividends will continue to be paid at historic levels or at all. Please see the Important Notice and notes at the end of this presentation for additional important information. Core Earnings is a non-GAAP measure. See Endnotes - Reconciliations of GAAP Net Income to Core Earnings for further information. *Forward looking statements are not reliable indicators of future events, and actual results may vary from such forward looking statements. There is no assurance that such results will be achieved or sustained as expected or at all. Please refer to the Important Notice for cautionary factors about forward-looking statements and the endnotes for additional important information.

ARCC's Stock Total Returns Since Inception

Annualized Shareholder Total Return Since Inception 10/8/04 - 3/31/24[1,2]



13%
Annualized Shareholder Return[1]

65%+
Higher cumulative return vs. the S&P 500

3x
Higher cumulative return vs. S&P BDC Index

12x
Higher cumulative return vs. the KBW Bank Index

Past performance not indicative of future results. Please see the Important Notice and notes at the end of this presentation for additional important information.

ARCC's Distinct Earnings Drivers

There are several drivers that could lead to incrementally higher Core ROE for ARCC

Q1-24 Core ROE[1]

Incremental Earnings Drivers

+80
Basis Points
Incremental ROE

Incremental Capital Structuring Fees:
Estimated Net Contribution to ROE
Based on 5 Year Average Annual Net ROE Contribution
~1.4% vs. Q1-24 Annualized Level ~0.6%

+50-100
Basis Points
Incremental ROE

Incremental Leverage (Net D:E):
+50 bps Estimated Net Contribution to ROE
For Every +0.1x of Leverage vs. 0.95x in Q1-24

As of March 31, 2024, unless otherwise stated. For illustrative purposes only. Incremental EPS contributions include the impact of income-based fees. Forward looking statements are not reliable indicators of future events, and actual results may vary from such forward looking statements. There is no assurance that such results will be achieved or sustained as expected or at all. Please refer to the Important Notice for cautionary factors about forward-looking statements and the endnotes for additional important information. Core Earnings is a non-GAAP measure. See Endnotes - Reconciliations of GAAP Net Income to Core Earnings for further information.

Concluding Remarks

1. Our direct origination capabilities span the entirety of the middle market
2. We believe our investment and portfolio management capabilities over the past ~20 years provide differentiated advantages
3. Our strategy and tenured team have been cycle tested with a demonstrated track record
4. We have delivered leading investment and stock returns to investors over the past ~20 years
5. We expect to continue delivering leading performance for all stakeholders

As of March 31, 2024. Forward looking statements are not reliable indicators of future events, and actual results may vary from such forward looking statements. There is no assurance that such results will be achieved or sustained as expected or at all. Please refer to the Important Notice for cautionary factors about forward-looking statements and the endnotes for additional important information.

ARES
ARES CAPITAL CORPORATION

Q&A

Investor Day 2024

Q&A

Kipp deVeer

Director, Partner, Head of Ares Credit Group
Director, Chief Executive Officer of Ares Capital Corporation

Scott Lem

Partner, Chief Financial Officer of Ares Public Credit Funds
Chief Financial Officer and Treasurer of Ares Capital Corporation

John Stilmar

Partner, Public Markets Investor Relations

ARES

ARES CAPITAL CORPORATION

Investor Day 2024

ARES
ARES CAPITAL CORPORATION

Endnotes

Investor Day 2024

Endnotes – Reconciliations of GAAP Net Income to Core Earnings

	For the years ended											For the quarters ended	
(in millions)	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Q1-23	Q1-24
GAAP Net Income	$489	$591	$379	$474	$667	$858	$793	$484	$1,567	$600	$1,522	$278	$449
Adjustments:													
Net realized and unrealized (gains) losses	(58)	(153)	129	20	(156)	(164)	18	310	(826)	492	(256)	40	(124)
Capital gains incentive fees attributable to net realized and unrealized gains and losses	11	29	(27)	(5)	41	33	(3)	(58)	161	(101)	53	(6)	25
Income tax expense (benefit) related to net realized gains and losses	-	6	5	3	-	-	(1)	-	-	14	(8)	(10)	1
Professional fees and other costs related to the American Capital Acquisition[1]	-	-	-	12	40	3	-	-	-	-	-	-	-
Ares Reimbursement[1]	-	-	-	-	-	(12)	-	-	-	-	-	-	-
Core Earnings[2]	**$ 442**	**$ 473**	**$486**	**$504**	**$ 592**	**$ 718**	**$ 807**	**$ 736**	**$902**	**$1,005**	**$1,311**	**$302**	**$351**

Past performance is not indicative of future results.

1. See Note 16 to Ares Capital's consolidated financial statements included in the annual report on Form 10-K for the year ended December 31, 2019 for information regarding the American Capital Acquisition. See Note 13 to Ares Capital's consolidated financial statements included in the annual report on Form 10-K for the year ended December 31, 2020 for information regarding the Ares Reimbursement.
2. Core Earnings is a non-GAAP financial measure. Core Earnings is the net increase (decrease) in stockholders' equity resulting from operations, and excludes 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, professional fees and other costs related to the American Capital Acquisition, and expense reimbursement from Ares Capital Management LLC (the "Ares Reimbursement"). GAAP net income (loss) 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.

Endnotes – Index Definitions

Indices are provided for illustrative purposes only and not indicative of any investment. They have not been selected to represent appropriate benchmarks or targets for ARCC. Rather, the indices shown are provided solely to illustrate the performance of well known and widely recognized indices. Any comparisons herein of the investment performance of ARCC to an index are qualified as follows: (i) the volatility of such index will likely be materially different from that of ARCC; (ii) such index will, in many cases, employ different investment guidelines and criteria than ARCC and, therefore, holdings in ARCC will differ significantly from holdings of the securities that comprise such index and ARCC may invest in different asset classes altogether from the illustrative index, which may materially impact the performance of ARCC relative to the index; and (iii) the performance of such index is disclosed solely to allow for comparison on ARCC's performance to that of a well known index. Comparisons to indices have limitations because indices have risk profiles, volatility, asset composition and other material characteristics that will differ from ARCC. The indices do not reflect the deduction of fees or expenses. You cannot invest directly in an index. No representation is being made as to the risk profile of any benchmark or index relative to the risk profile of ARCC. There can be no assurance that the future performance of any specific investment, or product will be profitable, equal any corresponding indicated historical performance, or be suitable for a portfolio.

1. **The ICE BofA US High Yield Master II 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. Accrued interest is calculated assuming next-day settlement. Cash flows from bond payments that are received during the month are retained in the index until the end of the month and then are removed as part of the rebalancing. Cash does not earn any reinvestment income while it is held in the index. The index is rebalanced on the last calendar day of the month, based on information available up to and including the third business day before the last business day of the month. No changes are made to constituent holdings other than on month end rebalancing dates. Inception date: August 31, 1986.
2. **The BofA US High Yield Master II Constrained Index ("HUC0")** tracks the performance of US Dollar denominated below investment grade corporate debt publicly issued in the US domestic market with a maximum issuer exposure of 2%. The returns of the benchmark are provided to represent the investment environment existing during the time period shown. For comparison purposes the index includes the reinvestment of income and other earnings but does not include any transaction costs, management fees or other costs. BANK OF AMERICA IS LICENSING THE ICE BOFA INDICES AND RELATED DATA "AS IS," MAKES NO WARRANTIES REGARDING SAME, DOES NOT GUARANTEE THE SUITABILITY, QUALITY, ACCURACY, TIMELINESS, AND/OR COMPLETENESS OF THE ICE BOFA INDICES OR ANY DATA INCLUDED IN, RELATED TO, OR DERIVED THEREFROM, ASSUMES NO LIABILITY IN CONNECTION WITH THEIR USE, AND DOES NOT SPONSOR, ENDORSE, OR RECOMMEND ARES MANAGEMENT, OR ANY OF ITS PRODUCTS OR SERVICES
3. **The Credit Suisse Institutional Leveraged Loan Index ("CSLLI")** is designed to mirror the investable universe of the $US-denominated leveraged loan market. The index inception is January 1992. The index frequency is daily, weekly and monthly. New loans are added to the index on their effective date if they qualify according to the following criteria: 1) Loan facilities must be rated "5B" or lower. That is, the highest Moody's/S&P ratings are Baa1/BB+ or Ba1/BBB+. If unrated, the initial spread level must be Libor plus 125 basis points or higher. 2) Only fully-funded term loan facilities are included. 3) The tenor must be at least one year. 4) Issuers must be domiciled in developed countries; issuers from developing countries are excluded.
4. **The Standard & Poor's 500 Index ("S&P 500")** is a market capitalization-weighted index of the 500 largest U.S. publicly traded companies. The S&P 500 is a float-weighted index, meaning company market capitalizations are adjusted by the number of shares available for public trading. The S&P 500 is considered to be a proxy of the U.S. equity market.
5. **The S&P BDC Index** includes leading business development companies that trade on major U.S. exchanges, including ARCC.
6. **The KBW Nasdaq Bank Index ("BKX")** is designed to track the performance of the leading banks and thrifts that are publicly traded in the U.S. The Index includes banking stocks representing the largest U.S. national money centers, regional banks and thrift institutions.
7. **The S&P/LSTA Leveraged Loan Index ("S&P LSTA LLI")** reflects the market-weighted performance of institutional leveraged loans in the U.S. loan market based upon real-time market weightings, spreads and interest payments. Facilities are eligible for inclusion in the index if they are senior secured institutional term loans with a minimum initial spread of 125 and term of one year. They are retired from the index when there is no bid posted on the facility for at least 12 successive weeks or when the loan is repaid.
8. **The Forbes Equal-Weighted Median U.S. Median Sports Enterprise Value Index** is designed to track the annual percentage change of the median enterprise values for U.S. professional sports teams in the NBA, MLB, NFL and NHL for the period of 2007 through 2019. The median enterprise values include all teams within each of the four leagues, NBA, MLB, NFL & NHL, (e.g., 30 teams in the NBA; 30 teams in the MLB; 32 teams in the NFL; and 31 teams in the NHL) as of 2019. The enterprise values (equity plus net debt) are based on the multiples of revenue of historical transactions and offers to buy and invest in teams in the four major leagues.
9. **MSCI ACWI Index ("MSCI ACWI")** is designed to represent performance of the full opportunity set of large- and mid-cap stocks across 23 developed and 26 emerging markets. As of December 2019, it covers more than 3,000 constituents across 11 sectors and approximately 85% of the free float-adjusted market capitalization in each market. The index is built using MSCI's Global Investable Market Index (GIMI) methodology, which is designed to take into account variations reflecting conditions across regions, market cap sizes, sectors, style segments and combinations.
10. **ICE BofA High Yield Healthcare Index (H0HL)** is a subset of ICE BofA US High Yield Index including all securities of healthcare issuers.

Endnotes

Welcome Remarks

Endnotes – Welcome Remarks

Key Accomplishments Since 2022 Analyst Day

1. As of March 31, 2024, vs. March 31, 2022.
2. LTM GAAP EPS was $2.98, which represents a 3.6% decrease vs. the LTM period ended Q1-22 due to the impact of a post-COVID valuation improvement on our portfolio valuation during 2021.
3. BDC peer group consists of BDCs with a total portfolio at fair value greater than $1.7 billion or a combined portfolio at fair value greater than $2 billion if under common management and have been publicly traded for at least one year, as of December 31, 2023. Peers include: BBDC, BCSF, BKCC, BXSL, CGBD, CION, FSK, GBDC, GSBD, HTGC, MAIN, MFIC, NMFC, OBDC, OCSL, PFLT, PNNT, PSEC, SLRC, TCPC, and TSLX. From March 31, 2022 to December 31, 2023 as not all BDC peers reported their Q1-24 earnings results as of May 5, 2024.
4. Represents annualized dividend yield on NAV/share as of Q1-24.

Endnotes

Ares Credit & Direct Lending Platform

Endnotes - Ares Credit & Direct Lending Platform

Ares Credit Group – Over $300B AUM in Five Global Verticals

1. AUM amounts include vehicles managed by Ivy Hill Asset Management, L.P., a wholly owned portfolio company of ARCC and a SEC-registered investment adviser (“IHAM”).
2. The awards and ratings noted herein 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 including ASIF. Ares has not provided any compensation in connection with obtaining or using these awards. All investments involve risk, including loss of principal.
3. Private Debt Investor awarded Ares Management “Global Fund Manager of the Year” for 2022.
4. Based on assets under management as of December 31, 2023.
5. Private Debt Investor awarded Ares Management “Responsible Investor of the Year – Americas” in 2023.
6. Private Equity Investor awarded Ares Management “Retail Investor of the Year – Global” in 2022 for the Capital Automotive LLC (“CARES”) acquisition
7. Private Equity Investor awarded Ares Management “Distressed Debt Investor of the Year – North America” in 2023 for the Savers Value Village (SVV.N) IPO
8. Creditflux, “CLO Manager Ranking by Principal Liabilities” as of March 31, 2023.

Largest U.S. Direct Lending Platform

1. Public BDC & Affiliates includes ARCC, the Senior Direct Lending Program (“SDLP”), Ivy Hill Asset Management, L.P., a wholly owned portfolio company of ARCC and a SEC-registered investment adviser (“IHAM”).
2. As of December 31, 2023. Includes capital deployed by ARCC, the Senior Direct Lending Program (“SDLP”), funds and SMAs. For investments made through the SDLP, invested capital represents the total facility amount funded by the SDLP. Excludes capital deployed by Ares Commercial Finance and Ivy Hill Asset Management. Excludes $1.8 billion of assets acquired as part of ARCC's acquisition of Allied Capital Corporation on April 1, 2010. Excludes $2.5 billion of assets acquired as part of ARCC’s acquisition of American Capital on January 3, 2017. Invested capital represents the book value of investments net of OID and syndications within one year of investment closing and excludes warrants, CLO investments, LP/vehicles and investments inherited from portfolio acquisitions.
3. AUM source: Morgan Stanley Research & Oliver Wyman: Global Banks & Asset Managers, Into the Great Unknown, November 19, 2023
4. Fundraising source: Private Debt Investor ranking of the top fundraisers in private debt as of December 2019 – 2023.

A Differentiated Team Has Supported the Success of Ares U.S. Direct Lending

1. As of December 31, 2023. Includes capital deployed by ARCC, the Senior Direct Lending Program (“SDLP”), the Senior Secured Loan Fund (“SSLP”), funds and SMAs. For investments made through the SDLP and the SSLP, invested capital represents the total facility amount funded by the SDLP and SSLP, respectively. Excludes capital deployed by Ares Commercial Finance and Ivy Hill Asset Management. Excludes $1.8 billion of assets acquired as part of ARCC's acquisition of Allied Capital Corporation on April 1, 2010. Excludes $2.5 billion of assets acquired as part of ARCC’s acquisition of American Capital on January 3, 2017. Invested capital represents the book value of investments net of OID and syndications within one year of investment closing and excludes warrants, CLO investments, LP/vehicles and investments inherited from portfolio acquisitions.
2. Includes investment, support and administrative professionals dedicated to Ares U.S. Direct Lending.

Endnotes - Ares Credit & Direct Lending Platform

Ares' Differentiated Investment Track Record

1. Realized Invested capital represents the book value of all realized senior debt investments from October 2004 through December 31, 2023 net of OID and amounts syndicated to third parties and excludes venture investments, oil & gas investments, private asset backed securities, investments warehoused or held for seasoning or syndication purposes (including investments held for less than 30 days and other investments determined to be temporarily held by Ares in conjunction with syndication processes), and investments inherited from portfolio acquisitions. For revolver and delayed draw term loan investments, the invested capital represents the maximum funded amount, if any, over the life of the investment. Only funded amounts are included.
2. Realized Invested capital represents the book value of all realized second lien, mezzanine, and other private high yield debt securities ("Junior Debt Securities") of the Ares Credit Group's direct lending strategy (excluding warrants, investments held for less than 30 days and investments inherited from portfolio acquisitions), including Ares Capital Corporation (NASDAQ: ARCC), separately managed accounts and other funds from October 8, 2004 through December 31, 2023.
3. Represents the premium of Ares' realized asset-level IRR for Senior and Junior U.S. direct lending investments relative to the Credit Suisse Leveraged Loan Index and The ICE BofA US High Yield Master II Constrained Index, respectively, using the Direct Alpha method. **Senior Debt:** Invested capital represents the book value of all senior debt investments from October 2004 through December 31, 2023, net of the original issue discount ("OID") and amounts syndicated to third parties and excludes venture investments, oil & gas investments, private asset backed securities, investments warehoused or held for seasoning or syndication purposes (including investments held for less than 30 days and other investments determined to be temporarily held by Ares in conjunction with syndication processes), and investments inherited from portfolio acquisitions. With respect to revolver and delayed draw term loan investments, the invested capital represents the maximum funded amount, if any, over the life of the investment. **Junior Debt:** Invested capital represents the book value of all second lien, mezzanine and other private high yield debt investments from October 2004 through December 31, 2023, net of OID and syndications within one year of investment closing and excludes warrants, investments held for less than 30 days and investments inherited from portfolio acquisitions. **Realized asset-level IRR.** The consolidated realized asset-level IRR for fully realized investments. Gross asset level IRR is to the Fund and not to the Fund's investors. IRR is the discount rate that makes the net present value of all cash flows related to a particular investment equal to zero. Asset-level IRR is gross of management and other expenses related to investments as these expenses are not allocable to specific investments and differ among funds. The effect of such management and other expenses may reduce, maybe materially, the returns to investors from those shown herein. IRR includes realized amounts. 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 or sale of an investment, or through the determination that no further consideration was collectible and, thus, a loss may have been realized. Past performance is not indicative of future results. **Direct Alpha:** Is defined as the return related to management or investment selection skills not attributable to market (systematic) or specific (company- or industry-related) return factors. Barry Griffiths, Ph.D., CFA®, Partner, retired Head of Quantitative Research at Ares Management developed an algorithm for calculating alpha based on the inputs from a comparable basket of indices and underlying private equity portfolio companies' cash flows. This algorithm is referred to as "Direct Alpha." For more details on this method, see "Estimating alpha in private equity" by Barry Griffiths, Private Equity Mathematics, PEI Media, March 2009; or "Benchmarking Private Equity: The Direct Alpha Method," Gredil, Griffiths, and Stucke, 2014 (http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2403521).

Endnotes

Market Overview & Merits of Asset Class

Endnotes - Market Overview & Merits of Asset Class

Large Addressable Market for Direct Lending & Significant Growth Opportunity

1. Traditional middle market total addressable market is based on the following: estimated Enterprise Value of Middle Market Companies of $9.3 trillion is based on data from NAICS Association on Companies with $100 million to $1 billion in revenue (January 2024), J.P. Morgan's 2023 Next Street: The Middle Matters Report, Capstone Partners (March 2024), GF Data an ACG Company (Association for Corporate Growth), and Ares' view of the market. The financing opportunity on the $9.3 trillion total Middle Market Enterprise Value is estimated to be 40%. This results in an estimated $3.7 trillion debt opportunity, which is further reduced by $0.7 trillion in estimated investment grade loans with $100 million - $1 billion in revenues held at banks based on data reported by the FDIC Shared National Credit Review and Ares' view of the market. This results in a $3 trillion estimated middle market private debt opportunity.
2. Additional addressable liquid market private debt opportunity of $2.4 trillion is based on the Face value of the ICE BofA U.S. High Yield Index (H0A0) and Credit Suisse Leveraged Loan Index (CSLLI) of $2.7 trillion as of 12/31/23 less the percent of U.S. High Yield and Leveraged Loan Market with Revenues <$1 billion based on Ares' view of the market.
3. Ares' share of the market is based on Ares' AUM attributable to U.S. Direct Lending as of March 31, 2024.

Secular Shift From Banks Over 40 Years Underscores Demand for Direct Lending

1. Source: FDIC; Historical Bank Data through 2022.
2. Source: Visual Capitalist & Federal Reserve: "The Making of the Big Four Banking Oligopoly".
3. Source: Federal Reserve H8 Data of Commercial Banks in the United States as of December 2023. Reporting Non-Depository Financial Institution Loan Data began in January 2015.

Direct Lending Opportunity Underpinned by Strong and Vibrant Middle Market

1. Source: J.P. Morgan's 2023 Next Street: The Middle Matters Report. Revenue growth based on the last fiscal year for companies surveyed.
2. Source: The World Bank, GDP (current US$) for all countries and economies.
3. Source: National Center for the Middle Market, Year-End 2023 Middle Market Indicator.

Returns for Direct Loans Have Exceeded Bank Loans and other Credit Assets

1. Source: Cliffwater Direct Lending 2023 Q4 Report. Please reference the following links for additional information about index composition. CDLI (https://www.cliffwaterdirectlendingindex.com/), Bloomberg High Yield Index (https://www.bloomberg.com/quote/LF98TRUU:IND?embedded-checkout=true) and Morningstar LSTA US Leveraged Loan Index (https://indexes.morningstar.com/indexes/details/morningstar-lsta-us-leveraged-loan-index-FSUSA084ZT?tab=overview). Cliffwater Direct Lending Index, "CDLI" is an asset-weighted index of 13,000+ directly originated middle market loans totaling $284 billion. The CDLI assists investors to better understand asset class characteristics and to benchmark manager performance. The Morningstar LSTA US Leveraged Loan Index is designed to deliver comprehensive, precise coverage of the US leveraged loan market. Underpinned by PitchBook | LCD data, the index brings transparency to the performance, activity, and key characteristics of the market. The Bloomberg US Corporate High Yield Bond Index measures the USD-denominated, high yield, fixed-rate corporate bond market. Securities are classified as high yield if the middle rating of Moody's, Fitch and S&P is Ba1/BB+/BB+ or below. Bonds from issuers with an emerging markets country of risk, based on Bloomberg EM country definition, are excluded (Future Ticker: I00012US). Cumulative returns are indexed, starting at 0%.

Direct Loans Provide Strong and Stable Returns During Periods of Volatility

1. Source: Cliffwater Direct Lending 2023 Q4 Report. Please reference the following links for additional information about index composition. CDLI (https://www.cliffwaterdirectlendingindex.com/), Bloomberg High Yield Index (https://www.bloomberg.com/quote/LF98TRUU:IND?embedded-checkout=true) and Morningstar LSTA US Leveraged Loan Index (https://indexes.morningstar.com/indexes/details/morningstar-lsta-us-leveraged-loan-index-FSUSA084ZT?tab=overview). Cliffwater Direct Lending Index, "CDLI" is an asset-weighted index of 13,000+ directly originated middle market loans totaling $284 billion. The CDLI assists investors to better understand asset class characteristics and to benchmark manager performance. The Morningstar LSTA US Leveraged Loan Index is designed to deliver comprehensive, precise coverage of the US leveraged loan market. Underpinned by PitchBook | LCD data, the index brings transparency to the performance, activity, and key characteristics of the market. The Bloomberg US Corporate High Yield Bond Index measures the USD-denominated, high yield, fixed-rate corporate bond market. Securities are classified as high yield if the middle rating of Moody's, Fitch and S&P is Ba1/BB+/BB+ or below. Bonds from issuers with an emerging markets country of risk, based on Bloomberg EM country definition, are excluded (Future Ticker: I00012US). Cumulative returns are indexed, starting at 0%.

Endnotes - Market Overview & Merits of Asset Class

What is Happening Today?

1. Source: LCD Q1-24 Middle Market Review.
2. Source: LCD, US Credit Markets Quarterly Wrap, Q1-24 Issue.
3. Compares Ares first lien weighted average yield with the annual current yield of first lien assets in the Credit Suisse Leveraged Loan Index (CSLLI) as of December 31, 2023. The CSLLI index may differ from the Ares first lien strategy by having a higher proportion of CCC or lower rated loans, larger loan facilities, cyclical sectors, USD-only global denominated leveraged loans, and publicly traded loans. The Ares strategy primarily holds private assets with no immediate market, and may benefit from an illiquidity premium and higher upfront fees compared to the index. Includes all unrealized first lien investments at each data point in time of the Credit Group's U.S. direct lending team (excluding venture investments, oil & gas investments, private asset backed securities, investments warehoused or held for seasoning or syndication purposes (including investments held for less than 30 days and other investments determined to be temporarily held by Ares in conjunction with syndication processes), and investments inherited from portfolio acquisitions), including investments made through Ares Capital Corporation (NASDAQ: ARCC) and from separately managed accounts and other funds. Yield reflects the weighted average yield on debt and other income producing securities and is computed as (a) annual stated interest rate of yield earned plus the net annual amortization of original issue discount and market discount of premium earned on accruing debt and other income producing securities, divided by (b) total accruing debt and other income producing securities at fair value.

Endnotes

Key Elements to Our Investment Strategy

Endnotes - Key Elements to Our Investment Strategy

Scaled Origination Drives Selectivity

1. Calculated as the number of deals reviewed multiplied by the average EBITDA of all deals reviewed, multiplied by an assumed leverage level of 5x.
2. Based on the total count of deals reviewed from January 1, 2005 to December 31, 2023.
3. Calculated based on transaction data from January 1, 2005 to December 31, 2023.

Origination Across the Company Size Spectrum

1. Based on originations of ARCC debt investments from 2019 – 2023.
2. Notes on portfolio company EBITDA:
   I. The portfolio weighted average EBITDA and average EBITDA for the underlying borrowers includes information solely in respect of corporate investments in Ares Capital's portfolio and the weighted average total net leverage multiple and interest coverage ratio data includes information solely in respect of corporate portfolio companies in which Ares Capital has a debt investment (in each case, subject to the exclusions described in the following sentence). Excluded from the data above is information in respect of the following: (i) the SDLP (and the underlying borrowers in the SDLP), (ii) portfolio companies that do not report EBITDA, including IHAM, (iii) portfolio companies with negative or de minimis EBITDA, (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 finance companies.
   II. Weighted average EBITDA amounts are weighted based on the fair value of the portfolio company investments. 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.
   III. EBITDA is a non-GAAP financial measure. For a particular portfolio company, EBITDA is generally defined as 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

Ares is One Of The Only Direct Lenders With An Investing History Since 2004

1. As of December 31, 2023. Includes capital deployed by ARCC, the Senior Direct Lending Program (“SDLP”), the Senior Secured Loan Fund (“SSLP”), funds and SMAs. For investments made through the SSLP and the SDLP, invested capital represents the total facility amount funded by the SDLP. Excludes capital deployed by Ares Commercial Finance and Ivy Hill Asset Management. Excludes $1.8 billion of assets acquired as part of ARCC's acquisition of Allied Capital Corporation on April 1, 2010. Excludes $2.5 billion of assets acquired as part of ARCC’s acquisition of American Capital on January 3, 2017. Invested capital represents the book value of investments net of OID and syndications within one year of investment closing and excludes warrants, CLO investments, LP/vehicles and investments inherited from portfolio acquisitions.
2. BDC peer group consists of BDCs with a total portfolio at fair value greater than $1.7 billion or a combined portfolio at fair value greater than $2 billion if under common management and have been publicly traded for at least one year, as of December 31, 2023. Peers include: BBDC, BCSF, BKCC, BXSL, CGBD, CION, FSK, GBDC, GSBD, HTGC, MAIN, MFIC, NMFC, OBDC, OCSL, PFLT, PNNT, PSEC, SLRC, TCPC, and TSLX. BDC peer information sourced from public filings.

Flexible Capital Across Diversified Product Offerings

1. At Fair Value as of March 31, 2024.
2. Represents Ares Capital’s portion of co-investments with Varagon Capital Partners and its clients in first lien senior secured loans, including certain loans that the SDLP classifies as "unitranche" loans, to U.S. middle-market companies. See Note 4 to Ares Capital’s consolidated financial statements included in the quarterly report on Form 10-Q for the quarter ended March 31, 2024 for more information regarding SDLP.
3. Includes Ares Capital’s subordinated loan and equity investments in IHAM, as applicable. IHAM is an asset management services company and an SEC-registered investment adviser. See Note 4 to Ares Capital’s consolidated financial statements included in the quarterly report on Form 10-Q for the quarter ended March 31, 2024 for more information regarding IHAM.

Endnotes - Key Elements to Our Investment Strategy

Our Approach to Payment-In-Kind

1. Notes on portfolio company EBITDA:
   I. The portfolio weighted average EBITDA and average EBITDA for the underlying borrowers includes information solely in respect of corporate investments in Ares Capital's portfolio and the weighted average total net leverage multiple and interest coverage ratio data includes information solely in respect of corporate portfolio companies in which Ares Capital has a debt investment (in each case, subject to the exclusions described in the following sentence). Excluded from the data above is information in respect of the following: (i) the SDLP (and the underlying borrowers in the SDLP), (ii) portfolio companies that do not report EBITDA, including IHAM, (iii) portfolio companies with negative or de minimis EBITDA, (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 finance companies.
   II. Weighted average EBITDA amounts are weighted based on the fair value of the portfolio company investments. 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.
   III. EBITDA is a non-GAAP financial measure. For a particular portfolio company, EBITDA is generally defined as 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

Industry Selection Supports Attractive Portfolio Performance

1. At Fair Value as of March 31, 2024
2. Represents Ares Capital’s portion of co-investments with Varagon Capital Partners and its clients in first lien senior secured loans, including certain loans that the SDLP classifies as "unitranche" loans, to U.S. middle-market companies. See Note 4 to Ares Capital’s consolidated financial statements included in the quarterly report on Form 10-Q for the quarter ended March 31, 2024 for more information regarding SDLP.
3. Includes Ares Capital’s subordinated loan and equity investments in IHAM, as applicable. IHAM is an asset management services company and an SEC-registered investment adviser. See Note 4 to Ares Capital’s consolidated financial statements included in the quarterly report on Form 10-Q for the quarter ended March 31, 2024 for more information regarding IHAM.
4. Represents the public market equivalent (PME) return of the Credit Suisse Leveraged Loan Index and the The ICE BofA US High Yield Master II Constrained Index weighted by the Ares senior and junior invested capital, respectively over the ten years ended December 31, 2023. **PME+:** is a public market index expressed in terms of a money-weighted return. The PME+ is calculated by apply the fund’s cash flows and residual value to the referenced indices. Fund contributions and distributions are treated as purchases and sales of the reference index using the same timing as the actual fund flows over the same time period. The PME+ calculation applies a scaling factor to the distributions. The PME+ includes the reinvestment of income and other earnings of the underlying indices, but do not include any index-related transaction costs, management fees or other costs. **Senior Debt:** Invested capital represents the book value of all senior debt investments from October 2004 through December 31, 2023, net of the original issue discount (“OID”) and amounts syndicated to third parties and excludes venture investments, oil & gas investments, private asset backed securities, investments warehoused or held for seasoning or syndication purposes (including investments held for less than 30 days and other investments determined to be temporarily held by Ares in conjunction with syndication processes), and investments inherited from portfolio acquisitions. With respect to revolver and delayed draw term loan investments, the invested capital represents the maximum funded amount, if any, over the life of the investment. **Junior Debt:** Invested capital represents the book value of all second lien, mezzanine and other private high yield debt investments from October 2004 through December 31, 2023, net of OID and syndications within one year of investment closing and excludes warrants, investments held for less than 30 days and investments inherited from portfolio acquisitions.

Diversification Supports High Quality Credit Portfolio

1. At Fair Value as of March 31, 2024. Peer data as of December 31, 2023. Source: Pitchbook LCD as of Q4-23. BDC peer group consists of BDCs with a total portfolio at fair value greater than $1.7 billion or a combined portfolio at fair value greater than $2 billion if under common management and have been publicly traded for at least one year, as of December 31, 2023. Peers include: BBDC, BCSF, BKCC, BXSL, CGBD, CION, FSK, GBDC, GSBD, HTGC, MAIN, MFIC, NMFC, OBDC, OCSL, PFLT, PNNT, PSEC, SLRC, TCPC, and TSLX.
2. Excludes investments in diversified vehicles such as the Senior Direct Lending Program (SDLP) or Ivy Hill (IHAM) for ARCC and similar investments for peers.
3. Based on Pitchbook LCD industry classifications, which may not match ARCC or other company disclosures.

Endnotes

Panel: Differentiated Approach to Investing

Endnotes - Panel: Differentiated Approach to Investing

Software & Technology Vertical

1. Represents the weighted average EBITDA of ARCC's Software & Services portfolio. Notes on portfolio company EBITDA:
   I. Weighted average EBITDA amounts are weighted based on the fair value of the portfolio company investments. 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.
   II. EBITDA is a non-GAAP financial measure. For a particular portfolio company, EBITDA is generally defined as 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
2. Loan to value reflects the Software & Services portfolio weighted average LTV based on the fair value of the portfolio as of March 31, 2024. LTV is inclusive of first lien, second lien, subordinated and debt-like preferred investments.
3. Average of the amortized cost divided by total portfolio at amortized cost for each Software & Services portfolio company.
4. Represents the investing history of Nicolai Wadstrom and Ben Levy, who lead BootstrapLabs and have been investing in early-stage AI-first companies since 2015
5. Based on investments in Ares U.S. Direct Lending Software & Technology Vertical through ARCC, Ares' U.S. direct lending funds and SMAs. At fair value as of December 31, 2023.

Ares Healthcare & Specialty Healthcare Team

1. The loss rates shown have been compiled by Ares. Defined as total gains/(losses) on assets with a payment default as a % of total invested capital since inception, divided by number of years since inception. For realized investments, includes interest, fees, principal proceeds, and related expenses. An investment that has experienced a payment default is placed on Non-Accrual status by Ares' accounting team; however, prior to placing a loan on Non-Accrual status, Ares U.S. Direct Lending may elect to grant a waiver or amendment related to such default and, in such case, the investment would not be placed on Non-Accrual.
2. Represents the pro forma consolidated realized asset-level IRR for fully realized investments. Gross asset-level IRR is to a fund and not to the Fund's investors. IRR is the discount rate that makes the net present value of all cash flows related to a particular investment equal to zero. Asset-level IRR is gross of management fees, performance fees, and other expenses related to investments as these expenses are not allocable to specific investments and differ among Funds. The effect of such management fees, performance fees and other expenses may reduce, maybe materially, the returns to investors from those shown herein. IRR includes realized amounts. 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 or sale of an investment, or through the determination that no further consideration was collectible and, thus, a loss may have been realized. Past performance is not indicative of future results.
3. Represents the pro forma consolidated realized asset-level IRR for fully realized investments. Asset level IRR is to a fund and not to the Fund's investors. IRR is the discount rate that makes the net present value of all cash flows related to a particular investment equal to zero. Pro forma IRR includes realized amounts. 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 or sale of an investment, or through the determination that no further consideration was collectible and, thus, a loss may have been realized. Past performance is not indicative of future results. Net performance is calculated after giving effect to management fees, performance fees, fund-level taxes and other expenses.
4. Note: "Direct Alpha" measures the annualized rate of outperformance of a private investment against a reference index. The Public Market Equivalent is calculated as the difference between the IRR of the private investment and its Direct Alpha. The strategy employed by the Ares Specialty Healthcare Strategy is not directly comparable to that of the ICE BoFA High Yield Healthcare Index (HY Healthcare). The Ares Specialty Healthcare Strategy may differ from this index by making investments in non-rated rated loans, larger loan facilities, cyclical sectors, USD-only global denominated leveraged loans, companies without positive EBITDA, etc. The Ares strategy may benefit from syndication fees which are not included in the index. As such, these indices should be viewed as an alternative use of capital as opposed to a direct benchmark for the Ares Specialty Healthcare Strategy.

Endnotes - Panel: Differentiated Approach to Investing

Ares’ Leadership Position in Sports, Media and Entertainment Lending

1. As of September 30, 2023. The performance results shown are pro forma returns which have been compiled by Ares. Pro forma performance results are hypothetical, have inherent limitations, and no representation is being made that any account will or is likely to achieve profits or losses similar to those shown. Performance of realized investments shown reflects actual realized investments from October 8, 2004 through September 30, 2023 and includes all Sports, Media and Entertainment related first lien, second lien, mezzanine and equity investments of the Credit Group’s U.S. direct lending team (excluding warrants and investments held for less than 30 days and investments inherited from portfolio acquisitions), including more than 90% from Ares Capital Corporation (NASDAQ: ARCC) and the remaining from separately managed accounts and other Ares Credit funds since inception in July 2007. The realized investments referred to herein are not managed in a single fund or portfolio but rather are spread across multiple investment vehicles that may invest in different asset classes and various industries, and which were separately managed by Ares during different market cycles. Although the performance shown is not based on the performance of an actual portfolio that specifically invested only in the assets represented by the performance carve out during the timeframe that the performance was achieved, these results are representative of the strategy that the Fund will follow. In addition, performance of ARCC is based on the total return to shareholders, which is impacted by the price of the common stock and the payment of dividends to shareholders. There are significant differences between an investment in a publicly traded vehicle and a private fund, and actual performance of a private fund may differ materially.
2. Defined as total gains/(losses) on assets with a payment default as a % of total invested capital since inception, divided by number of years since inception. For realized investments, includes interest, fees, principal proceeds, and related expenses. For unrealized investments includes interest, principal proceeds, fees and related expenses received to-date, as well as the fair market value of the security as determined by management in accordance with U.S. generally accepted accounting principles. An investment that has experienced a payment default is placed on Non-Accrual status by Accounting; however, prior to placing a loan on Non-Accrual status, Ares U.S. Direct Lending may elect to grant a waiver or amendment related to such default and, in such case, the investment would not be placed on Non-Accrual.

In Our View, Sports Is Primed for Direct Lending Capital Solutions

1. Hypothetical value of $100 invested on December 31, 2007 and remained invested through December 31, 2023, based on the median enterprise values for an equal-weighted index of NBA, MLB, NFL and NHL sports franchises, and total returns for public market indices.

Ivy Hill Asset Management Overview

1. Including IHAM investment committee members.
2. Includes Principals, MDs and Partners.
3. Less than one third of IHAM’s AUM is in CLOs.
4. Based on ARCC’s equity and debt investments in IHAM based on original cash invested, net of syndications, of approximately $3.4 billion and total proceeds from such exited investments of approximately $4.8 billion from September 30, 2009 to March 31, 2024. Assumes capital investments occurred at beginning of the quarter and proceeds occurred at end of the quarter. 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 expenses related to investments as these fees and expenses are not allocable to specific investments. The effect of such 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. IHAM’s Cumulative Average Default Rate calculation represents the implied average annual default rate that would generate IHAM’s total defaults, based an average annual AUM of IHAM purchased loans. A security is considered in default once it misses a principal or interest payment or if principal and interest payments are converted to all-PIK. Includes defaults on first lien, second lien and subordinated debt as well as on preferred equity securities. IHAM’s CADR calculation represents the implied average annual default rate that would generate IHAM’s total defaults, based an average annual AUM of IHAM purchased loans.
6. Source: S&P LCD data. S&P default rate is calculated as the average of principal value defaulted divided by the average amount outstanding in each year since 2007 through March 31, 2024.

Endnotes

Portfolio Management Drives Differentiated Outcomes

Endnotes - Portfolio Management Drives Differentiated Outcomes

Differentiated Portfolio Management Capabilities & Focus

1. Based on Ares' discussions with other direct lenders and observation of the market.
2. With certain de minimis exceptions

Robust Valuation Process

1. Includes ARCC U.S. debt investments fully exited in 2023. "Equal to Prior Mark" includes a threshold of -1% to 0% of the prior mark (FV/Cost).
2. Prior marks compared to both one quarter prior to exit and four quarters prior to exit., where in each case 98% of exits and repayments were completed at or above the prior quarter marks, subject to the parameters set forth in note 1 above.
3. Measured as the percentage performing better than prior mark divided by the percentage performing worse than prior mark.
4. Based on ARCC's historical annual net realized gain rate of ~1% in excess of the investment's cost basis. 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 March 31, 2024 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 other transactions.
5. With certain de minimis exceptions.

ARCC's Portfolio Health and Outlook

1. Notes on portfolio company EBITDA:
   I. The portfolio weighted average EBITDA and average EBITDA for the underlying borrowers includes information solely in respect of corporate investments in Ares Capital's portfolio and the weighted average total net leverage multiple and interest coverage ratio data includes information solely in respect of corporate portfolio companies in which Ares Capital has a debt investment (in each case, subject to the exclusions described in the following sentence). Excluded from the data above is information in respect of the following: (i) the SDLP (and the underlying borrowers in the SDLP), (ii) portfolio companies that do not report EBITDA, including IHAM, (iii) portfolio companies with negative or de minimis EBITDA, (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 finance companies.
   II. Weighted average EBITDA amounts are weighted based on the fair value of the portfolio company investments. 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.
   III. EBITDA is a non-GAAP financial measure. For a particular portfolio company, EBITDA is generally defined as 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
2. BDC historical average non-accrual rate at cost according to KBW from Q1-08 to Q4-23.
3. Interest coverage represents portfolio companies' LTM EBITDA as a multiple of implied annualized cash interest based on the borrowing levels and market rates at quarter end.
4. Based on five year historical average as of March 31, 2024.

Differentiated Capabilities in Challenging Credits - Be Early, Be Smart, Be Flexible

1. Based on exited non-accruals.
2. Represents realized total proceeds on all ARCC originated realized loans on non-accrual recognized in accordance with U.S. GAAP, as of December 31, 2023.
3. Represents investments worked-out with an 80%+ recovery involving but not limited to taking greater control or ownership, forcing a sale or refinancing, and/or other distressed exit situations.
4. Since inception through December 31, 2023. Restructuring gains comprised primarily of equity received in workouts.

Endnotes

Our Results Across Various Asset Classes

Endnotes - Our Results Across Various Asset Classes

ARCC's Yield Premium Sustained Over Time

1. Yield reflects the weighted average yield on debt and other income producing securities on first lien or junior debt investments as indicated and is computed as (a) annual stated interest rate of yield earned plus the net annual amortization of original issue discount and market discount of premium earned on accruing debt and other income producing securities, divided by (b) total accruing debt and other income producing securities at fair value. First Lien includes investments in first lien assets, the Senior Secured Loan Program and the Senior Direct Lending Program. Junior Capital includes investments in second lien and subordinated investments. Asset yields do not represent returns to investors.
2. Reflects annual current yield of first lien assets in the Credit Suisse Leveraged Loan Index (CSLLI). The CSLLI index may differ from the Ares first lien strategy by having a higher proportion of CCC or lower rated loans, larger loan facilities, cyclical sectors, USD-only global denominated leveraged loans, and publicly traded loans. The Ares strategy primarily holds private assets with no immediate market, and may benefit from an illiquidity premium and higher upfront fees compared to the index.
3. Reflects annual current yield of the ICE BofA US High Yield Constrained (HUC0) index. The HUC0 index may differ from the Ares strategy by having larger loan facilities, cyclical sectors, USD-only global denominated leveraged loans, and loans in the liquid broadly syndicated market. The Ares strategy primarily holds private assets with no immediate market and may benefit from an illiquidity premium and higher upfront fees compared to the index.

ARCC Has a Compelling Track Record of Credit Performance

1. Includes invested capital from inception on October 8, 2004 through December 31, 2023. 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. Defined as realized gains/(losses) on assets with a payment default as a percentage of total invested capital since inception, divided by number of years since inception for all first lien and unitranche loans. This number includes interest, fees, principal proceeds, and net of related expenses.
3. Defined as realized gains/(losses) on assets with a payment default as a percentage of total invested capital since inception, divided by number of years since inception for all second lien and subordinated loans. This number includes interest, fees, principal proceeds, and net of related expenses.
4. Represents the average loss rate from October 8, 2004 through December 31, 2023. Source for First Lien is Credit Suisse Institutional Leveraged Loan Index ("CSLLI") as of December 31, 2023. Source for High Yield Bond Data is the ICE BofA US High Yield Master II Constrained Index ("HUC0") as of December 31, 2023. The loss rate is calculated by taking the default rate * (1 - the recovery rate). The default methodology is calculated by taking the price of the index on the day of default.

Track Record of Investing in Second Lien & Unsecured Debt Investments

1. Includes invested capital in second lien and unsecured investments from inception on October 8, 2004 through December 31, 2023. 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. Represents the historical average yield premium on ARCC's second lien and unsecured investments vs. high yield bonds from October 8, 2004 to December 31, 2023. Yield reflects the weighted average yield on debt and other income producing securities and is computed as (a) annual stated interest rate of yield earned plus the net annual amortization of original issue discount and market discount of premium earned on accruing debt and other income producing securities, divided by (b) total accruing debt and other income producing securities at fair value. Asset yields do not represent returns to investors. High yield bond yield based on annual current yield of the ICE BofA US High Yield Constrained (HUC0) index. The HUC0 index may differ from the Ares strategy by having larger loan facilities, cyclical sectors, USD-only global denominated leveraged loans, and loans in the liquid broadly syndicated market. The Ares strategy primarily holds private assets with no immediate market and may benefit from an illiquidity premium and higher upfront fees compared to the index.
3. ARCC's asset based realized IRR on second lien and unsecured investments is based on original cash invested, net of syndications, of approximately $15.6 billion and total proceeds from such exited investments of approximately $19.7 billion from January 1, 2005 through December 31, 2023. 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 expenses related to investments as these fees and expenses are not allocable to specific investments. The effect of such 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. Represents the annualized total return on the ICE BofA U.S. High Yield Master II index from October 8, 2004 to December 31, 2023.
5. Source: BDC Collateral as of December 31, 2023. Analysis compares the non-accrual rate at cost on second lien and subordinated loans for ARCC vs. the BDC peers. BDC peer group consists of BDCs with a total portfolio at fair value greater than $1.7 billion or a combined portfolio at fair value greater than $2 billion if under common management and have been publicly traded for at least one year, as of December 31, 2023. Peers include: BBDC, BCSF, BKCC, BXSL, CGBD, CION, FSK, GBDC, GSBD, HTGC, MAIN, MFIC, NMFC, OBDC, OCSL, PFLT, PNNT, PSEC, SLRC, TCPC, and TSLX.
6. Defined as realized gains/(losses) on assets with a payment default as a percentage of total invested capital since inception, divided by number of years since inception for all second lien and subordinated loans. This number includes interest, fees, principal proceeds, and net of related expenses.

Endnotes - Our Results Across Various Asset Classes

Highly Selective Approach to Preferred Equity Investments

1. Notes on portfolio company EBITDA:
    1. The portfolio weighted average EBITDA and average EBITDA for the underlying borrowers includes information solely in respect of corporate investments in Ares Capital's portfolio and the weighted average total net leverage multiple and interest coverage ratio data includes information solely in respect of corporate portfolio companies in which Ares Capital has a debt investment (in each case, subject to the exclusions described in the following sentence). Excluded from the data above is information in respect of the following: (i) the SDLP (and the underlying borrowers in the SDLP), (ii) portfolio companies that do not report EBITDA, including IHAM, (iii) portfolio companies with negative or de minimis EBITDA, (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 finance companies.
    2. Weighted average EBITDA amounts are weighted based on the fair value of the portfolio company investments. 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. EBITDA is a non-GAAP financial measure. For a particular portfolio company, EBITDA is generally defined as 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
2. Loan to value reflects the preferred investment portfolio weighted average LTV based on fair value of the portfolio as of December 31, 2023.
3. Based on original cash invested, net of syndications, of approximately $957 million and total proceeds from such exited investments of approximately $1.7 billion from inception on October 8, 2004 through December 31, 2023 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 expenses related to investments as these fees and expenses are not allocable to specific investments. The effect of such 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.

We Believe Our Equity Co-Investment Portfolio is a Significant Differentiator

1. Includes ARCC originated equity co-investments from January 1, 2005 – December 31, 2023.
2. Based on original cash invested, net of syndications, of approximately $724 million and total proceeds from such exited investments of approximately $1,472 million from December 31, 2013 through December 31, 2023. 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 expenses related to investments as these fees and expenses are not allocable to specific investments. The effect of such 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.

Our Portfolio Companies Have Demonstrated Strong Growth

1. ARCC EBITDA growth is calculated using the quarter over quarter change in average EBITDA from Q1-2014 to Q1-2024 indexed to 100 as of Q1-14. For a particular portfolio company, EBITDA is generally defined as net income before net interest expense, income tax expense, depreciation and amortization. EBITDA amounts used in the calculation 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 on warranty in respect of this information.
2. Source: Bloomberg. The Russell 1000 index EBITDA growth was calculated using the TTM EBITDA (in dollars) of the index on a quarterly basis (Q1-2014 – Q1-2024) and calculating a TTM EBITDA growth rate for each period which is then indexed to 100 as of Q1-14. The Q1-14 to Q1-24 compound annual growth rate is based on the same EBITDA data for ARCC and the Russell 1000 index.

Endnotes

Balance Sheet & Capital Management

Endnotes - Balance Sheet & Capital Management

ARCC Has Long Dated and Diversified Sources of Financing

1. Represents the total aggregate principal amount outstanding pro forma for the following post-balance sheet transactions:
   I. $850mm unsecured notes due 2029, issued May 13, 2024
   II. $476mm CLO expected to close in May 2024, subject to customary closing conditions
   III. Amendment to the Revolving Credit Facility, which reduced the revolving tranche by $125MM, and upsized the term loan A tranche by $5 million
   IV. Repayment of $900mm June 2024 Notes
2. Approximately 8.0 million shares are held by Ares employees and ARCC Directors as of March 31, 2024.
3. Computed as total principal debt outstanding less available cash dividend by stockholders' equity. Available cash excludes restricted cash as well as cash held for uses specifically designated for paying interest and expenses on certain debt. Pro forma for the unsecured notes, CLO and Revolver TL transactions detailed above.

ARCC Has Significant Sources of Liquidity

1. Represents the total aggregate principal amount outstanding.
2. Subject to borrowing base, leverage and other restrictions.
3. Represents available capital on secured revolving facilities and available cash less letters of credit outstanding. Pro forma for the following post-balance sheet transactions:
   I. $850mm unsecured notes due 2029, issued May 13, 2024
   II. $476mm CLO expected to close in May 2024, subject to customary closing conditions
   III. Amendment to the Revolving Credit Facility, which reduced the revolving tranche by $125MM, and upsized the term loan A tranche by $5 million
   IV. Repayment of $900mm June 2024 Notes

Long Dated and Well Laddered Maturities

1. Represents the total aggregate principal amount outstanding pro forma for the following post-balance sheet transactions:
   I. $850mm unsecured notes due 2029, issued May 13, 2024
   II. $476mm CLO expected to close in May 2024, subject to customary closing conditions
   III. Amendment to the Revolving Credit Facility, which reduced the revolving tranche by $125MM, and upsized the term loan A tranche by $5 million
   IV. Repayment of $900mm June 2024 Notes
2. The 2024 High Grade Notes, the March 2025 High Grade Notes, the July 2025 High Grade Notes, the January 2026 High Grade Notes, the July 2026 High Grade Notes, the January 2027 High Grade notes, the June 2027 High Grade Notes, the 2028 High Grade Notes, the 2029 High Grade Notes, the 2031 High Grade Notes and the 2036 CLO 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 2024 High Grade Notes, the March 2025 High Grade Notes, the July 2025 High Grade Notes, the January 2026 High Grade Notes, the July 2026 High Grade Notes, the January 2027 High Grade Notes, the June 2027 High Grade Notes, the 2028 High Grade Notes, the 2029 High Grade Notes, the 2031 High Grade Notes and the 2036 CLO and any accrued and unpaid interest.
3. See Note 5 to Ares Capital's consolidated financial statements included in the annual report on Form 10-Q for the quarter ended March 31, 2024 for more information regarding each of Ares Capital's secured revolving facilities.
4. The $476mm CLO is expected to close in May 2024, subject to customary closing conditions.
5. Illustrative shading to reflect the $900mm June 2024 Notes repaid in May 2024
6. Based on realized debt investments originated by ARCC since inception, excluding assets acquired from Allied/ACAS and other portfolio acquisitions.

ARCC's Demonstrated Track Record in Debt Capital Markets

1. Wells Fargo Securities and Bloomberg. Of size defined as greater than $500mm. 7-year issuance was in 2018; 10-year issuance was in 2021.
2. Wells Fargo Securities and Bloomberg. Compares ARCC's Secondary spreads vs. outstanding BDC 5-year notes as of April 22, 2024.
3. Truist Securities and Bloomberg. Compares ARCC's spread at issuance vs. outstanding 5-year BDC notes.
4. Truist Securities and Bloomberg as of May 6, 2024. Pro forma for the $850mm unsecured notes due 2029, issued May 13, 2024 and $476mm CLO expected to close in May 2024, subject to customary closing conditions

Endnotes

Performance, Outlook & Conclusion

Endnotes - Performance, Outlook & Conclusion

ARCC Has Outperformed BDC Peers Over Short and Medium Horizons

1. Total GAAP ROE: Reported net income to average equity, annualized over the given period. Peer median includes BDCs with a total portfolio at fair value greater than $1.7 billion or a combined portfolio at fair value greater than $2 billion if under common management, excluding senior floating rate funds. Must be publicly traded for the relevant time periods, as of December 31, 2023. Peers include: BBDC, BCSF, BKCC, BXSL, CGBD, CION, FSK, GBDC, GSBD, HTGC, MAIN, MFIC (AINV), NMFC, OCSL, OBDC, PNNT, PSEC, SLRC, TCPC, and TSLX. Of this group, the following companies have been public for at least 3 years as of December 31, 2023: BBDC, BCSF, BKCC, CGBD, FSK, GBDC, GSBD, HTGC, MAIN, MFIC (AINV), NMFC, OCSL, OBDC, PNNT, PSEC, SLRC, TCPC, and TSLX. The following companies have been public for at least 5 years as of December 31, 2023: BBDC, BCSF, BKCC, CGBD, FSK, GBDC, GSBD, HTGC, MAIN, MFIC (AINV), NMFC, OCSL, PNNT, PSEC, SLRC, TCPC, and TSLX.

ARCC's Track Record of Investment Outperformance

1. ARCC 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 March 31, 2024 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 other transactions.
2. BDC peer group consists of BDCs with a total portfolio at fair value greater than $1.7 billion or a combined portfolio at fair value greater than $2 billion if under common management and have been publicly traded for at least one year, as of December 31, 2023. Peers include: BBDC, BCSF, BKCC, BXSL, CGBD, CION, FSK, GBDC, GSBD, HTGC, MAIN, MFIC, NMFC, OBDC, OCSL, PFLT, PNNT, PSEC, SLRC, 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.

Strong Financial Results Through Two Global Crises

1. Net Operating ROE: Net Operating Income (or Core Earnings) to average shareholders equity, annualized over the given period. 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. See Note 16 to Ares Capital's consolidated financial statements included in the annual report on Form 10-K for the year ended December 31, 2019 for information regarding the American Capital Acquisition. See Note 13 to Ares Capital's consolidated financial statements included in the annual report on Form 10-K for the year ended December 31, 2020 for information regarding the Ares Reimbursement.
2. Realized ROE: Net Operating Income (or Core Earnings) plus net realized gains/(losses) to average equity, annualized over the given period.
3. BDC GFC peers include mid market focused BDCs that were publicly traded for at least one year as of December 31, 2007. Includes ACAS, AINV, ALD, GLAD, MCGC, PSEC and OXSQ (formerly TICC).
4. BDC COVID-19 peers include BDCs with a total portfolio at fair value greater than $1.5 billion or a combined portfolio at fair value greater than $2 billion if under common management and have been publicly traded for at least one year, as of December 31, 2021, excluding senior floating rate funds. Peers include: MFIC (AINV), BBDC, BCSF, BKCC, CGBD, OCSL, OBDC, FSK, GBDC, GSBD, HTGC, MAIN, NMFC, PNNT, PSEC, SLRC, TCPC and TSLX.

Endnotes - Performance, Outlook & Conclusion

Long Track Record of Dividend Coverage

1. As of March 31, 2024. 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. 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. See Note 16 to Ares Capital's consolidated financial statements included in the annual report on Form 10-K for the year ended December 31, 2019 for information regarding the American Capital Acquisition. See Note 13 to Ares Capital's consolidated financial statements included in the annual report on Form 10-K for the year ended December 31, 2020 for information regarding the Ares Reimbursement.
2. BDCs of size include externally managed peers with a market cap of over $700 million as of December 31, 2023 and publicly traded for the full comparison period. Peers include: MFIC (AINV), GBDC, NMFC, OCSL, PFLT, PSEC and SLRC. ARCC excluded from the BDC peer average.
3. The amount of excess 2023 U.S. federal taxable income available for carry over into 2024 is only an estimate based on estimated 2023 U.S. federal taxable income. The calculation of estimated 2023 U.S. federal taxable income includes a number of estimated inputs, including information received from third parties, and as a result, actual 2023 U.S. federal taxable income will not be finally determined until Ares Capital's 2023 tax return is filed in 2024. Consequently, both 2023 U.S. federal taxable income and the amount of excess U.S. federal taxable income available for carry over into 2024 are subject to change. See Note 11 to Ares Capital's consolidated financial statements included in the annual report on Form 10-K for the year ended December 31, 2023 for more information. The estimated taxable income per share carried forward from 2023 for distribution to stockholders in 2024 is based on the approximately 607 million shares outstanding as of March 15, 2024.

ARCC's Stock Total Returns Since Inception

1. As of March 31, 2024. Hypothetical value of $1 invested in ARCC's IPO in October 2004 and kept invested through March 31, 2024, assuming reinvestment income. Graph shown for illustrative purposes only and is not indicative of any investment. Past performance is not guarantee of future results. 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. 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. Performance to indices and peers is shown for illustrative purposes only and may not be directly comparable.
2. Source: S&P Global. As of December 31, 2023. 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.

ARCC's Distinct Earnings Drivers

1. Core ROE: Net Operating Income (or Core Earnings) to average shareholders equity, annualized over the given period. 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. See Note 16 to Ares Capital's consolidated financial statements included in the annual report on Form 10-K for the year ended December 31, 2019 for information regarding the American Capital Acquisition. See Note 13 to Ares Capital's consolidated financial statements included in the annual report on Form 10-K for the year ended December 31, 2020 for information regarding the Ares Reimbursement.

ARES
ARES CAPITAL CORPORATION

Investor Day 2024