



First Quarter 2023

Earnings Presentation

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Financial and Portfolio Highlights

Financial Highlights

	Q1-23	Q4-22	Q1-22
Core EPS ^{*(1)}	\$ 0.57	\$ 0.63	\$ 0.42
Net Investment Income Per Share ⁽²⁾	\$ 0.60	\$ 0.68	\$ 0.41
Net Realized Gains (Losses) Per Share ⁽²⁾	\$ (0.10)	\$ 0.05	\$ 0.02
Net Unrealized Gains (Losses) Per Share ⁽²⁾	\$ 0.02	\$ (0.39)	\$ 0.01
GAAP Net Income Per Share ⁽²⁾⁽³⁾	\$ 0.52	\$ 0.34	\$ 0.44
Net Asset Value Per Share	\$ 18.45	\$ 18.40	\$ 19.03

Portfolio Highlights

<i>(dollar amounts in millions)</i>	Q1-23	Q4-22	Q1-22
Gross Commitments ⁽⁴⁾	\$ 766	\$ 2,519	\$ 2,001
Exits of Commitments ⁽⁵⁾	\$ 1,884	\$ 2,333	\$ 2,551
Total Fair Value of Investments	\$21,148	\$21,780	\$19,486
Weighted Average Yields on Debt and Other Income Producing Securities at Amortized Cost ⁽⁶⁾	12.0 %	11.6 %	8.9 %
Weighted Average Yields on Total Investments at Amortized Cost ⁽⁷⁾	10.8 %	10.5 %	8.1 %

Note: Endnotes begin on slide 24

* See slide 23 hereof for reconciliations of Core EPS to basic GAAP net income per share, the most directly comparable GAAP financial measure.

Selected Historical Financial Information

(dollar amounts in millions, except per share data and stock prices)	As of and for the Three Months Ended				
	3/31/23	12/31/22	9/30/22	6/30/22	3/31/22
Core EPS ⁽¹⁾	\$ 0.57	\$ 0.63	\$ 0.50	\$ 0.46	\$ 0.42
Net Investment Income Per Share ⁽²⁾	\$ 0.60	\$ 0.68	\$ 0.57	\$ 0.52	\$ 0.41
Net Realized and Unrealized Gains (Losses) Per Share ⁽²⁾	\$ (0.08)	\$ (0.34)	\$ (0.36)	\$ (0.30)	\$ 0.03
GAAP Net Income Per Share ⁽²⁾⁽³⁾	\$ 0.52	\$ 0.34	\$ 0.21	\$ 0.22	\$ 0.44
Dividend Declared and Payable Per Share	\$ 0.48	\$ 0.48	\$ 0.43	\$ 0.42	\$ 0.42
Additional Dividend Declared and Payable Per Share	\$ —	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.03
Stockholders' Equity	\$ 10,049	\$ 9,555	\$ 9,436	\$ 9,335	\$ 9,379
Net Asset Value Per Share	\$ 18.45	\$ 18.40	\$ 18.56	\$ 18.81	\$ 19.03
Debt/Equity Ratio	1.12x	1.29x	1.27x	1.27x	1.13x
Debt/Equity Ratio, Net of Available Cash ⁽⁸⁾	1.09x	1.26x	1.24x	1.25x	1.06x
Unsecured Debt to Total Debt	69.2 %	69.4 %	71.7 %	72.3 %	80.4 %
Weighted Average Stated Interest on Debt ⁽⁹⁾	4.4 %	4.2 %	3.8 %	3.5 %	3.2 %
Net Interest and Dividend Margin ⁽¹⁰⁾	7.5 %	7.4 %	6.6 %	6.4 %	6.4 %
Ratio of Earnings to Fixed Charges ⁽¹¹⁾	3.3	3.3	3.2	3.4	3.3
Market Capitalization:					
Principal Debt	\$ 11,196	\$ 12,245	\$ 11,853	\$ 11,768	\$ 10,570
Equity	9,949	9,591	8,579	8,898	10,324
Total Market Capitalization	\$ 21,145	\$ 21,836	\$ 20,432	\$ 20,666	\$ 20,894
Common Stock Data:					
High Price during the period	\$ 20.04	\$ 19.76	\$ 20.70	\$ 22.44	\$ 22.58
Low Price during the period	\$ 17.19	\$ 17.30	\$ 16.84	\$ 17.12	\$ 19.70
Closing Price	\$ 18.27	\$ 18.47	\$ 16.88	\$ 17.93	\$ 20.95

*See slide 23 hereof for reconciliations of Core EPS to basic GAAP net income per share, the most directly comparable GAAP financial measure.

Selected Historical Financial Information (cont'd)

(dollar amounts in millions)	As of					
	3/31/23	12/31/22	9/30/22	6/30/22	3/31/22	
Investments at Fair Value	\$ 21,148	\$ 21,780	\$ 21,339	\$ 21,170	\$ 19,486	
Number of Portfolio Companies ⁽¹²⁾	466	466	458	452	395	
Asset Class (at fair value):						
First Lien Senior Secured Loans ⁽¹³⁾	41 %	43 %	45 %	45 %	45 %	
Second Lien Senior Secured Loans	18 %	18 %	18 %	19 %	21 %	
Senior Direct Lending Program ⁽¹⁴⁾	6 %	6 %	5 %	5 %	5 %	
Senior Subordinated Loans	5 %	5 %	5 %	5 %	5 %	
Preferred Equity	10 %	9 %	10 %	9 %	9 %	
Ivy Hill Asset Management ⁽¹⁵⁾	11 %	10 %	9 %	9 %	7 %	
Other Equity	9 %	9 %	8 %	8 %	8 %	
Interest Rate Type (at fair value):						
% Floating Rate ⁽¹⁶⁾	69 %	71 %	73 %	74 %	74 %	
% Fixed Rate	11 %	11 %	10 %	10 %	10 %	
% Non-Income Producing	11 %	10 %	10 %	10 %	10 %	
% Ivy Hill Asset Management Equity*	9 %	8 %	7 %	6 %	6 %	
Yields:						
Weighted Avg. Yield on Debt and Other Income Producing Securities at Amortized Cost ⁽⁶⁾	12.0 %	11.6 %	10.7 %	9.5 %	8.9 %	
Weighted Avg. Yield on Debt and Other Income Producing Securities at Fair Value ⁽⁶⁾	12.2 %	11.9 %	10.8 %	9.6 %	8.8 %	
Weighted Average Yield on Total Investments at Amortized Cost ⁽⁷⁾	10.8 %	10.5 %	9.6 %	8.7 %	8.1 %	
Weighted Average Yield on Total Investments at Fair Value ⁽⁷⁾	10.9 %	10.6 %	9.7 %	8.6 %	8.0 %	

*Ares Capital's equity investment in Ivy Hill Asset Management, L.P. ("IHAM") generally pays a quarterly dividend.

Selected Historical Financial Information (cont'd)

<i>(dollar amounts in millions)</i>	For the Three Months Ended									
	3/31/23		12/31/22		9/30/22		6/30/22		3/31/22	
Commitments:										
Gross Commitments ⁽⁴⁾	\$	766	\$	2,519	\$	2,242	\$	3,109	\$	2,001
Exits of Commitments ⁽⁵⁾		(1,884)		(2,333)		(1,984)		(1,085)		(2,551)
Net Commitments ⁽¹⁷⁾	\$	(1,118)	\$	186	\$	258	\$	2,024	\$	(550)
Gross Commitments Information:										
Number of Transactions		32		42		40		52		49
Weighted Average Commitment Term in Months		72		77		66		65		61
Average Commitment in Period	\$	24	\$	60	\$	56	\$	60	\$	41
Fundings:										
Gross Fundings	\$	1,090	\$	2,710	\$	2,223	\$	2,895	\$	1,894
Net Fundings ⁽¹⁷⁾	\$	(699)	\$	490	\$	279	\$	1,745	\$	(572)
Portfolio Turnover		0.05		0.10		0.05		0.06		0.10

Quarterly Operating Results

(amounts in millions, except per share data)	For the Three Months Ended					
	3/31/23	12/31/22	9/30/22	6/30/22	3/31/22	
Investment income	\$ 618	\$ 640	\$ 537	\$ 479	\$ 440	
Expenses	298	273	235	212	229	
Net investment income before income taxes	320	367	302	267	211	
Income tax expense, including excise tax	2	18	14	10	13	
Net investment income	318	349	288	257	198	
Net realized and unrealized gains (losses)	(40)	(175)	(184)	(146)	13	
Net Income	\$ 278	\$ 174	\$ 104	\$ 111	\$ 211	
Per Share:						
Core EPS ⁽¹⁾	\$ 0.57	\$ 0.63	\$ 0.50	\$ 0.46	\$ 0.42	
GAAP Net Income Per Share ⁽²⁾⁽³⁾	\$ 0.52	\$ 0.34	\$ 0.21	\$ 0.22	\$ 0.44	
Dividends Declared and Payable ^{**}	\$ 0.48	\$ 0.51	\$ 0.46	\$ 0.45	\$ 0.45	
Weighted average shares of common stock outstanding ⁽²⁾⁽³⁾	534	514	503	494	479	
Common shares outstanding at end of period	545	519	508	496	493	

* See slide 23 hereof for reconciliations of Core EPS to basic GAAP net income per share, the most directly comparable GAAP financial measure.

** For each of the quarters ended December 31, 2022, September 30, 2022, June 30, 2022, and March 31, 2022, dividends declared and paid included an additional dividend of \$0.03 per share.

Quarterly Operating Results Detail

(amounts in millions)	For the Three Months Ended					
	3/31/23	12/31/22	9/30/22	6/30/22	3/31/22	
Net Investment Income Before Income Taxes:						
Investment Income:						
Interest income from investments	\$ 470	\$ 456	\$ 385	\$ 319	\$ 310	
Capital structuring service fees	10	59	32	32	30	
Dividend income	121	110	107	119	88	
Other income	17	15	13	9	12	
Total investment income	618	640	537	479	440	
Expenses:						
Interest and credit facility fees	139	141	120	101	93	
Base management fees	79	79	78	75	73	
Income based fees	76	81	63	57	51	
Capital gains incentive fees*	(6)	(37)	(37)	(29)	2	
Administrative fees	3	2	3	2	4	
Other general and administrative	7	7	8	6	6	
Total operating expenses	298	273	235	212	229	
Net investment income before income taxes	320	367	302	267	211	
Income tax expense, including excise tax	2	18	14	10	13	
Net Investment Income	\$ 318	\$ 349	\$ 288	\$ 257	\$ 198	

* Accrued in accordance with GAAP. As of March 31, 2023, Ares Capital had accrued \$29 million of incentive fees payable related to capital gains under GAAP; however, such amount is not actually payable under Ares Capital's investment advisory and management agreement with its investment adviser. The actual amount due under the investment advisory and management agreement is only determined annually at the end of each calendar year and may be less than the amount accrued under GAAP.

Quarterly Gain/Loss Detail

(amounts in millions)	For the Three Months Ended				
	3/31/23	12/31/22	9/30/22	6/30/22	3/31/22
Net Realized and Unrealized Gains (Losses):					
Realized gains (losses) on investments:					
Gains	\$ 41	\$ 83	\$ 71	\$ 2	\$ 81
Losses	(61)	(82)	(93)	(26)	(12)
Net realized gains (losses) on investments	(20)	1	(22)	(24)	69
Unrealized gains (losses) on investments:					
Unrealized appreciation	224	204	213	187	169
Unrealized depreciation	(287)	(411)	(439)	(343)	(139)
Net unrealized gains (losses) on investments	(63)	(207)	(226)	(156)	30
Net unrealized (appreciation) depreciation reversed related to net realized gains or losses on investments	48	68	12	5	(40)
Total net unrealized losses on investments	(15)	(139)	(214)	(151)	(10)
Net realized and unrealized gains (losses) on foreign currency and other transactions	(5)	(37)	51	29	2
Realized loss on extinguishment of debt	—	—	—	—	(48)
Net realized and unrealized gains (losses)	\$ (40)	\$ (175)	\$ (185)	\$ (146)	\$ 13

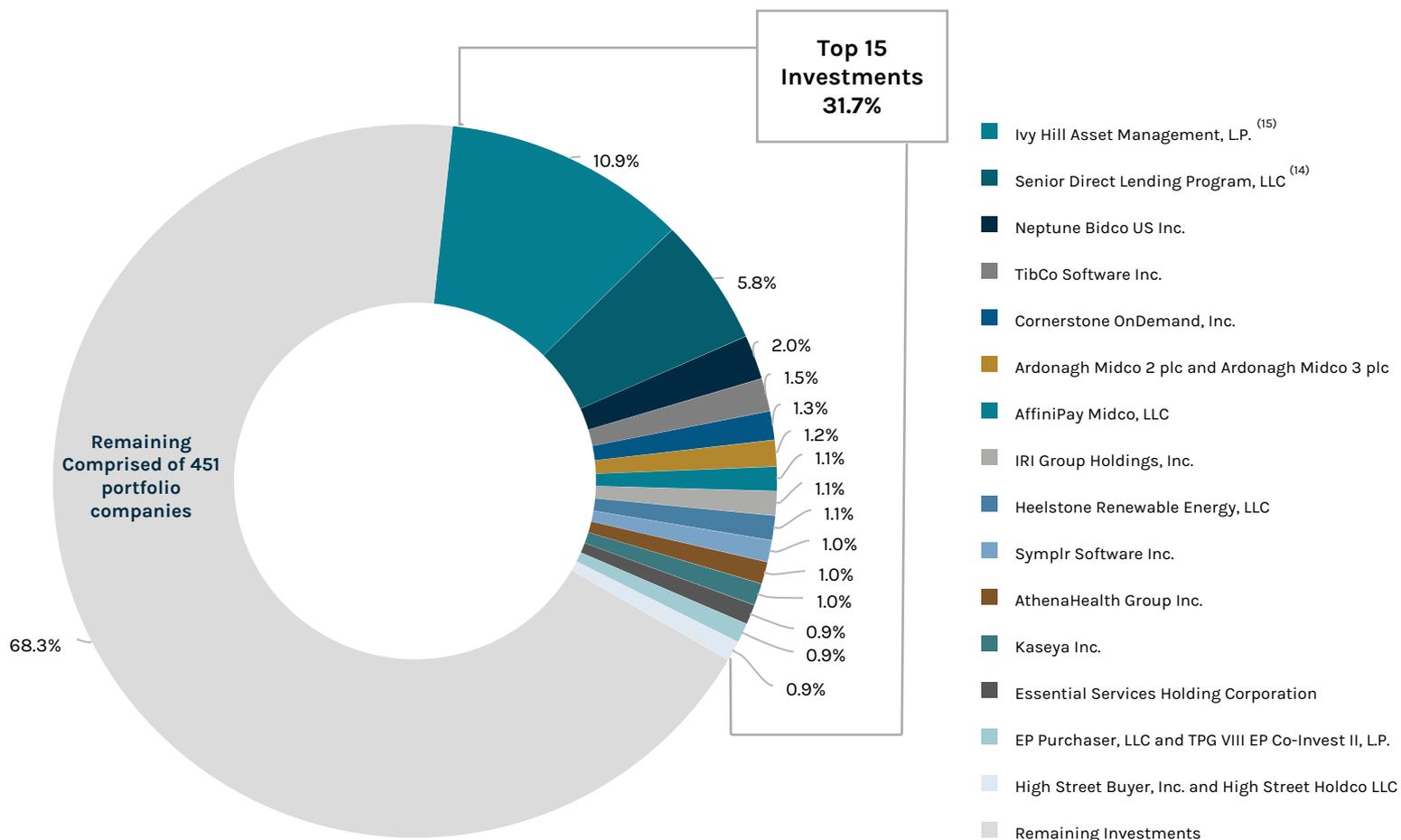
Quarterly Balance Sheets

(amounts in millions, except per share data)	As of				
	3/31/23	12/31/22	9/30/22	6/30/22	3/31/22
ASSETS					
Investments at fair value	\$ 21,148	\$ 21,780	\$ 21,339	\$ 21,170	\$ 19,486
Cash and cash equivalents	359	303	257	204	695
Restricted cash	18	34	105	57	19
Interest receivable	187	176	160	134	128
Receivable for open trades	7	4	21	101	5
Other assets	75	81	135	108	106
Operating lease right-of-use asset	18	20	21	23	24
Total assets	\$ 21,812	\$ 22,398	\$ 22,038	\$ 21,797	\$ 20,463
LIABILITIES					
Debt	\$ 11,164	\$ 12,210	\$ 11,816	\$ 11,728	\$ 10,528
Base management fees payable	79	79	78	75	73
Income based fees payable*	157	81	63	57	51
Capital gains incentive fees payable**	29	35	72	108	138
Interest and facility fees payable	84	105	76	89	68
Payable to participants	18	34	105	57	19
Payable for open trades	7	22	141	131	31
Accounts payable and other liabilities	117	167	139	102	63
Secured borrowings	80	79	79	78	74
Operating lease liabilities	28	31	33	37	39
Total liabilities	11,763	12,843	12,602	12,462	11,084
STOCKHOLDERS' EQUITY					
Common stock	1	1	—	—	—
Capital in excess of par value	10,033	9,556	9,370	9,139	9,071
Accumulated undistributed (overdistributed) earnings	15	(2)	66	196	308
Total stockholders' equity	10,049	9,555	9,436	9,335	9,379
Total liabilities and stockholders' equity	\$ 21,812	\$ 22,398	\$ 22,038	\$ 21,797	\$ 20,463
NET ASSETS PER SHARE	\$ 18.45	\$ 18.40	\$ 18.56	\$ 18.81	\$ 19.03

* Pursuant to the terms of Ares Capital's Investment Advisory and Management Agreement (the "Agreement"), payment of \$81 million of the income based fees earned by Ares Capital's investment adviser for the fourth quarter of 2022 was deferred. In determining such payment deferral calculation per the Agreement, the definition of "net assets" per the Agreement is different than the GAAP definition of net assets. If GAAP net assets had been used in such payment deferral calculation for the 12 months ending December 31, 2022, then payment of the income based fees earned by Ares Capital's investment adviser for the fourth quarter of 2022 would not have been deferred.

** Accrued in accordance with GAAP. No capital gains incentive fees were actually payable under Ares Capital's investment advisory and management agreement for any other periods presented.

Investment Portfolio by Issuer as of March 31, 2023*

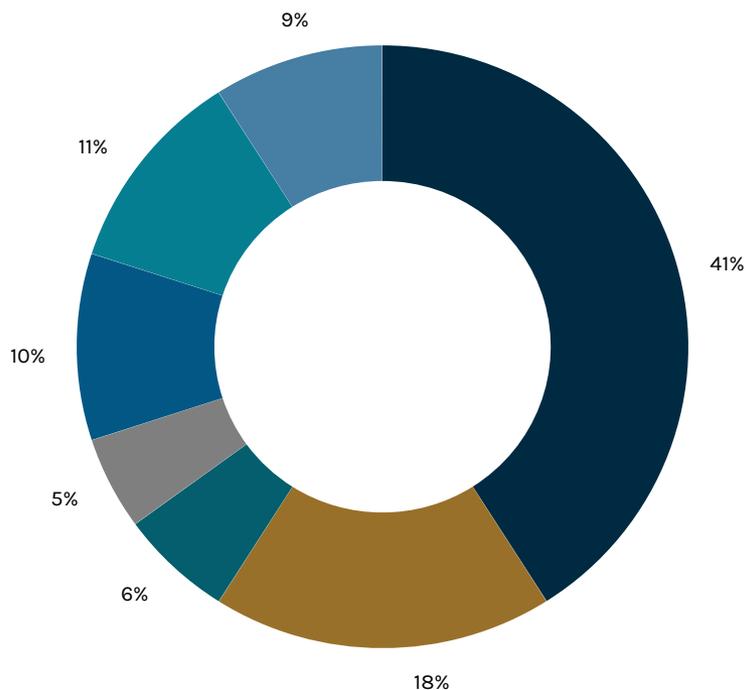


Diversified \$21.1 billion portfolio with 466 portfolio companies⁽¹²⁾

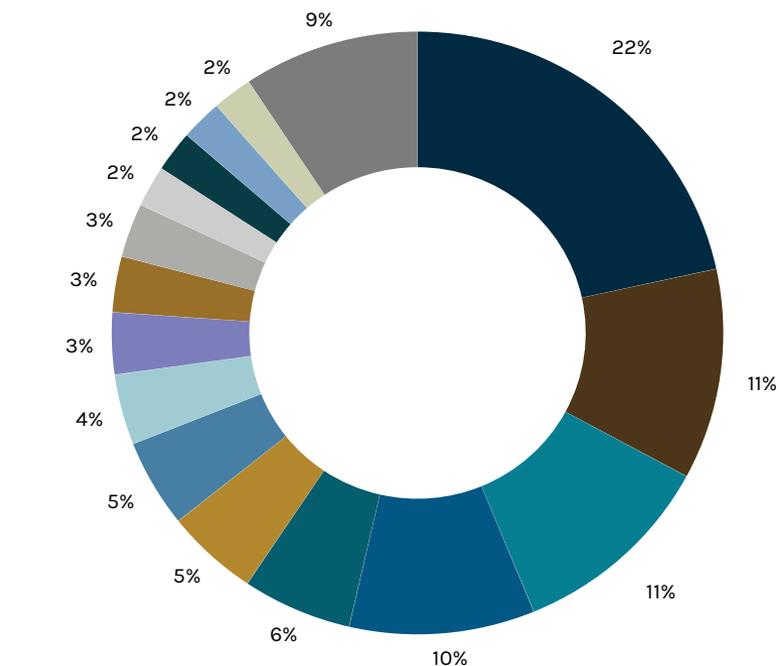
* At fair value

Investment Portfolio as of March 31, 2023*

Asset Class



Industry



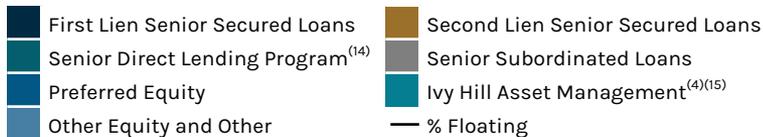
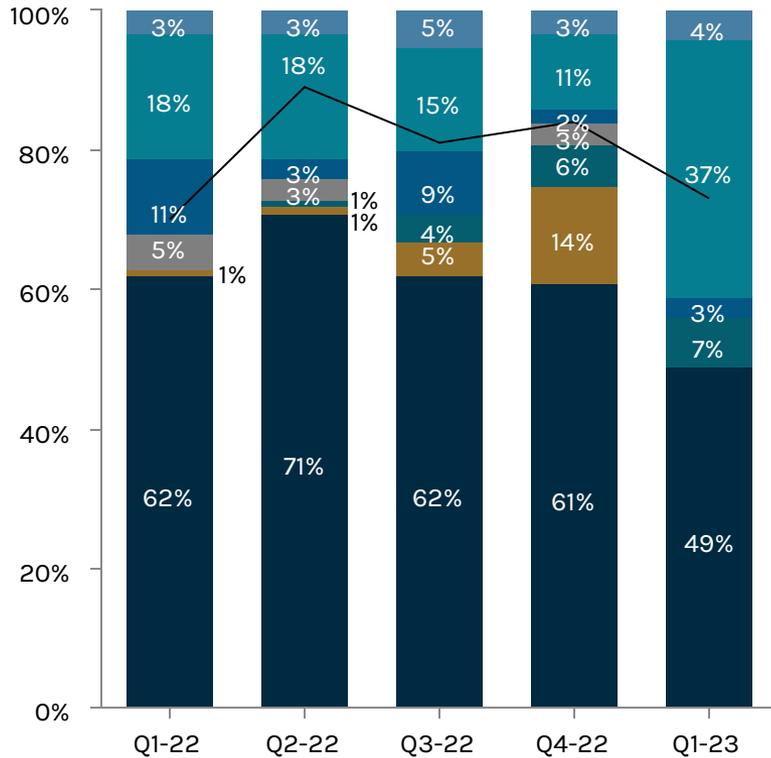
- First Lien Senior Secured Loans⁽¹³⁾
- Second Lien Senior Secured Loans
- Senior Direct Lending Program⁽¹⁴⁾
- Senior Subordinated Loans
- Preferred Equity
- Ivy Hill Asset Management⁽¹⁵⁾
- Other Equity

- Software and Services
- Health Care Services
- Ivy Hill Asset Management⁽¹⁵⁾
- Commercial and Professional Services
- Senior Direct Lending Program⁽¹⁴⁾
- Insurance Services
- Power Generation
- Consumer Durables and Apparel
- Consumer Services
- Financial Services
- Capital Goods
- Media and Entertainment
- Retailing and Distribution
- Automobiles and Components
- Food and Beverages
- Other

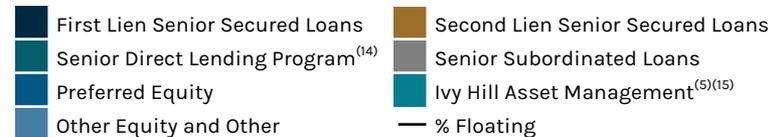
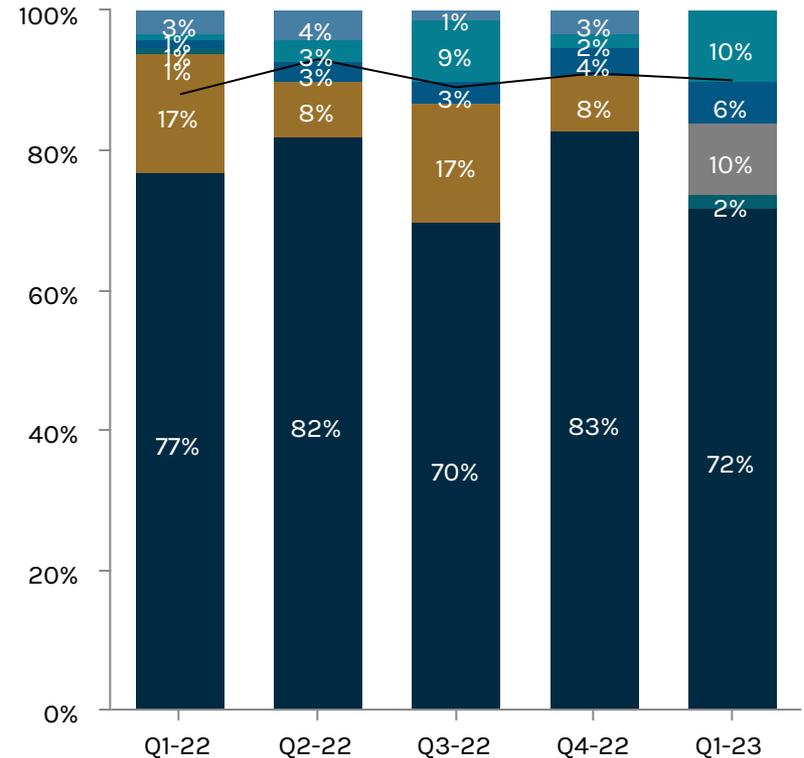
* At fair value

Portfolio Activity

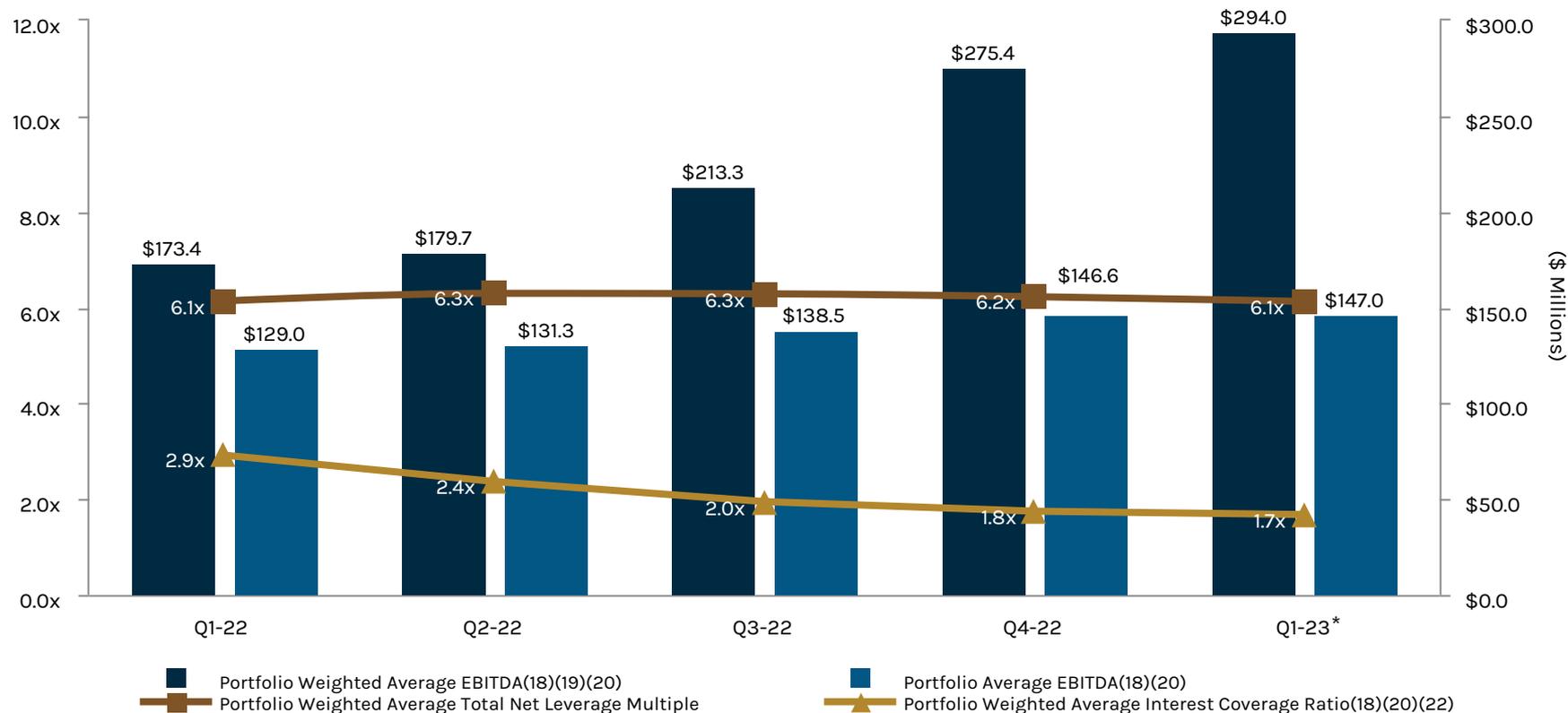
Gross Commitments by Asset Class



Exits of Commitments by Asset Class



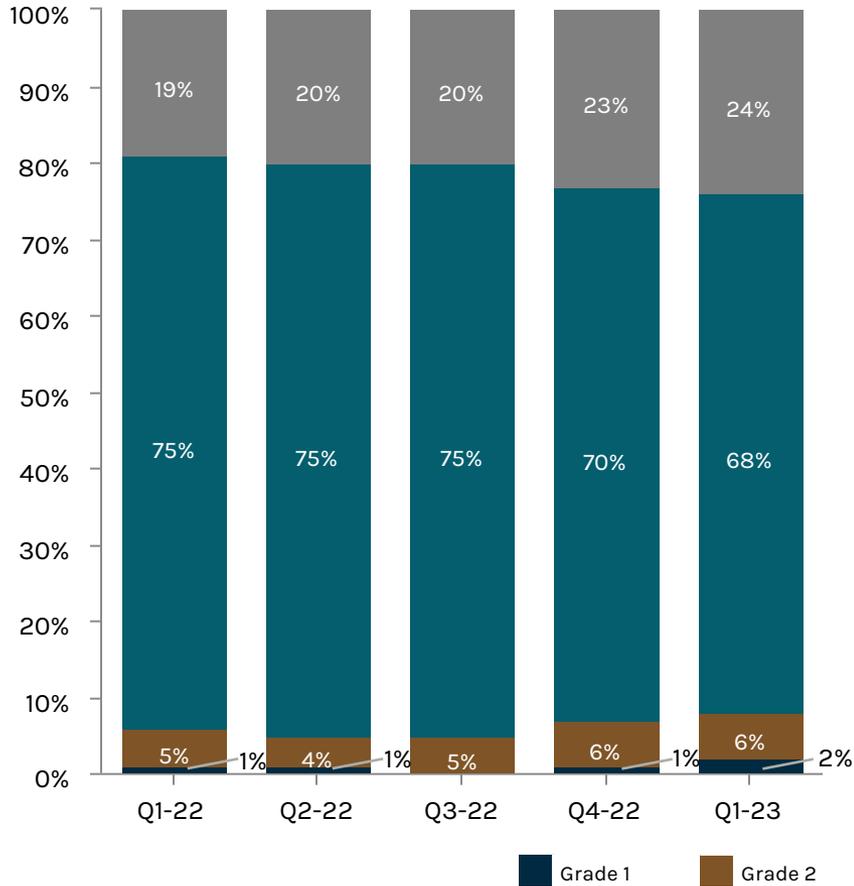
Portfolio Company EBITDA and Credit Statistics



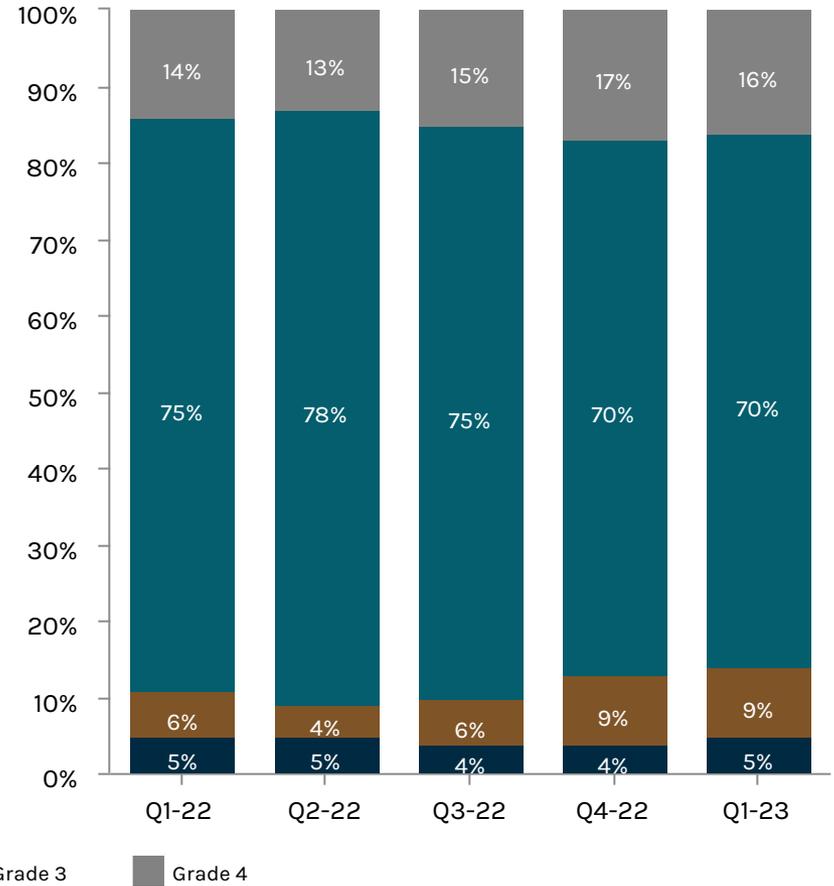
* For the portfolio companies included in the portfolio weighted average EBITDA data above (subject to additional exclusions described in the following sentence), the weighted average EBITDA growth rate as of Q1-23 was approximately 8% on a comparable basis for the most recently reported LTM period versus prior year LTM period. In addition to those portfolio companies excluded as noted⁽¹⁸⁾, this calculation excludes 55 companies where prior year comparable data was not available.⁽²³⁾

Portfolio By Grade⁽²⁴⁾

% by Fair Value

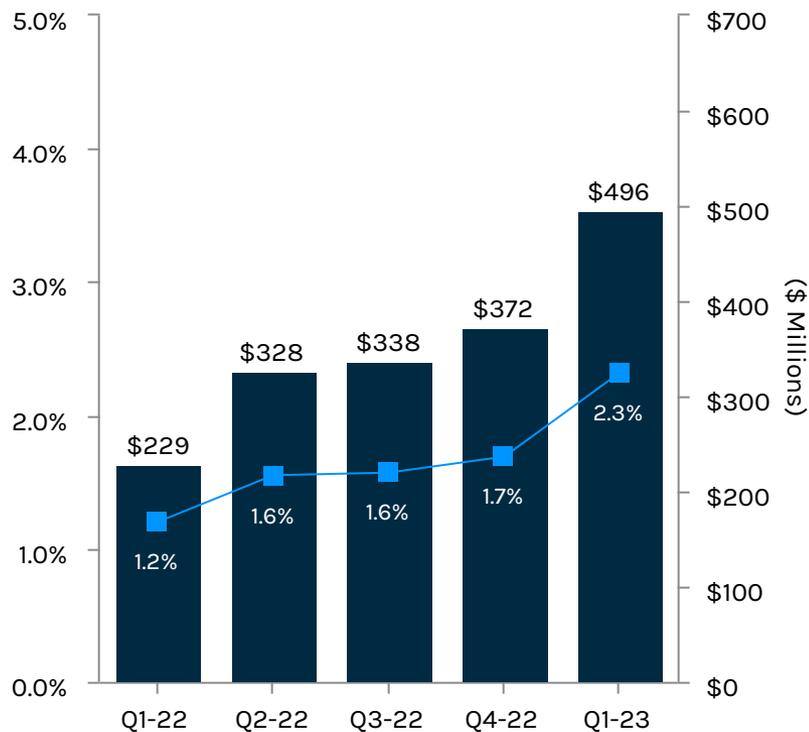


% by Number of Companies

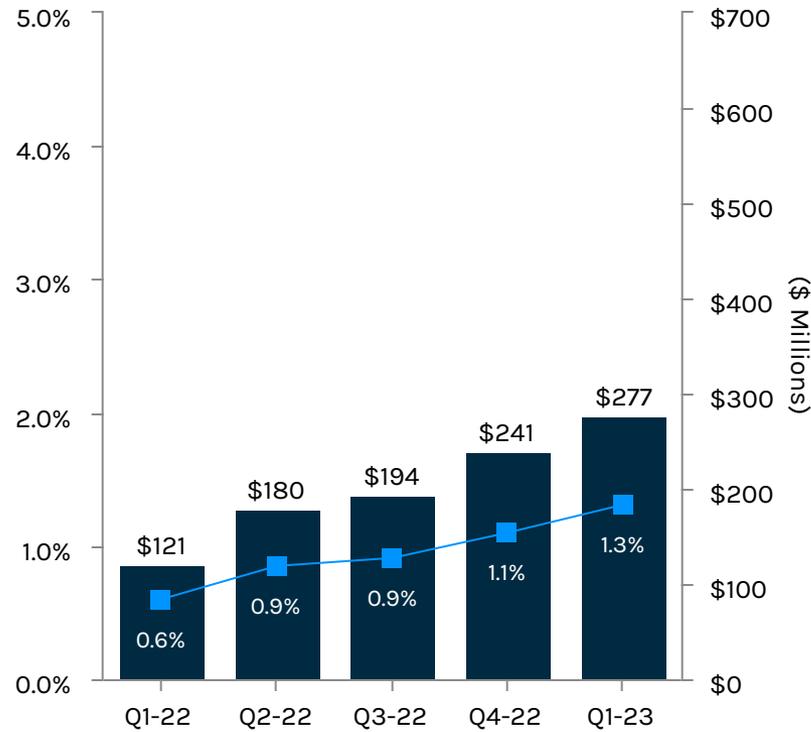


Loans on Non-Accrual Status

Amortized Cost



Fair Value



Investments on Non-Accrual Status
 Percentage of Total Investment Portfolio

Investment Activity from April 1, 2023 through April 19, 2023

Ares Capital made approximately \$369 million of new investment commitments

- 66% were in first lien senior secured loans and 34% were in second lien senior secured loans
- 67% were floating rate and 33% were fixed rate
- Weighted average yield of debt and other income producing securities funded at amortized cost of 11.4%
- Weighted average yield on total investments funded at amortized cost was 11.3%

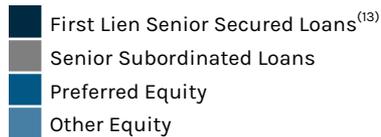
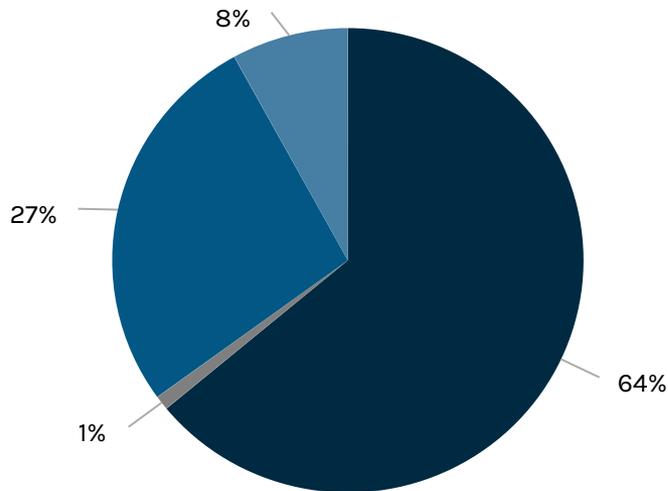
Ares Capital exited approximately \$397 million of investment commitments

- 78% were first lien senior secured loans, 21% were second lien senior secured loans and 1% were senior subordinated loans
- 99% were floating rate and 1% were fixed rate
- Weighted average yield of debt and other income producing securities exited or repaid at amortized cost was 10.8%
- Weighted average yield on total investments exited or repaid at amortized cost was 10.8%
- Total net realized losses of approximately \$1 million
- Exits include approximately \$4 million of loans sold to IHAM or certain vehicles managed by IHAM, resulting in no realized gains or losses

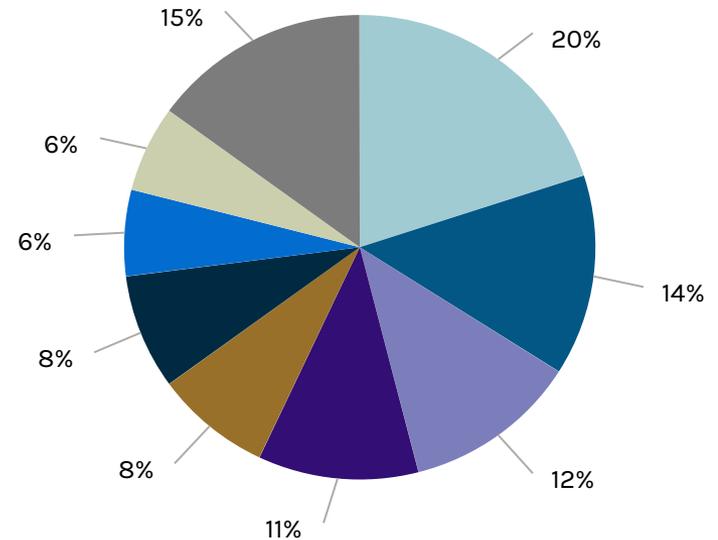
Backlog and Pipeline

- As of April 19, 2023, Ares Capital had a backlog and pipeline of approximately \$310 million and \$190 million, respectively⁽²⁵⁾
- The following is a breakdown of the backlog and pipeline by asset class and by industry

Asset Class



Industry



Debt Summary

(dollar amounts in millions)	As of 12/31/22			As of 3/31/23			Weighted Average Stated Interest Rate ⁽²⁸⁾	Interest Rate	Maturity Date
	Aggregate Principal Amount Committed/Outstanding ⁽²⁷⁾	Principal Amount Outstanding	Carrying Value of Outstanding Debt	Aggregate Principal Amount Committed/Outstanding ⁽²⁷⁾	Principal Amount Outstanding	Carrying Value of Outstanding Debt			
Secured Revolving Facilities⁽²⁶⁾:									
Revolving Credit Facility	\$ 4,843	\$ 2,246	\$ 2,246	\$ 4,843	\$ 1,872	\$ 1,872	6.520 %	SOFR + 1.75% ⁽³⁰⁾	March 2027 ⁽³⁰⁾
Revolving Funding Facility	1,775	800	800	1,775	850	850	6.568 %	SOFR + 1.90% ⁽³⁰⁾	December 2026 ⁽³⁰⁾
SMBC Funding Facility	800	451	451	800	401	401	6.434 %	LIBOR + 1.75% ⁽³⁰⁾	May 2026 ⁽³⁰⁾
BNP Funding Facility	300	245	245	500	320	320	6.965 %	SOFR + 2.30% ⁽³⁰⁾	June 2025 ⁽³⁰⁾
Subtotal	7,718	3,742	3,742	7,918	3,443	3,443	6.563 %		
Unsecured Notes Payable:									
2023 Notes	750	750	750 ⁽²⁸⁾	—	—	—			
2024 Convertible Notes	403	403	399 ⁽²⁸⁾	403	403	400 ⁽²⁸⁾	4.625 %		March 2024
2024 Notes	900	900	898 ⁽²⁸⁾	900	900	899 ⁽²⁸⁾	4.200 %		June 2024
March 2025 Notes	600	600	597 ⁽²⁸⁾	600	600	598 ⁽²⁸⁾	4.250 %		March 2025
July 2025 Notes	1,250	1,250	1,258 ⁽²⁸⁾	1,250	1,250	1,257 ⁽²⁸⁾	3.250 %		July 2025
January 2026 Notes	1,150	1,150	1,144 ⁽²⁸⁾	1,150	1,150	1,145 ⁽²⁸⁾	3.875 %		January 2026
July 2026 Notes	1,000	1,000	991 ⁽²⁸⁾	1,000	1,000	991 ⁽²⁸⁾	2.150 %		July 2026
2027 Notes	500	500	494 ⁽²⁸⁾	500	500	494 ⁽²⁸⁾	2.875 %		June 2027
2028 Notes	1,250	1,250	1,247 ⁽²⁸⁾	1,250	1,250	1,247 ⁽²⁸⁾	2.875 %		June 2028
2031 Notes	700	700	690 ⁽²⁸⁾	700	700	690 ⁽²⁸⁾	3.200 %		November 2031
Subtotal	8,503	8,503	8,468	7,753	7,753	7,721	3.371 %		
Total Debt	\$ 16,221	\$ 12,245	\$ 12,210	\$ 15,671	\$ 11,196	\$ 11,164	4.353 %		

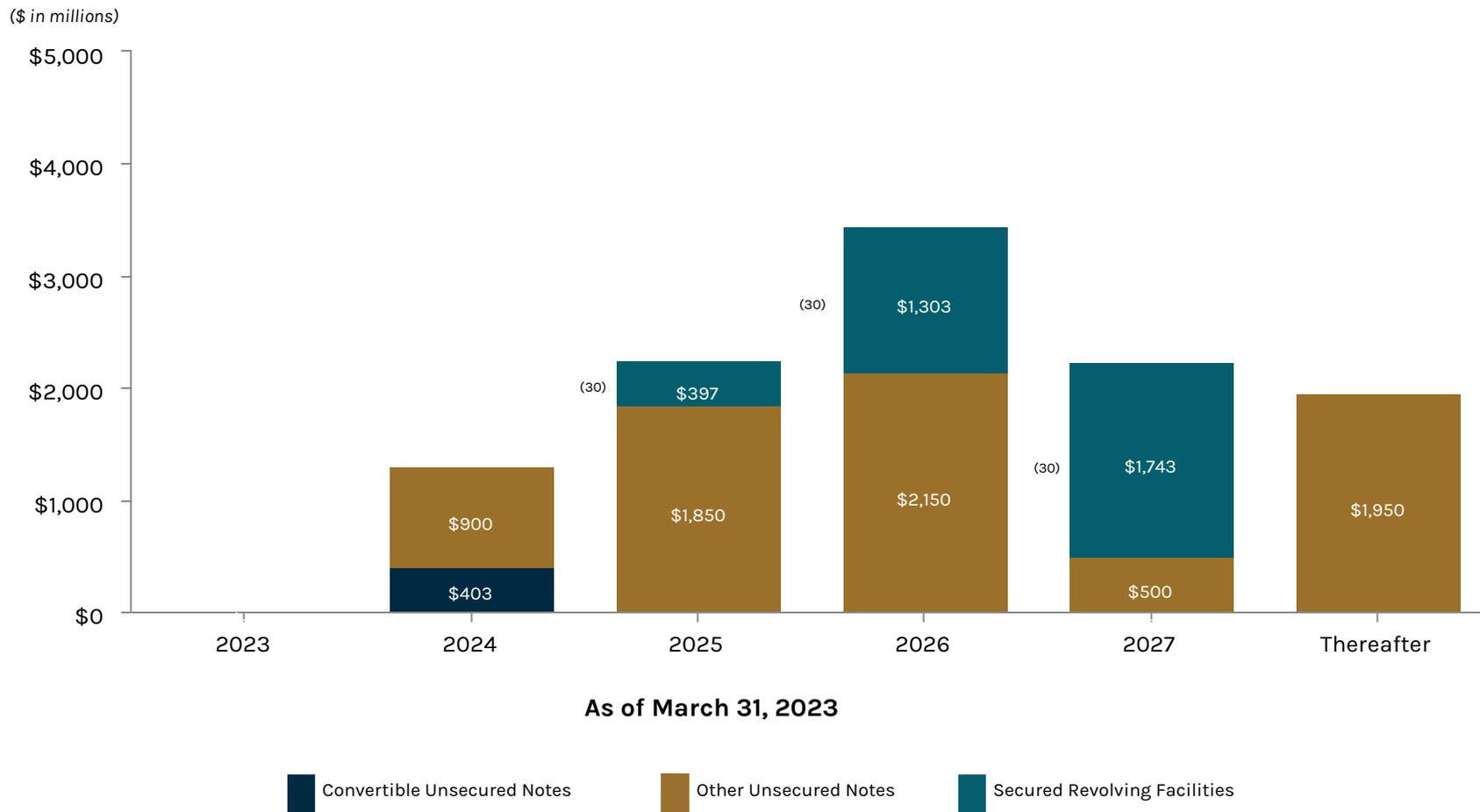
Floating and Fixed rate debt as of March 31, 2023

Debt (dollar amounts in millions)	Principal Amount Outstanding	Weighted Average Stated Interest Rate ⁽²⁸⁾	Weighted Average Remaining Maturity* (in years)
Floating	\$ 3,443	6.56 %	3.61
Fixed	7,753	3.37 %	3.44
Total	\$ 11,196	4.35 %	3.49

* Represents the weighted average remaining maturity of outstanding debt as of March 31, 2023.

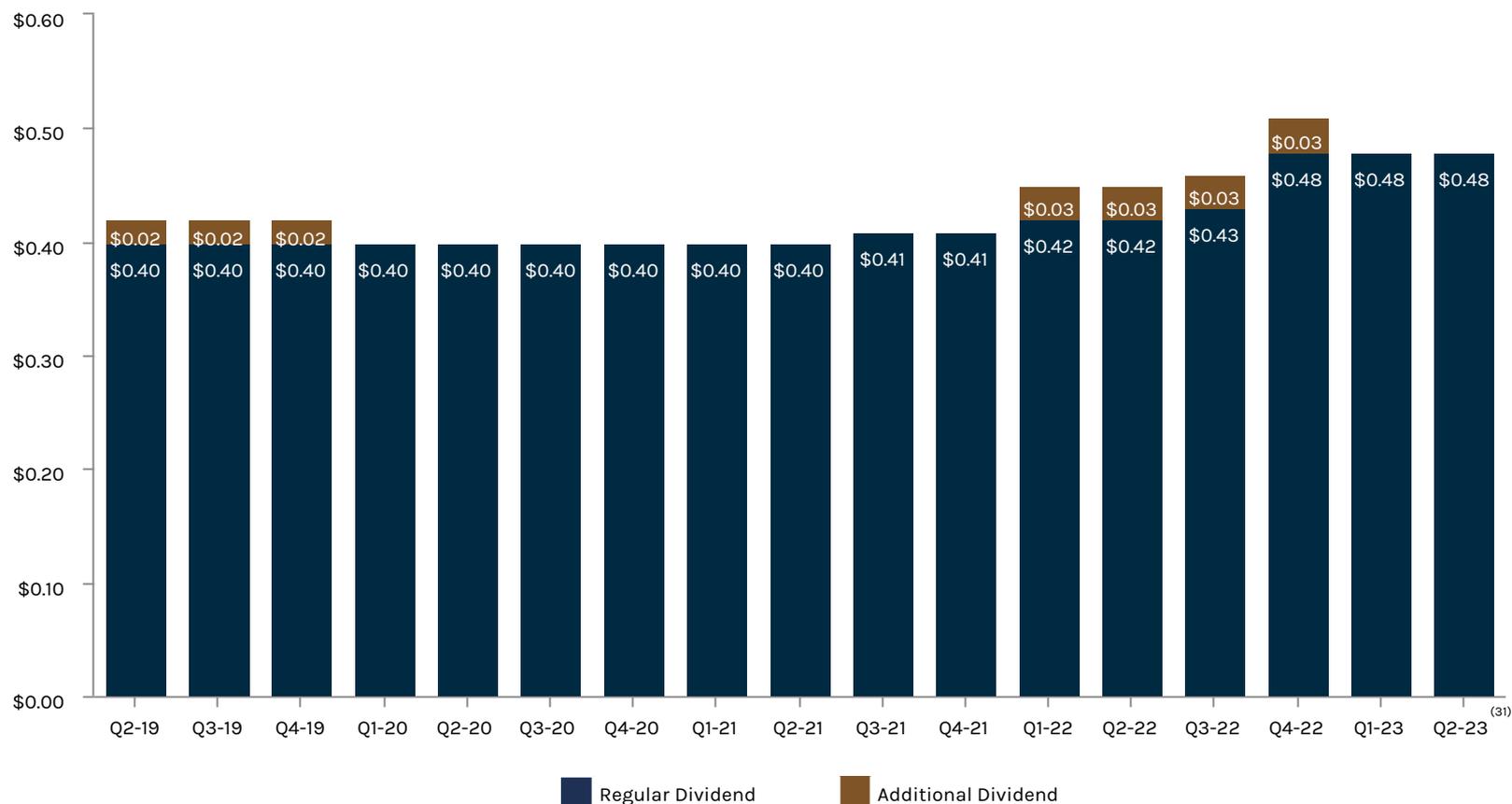
Debt Summary

Debt Maturities*



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

Quarterly Dividends



- ARCC estimates that it has carried forward excess taxable income of approximately \$650 million⁽³²⁾ or \$1.19⁽³³⁾ per share from 2022 for distribution to stockholders in 2023

Corporate Data

Board of Directors

MICHAEL AROUGHETI
Co-Chairman and Executive Vice President
of Ares Capital Corporation
Co-Founder, Chief Executive Officer and
President of Ares

ANN TORRE BATES
Former Executive Vice President, Chief
Financial Officer and Treasurer of NHP, Inc.

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

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Former Chief Financial Officer of the
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Co-Founder & Managing Director, Retail &
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STEVEN MCKEEVER
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MICHAEL PARKS
Chief Executive Officer and President of
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ROBERT ROSEN
Strategic Adviser to Ares Private Equity
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Co-Founder and Partner of Ares
Co-Chairman of Ares Private Equity Group

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Partner, Co-Head of Credit Group

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

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

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Director and Chief Executive Officer of
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Partner, Head of Credit Group

MICHAEL DIEBER
Partner, Co-Head of Portfolio Management

MITCHELL GOLDSTEIN
Co-President of Ares Capital Corporation
Partner, Co-Head of Credit Group

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

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

MICHAEL SMITH
Director of Ares Capital Corporation
Partner, Co-Head of Credit Group

Corporate Officers

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

JOSHUA BLOOMSTEIN
Vice President, General Counsel and
Secretary

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

MITCHELL GOLDSTEIN
Co-President

MIRIAM KRIEGER
Vice President

SCOTT LEM
Chief Accounting Officer,
Vice President and Treasurer

JANA MARKOWICZ
Chief Operating Officer

LISA MORGAN
Chief Compliance Officer

PENNI ROLL
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Reconciliations of Core EPS

The following are reconciliations of core earnings per share to basic net income per share computed in accordance with GAAP:

	For the Three Months Ended				
	3/31/23	12/31/22	9/30/22	6/30/22	3/31/22
Core EPS ⁽¹⁾	\$ 0.57	\$ 0.63	\$ 0.50	\$ 0.46	\$ 0.42
Net realized and unrealized gains (losses) ⁽²⁾	(0.08)	(0.34)	(0.36)	(0.30)	0.03
Capital gains incentive fees attributable to net realized and unrealized gains and losses ⁽²⁾	0.01	0.07	0.07	0.06	—
Income tax expense related to net realized gains and losses ⁽²⁾	0.02	(0.02)	—	—	(0.01)
GAAP net income per share⁽²⁾⁽³⁾	\$ 0.52	\$ 0.34	\$ 0.21	\$ 0.22	\$ 0.44

Endnotes

- 1) Core EPS is a non-GAAP financial measure. Core EPS is the net increase (decrease) in stockholders' equity resulting from operations less 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, divided by the basic weighted average shares outstanding for the relevant period. Basic GAAP net income (loss) per share is the most directly comparable GAAP financial measure. Ares Capital believes that Core EPS 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. Reconciliations of Core EPS to the most directly comparable GAAP financial measure are set forth on slide 23 hereof.
- 2) Per share amounts and weighted average shares outstanding are basic. The basic weighted average shares outstanding for the three months ended 3/31/23, 12/31/22, 9/30/22, 6/30/22 and 3/31/22 were approximately 534 million, 514 million, 503 million, 494 million and 479 million, respectively.
- 3) Ares Capital's diluted GAAP net income per share for the three months ended March 31, 2023, December 31, 2022, September 30, 2022, June 30, 2022 and March 31, 2022 was \$0.51, \$0.34, \$0.21, \$0.22 and \$0.43, respectively. The weighted average shares outstanding for the purpose of calculating the diluted GAAP net income per share for the three months ended March 31, 2023, December 31, 2022, September 30, 2022, June 30, 2022 and March 31, 2022 were approximately 555 million shares, 534 million shares, 523 million, 514 million and 500 million shares, respectively, which includes approximately 21 million shares, 20 million shares, 20 million, 20 million and 21 million shares, respectively, related to the assumed conversion of outstanding convertible notes.
- 4) Includes investment commitments to IHAM, a wholly-owned portfolio company of Ares Capital, or vehicles managed by IHAM. Q1-23, Q4-22, Q3-22, Q2-22 and Q1-22 include investment commitments to IHAM of \$283 million, \$283 million, \$342 million, \$570 million and \$349 million, respectively.
- 5) Q1-23, Q4-22, Q3-22, Q2-22 and Q1-22 include sales of loans to IHAM or vehicles managed by IHAM of \$652 million, \$943 million, \$860 million, \$379 million and \$1.2 billion, respectively. Q1-23 and Q4-22 also include investment commitments repaid by IHAM of \$192 million and \$44 million, respectively.
- 6) The weighted average yields on debt and other income producing securities are computed as (a) annual stated interest rate or yield earned plus the net annual amortization of original issue discount and market discount or premium earned on accruing debt and other income producing securities (including the annualized amount of the dividend received by Ares Capital related to its equity investment in IHAM during the most recent quarter end), divided by (b) total accruing debt and other income producing securities at amortized cost or at fair value (including the amortized cost or fair value of Ares Capital's equity investment in IHAM, as applicable), as applicable.
- 7) The weighted average yields on total investments are computed as (a) annual stated interest rate or yield earned plus the net annual amortization of original issue discount and market discount or premium earned on accruing debt and other income producing securities (including the annualized amount of the dividend received by Ares Capital related to its equity investment in IHAM during the most recent quarter end), divided by (b) total investments at amortized cost or at fair value, as applicable.
- 8) Computed as total principal debt outstanding less available cash divided 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.
- 9) Computed as (a) the annual stated interest expense on our debt obligations divided by (b) total debt obligations at principal amount outstanding. Stated interest expense on debt excludes facility and other fees and the amortization of original issue discount or premium, market discounts and debt issuance costs.
- 10) Net interest and dividend margin represents the difference between interest and dividend income (including dividend income from IHAM) and interest and credit facility fees expense for the last twelve month period divided by average total investments at amortized cost during the same period.

Endnotes (cont'd)

- 11) Excludes realized and unrealized gains (losses), incentive fees attributable to net realized and unrealized gains (losses) and income tax expense, including excise taxes. Fixed charges include interest and credit facility fees expense and amortization of debt issuance costs.
- 12) Includes portfolio companies for which there are outstanding commitments, but for which no amounts were funded at the end of the period.
- 13) First lien senior secured loans include certain loans that Ares Capital classifies as "unitranche" loans, which are loans that combine both senior and subordinated debt, generally in a first lien position. As of March 31, 2023, the total amortized cost and fair value of loans that Ares Capital classified as "unitranche" loans were \$4.7 billion and \$4.6 billion, respectively.
- 14) 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 Senior Direct Lending Program LLC (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, 2023 for information regarding the SDLP.
- 15) 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, 2023 for more information regarding IHAM.
- 16) As of March 31, 2023, excluding Ares Capital's investment in the subordinated certificates of the SDLP, 94% of the floating rate investments at fair value contained interest rate floor features.
- 17) Represents gross commitments or fundings less commitments or investments exited, respectively.
- 18) 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. The portfolio weighted average EBITDA for the underlying borrowers in the SDLP was \$91.9 million, \$93.6 million, \$92.2 million, \$93.4 million and \$92.3 million as of 3/31/22, 6/30/22, 9/30/22, 12/31/22 and 3/31/23, respectively. The portfolio average EBITDA for the underlying borrowers in the SDLP was \$79.5 million, \$79.7 million, \$80.1 million, \$82.6 million and \$82.1 million as of 3/31/22, 6/30/22, 9/30/22, 12/31/22 and 3/31/23, respectively.
- 19) 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.
- 20) 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.
- 21) Portfolio weighted average total net leverage multiples represent Ares Capital's last dollar of invested debt capital (net of cash) as a multiple of EBITDA. Portfolio weighted average total net leverage multiples for borrowers in the SDLP represent the SDLP's last dollar of invested debt capital (net of cash) as a multiple of EBITDA. The weighted average total net leverage multiple for the underlying borrowers in the SDLP was 6.0x, 5.9x, 5.8x, 5.8x and 6.0x as of 3/31/22, 6/30/22, 9/30/22, 12/31/22 and 3/31/23, respectively, which excludes certain portfolio companies with negative or de minimis EBITDA. Weighted average total net leverage multiples are weighted based on the fair value of the portfolio company investments. Portfolio company credit statistics for Ares Capital and the SDLP are derived from the most recently available portfolio company financial statements, have not been independently verified by Ares Capital and may reflect a normalized or adjusted amount. Accordingly, Ares Capital makes no representation or warranty in respect of this information.

Endnotes (cont'd)

- 22) Portfolio weighted average interest coverage ratio represents the portfolio company's EBITDA as a multiple of cash interest expense for the most recently completed period of four consecutive fiscal quarters. The weighted average interest coverage ratio for the underlying borrowers in the SDLP was 2.5x, 2.2x, 1.9x, 1.7x and 1.7x as of 3/31/22, 6/30/22, 9/30/22, 12/31/22 and 3/31/23, respectively, which excludes certain portfolio companies with negative or de minimis EBITDA. Weighted average interest coverage ratios are weighted based on the fair value of the portfolio company investments. Portfolio company credit statistics for Ares Capital and the SDLP are derived from the most recently available portfolio company financial statements, have not been independently verified by Ares Capital and may reflect a normalized or adjusted amount. Accordingly, Ares Capital makes no representation or warranty in respect of this information.
- 23) The EBITDA growth rate for each included portfolio company is calculated as the percentage change for the most recently reported fiscal year to date comparable periods and is weighted based on the fair value of the portfolio company investments to calculate the portfolio weighted average EBITDA growth rate. 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 or warranty in respect of this information.
- 24) Based on our investment adviser's internal investment rating system scale from 1 to 4. Investments with a grade of 4 involve the least amount of risk to our initial cost basis and the trends and risk factors for these investments since origination or acquisition are generally favorable, which may include the performance of the portfolio company or a potential exit. Investments with a grade of 3 involve a level of risk to our initial cost basis that is similar to the risk to our initial cost basis at the time of origination or acquisition. This portfolio company is generally performing as expected and the risk factors to our ability to ultimately recoup the cost of our investment are neutral to favorable. Investments with a grade of 2 indicate that the risk to our ability to recoup the initial cost basis of such investment has increased materially since origination or acquisition, including as a result of factors such as declining performance and non-compliance with debt covenants; however, payments are generally not more than 120 days past due. Investments with a grade of 1 indicate that the risk to our ability to recoup the initial cost basis of such investment has substantially increased since origination or acquisition and our investment adviser does not anticipate that we will recoup our initial cost basis and we may realize a substantial loss on our initial cost basis upon exit. All investments or acquired investments in new portfolio companies are initially assessed a grade of 3.
- 25) Investment backlog includes transactions approved by our investment adviser's investment committee and/or for which a formal mandate, letter of intent or a signed commitment has been issued, and therefore we believe are likely to close. Investment pipeline includes transactions where due diligence and analysis are in process, but no formal mandate, letter of intent or signed commitment has been issued. The consummation of any of the investments in this backlog and pipeline depends upon, among other things, one or more of the following: satisfactory completion of our due diligence investigation of the prospective portfolio company, our acceptance of the terms and structure of such investment and the execution and delivery of satisfactory transaction documentation. In addition, Ares Capital may sell all or a portion of these investments and certain of these investments may result in the repayment of existing investments. Ares Capital cannot assure you that we will make any of these investments or that we will sell all or any portion of these investments.
- 26) Requires periodic payments of interest and may require repayments of a portion of the outstanding principal once their respective reinvestment periods end but prior to the applicable stated maturity.
- 27) Subject to borrowing base and other restrictions. Represents total aggregate amount committed or outstanding, as applicable, under such instrument.
- 28) Represents the aggregate principal amount of the notes outstanding adjusted for the unaccreted discount or premium initially recorded at the time of issuance.
- 29) Effective stated rate as of March 31, 2023.

Endnotes (cont'd)

- 30) See Note 5 to Ares Capital's consolidated financial statements included in the quarterly report on Form 10-Q for the quarter ended March 31, 2023 for more information regarding each of Ares Capital's secured revolving facilities. See Note 14 to Ares Capital's consolidated financial statements included in the quarterly report on Form 10-Q for the quarter ended March 31, 2023 for a subsequent event relating to the Revolving Credit Facility and the BNP Funding Facility.
- 31) Declared. The second quarter 2023 regular dividend of \$0.48 per share to be paid on June 30, 2023 to stockholders of record on June 15, 2023.
- 32) The amount of excess 2022 U.S. federal taxable income available for carry over into 2023 is only an estimate based on estimated 2022 U.S. federal taxable income. The calculation of estimated 2022 U.S. federal taxable income includes a number of estimated inputs, including information received from third parties, and as a result, actual 2022 U.S. federal taxable income will not be finally determined until Ares Capital's 2022 tax return is filed in 2023. Consequently, both 2022 U.S. federal taxable income and the amount of excess U.S. federal taxable income available for carry over into 2023 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, 2022 for more information.
- 33) The estimated taxable income per share carried forward from 2022 for distribution to stockholders in 2023 is based on the approximately 545 million shares outstanding as of March 15, 2023.

