

ARES CAPITAL CORP
Form 10-Q
August 01, 2018

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q

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

For the quarterly period ended June 30, 2018

OR

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

For the transition period from _____ to _____

Commission File No. 814-00663
ARES CAPITAL CORPORATION
(Exact name of Registrant as specified in its charter)
Maryland 33-1089684
(State or other jurisdiction of (I.R.S. Employer
incorporation or organization) Identification Number)

245 Park Avenue, 44th Floor, New York, NY 10167
(Address of principal executive office) (Zip Code)
(212) 750-7300
(Registrant's telephone number, including area code)

N/A
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days: Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☐ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):
Large accelerated filer ☒ Accelerated filer ☐
Non-accelerated filer ☐ Smaller reporting company ☐

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(Do not check if a smaller reporting company) ☐ Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

| Class | Outstanding at July 25, 2018 |
|-------|------------------------------|
|-------|------------------------------|

| | |
|---------------------------------|-------------|
| Common stock, \$0.001 par value | 426,298,200 |
|---------------------------------|-------------|

ARES CAPITAL CORPORATION

INDEX

Part I. Financial Information

Item 1. Financial Statements

| | |
|---|-----------|
| <u>Consolidated Balance Sheet as of June 30, 2018 (unaudited) and December 31, 2017</u> | <u>3</u> |
| <u>Consolidated Statement of Operations for the three and six months ended June 30, 2018 and 2017 (unaudited)</u> | <u>4</u> |
| <u>Consolidated Schedule of Investments as of June 30, 2018 (unaudited) and December 31, 2017</u> | <u>6</u> |
| <u>Consolidated Statement of Stockholders' Equity for the six months ended June 30, 2018 (unaudited)</u> | <u>85</u> |
| <u>Consolidated Statement of Cash Flows for the six months ended June 30, 2018 and 2017 (unaudited)</u> | <u>86</u> |
| <u>Notes to Consolidated Financial Statements (unaudited)</u> | <u>87</u> |

| | |
|--|------------|
| <u>Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations</u> | <u>122</u> |
|--|------------|

| | |
|---|------------|
| <u>Item 3. Quantitative and Qualitative Disclosures About Market Risk</u> | <u>147</u> |
|---|------------|

| | |
|--|------------|
| <u>Item 4. Controls and Procedures</u> | <u>148</u> |
|--|------------|

Part II. Other Information

| | |
|----------------------------------|------------|
| <u>Item 1. Legal Proceedings</u> | <u>149</u> |
|----------------------------------|------------|

| | |
|------------------------------|------------|
| <u>Item 1A. Risk Factors</u> | <u>149</u> |
|------------------------------|------------|

| | |
|--|------------|
| <u>Item 2. Unregistered Sales of Equity Securities and Use of Proceeds</u> | <u>149</u> |
|--|------------|

| | |
|--|------------|
| <u>Item 3. Defaults Upon Senior Securities</u> | <u>151</u> |
|--|------------|

| | |
|--|------------|
| <u>Item 4. Mine Safety Disclosures</u> | <u>151</u> |
|--|------------|

| | |
|----------------------------------|------------|
| <u>Item 5. Other Information</u> | <u>151</u> |
|----------------------------------|------------|

| | |
|-------------------------|------------|
| <u>Item 6. Exhibits</u> | <u>151</u> |
|-------------------------|------------|

ARES CAPITAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
(in millions, except per share data)

| | As of | |
|---|------------------|----------------------|
| | June 30, 2018 | December 31, 2017 |
| | (unaudited) | |
| ASSETS | | |
| Investments at fair value | | |
| Non-controlled/non-affiliate company investments | \$8,995 | \$ 10,010 |
| Non-controlled affiliate company investments | 237 | 216 |
| Controlled affiliate company investments | 2,295 | 1,615 |
| Total investments at fair value (amortized cost of \$11,435 and \$11,905, respectively) | 11,527 | 11,841 |
| Cash and cash equivalents | 509 | 316 |
| Interest receivable | 89 | 93 |
| Receivable for open trades | 56 | 1 |
| Other assets | 116 | 96 |
| Total assets | \$12,297 | \$ 12,347 |
| LIABILITIES | | |
| Debt | \$4,542 | \$ 4,854 |
| Base management fees payable | 45 | 44 |
| Income based fees payable | 30 | 27 |
| Capital gains incentive fees payable | 117 | 79 |
| Accounts payable and other liabilities | 140 | 181 |
| Interest and facility fees payable | 69 | 64 |
| Payable for open trades | 84 | — |
| Total liabilities | 5,027 | 5,249 |
| Commitments and contingencies (Note 7) | | |
| STOCKHOLDERS' EQUITY | | |
| Common stock, par value \$0.001 per share, 600 common shares authorized; 426 common shares issued and outstanding | — | — |
| Capital in excess of par value | 7,192 | 7,192 |
| Accumulated overdistributed net investment income | (99 |) (81 |
| Accumulated undistributed net realized gains on investments, foreign currency transactions, extinguishment of debt and other assets | 87 | 72 |
| Net unrealized gains (losses) on investments, foreign currency and other transactions | 90 | (85 |
| Total stockholders' equity | 7,270 | 7,098 |
| Total liabilities and stockholders' equity | \$12,297 | \$ 12,347 |
| NET ASSETS PER SHARE | \$17.05 | \$ 16.65 |

See accompanying notes to consolidated financial statements.

ARES CAPITAL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF OPERATIONS

(in millions, except per share data)

(unaudited)

| | For the Three Months Ended June 30, 2018 | | For the Six Months Ended June 30, 2017 | |
|---|--|--------|--|--------|
| INVESTMENT INCOME: | | | | |
| From non-controlled/non-affiliate company investments: | | | | |
| Interest income from investments (excluding payment-in-kind ("PIK") interest income) | \$ 199 | \$ 160 | \$ 396 | \$ 311 |
| PIK interest income from investments | 18 | 11 | 35 | 28 |
| Capital structuring service fees | 20 | 24 | 46 | 36 |
| Dividend income | 8 | 6 | 17 | 12 |
| Other income | 20 | 5 | 26 | 9 |
| Total investment income from non-controlled/non-affiliate company investments | 265 | 206 | 520 | 396 |
| From non-controlled affiliate company investments: | | | | |
| Interest income from investments (excluding PIK interest income) | 4 | 3 | 8 | 6 |
| PIK interest income from investments | 1 | 1 | 2 | 2 |
| Total investment income from non-controlled affiliate company investments | 5 | 4 | 10 | 8 |
| From controlled affiliate company investments: | | | | |
| Interest income from investments (excluding PIK interest income) | 34 | 52 | 63 | 108 |
| PIK interest income from investments | 6 | 4 | 12 | 7 |
| Capital structuring service fees | 5 | 5 | 8 | 5 |
| Dividend income | 16 | 10 | 29 | 28 |
| Other income | 2 | 3 | 8 | 7 |
| Total investment income from controlled affiliate company investments | 63 | 74 | 120 | 155 |
| Total investment income | 333 | 284 | 650 | 559 |
| EXPENSES: | | | | |
| Interest and credit facility fees | 61 | 55 | 121 | 110 |
| Base management fees | 45 | 44 | 91 | 83 |
| Income based fees | 40 | 30 | 78 | 62 |
| Capital gain incentive fees | 18 | 10 | 38 | 26 |
| Administrative fees | 4 | 3 | 7 | 6 |
| Net professional fees and other costs related to the American Capital Acquisition | (1) | 12 | 2 | 38 |
| Other general and administrative | 8 | 9 | 16 | 17 |
| Total expenses | 175 | 163 | 353 | 342 |
| Waiver of income based fees | (10) | (10) | (20) | (10) |
| Total expenses, net of waiver of income based fees | 165 | 153 | 333 | 332 |
| NET INVESTMENT INCOME BEFORE INCOME TAXES | 168 | 131 | 317 | 227 |
| Income tax expense, including excise tax | 6 | 7 | 11 | 9 |
| NET INVESTMENT INCOME | 162 | 124 | 306 | 218 |
| REALIZED AND UNREALIZED GAINS (LOSSES) ON INVESTMENTS, FOREIGN CURRENCY AND OTHER TRANSACTIONS: | | | | |
| Net realized gains (losses): | | | | |
| Non-controlled/non-affiliate company investments | 24 | 67 | 24 | 73 |
| Controlled affiliate company investments | (2) | 45 | (2) | 52 |

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| | | | | |
|---|------|-------|------|-------|
| Foreign currency and other transactions | 5 | (2) | (7) | (13) |
| Net realized gains | 27 | 110 | 15 | 112 |
| Net unrealized gains (losses): | | | | |
| Non-controlled/non-affiliate company investments | (6) | (85) | 10 | (99) |
| Non-controlled affiliate company investments | (4) | (2) | (2) | (1) |
| Controlled affiliate company investments | 70 | 43 | 148 | 74 |
| Foreign currency and other transactions | 5 | (8) | 19 | (4) |
| Net unrealized gains (losses) | 65 | (52) | 175 | (30) |
| Net realized and unrealized gains from investments, foreign currency and other transactions | 92 | 58 | 190 | 82 |

| | For the Three Months Ended June 30, 2018 | | For the Six Months Ended June 30, 2017 | |
|---|--|--------|--|--------|
| REALIZED LOSSES ON EXTINGUISHMENT OF DEBT | — | (4) | — | (4) |
| NET INCREASE IN STOCKHOLDERS' EQUITY RESULTING FROM OPERATIONS | \$254 | \$178 | \$496 | \$296 |
| BASIC AND DILUTED EARNINGS PER COMMON SHARE (see Note 10) | \$0.60 | \$0.42 | \$1.16 | \$0.70 |
| WEIGHTED AVERAGE SHARES OF COMMON STOCK OUTSTANDING (see Note 10) | 426 | 426 | 426 | 424 |

See accompanying notes to consolidated financial statements.

ARES CAPITAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED SCHEDULE OF INVESTMENTS

As of June 30, 2018

(dollar amounts in millions)

(unaudited)

| Company(1) | Business Description | Investment | Interest(5)(10) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|---|--------------------------|---|-----------------------------|------------------|----------------|-----------------|--------------------------|
| Healthcare Services Absolute Dental Management LLC and ADM Equity, LLC | Dental services provider | First lien senior secured loan (\$19.0 par due 1/2022) | 9.83% (Libor + 7.50%/Q) | 1/5/2016 | \$ 19.0 | \$ 18.1 (2)(17) | |
| | | First lien senior secured loan (\$5.1 par due 1/2022) | 9.83% (Libor + 7.50%/Q) | 1/5/2016 | 5.1 | 4.8 (4)(17) | |
| | | Class A preferred units (4,000,000 units) | | 1/5/2016 | 4.0 | 1.0 (2) | |
| | | Class A common units (4,000,000 units) | | 1/5/2016 | — | — (2) | |
| | | | | | 28.1 | 23.9 | |
| Acessa Health Inc. (fka HALT Medical, Inc.) | Medical supply provider | Common stock (569,823 shares) | | 6/22/2017 | 0.1 | — | |
| ADCS Billings Intermediate Holdings, LLC (21) | Dermatology practice | First lien senior secured revolving loan (\$3.3 par due 5/2022) | 9.75% (Base Rate + 4.75%/Q) | 5/18/2016 | 3.3 | 3.2 (2)(17)(20) | |
| ADG, LLC and RC IV GEDC Investor LLC (21) | Dental services provider | First lien senior secured revolving loan (\$1.0 par due 9/2022) | 6.80% (Libor + 4.75%/M) | 9/28/2016 | 1.0 | 1.0 (2)(17) | |
| | | First lien senior secured revolving loan (\$2.1 par due 9/2022) | 6.84% (Libor + 4.75%/M) | 9/28/2016 | 2.1 | 2.0 (2)(17) | |
| | | First lien senior secured | 8.75% (Base Rate + | 9/28/2016 | 0.6 | 0.6 (2)(17) | |

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| | | | | | | | |
|---|---|---|------------------------------------|-----------|-------|-------|---------|
| | | revolving loan 3.75%/M) (\$0.6 par due 9/2022) | | | | | |
| | | Second lien senior secured loan (\$87.5 par due 3/2024) | 11.09% (Libor + 9.00%/M) | 9/28/2016 | 87.5 | 79.6 | (2)(17) |
| | | Membership units (3,000,000 units) | | 9/28/2016 | 3.0 | 1.4 | (2) |
| | | | | | 94.2 | 84.6 | |
| Air Medical Group Holdings, Inc. and Air Medical Buyer Corp. | Emergency air medical services provider | Senior subordinated loan (\$182.7 par due 3/2026) | 9.96% (Libor + 7.88%/M) | 3/14/2018 | 182.7 | 182.7 | (2)(17) |
| | | Warrant to purchase up to 115,733 units of common stock (expires 3/2028) | | 3/14/2018 | 0.9 | 1.5 | (2) |
| | | | | | 183.6 | 184.2 | |
| Alcami Holdings, LLC (7)(21) | Outsourced drug development services provider | First lien senior secured revolving loan (\$7.7 par due 10/2019) | 7.50% (Libor + 5.50%/M) | 1/3/2017 | 7.7 | 7.7 | (2)(17) |
| | | First lien senior secured revolving loan (\$2.0 par due 10/2019) | 7.55% (Libor + 5.50%/M) | 1/3/2017 | 2.0 | 2.0 | (2)(17) |
| | | First lien senior secured revolving loan (\$15.9 par due 10/2019) | 7.59% (Libor + 5.50%/M) | 1/3/2017 | 15.9 | 15.9 | (2)(17) |
| | | First lien senior secured loan (\$10.0 par due 10/2020) | 7.59% (Libor + 5.50%/M) | 1/3/2017 | 10.0 | 10.0 | (2)(17) |
| | | First lien senior secured loan (\$95.2 par due 10/2020) | 7.59% (Libor + 5.50%/M) | 1/3/2017 | 95.2 | 95.2 | (3)(17) |
| | | First lien senior secured loan (\$0.2 par due 10/2020) | 11.50% (Base Rate + 6.50%/M) | 1/3/2017 | 0.2 | 0.2 | (3)(17) |

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| | | | | | |
|---|------------|----------|------|-------|-----|
| Senior subordinated loan (\$25.0 par due 10/2020) | 12.25% | 1/3/2017 | 25.0 | 25.0 | (2) |
| Senior subordinated loan (\$30.0 par due 10/2020) | 11.75% | 1/3/2017 | 30.0 | 30.0 | (2) |
| Senior subordinated loan (\$30.0 par due 10/2020) | 12.00% | 1/3/2017 | 30.0 | 30.0 | (2) |
| Senior subordinated loan (\$38.9 par due 10/2020) | 14.75% PIK | 1/3/2017 | 38.9 | 38.9 | (2) |
| Senior subordinated loan (\$39.5 par due 10/2020) | 15.25% PIK | 1/3/2017 | 28.4 | 39.5 | (2) |
| Series P-1 preferred membership units (100,000 units) | | 1/3/2017 | — | 81.6 | |
| Series P-2 preferred membership units (143,642 units) | | 1/3/2017 | — | 117.3 | |
| Series R preferred membership units (30,000 units) | | 1/3/2017 | — | 40.6 | |

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As of June 30, 2018
(dollar amounts in millions)
(unaudited)

| Company(1) | Business Description | Investment | Interest(5)(10) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|-------------------------------------|--|--|--|------------------|----------------|--------------|--------------------------|
| | | Series R-2 preferred membership units (54,936 units) | | 1/3/2017 | — | 73.4 | |
| | | | | | 283.3 | 607.3 | |
| Aleus Technologies Holdings Corp. | Benefits administration and transaction processing provider | Preferred stock (2,997 shares) | | 12/13/2013 | 3.1 | 3.1 | |
| | | Common stock (3 shares) | | 12/13/2013 | — | — | |
| | | | | | 3.1 | 3.1 | |
| Alteon Health, LLC | Provider of physician management services | First lien senior secured loan (\$3.0 par due 9/2022) | 8.59% (Libor + 6.50%/M) | 5/15/2017 | 3.0 | 2.6(2)(17) | |
| American Academy Holdings, LLC (21) | Provider of education, training, certification, networking, and consulting services to medical coders and other healthcare professionals | First lien senior secured revolving loan (\$0.9 par due 12/2022) | 8.58% (Libor + 6.25%/Q) | 12/15/2017 | 0.9 | 0.9(2)(17) | |
| | | First lien senior secured loan (\$109.9 par due 12/2022) | 8.58% (Libor + 6.25%/Q) | 12/15/2017 | 109.9 | 109.9(2)(17) | |
| | | First lien senior secured loan (\$73.4 par due 12/2022) | 8.58% (Libor + 6.25%/Q) | 12/15/2017 | 73.4 | 73.4(2)(17) | |
| | | Senior subordinated loan (\$77.5 par due 6/2023) | 16.33% (Libor + 8.00% Cash, 6.00% PIK/Q) | 12/15/2017 | 77.5 | 77.5(2)(17) | |
| | | | | | 261.7 | 261.7 | |
| Bambino CI Inc. (21) | Manufacturer and provider of single-use obstetrics products | First lien senior secured revolving loan (\$2.8 par due 10/2022) | 8.09% (Libor + 6.00%/M) | 10/17/2017 | 2.8 | 2.8(2)(17) | |
| | | First lien senior secured loan | 8.09% (Libor + 6.00%/M) | 10/17/2017 | 31.0 | 31.0(2)(17) | |

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| | | | | | | |
|---|---|--|------------------------------|------------|-------|----------------|
| | | (\$31.0 par due 10/2023) | | | 33.8 | 33.8 |
| CCS Intermediate Holdings, LLC and CCS Group Holdings, LLC (21) | Correctional facility healthcare operator | First lien senior secured revolving loan (\$4.1 par due 7/2019) | 6.33% (Libor + 4.00%/Q) | 7/23/2014 | 4.1 | 4.0(2)(17)(20) |
| | | First lien senior secured loan (\$6.5 par due 7/2021) | 6.33% (Libor + 4.00%/Q) | 7/23/2014 | 6.5 | 6.4(2)(17) |
| | | Second lien senior secured loan (\$135.0 par due 7/2022) | 10.68% (Libor + 8.38%/Q) | 7/23/2014 | 134.3 | 129.2(17) |
| | | Class A units (1,000,000 units) | | 8/19/2010 | — | 0.9(2) |
| | | | | | 144.9 | 140.9 |
| Comprehensive EyeCare Partners, LLC (21) | Vision care practice management company | First lien senior secured loan (\$5.4 par due 2/2024) | 6.83% (Libor + 4.50%/Q) | 2/14/2018 | 5.4 | 5.4(2)(17) |
| Correctional Medical Group Companies, Inc. | Correctional facility healthcare operator | First lien senior secured loan (\$48.8 par due 9/2021) | 10.47% (Libor + 8.14%/Q) | 9/29/2015 | 48.8 | 48.8(17) |
| | | First lien senior secured loan (\$3.1 par due 9/2021) | 10.71% (Libor + 8.38%/Q) | 9/29/2015 | 3.1 | 3.1(2)(17) |
| | | | | | 51.9 | 51.9 |
| CSHM LLC (7) | Dental services provider | Class A membership units (1,979 units) | | 1/3/2017 | — | — |
| D4C Dental Brands HoldCo, Inc. and Bambino Group Holdings, LLC (21) | Dental services provider | First lien senior secured revolving loan (\$1.3 par due 12/2022) | 10.25% (Base Rate + 5.25%/Q) | 12/21/2016 | 1.3 | 1.3(2)(17) |
| | | Class A preferred units (1,000,000 units) | | 12/21/2016 | 1.0 | 1.4(2) |
| | | | | | 2.3 | 2.7 |
| Datix Bidco Limited (8) | Global healthcare software company that provides software solutions for patient | First lien senior secured loan (\$5.8 par due 4/2025) | 7.02% (Libor + 4.50%/S) | 4/27/2018 | 5.7 | 5.8(2)(17) |

| | | | | | | | | |
|----------------------------------|--|---|-------------------------|-----------|------|------|---------|--|
| | safety and risk management | | | | | | | |
| DCA Investment Holding, LLC (21) | Multi-branded dental practice management | First lien senior secured revolving loan | — | 7/2/2015 | — | — | (2)(19) | |
| | | First lien senior secured loan (\$18.6 par due 7/2021) | 7.58% (Libor + 5.25%/Q) | 7/2/2015 | 18.5 | 18.6 | (17) | |
| | | | | | | 18.5 | 18.6 | |
| Emerus Holdings, Inc. (21) | Freestanding 24-hour emergency care micro-hospitals operator | First lien senior secured revolving loan (\$1.5 par due 9/2020) | 6.60% (Libor + 4.50%/M) | 3/14/2017 | 1.5 | 1.3 | (2)(17) | |

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As of June 30, 2018
(dollar amounts in millions)
(unaudited)

| Company(1) | Business Description | Investment | Interest(5)(10) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|--|---|---|-------------------------------|------------------|----------------|--------------|--------------------------|
| | | First lien senior secured loan (\$3.2 par due 9/2021) | 6.60% (Libor + 4.50%/M) | 3/14/2017 | 2.9 | 2.8(2)(17) | |
| | | | | | 4.4 | 4.1 | |
| GHX Ultimate Parent Corporation, Commerce Parent, Inc. and Commerce Topco, LLC | On-demand supply chain automation solutions provider to the healthcare industry | Second lien senior secured loan (\$34.2 par due 6/2025) | 10.33% (Libor + 8.00%/Q) | 6/30/2017 | 33.9 | 34.4(2)(17) | |
| | | Second lien senior secured loan (\$54.5 par due 6/2025) | 12.00% (Base Rate + 7.00%/Q) | 6/30/2017 | 54.1 | 54.8(2)(17) | |
| | | Series A preferred stock (110,425 shares) | 13.08% PIK (Libor + 10.75%/Q) | 6/30/2017 | 125.3 | 125.3(2)(17) | |
| | | Class A units (14,013,303 units) | | 6/30/2017 | 14.0 | 19.6(2) | |
| | | | | | 227.3 | 234.1 | |
| Greenphire, Inc. and RMCF III CIV XXIX, L.P | Software provider for clinical trial management | Limited partnership interest (99.90% interest) | | 12/19/2014 | 1.0 | 2.6(2) | |
| Hygiena Borrower LLC (21) | Adenosine triphosphate testing technology provider | First lien senior secured loan (\$7.5 par due 8/2022) | 6.33% (Libor + 4.00%/Q) | 6/29/2018 | 7.5 | 7.5(2)(17) | |
| | | Second lien senior secured loan (\$10.0 par due 8/2023) | 10.08% (Libor + 7.75%/Q) | 8/26/2016 | 10.0 | 9.9(2)(17) | |
| | | Second lien senior secured loan (\$10.7 par due 8/2023) | 10.08% (Libor + 7.75%/Q) | 2/27/2017 | 10.7 | 10.6(2)(17) | |
| | | Second lien senior secured loan (\$11.1 par due 8/2023) | 10.08% (Libor + 7.75%/Q) | 6/29/2018 | 11.1 | 11.0(2)(17) | |
| | | | | | 39.3 | 39.0 | |

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| | | | | | | |
|--|---|---|-----------------------------|-----------|------|-------------|
| JDC Healthcare Management, LLC (21) | Dental services provider | First lien senior secured revolving loan (\$0.5 par due 4/2022) | 8.80% (Libor + 6.75%/M) | 4/10/2017 | 0.5 | 0.5(2)(17) |
| | | First lien senior secured revolving loan (\$2.0 par due 4/2022) | 8.84% (Libor + 6.75%/M) | 4/10/2017 | 2.0 | 2.0(2)(17) |
| | | First lien senior secured loan (\$4.2 par due 4/2023) | 9.01% (Libor + 6.75%/Q) | 4/10/2017 | 4.2 | 4.1(2)(17) |
| | | First lien senior secured loan (\$9.9 par due 4/2023) | 8.84% (Libor + 6.75%/M) | 4/10/2017 | 9.9 | 9.7(2)(17) |
| | | First lien senior secured loan (\$19.8 par due 4/2023) | 8.84% (Libor + 6.75%/M) | 4/10/2017 | 19.8 | 19.4(2)(17) |
| KBHS Acquisition, LLC (d/b/a Alita Care, LLC) (21) | Provider of behavioral health services | | | | 36.4 | 35.7 |
| | | First lien senior secured revolving loan (\$0.3 par due 3/2022) | 7.06% (Libor + 5.00%/M) | 3/17/2017 | 0.3 | 0.3(2)(17) |
| | | First lien senior secured revolving loan (\$2.2 par due 3/2022) | 7.09% (Libor + 5.00%/M) | 3/17/2017 | 2.2 | 2.2(2)(17) |
| | | First lien senior secured revolving loan (\$0.8 par due 3/2022) | 7.02% (Libor + 5.00%/M) | 3/17/2017 | 0.8 | 0.8(2)(17) |
| | | | | | 3.3 | 3.3 |
| Key Surgical LLC (21) | Provider of sterile processing, operating room and instrument care supplies for hospitals | First lien senior secured revolving loan (\$0.6 par due 6/2022) | 8.75% (Base Rate + 3.75%/Q) | 6/1/2017 | 0.6 | 0.6(2)(17) |
| | | First lien senior secured loan (\$17.4 par due 6/2023) | 5.75% (EURIBOR + 4.75%/Q) | 6/1/2017 | 16.7 | 17.4(2)(17) |
| MB2 Dental Solutions, LLC | Dental services provider | | | | 17.3 | 18.0 |
| | | First lien senior secured | 8.75% (Base Rate + | 9/29/2017 | 2.1 | 2.1(2)(17) |

| | | | | | | | | |
|--|-------------------------------------|--|-----------------------------------|----------------|-----------|------|------------|--|
| (21) | | | revolving loan | 3.75%/Q) | | | | |
| | | | (\$2.1 par due 9/2023) | | | | | |
| | | | First lien senior secured loan | 7.05% (Libor + | 9/29/2017 | 4.7 | 4.7(2)(17) | |
| | | | (\$4.7 par due 9/2023) | 4.75%/Q) | | | | |
| | | | | | | 6.8 | 6.8 | |
| | | | First lien senior secured loan | 7.57% (Libor + | 7/26/2017 | 65.3 | 65.3(17) | |
| MCH Holdings, Inc. and MC Acquisition Holdings I, LLC | Healthcare professional provider | | (\$65.3 par due 1/2020) | 5.50%/M) | | | | |
| | | | First lien senior secured loan | 7.59% (Libor + | 7/26/2017 | 77.3 | 77.3(17) | |
| | | | (\$77.3 par due 1/2020) | 5.50%/M) | | | | |

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As of June 30, 2018
(dollar amounts in millions)
(unaudited)

| Company(1) | Business Description | Investment | Interest(5)(10) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|--|---|---|-------------------------|------------------|----------------|-------------|--------------------------|
| MW Dental Holding Corp. (21) | Dental services provider | First lien senior secured loan (\$9.0 par due 1/2020) | 7.57% (Libor + 5.50%/M) | 7/26/2017 | 9.0 | 9.0(4)(17) | |
| | | First lien senior secured loan (\$10.7 par due 1/2020) | 7.59% (Libor + 5.50%/M) | 7/26/2017 | 10.7 | 10.7(4)(17) | |
| | | Class A units (1,438,643 shares) | | 1/17/2014 | 1.5 | 1.1(2) | |
| | | | | | 163.8 | 163.4 | |
| | | First lien senior secured revolving loan (\$3.5 par due 4/2021) | 9.08% (Libor + 6.75%/Q) | 4/12/2011 | 3.5 | 3.5(2)(17) | |
| | | First lien senior secured loan (\$9.1 par due 4/2021) | 9.08% (Libor + 6.75%/Q) | 3/19/2018 | 9.1 | 9.1(2)(17) | |
| | | First lien senior secured loan (\$58.6 par due 4/2021) | 9.08% (Libor + 6.75%/Q) | 4/12/2011 | 58.6 | 58.6(2)(17) | |
| | | First lien senior secured loan (\$46.5 par due 4/2021) | 9.08% (Libor + 6.75%/Q) | 4/12/2011 | 46.5 | 46.6(3)(17) | |
| | | First lien senior secured loan (\$19.2 par due 4/2021) | 9.08% (Libor + 6.75%/Q) | 4/12/2011 | 19.2 | 19.4(4)(17) | |
| | | | | | 136.9 | 136.9 | |
| My Health Direct, Inc. | Healthcare scheduling exchange software solution provider | Warrant to purchase up to 4,548 shares of Series D preferred stock (expires 9/2024) | | 9/18/2014 | — | — (2) | |
| New Trident Holdcorp, Inc. and Trident | Outsourced mobile diagnostic healthcare service provider | Second lien senior secured loan (\$24.8 par | 8.09% (Libor + 6.00%/M) | 8/1/2013 | 19.5 | 17.6(2)(17) | |

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|---|---|---|-----------------------------|------------|-------|------|----------|
| Holding Company, LLC | | due 7/2022) | | | | | |
| | | Second lien senior secured loan (\$86.2 par due 7/2020) | | 8/1/2013 | 77.9 | 33.0 | (13)(16) |
| | | Senior subordinated loan (\$9.1 par due 7/2020) | | 11/29/2017 | 8.8 | — | (2)(16) |
| | | | | | 106.2 | 50.6 | |
| NMSC Holdings, Inc. and ASP | Anesthesia management services provider | Second lien senior secured loan (\$72.8 par due 10/2023) | 12.45% (Libor + 10.00%/Q) | 4/19/2016 | 72.8 | 65.0 | (17) |
| NAPA Holdings, LLC | | Class A units (25,277 units) | | 4/19/2016 | 2.5 | 0.7 | (2) |
| | | | | | 75.3 | 66.2 | |
| Nodality, Inc. | Biotechnology company | First lien senior secured loan (\$2.9 par due 8/2016) | | 11/12/2015 | 2.1 | — | (2)(16) |
| | | First lien senior secured loan (\$13.9 par due 8/2016) | | 4/25/2014 | 9.7 | — | (2)(16) |
| | | Warrant to purchase up to 3,736,255 shares of common stock (expires 3/2026) | | 5/1/2016 | — | — | (2) |
| | | | | | 11.8 | — | |
| NSM Sub Holdings Corp. (21) | Provider of customized mobility, rehab and adaptive seating systems | First lien senior secured revolving loan (\$1.3 par due 10/2022) | 9.00% (Base Rate + 4.00%/Q) | 9/28/2017 | 1.3 | 1.3 | (2)(17) |
| | | First lien senior secured loan (\$4.9 par due 10/2022) | 6.83% (Libor + 4.50%/Q) | 6/1/2018 | 4.9 | 4.9 | (2)(17) |
| | | | | | 6.2 | 6.2 | |
| nThrive, Inc. (fka Precyse Acquisition Corp.) | Provider of healthcare information management technology and services | Second lien senior secured loan (\$10.0 par due 4/2023) | 11.84% (Libor + 9.75%/M) | 4/20/2016 | 9.7 | 9.8 | (2)(17) |
| OmniSYS Acquisition Corporation, OmniSYS, LLC, and OSYS Holdings, LLC | Provider of technology-enabled solutions to pharmacies | Limited liability company membership interest (1.57%) | | 11/21/2013 | 1.0 | 0.6 | (2) |

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|--------------------------------|--|---|--------------------------|-----------|------|-------------|
| Pathway Vet Alliance, LLC (21) | Operator of freestanding veterinary hospitals | First lien senior secured loan (\$0.2 par due 10/2024) | 6.34% (Libor + 4.25%/M) | 10/4/2017 | 0.2 | 0.2(2)(17) |
| | | First lien senior secured loan (\$0.1 par due 10/2024) | 6.34% (Libor + 4.25%/M) | 5/24/2018 | 0.1 | 0.1(2)(17) |
| | | First lien senior secured loan (\$1.4 par due 10/2024) | 6.34% (Libor + 4.25%/M) | 10/4/2017 | 1.4 | 1.4(2)(17) |
| | | | | | 1.7 | 1.7 |
| Patterson Medical Supply, Inc. | Distributor of rehabilitation supplies and equipment | Second lien senior secured loan (\$78.0 par due 8/2023) | 10.86% (Libor + 8.50%/Q) | 9/2/2015 | 76.6 | 68.6(2)(17) |

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As of June 30, 2018
(dollar amounts in millions)
(unaudited)

| Company(1) | Business Description | Investment | Interest(5)(10) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|---|--|--|-----------------------------|------------------|----------------|-------------|--------------------------|
| PhyMED Management LLC | Provider of anesthesia services | Second lien senior secured loan (\$47.2 par due 5/2021) | 11.07% (Libor + 8.75%/Q) | 12/18/2015 | 46.8 | 45.6(2)(17) | |
| Practice Insight, LLC (21) | Revenue cycle management provider to the emergency healthcare industry | First lien senior secured revolving loan (\$0.6 par due 8/2022) | 9.00% (Base Rate + 4.00%/Q) | 8/23/2017 | 0.6 | 0.6(2)(17) | |
| | | First lien senior secured loan (\$12.4 par due 8/2022) | 7.09% (Libor + 5.00%/M) | 8/23/2017 | 12.4 | 12.4(2)(17) | |
| | | | | | 13.0 | 13.0 | |
| ProVation Medical, Inc. | Provider of documentation and coding software for GI physicians | First lien senior secured loan (\$13.1 par due 3/2024) | 9.05% (Libor + 7.00%/M) | 3/9/2018 | 12.9 | 13.0(2)(17) | |
| RecoveryDirect Acquisition, L.L.C. (21) | Outpatient physical therapy provider | First lien senior secured revolving loan (\$2.3 par due 1/2023) | 6.55% (Libor + 4.50%/M) | 1/3/2018 | 2.3 | 2.3(2)(17) | |
| | | First lien senior secured loan (\$7.0 par due 1/2024) | 6.83% (Libor + 4.50%/Q) | 1/3/2018 | 7.0 | 7.0(2)(17) | |
| | | First lien senior secured loan (\$14.9 par due 1/2024) | 6.83% (Libor + 4.50%/Q) | 1/3/2018 | 14.9 | 14.9(2)(17) | |
| | | First lien senior secured loan (\$19.9 par due 1/2024) | 6.83% (Libor + 4.50%/Q) | 1/3/2018 | 19.9 | 19.9(2)(17) | |
| Respocardia, Inc. | Developer of implantable therapies to improve cardiovascular health | Warrant to purchase up to 99,094 shares of Series C preferred stock (expires | | 6/28/2012 | 44.1 | 44.1 — (2) | |

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|--|--|---|-----------------------------|-----------|------|----------------|--|
| | | 6/2022) | | | | | |
| Salter Labs (21) | Developer, manufacturer and supplier of consumable products for medical device customers | First lien senior secured revolving loan (\$0.6 par due 3/2020) | 6.61% (Libor + 4.25%/Q) | 2/8/2018 | 0.6 | 0.6(2)(17) | |
| | | First lien senior secured revolving loan (\$0.2 par due 3/2020) | 6.58% (Libor + 4.25%/Q) | 2/8/2018 | 0.2 | 0.2(2)(17) | |
| | | First lien senior secured revolving loan (\$0.2 par due 3/2020) | 8.25% (Base Rate + 3.25%/Q) | 2/8/2018 | 0.2 | 0.2(2)(17) | |
| | | | | | 1.0 | 1.0 | |
| SCSG EA Acquisition Company, Inc. (21) | Provider of outsourced clinical services to hospitals and health systems | First lien senior secured revolving loan (\$0.1 par due 9/2022) | 6.28% (Libor + 4.25%/Q) | 9/1/2017 | 0.1 | 0.1(2)(17)(20) | |
| | | First lien senior secured revolving loan (\$0.2 par due 9/2022) | 6.61% (Libor + 4.25%/Q) | 9/1/2017 | 0.2 | 0.2(2)(17)(20) | |
| | | | | | 0.3 | 0.3 | |
| SiroMed Physician Services, Inc. and SiroMed Equity Holdings, LLC (21) | Outsourced anesthesia provider | First lien senior secured loan (\$17.5 par due 3/2024) | 7.08% (Libor + 4.75%/Q) | 3/26/2018 | 17.5 | 17.5(2)(17) | |
| | | Common units (171,784 units) | | 3/26/2018 | 4.6 | 4.7(2) | |
| | | | | | 22.1 | 22.0 | |
| Symmetry Surgical, Inc (21) | Marketer and distributor of medical devices focused on the general surgery market | First lien senior secured revolving loan (\$2.0 par due 7/2021) | 6.00% (Libor + 4.00%/M) | 2/8/2018 | 2.0 | 2.0(2)(17) | |
| Synergy HomeCare Franchising, LLC and NP/Synergy Holdings, LLC (21) | Franchisor of private-pay home care for the elderly | First lien senior secured loan (\$16.1 par due 4/2024) | 8.08% (Libor + 5.75%/Q) | 4/2/2018 | 16.1 | 16.1(2)(17) | |
| | | Common units (550 units) | | 4/2/2018 | 0.6 | 0.6 | |
| | | | | | 16.7 | 16.6 | |
| | | | | 5/3/2017 | 5.2 | 5.3(4)(17) | |

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|--|---|---|-----------|------|------|------|--|
| TerSera Therapeutics LLC | Acquirer and developer of specialty therapeutic pharmaceutical products | First lien senior secured loan (\$5.3 par due 3/2023) 7.58% (Libor + 5.25%/Q) | | | | | |
| U.S. Anesthesia Partners, Inc. | Anesthesiology service provider | Second lien senior secured loan (\$71.8 par due 6/2025) 9.34% (Libor + 7.25%/M) | 6/16/2017 | 70.9 | 71.8 | (17) | |
| Urgent Cares of America Holdings I, LLC and FastMed Holdings I, LLC (21) | Operator of urgent care clinics | Preferred units (7,696,613 units) Series A common units (2,000,000 units) | 6/11/2015 | 7.7 | 3.3 | | |
| | | | 6/11/2015 | 2.0 | — | | |

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As of June 30, 2018
(dollar amounts in millions)
(unaudited)

| Company(1) | Business Description | Investment | Interest(5)(10) | Acquisition Date | Amortized Cost | Fixed Value | Percentage of Net Assets |
|---|--|---|-------------------------|------------------|----------------|-------------|--------------------------|
| | | Series C common units (5,288,427 units) | | 6/11/2015 | — | — | |
| | | | | | 9.7 | 3.3 | |
| VistaPharm, Inc. and Vertice Pharma UK Parent Limited (8) | Manufacturer and distributor of generic pharmaceutical products | Preferred shares (40,662 shares) | | 12/21/2015 | 0.3 | 0.7 | |
| West Dermatology, LLC (21) | Dermatology Practice Platform | First lien senior secured revolving loan (\$0.4 par due 4/2022) | 7.53% (Libor + 5.50%/M) | 2/8/2018 | 0.4 | 0.4 (2)(17) | |
| | | First lien senior secured revolving loan (\$2.5 par due 4/2022) | 7.83% (Libor + 5.50%/M) | 2/8/2018 | 2.5 | 2.5 (2)(17) | |
| | | First lien senior secured loan (\$0.8 par due 4/2023) | 7.82% (Libor + 5.50%/Q) | 4/2/2018 | 0.8 | 0.8 (2)(17) | |
| | | First lien senior secured loan (\$4.1 par due 4/2023) | 7.83% (Libor + 5.50%/Q) | 4/2/2018 | 4.1 | 4.1 (2)(17) | |
| | | First lien senior secured loan (\$7.7 par due 4/2023) | 7.83% (Libor + 5.50%/Q) | 4/2/2018 | 7.7 | 7.7 (2)(17) | |
| | | | | | 15.5 | 15.5 | |
| WIRB - Copernicus Group, Inc (21) | Provider of regulatory, ethical, and safety review services for clinical research involving human subjects | First lien senior secured revolving loan | — | 2/8/2018 | — | — (2)(19) | |
| WSHP FC Acquisition LLC (21) | Provider of biospecimen products | First lien senior secured revolving loan (\$2.5 par due | 8.94% (Libor + 6.50%/Q) | 3/30/2018 | 2.5 | 2.5 (2)(17) | |

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|---------------------|--------------------------|-------------------|---------------|-----------|---------|-------------|-------|---|--|
| | | 3/2024) | | | | | | | |
| | | First lien senior | | | | | | | |
| | | secured loan | 7.50% (Libor | 3/30/2018 | 28.6 | 28.32)(17) | | | |
| | | (\$28.6 par due | + 6.50%/Q) | | | | | | |
| | | 3/2024) | | | | | | | |
| | | | | | 31.1 | 30.8 | | | |
| | | | | | 2,339.5 | 2,562.5 | 35.24 | % | |
| Business Services | | | | | | | | | |
| 1163227 B.C. Ltd | Lab testing services for | First lien senior | | | | | | | |
| (8)(21) | nicotine containing | secured loan | 8.00% (Libor | 6/25/2018 | 19.7 | 19.92)(17) | | | |
| | products | (\$20.0 par due | + 6.25%/Q) | | | | | | |
| | | 6/2024) | | | | | | | |
| Accommodations | Provider of outsourced | First lien senior | | | | | | | |
| Plus Technologies | crew accommodations | secured loan | 7.12% (Libor | 5/11/2018 | 12.6 | 12.52)(17) | | | |
| LLC and | and logistics | (\$12.6 par due | + 5.00%/B) | | | | | | |
| Accommodations | management solutions | 5/2024) | | | | | | | |
| Plus Technologies | to the airline industry | | | | | | | | |
| Holdings LLC (21) | | | | | | | | | |
| | | Class A | | | | | | | |
| | | common units | | 5/11/2018 | 4.6 | 4.6 (2) | | | |
| | | (236,358 units) | | | | | | | |
| | | | | | 17.2 | 17.1 | | | |
| Accruent, LLC, | | | | | | | | | |
| Accruent Holding, | | | | | | | | | |
| LLC, Athena Parent, | Real estate and | First lien senior | | | | | | | |
| Inc. and Athena | facilities management | secured loan | 7.07% (Libor | 5/31/2018 | 0.4 | 0.4 (2)(17) | | | |
| SuperHoldco, Inc. | software provider | (\$0.4 par due | + 4.75%/Q) | | | | | | |
| (21) | | 7/2023) | | | | | | | |
| | | | | | | | | | |
| | | First lien senior | | | | | | | |
| | | secured loan | 7.06% (Libor | 5/31/2018 | 0.5 | 0.5 (2)(17) | | | |
| | | (\$0.5 par due | + 4.75%/Q) | | | | | | |
| | | 7/2023) | | | | | | | |
| | | Second lien | | | | | | | |
| | | senior secured | 11.07% (Libor | 7/28/2017 | 3.5 | 3.5 (2)(17) | | | |
| | | loan (\$3.5 par | + 8.75%/Q) | | | | | | |
| | | due 7/2024) | | | | | | | |
| | | Second lien | | | | | | | |
| | | senior secured | 11.07% (Libor | 7/28/2017 | 85.3 | 85.32)(17) | | | |
| | | loan (\$85.3 par | + 8.75%/Q) | | | | | | |
| | | due 7/2024) | | | | | | | |
| | | Senior | | | | | | | |
| | | subordinated | 11.50% PIK | 7/28/2017 | 22.5 | 22.52) | | | |
| | | loan (\$22.5 par | | | | | | | |
| | | due 7/2025) | | | | | | | |
| | | Senior | | | | | | | |
| | | subordinated | 11.50% PIK | 7/28/2017 | 80.2 | 80.22) | | | |
| | | loan (\$80.2 par | | | | | | | |
| | | due 7/2025) | | | | | | | |
| | | Senior | 11.56% (Libor | 5/31/2018 | 3.4 | 3.4 (2)(17) | | | |
| | | subordinated | + 9.25%/Q) | | | | | | |
| | | loan (\$3.4 par | | | | | | | |

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|----------------------|----------------------|-------------------|--------------|-----------|-----|--------|---------|--|
| | | due 7/2025) | | | | | | |
| | | Common stock | | 7/28/2017 | 3.6 | 3.6 | (2) | |
| | | (3,464 shares) | | | | | | |
| | | Warrant to | | | | | | |
| | | purchase up to | | | | | | |
| | | 11,380 shares | | 7/28/2017 | — | 4.1 | (2) | |
| | | of common | | | | | | |
| | | stock (expires | | | | | | |
| | | 7/2037) | | | | | | |
| | | | | | | 199.42 | 03.5 | |
| Achilles Acquisition | Benefits broker and | First lien senior | | | | | | |
| LLC (21) | outsourced workflow | secured loan | 8.09% (Libor | 6/6/2017 | 2.8 | 2.8 | (2)(17) | |
| | automation platform | (\$2.8 par due | + 6.00%/M) | | | | | |
| | provider for brokers | 6/2023) | | | | | | |

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As of June 30, 2018
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(unaudited)

| Company(1) | Business Description | Investment | Interest(5)(10) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|--|--|--|-------------------------|------------------|----------------|------------|--------------------------|
| | | First lien senior secured loan (\$5.9 par due 6/2023) | 8.09% (Libor + 6.00%/M) | 2/2/2018 | 5.9 | 5.9(2)(17) | |
| | | First lien senior secured loan (\$2.9 par due 6/2023) | 8.09% (Libor + 6.00%/M) | 6/6/2017 | 2.9 | 2.9(4)(17) | |
| | | | | | 11.6 | 11.6 | |
| Acrisure, LLC, Acrisure Investors FO, LLC and Acrisure Investors SO, LLC (9) | Retail insurance advisor and brokerage | Membership interests (1.91% interest) | | 11/18/2016 | 11.0 | 14.0(2) | |
| | | Membership interests (0.95% interest) | | 11/18/2016 | 3.7 | 4.0(2) | |
| | | | | | 14.7 | 18.2 | |
| BeyondTrust Software, Inc. | Management software solutions provider | First lien senior secured loan (\$45.9 par due 11/2023) | 8.61% (Libor + 6.25%/Q) | 11/21/2017 | 45.2 | 45.0(17) | |
| Brandtone Holdings Limited (8) | Mobile communications and marketing services provider | First lien senior secured loan (\$4.8 par due 11/2018) | | 5/11/2015 | 4.5 | — (2)(16) | |
| | | First lien senior secured loan (\$3.2 par due 2/2019) | | 5/11/2015 | 2.9 | — (2)(16) | |
| | | Warrant to purchase up to 184,003 units of convertible preferred shares (expires 8/2026) | | 8/5/2016 | — | — (2) | |
| | | | | | 7.4 | — | |
| CallMiner, Inc. | Provider of cloud-based conversational analytics solutions | Warrant to purchase up to 2,350,636 | | 7/23/2014 | — | — (2) | |

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|--|--|---|-----------------------------------|-----------|------|----------------|--|
| | | shares of Series 1 preferred stock (expires 7/2024) | | | | | |
| Chesapeake Research Review, LLC and Schulman Associates Institutional Review Board, Inc. (21) | Provider of central institutional review boards over clinical trials | First lien senior secured loan (\$16.3 par due 11/2023) | 8.08% (Libor + 5.75%/Q) | 11/7/2017 | 16.3 | 16.2(17) | |
| Clearwater Analytics, LLC (21) | Provider of integrated cloud-based investment portfolio management, accounting, reporting and analytics software | First lien senior secured revolving loan (\$0.3 par due 9/2022) | 7.08% (Libor + 5.00%/M) | 9/1/2016 | 0.3 | 0.3(2)(17) | |
| CMW Parent LLC (fka Black Arrow, Inc.) Columbo Midco Limited, Columbo Bidco Limited and Columbo Topco Limited (7)(8) | Multiplatform media firm | Series A units (32 units) | | 9/11/2015 | — | — (2) | |
| | Compliance, accounting and tax consulting services provider | Preferred stock (34,028,135 shares) | | 1/3/2017 | 2.3 | 21.5 | |
| | | Preferred stock (17,653,253 shares) | | 1/3/2017 | 21.6 | 8.7 | |
| | | Preferred stock (3,232,666 shares) | | 1/3/2017 | 4.0 | 4.3 | |
| | | | | | 27.9 | 34.5 | |
| Command Alkon Incorporated (21) | Software solutions provider to the ready-mix concrete industry | First lien senior secured revolving loan (\$1.5 par due 9/2022) | 9.00% (Base Rate + 4.00%/M) | 9/1/2017 | 1.5 | 1.5(2)(17)(20) | |
| | | First lien senior secured loan (\$20.5 par due 9/2023) | 6.98% (Libor + 5.00%/M) | 9/1/2017 | 20.5 | 20.2(17) | |
| | | Second lien senior secured loan (\$33.8 par due 3/2024) | 10.98% (Libor + 9.00%/M) | 9/1/2017 | 33.8 | 33.2(17) | |
| | | | | | 55.8 | 55.8 | |
| Compusearch Software Systems, Inc. | Provider of enterprise software and services for organizations in the public sector | Second lien senior secured loan (\$51.0 par due 11/2021) | 11.09% (Libor + 8.75%/Q) | 1/3/2017 | 51.0 | 51.2(17) | |

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|--------------------------|--|--|------------|-----|--------|
| Compuware Parent, LLC | Web and mobile cloud performance testing and monitoring services provider | Class A-1 common stock (4,132 units) | 12/15/2014 | 2.3 | 2.8(2) |
| | | Class B-1 common stock (4,132 units) | 12/15/2014 | 0.5 | 0.6(2) |
| | | Class C-1 common stock (4,132 units) | 12/15/2014 | 0.3 | 0.4(2) |
| | | Class A-2 common stock (4,132 units) | 12/15/2014 | — | — (2) |
| | | Class B-2 common stock (4,132 units) | 12/15/2014 | — | — (2) |
| | | | | | |

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As of June 30, 2018
(dollar amounts in millions)
(unaudited)

| Company(1) | Business Description | Investment | Interest(5)(10) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|--|--|--|-------------------------|------------------|----------------|------------------|--------------------------|
| | | Class C-2 common stock (4,132 units) | | 12/15/2014 | — | — (2) | |
| | | | | | 3.1 | 3.8 | |
| Directworks, Inc. and Co-Exprise Holdings, Inc. | Provider of cloud-based software solutions for direct materials sourcing and supplier management for manufacturers | First lien senior secured loan (\$1.8 par due 4/2018) | | 12/19/2014 | 1.3 | 0.2 (2)(16) | |
| | | Warrant to purchase up to 1,875,000 shares of Series 1 preferred stock (expires 12/2024) | | 12/19/2014 | — | — (2) | |
| | | | | | 1.3 | 0.2 | |
| Doxim Inc. (8)(21) | Enterprise content management provider | First lien senior secured loan (\$10.2 par due 2/2024) | 8.33% (Libor + 6.00%/Q) | 2/28/2018 | 10.0 | 10.0 (2)(12)(17) | |
| DRB Holdings, LLC (21) | Provider of integrated technology solutions to car wash operators | First lien senior secured loan (\$24.0 par due 10/2023) | 7.59% (Libor + 5.50%/M) | 10/6/2017 | 24.0 | 24.0 (2)(17) | |
| DTI Holdco, Inc. and OPE DTI Holdings, Inc. (21) | Provider of legal process outsourcing and managed services | First lien senior secured revolving loan (\$1.3 par due 9/2021) | 6.56% (Libor + 4.50%/M) | 9/23/2016 | 1.3 | 1.3 (2)(17) | |
| | | First lien senior secured revolving loan (\$0.4 par due 9/2021) | 6.56% (Libor + 4.50%/M) | 9/23/2016 | 0.4 | 0.4 (2)(17) | |
| | | First lien senior secured revolving loan (\$0.5 par due | 6.60% (Libor + 4.50%/M) | 9/23/2016 | 0.5 | 0.5 (2)(17) | |

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| | | | | | | | | |
|-------------------|---------------------------|-----------------|--------------|-----------|------|---------------|--|--|
| | | 9/2021) | | | | | | |
| | | Class A | | | | | | |
| | | common stock | | 8/19/2014 | 7.5 | 6.3(2) | | |
| | | (7,500 shares) | | | | | | |
| | | Class B | | | | | | |
| | | common stock | | 8/19/2014 | — | —(2) | | |
| | | (7,500 shares) | | | | | | |
| | | | | | 9.7 | 8.5 | | |
| Emergency | Provider of mission | First lien | | | | | | |
| Communications | critical emergency mass | senior secured | 8.34% (Libor | 6/1/2017 | 25.1 | 25.1(17) | | |
| Network, LLC (21) | notification solutions | loan (\$25.3 | + 6.25%/M) | | | | | |
| | | par due | | | | | | |
| | | 6/2023) | | | | | | |
| | | First lien | | | | | | |
| | | senior secured | 8.34% (Libor | 6/1/2017 | 19.7 | 19.7(17) | | |
| | | loan (\$19.8 | + 6.25%/M) | | | | | |
| | | par due | | | | | | |
| | | 6/2023) | | | | | | |
| | | | | | 44.8 | 44.7 | | |
| Entertainment | Provider of entertainment | First lien | | | | | | |
| Partners, LLC and | workforce and production | senior secured | 7.24% (Libor | 5/8/2017 | 2.6 | 2.7(2)(8)(17) | | |
| Entertainment | management solutions | loan (\$2.7 par | + 5.50%/Q) | | | | | |
| Partners Canada | | due 5/2022) | | | | | | |
| Inc. (21) | | | | | | | | |
| | | First lien | | | | | | |
| | | senior secured | 7.25% (Libor | 5/8/2017 | 2.1 | 2.2(2)(8)(17) | | |
| | | loan (\$2.2 par | + 5.50%/Q) | | | | | |
| | | due 5/2022) | | | | | | |
| | | First lien | | | | | | |
| | | senior secured | 7.43% (Libor | 5/8/2017 | 2.6 | 2.7(2)(8)(17) | | |
| | | loan (\$2.7 par | + 5.50%/Q) | | | | | |
| | | due 5/2022) | | | | | | |
| | | First lien | | | | | | |
| | | senior secured | 8.12% (Libor | 5/8/2017 | 0.7 | 0.7(2)(17) | | |
| | | loan (\$0.7 par | + 5.75%/Q) | | | | | |
| | | due 5/2023) | | | | | | |
| | | First lien | | | | | | |
| | | senior secured | 8.12% (Libor | 5/8/2017 | 26.1 | 26.1(17) | | |
| | | loan (\$26.1 | + 5.75%/Q) | | | | | |
| | | par due | | | | | | |
| | | 5/2023) | | | | | | |
| | | First lien | | | | | | |
| | | senior secured | 8.09% (Libor | 5/8/2017 | 0.6 | 0.6(2)(17) | | |
| | | loan (\$0.6 par | + 5.75%/Q) | | | | | |
| | | due 5/2023) | | | | | | |
| | | First lien | | | | | | |
| | | senior secured | 8.09% (Libor | 5/8/2017 | 22.1 | 22.1(17) | | |
| | | loan (\$22.1 | + 5.75%/Q) | | | | | |
| | | par due | | | | | | |
| | | 5/2023) | | | | | | |
| | | | | 5/8/2017 | 0.7 | 0.7(2)(17) | | |

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| | | | | | | | |
|--------------------------------------|---|--|-------------------------|------------|------|------------|--|
| | | First lien senior secured loan (\$0.7 par due 5/2023) | 8.27% (Libor + 5.75%/Q) | | | | |
| | | First lien senior secured loan (\$26.1 par due 5/2023) | 8.27% (Libor + 5.75%/Q) | 5/8/2017 | 26.1 | 26.3(17) | |
| | | | | | 83.6 | 83.9 | |
| First Insight, Inc. | Software company providing merchandising and pricing solutions to companies worldwide | Warrant to purchase up to 122,827 units of Series C preferred stock (expires 3/2024) | | 3/20/2014 | — | —(2) | |
| Foundation Risk Partners, Corp. (21) | Full service independent insurance agency | First lien senior secured loan (\$6.0 par due 11/2023) | 7.07% (Libor + 4.75%/Q) | 11/10/2017 | 6.0 | 6.0(2)(17) | |
| | | First lien senior secured loan (\$1.8 par due 11/2023) | 7.08% (Libor + 4.75%/Q) | 11/10/2017 | 1.8 | 1.8(2)(17) | |

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As of June 30, 2018
(dollar amounts in millions)
(unaudited)

| Company(1) | Business Description | Investment | Interest(5)(10) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|--|--|--|--------------------------|------------------|----------------|------------|--------------------------|
| | | First lien senior secured loan (\$22.4 par due 11/2023) | 7.11% (Libor + 4.75%/Q) | 11/10/2017 | 22.4 | 22.3(17) | |
| | | First lien senior secured loan (\$0.1 par due 11/2023) | 6.84% (Libor + 4.75%/Q) | 11/10/2017 | 0.1 | 0.1(3)(17) | |
| | | Second lien senior secured loan (\$27.5 par due 11/2024) | 10.86% (Libor + 8.50%/Q) | 11/10/2017 | 27.5 | 27.2(17) | |
| | | | | | 57.8 | 57.3 | |
| GTCR-Ultra Acquisition, Inc. and GTCR-Ultra Holdings, LLC (21) | Provider of payment processing and merchant acquiring solutions | Class A-2 units (911 units) | | 8/1/2017 | 0.9 | 1.0(2) | |
| | | Class B units (2,878,372 units) | | 8/1/2017 | — | — (2) | |
| | | | | | 0.9 | 1.0 | |
| HAI Acquisition Corporation and Aloha Topco, LLC (21) | Professional employer organization offering human resources, compliance and risk management services | First lien senior secured revolving loan (\$4.7 par due 11/2023) | 8.36% (Libor + 6.00%/Q) | 11/1/2017 | 4.7 | 4.7(2)(17) | |
| | | First lien senior secured loan (\$16.9 par due 11/2024) | 8.36% (Libor + 6.00%/Q) | 11/1/2017 | 16.9 | 16.7(17) | |
| | | First lien senior secured loan (\$49.9 par due 11/2024) | 8.36% (Libor + 6.00%/Q) | 11/1/2017 | 49.9 | 49.3(17) | |
| | | Class A units (16,980 units) | | 11/1/2017 | 1.7 | 1.7(2) | |
| | | | | | 73.2 | 72.5 | |
| Help/Systems Holdings, Inc. (21) | Provider of IT operations management and cybersecurity software | First lien senior secured revolving loan (\$0.2 par due | 5.85% (Libor + 3.75%/M) | 3/29/2018 | 0.2 | 0.2(2)(17) | |

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| | | | | | | |
|--|---|---|-----------------------------|------------|------|-------------|
| IfByPhone Inc. | Voice-based marketing automation software provider | 3/2023) Warrant to purchase up to 124,300 shares of Series C preferred stock (expires 10/2022) | | 10/15/2012 | 0.1 | 0.1(2) |
| Implementation Management Assistance, LLC (21) | Revenue cycle consulting firm to the healthcare industry | First lien senior secured revolving loan (\$1.5 par due 12/2023) | 8.00% (Base Rate + 3.00%/Q) | 12/13/2017 | 1.5 | 1.5(2)(17) |
| | | First lien senior secured loan (\$17.0 par due 12/2023) | 6.83% (Libor + 4.50%/Q) | 12/13/2017 | 17.0 | 16.9(17) |
| | | | | | 18.5 | 18.4 |
| Infogix, Inc. and Infogix Parent Corporation (21) | Enterprise data analytics and integrity software solutions provider | Series A preferred stock (2,475 shares) | | 1/3/2017 | 2.5 | 2.5 |
| | | Common stock (1,297,768 shares) | | 1/3/2017 | — | 0.7 |
| | | | | | 2.5 | 3.2 |
| Inmar, Inc. | Technology-driven solutions provider for retailers, wholesalers and manufacturers | Second lien senior secured loan (\$28.3 par due 5/2025) | 10.09% (Libor + 8.00%/M) | 4/25/2017 | 27.9 | 28.9(17) |
| InterVision Systems, LLC and InterVision Holdings, LLC | Provider of cloud based IT solutions, infrastructure and services | First lien senior secured loan (\$9.9 par due 5/2022) | 10.18% (Libor + 8.12%/M) | 5/31/2017 | 9.9 | 9.8(2)(17) |
| | | First lien senior secured loan (\$24.7 par due 5/2022) | 10.14% (Libor + 8.05%/M) | 5/31/2017 | 24.7 | 24.9(17) |
| | | First lien senior secured loan (\$10.0 par due 5/2022) | 10.14% (Libor + 8.05%/M) | 5/31/2017 | 10.0 | 9.9(4)(17) |
| | | Class A membership units (1,000 units) | | 5/31/2017 | 1.0 | 1.1 |
| | | | | | 45.6 | 45.3 |
| iParadigms Holdings, LLC | Anti-plagiarism software provider to the education market | Second lien senior secured loan (\$32.5 par due 7/2022) | 9.58% (Libor + 7.25%/Q) | 1/3/2017 | 31.9 | 32.9(17) |
| | | | | 12/18/2017 | 11.9 | 11.9(8)(17) |

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|--|---|---|----------------------------|-----------|-----|------------|--|--|
| iPipeline, Inc., Internet Pipeline, Inc., iPipeline Limited and iPipeline Holdings, Inc. (21) | Provider of SaaS-based software solutions to the insurance and financial services industry | First lien senior secured loan (\$11.8 par due 8/2022) | 8.60% (Libor + 6.50%/M) | | | | | |
| | | First lien senior secured loan (\$7.5 par due 8/2022) | 8.34% (Libor + 6.25%/M) | 6/15/2017 | 7.4 | 7.5(2)(17) | | |

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As of June 30, 2018
(dollar amounts in millions)
(unaudited)

| Company(1) | Business Description | Investment | Interest(5)(10) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|---|--|--|--------------------------|------------------|----------------|------------|--------------------------|
| IQMS | Provider of enterprise resource planning and manufacturing execution software for small and midsized manufacturers | First lien senior secured loan (\$9.0 par due 8/2022) | 8.34% (Libor + 6.25%/M) | 9/15/2017 | 9.0 | 9.0(2) | (17) |
| | | First lien senior secured loan (\$16.2 par due 8/2022) | 9.35% (Libor + 7.25%/M) | 8/4/2015 | 16.2 | 16.2(3) | (17) |
| | | First lien senior secured loan (\$14.5 par due 8/2022) | 9.35% (Libor + 7.25%/M) | 8/4/2015 | 14.5 | 14.5(4) | (17) |
| | | Preferred stock (1,100 shares) | | 8/4/2015 | 1.1 | 4.0(2) | |
| | | Common stock (668,781 shares) | | 8/4/2015 | — | — (2) | |
| | | | | | 60.1 | 63.0 | |
| | | First lien senior secured loan (\$4.0 par due 3/2022) | 10.34% (Libor + 8.25%/M) | 3/28/2017 | 4.0 | 4.0(2) | (17) |
| | | First lien senior secured loan (\$18.7 par due 3/2022) | 10.34% (Libor + 8.25%/M) | 3/28/2017 | 18.7 | 18.7(3) | (17) |
| | | First lien senior secured loan (\$14.9 par due 3/2022) | 10.34% (Libor + 8.25%/M) | 3/28/2017 | 14.9 | 14.9(4) | (17) |
| | | | | | 37.6 | 37.6 | |
| LLSC Holdings Corporation (dba Lawrence Merchandising Services) (7) | Marketing services provider | Series A preferred stock (9,000 shares) | | 1/3/2017 | 2.0 | — | |
| | | Common stock (1,000 shares) | | 1/3/2017 | — | — | |
| | | | | | 2.0 | — | |
| Masergy Holdings, Inc. (21) | Provider of software-defined solutions for enterprise global | First lien senior secured revolving loan | — | 2/8/2018 | — | — (2) | (19) |

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| | | | | | | | |
|--|--|--|-----------------------------------|-----------|------|-------------|--|
| | networks, cyber security, and cloud communications | | | | | | |
| Miles 33 (Finance) Limited (7)(8) | Software provider to the regional media industry and magazines | First lien senior secured loan (\$3.6 par due 9/2018) | 4.00% (EURIBOR + 3.50%/M) | 1/3/2017 | 3.8 | 4.1(17) | |
| | | Senior subordinated loan (\$15.4 par due 9/2021) | 5.00% (EURIBOR + 4.50%/M) | 1/3/2017 | 11.0 | 9.1(17) | |
| | | Preferred stock (19,500,000 shares) | | 1/3/2017 | — | — | |
| | | Preferred stock (900,000 shares) | | 1/3/2017 | — | — | |
| | | Common stock (600,000 shares) | | 1/3/2017 | — | — | |
| | | | | | 14.8 | 13.2 | |
| Ministry Brands, LLC and MB Parent HoldCo, L.P. (dba Community Brands) (21) | Software and payment services provider to faith-based institutions | First lien senior secured revolving loan (\$3.3 par due 12/2022) | 9.00% (Base Rate + 4.00%/Q) | 12/2/2016 | 3.3 | 3.3(2)(17) | |
| | | First lien senior secured loan (\$4.9 par due 12/2022) | 6.10% (Libor + 4.00%/M) | 8/22/2017 | 4.9 | 4.9(2)(17) | |
| | | First lien senior secured loan (\$10.6 par due 12/2022) | 6.10% (Libor + 4.00%/M) | 4/6/2017 | 10.6 | 10.6(2)(17) | |
| | | First lien senior secured loan (\$14.6 par due 12/2022) | 6.10% (Libor + 4.00%/M) | 4/6/2017 | 14.5 | 14.6(2)(17) | |
| | | Second lien senior secured loan (\$16.6 par due 6/2023) | 11.75% (Libor + 9.25%/S) | 12/2/2016 | 16.6 | 16.6(2)(17) | |
| | | Second lien senior secured loan (\$17.9 par due 6/2023) | 11.75% (Libor + 9.25%/S) | 8/22/2017 | 17.9 | 17.9(2)(17) | |
| | | Second lien senior secured loan (\$4.7 par due 6/2023) | 11.75% (Libor + 9.25%/S) | 4/6/2017 | 4.7 | 4.7(2)(17) | |
| | | Second lien senior secured loan (\$9.2 par | 11.75% (Libor + 9.25%/S) | 4/6/2017 | 9.2 | 9.2(2)(17) | |
| | | | | | | | |
| | | | | | | | |

| | | | | | | |
|-----------------|--------------------|------------------|---------------|-----------|-------|-----------|
| | | due 6/2023) | | | | |
| | | Second lien | | | | |
| | | senior secured | 10.50% (Libor | 4/18/2018 | 38.6 | 38.6)(17) |
| | | loan (\$38.6 par | + 8.00%/S) | | | |
| | | due 6/2023) | | | | |
| | | Second lien | | | | |
| | | senior secured | 11.75% (Libor | 12/2/2016 | 89.4 | 90.0)(17) |
| | | loan (\$90.0 par | + 9.25%/S) | | | |
| | | due 6/2023) | | | | |
| | | Class A units | | 12/2/2016 | 5.0 | 6.6(2) |
| | | (500,000 units) | | | | |
| | | | | | 214.7 | 217.0 |
| MVL Group, Inc. | Marketing research | Common stock | | | | |
| (7) | provider | (560,716 shares) | | 4/1/2010 | — | — (2) |

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As of June 30, 2018
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| Company(1) | Business Description | Investment | Interest(5)(10) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|--|---|---|--------------------------|------------------|----------------|------------|--------------------------|
| NAS, LLC, Nationwide Marketing Group, LLC and Nationwide Administrative Services, Inc. | Buying and marketing services organization for appliance, furniture and consumer electronics dealers | Second lien senior secured loan (\$24.1 par due 12/2021) | 11.06% (Libor + 8.75%/Q) | 6/1/2015 | 24.1 | 24.4(17) | |
| | | Second lien senior secured loan (\$7.0 par due 12/2021) | 11.11% (Libor + 8.75%/Q) | 6/1/2015 | 7.0 | 7.0(2)(17) | |
| Novetta Solutions, LLC | Provider of advanced analytics solutions for the government, defense and commercial industries | | | | 31.1 | 31.1 | |
| | | First lien senior secured loan (\$12.7 par due 10/2022) | 7.10% (Libor + 5.00%/M) | 1/3/2017 | 12.2 | 11.9(17) | |
| | | Second lien senior secured loan (\$31.0 par due 10/2023) | 10.60% (Libor + 8.50%/M) | 1/3/2017 | 28.5 | 26.4(17) | |
| NSM Insurance Group, LLC | Insurance program administrator | | | | 40.7 | 38.3 | |
| | | First lien senior secured loan (\$6.8 par due 5/2024) | 6.82% (Libor + 4.50%/Q) | 5/11/2018 | 6.8 | 6.7(2)(17) | |
| | | First lien senior secured loan (\$13.2 par due 5/2024) | 6.86% (Libor + 4.50%/Q) | 5/11/2018 | 13.2 | 13.4(17) | |
| PayNearMe, Inc. | Electronic cash payment system provider | | | | 20.0 | 19.8 | |
| | | Warrant to purchase up to 195,726 shares of Series E preferred stock (expires 3/2023) | | 3/14/2016 | 0.2 | — (2) | |
| PDI TA Holdings, Inc. (21) | Provider of enterprise management software for the convenience retail and petroleum wholesale markets | First lien senior secured loan (\$0.4 par due 8/2023) | 7.23% (Libor + 4.75%/Q) | 4/11/2018 | 0.4 | 0.4(2)(17) | |

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|--|---|---|--------------------------|-----------|-------|-------------|
| | | First lien senior secured loan (\$2.2 par due 8/2023) | 6.37% (Libor + 4.75%/Q) | 8/25/2017 | 2.2 | 2.2(2)(17) |
| | | First lien senior secured loan (\$2.7 par due 8/2023) | 7.11% (Libor + 4.75%/Q) | 8/25/2017 | 2.7 | 2.7(2)(17) |
| | | First lien senior secured loan (\$5.1 par due 8/2023) | 7.22% (Libor + 4.75%/Q) | 8/25/2017 | 5.1 | 5.1(2)(17) |
| | | First lien senior secured loan (\$21.2 par due 8/2023) | 7.08% (Libor + 4.75%/Q) | 8/25/2017 | 21.2 | 21.2(2)(17) |
| | | Second lien senior secured loan (\$8.2 par due 8/2024) | 11.11% (Libor + 8.75%/Q) | 8/25/2017 | 8.2 | 8.2(2)(17) |
| | | Second lien senior secured loan (\$1.9 par due 8/2024) | 11.23% (Libor + 8.75%/Q) | 8/25/2017 | 1.9 | 1.9(2)(17) |
| | | Second lien senior secured loan (\$6.5 par due 8/2024) | 10.61% (Libor + 8.75%/Q) | 8/25/2017 | 6.5 | 6.5(2)(17) |
| | | Second lien senior secured loan (\$16.7 par due 8/2023) | 10.71% (Libor + 8.75%/S) | 4/11/2018 | 16.7 | 16.7(2)(17) |
| | | Second lien senior secured loan (\$66.8 par due 8/2024) | 11.07% (Libor + 8.75%/Q) | 8/25/2017 | 66.8 | 66.8(2)(17) |
| | | | | | 131.7 | 131.7 |
| PHL Investors, Inc., and PHL Holding Co. (7) | Mortgage services | Class A common stock (576 shares) | | 7/31/2012 | 3.8 | — (2) |
| PHNTM Holdings, Inc. and Planview Parent, Inc. | Provider of project and portfolio management software | First lien senior secured loan (\$19.7 par due 1/2023) | 7.34% (Libor + 5.25%/M) | 1/27/2017 | 19.5 | 19.5(2)(17) |
| | | First lien senior secured loan (\$5.0 par due 1/2023) | 7.34% (Libor + 5.25%/M) | 1/27/2017 | 4.9 | 5.0(4)(17) |
| | | First lien senior secured loan (\$5.1 par due 1/2023) | 7.34% (Libor + 5.25%/M) | 12/7/2017 | 5.1 | 5.1(2)(17) |

| | | | | | |
|--------------------------|---|------------------|---------------|-----------|---------------|
| | | 1/2023) | | | |
| | | Second lien | | | |
| | | senior secured | 11.84% (Libor | 1/27/2017 | 61.3 62.0(17) |
| | | loan (\$62.0 par | + 9.75%/M) | | |
| | | due 7/2023) | | | |
| | | Class A | | | |
| | | common shares | | 1/27/2017 | 1.0 1.2(2) |
| | | (990 shares) | | | |
| | | Class B | | | |
| | | common shares | | 1/27/2017 | — 0.2(2) |
| | | (168,329 | | | |
| | | shares) | | | |
| | | | | | 91.8 93.2 |
| | | Warrant to | | | |
| | | purchase up to | | | |
| | | 2,402,991 | | | |
| | | shares of Series | | 6/25/2015 | 0.1 — (2) |
| | | C preferred | | | |
| | | stock (expires | | | |
| | | 6/2025) | | | |
| Poplicus Incorporated | Business intelligence and market analytics platform for companies that sell to the public sector | | | | |

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| Company(1) | Business Description | Investment | Interest(5)(10) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|--|---|---|-----------------------------|------------------|----------------|-------------|--------------------------|
| Project Alpha Intermediate Holding, Inc. and Qlik Parent, Inc. | Provider of data visualization software for data analytics | Class A common shares (7,444.80 shares) | | 8/22/2016 | 7.4 | 7.6(2) | |
| | | Class B common shares (1,841,608.69 shares) | | 8/22/2016 | 0.1 | 0.1(2) | |
| R2 Acquisition Corp. | Marketing services | Common stock (250,000 shares) | | 5/29/2007 | 0.3 | 0.2(2) | |
| | | Provider of claims management, claims investigation & support and risk management solutions for the Canadian property and casualty insurance industry | | | 7.5 | 7.7 | |
| SCM Insurance Services Inc. (8)(21) | | First lien senior secured revolving loan (\$1.8 par due 8/2022) | 9.00% (Base Rate + 4.00%/Q) | 8/29/2017 | 1.8 | 1.7(2)(17) | |
| | | First lien senior secured loan (\$20.4 par due 8/2024) | 6.64% (Libor + 5.00%/M) | 8/29/2017 | 21.4 | 19.9(2)(17) | |
| | | Second lien senior secured loan (\$57.7 par due 3/2025) | 10.64% (Libor + 9.00%/M) | 8/29/2017 | 60.5 | 56.0(2)(17) | |
| | | | | | 83.7 | 77.6 | |
| Sparefoot, LLC (21) | PMS solutions and web services for the self-storage industry. | First lien senior secured revolving loan (\$0.3 par due 4/2023) | 6.35% (Libor + 4.25%/M) | 4/13/2018 | 0.3 | 0.3(2)(17) | |
| | | First lien senior secured loan (\$4.7 par due 4/2024) | 6.34% (Libor + 4.25%/M) | 4/13/2018 | 4.7 | 4.7(2)(17) | |
| | | Second lien senior secured loan (\$6.1 par due 4/2025) | 10.34% (Libor + 8.25%/M) | 4/13/2018 | 6.0 | 6.0(2)(17) | |
| | | | | | 11.0 | 11.0 | |
| | | | | 8/21/2017 | 19.6 | 19.6(2)(17) | |

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|--|--|---|---------------------------|------------|------|----------------|--|
| Sparta Systems, Inc., Project Silverback Holdings Corp. and Silverback Holdings, Inc. (21) | Quality management software provider | Second lien senior secured loan (\$20.0 par due 8/2025) | 10.34% (Libor + 8.25%/M) | | | | |
| | | Series B preferred shares (10,084 shares) | | 8/21/2017 | 1.1 | 0.8 | |
| | | | | | 20.7 | 20.4 | |
| Syntax USA Acquisition Corporation (8)(21) | Provider of cloud ERP hosting and consulting services for Oracle users | First lien senior secured revolving loan (\$1.2 par due 4/2021) | 6.24% (Libor + 4.25%/Q) | 2/8/2018 | 1.2 | 1.1(2)(17) | |
| Talari Networks, Inc. | Networking equipment provider | First lien senior secured loan (\$6.0 par due 10/2019) | 15.30% (Libor + 13.00%/M) | 8/3/2015 | 5.6 | 6.1(2)(15)(17) | |
| | | Warrant to purchase up to 421,052 shares of Series D-1 preferred stock (expires 8/2022) | | 8/3/2015 | 0.1 | — (2) | |
| | | | | | 5.7 | 6.1 | |
| The Gordian Group, Inc. (21) | Construction software and service provider | First lien senior secured loan (\$8.1 par due 7/2019) | 6.61% (Libor + 4.25%/Q) | 1/3/2017 | 8.0 | 8.1(3)(17) | |
| | | First lien senior secured loan (\$0.6 par due 7/2019) | 6.61% (Libor + 4.25%/Q) | 1/3/2017 | 0.6 | 0.6(4)(17) | |
| | | First lien senior secured loan (\$5.9 par due 7/2019) | 6.57% (Libor + 4.25%/Q) | 1/3/2017 | 5.8 | 5.9(3)(17) | |
| | | First lien senior secured loan (\$0.4 par due 7/2019) | 6.57% (Libor + 4.25%/Q) | 1/3/2017 | 0.4 | 0.4(4)(17) | |
| | | First lien senior secured loan (\$8.0 par due 7/2019) | 6.58% (Libor + 4.25%/Q) | 1/3/2017 | 8.0 | 8.0(3)(17) | |
| | | First lien senior secured loan (\$0.6 par due 7/2019) | 6.58% (Libor + 4.25%/Q) | 1/3/2017 | 0.6 | 0.6(4)(17) | |
| | | | | 11/30/2012 | — | — (2) | |

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| | | | | | | | |
|----------------------------|--|--|------------|-----------|-----|------|------|
| | | Common stock (526 shares) | | | | 23.4 | 23.6 |
| UL Holding Co., LLC (6) | Provider of collection and landfill avoidance solutions for food waste and unsold food products | Senior subordinated loan (\$3.0 par due 5/2020) | 10.00% PIK | 4/30/2012 | 1.0 | 3.0 | (2) |
| | | Senior subordinated loan (\$0.4 par due 5/2020) | | 4/30/2012 | 0.1 | 0.4 | (2) |
| | | Senior subordinated loan (\$6.5 par due 5/2020) | 10.00% PIK | 4/30/2012 | 2.2 | 6.5 | (2) |
| | | Senior subordinated loan (\$0.5 par due 5/2020) | | 4/30/2012 | 0.2 | 0.5 | (2) |

As of June 30, 2018
(dollar amounts in millions)
(unaudited)

| Company(1) | Business Description | Investment | Interest(5)(10) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|------------|--|------------|-----------------|------------------|----------------|------------|--------------------------|
| | Senior subordinated loan (\$25.7 par due 5/2020) | | 10.00% PIK | 4/30/2012 | 8.7 | 25.7(2) | |
| | Senior subordinated loan (\$3.8 par due 5/2020) | | | 4/30/2012 | 1.3 | 3.8(2) | |
| | Class C common units (758,546 units) | | | 4/25/2008 | — | — (2) | |
| | Class A common units (533,351 units) | | | 6/17/2011 | 5.0 | 1.4(2) | |
| | Class B-5 common units (272,834 units) | | | 6/17/2011 | 2.5 | 0.7(2) | |
| | Warrant to purchase up to 719,044 shares of Class A units | | | 5/2/2014 | — | — (2) | |
| | Warrant to purchase up to 28,663 shares of Class B-1 units | | | 5/2/2014 | — | — (2) | |
| | Warrant to purchase up to 57,325 shares of Class B-2 units | | | 5/2/2014 | — | — (2) | |
| | Warrant to purchase up to 29,645 shares of Class B-3 units | | | 5/2/2014 | — | — (2) | |
| | Warrant to purchase up to 80,371 shares of Class B-5 units | | | 5/2/2014 | — | — (2) | |
| | Warrant to purchase up to 59,655 shares of Class B-6 units | | | 5/2/2014 | — | — (2) | |

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|-----------------------------------|---|--|-------------------------|------------|------|-------------|
| | | Warrant to purchase up to 1,046,713 shares of Class C units | | | 21.0 | 42.0 |
| Velocity Holdings Corp. | Hosted enterprise resource planning application management services provider | Common units (1,713,546 units) | | 12/13/2013 | 4.5 | 3.1 |
| Visual Edge Technology, Inc. (21) | Provider of outsourced office solutions with a focus on printer and copier equipment and other parts and supplies | First lien senior secured loan (\$6.0 par due 8/2022) | 7.75% (Libor + 5.75%/M) | 8/31/2017 | 6.0 | 6.0(2)(17) |
| | | First lien senior secured loan (\$0.4 par due 8/2022) | 7.65% (Libor + 5.75%/M) | 8/31/2017 | 0.4 | 0.4(2)(17) |
| | | First lien senior secured loan (\$16.8 par due 8/2022) | 7.75% (Libor + 5.75%/M) | 8/31/2017 | 16.7 | 16.8(2)(17) |
| | | Senior subordinated loan (\$52.5 par due 9/2024) | 12.50% PIK | 8/31/2017 | 49.0 | 52.6(2) |
| | | Warrant to purchase up to 1,816,089 shares of common stock (expires 8/2027) | | 8/31/2017 | — | 2.6(2) |
| | | Warrant to purchase up to 2,070,511 shares of preferred stock (expires 8/2027) | | 8/31/2017 | 3.9 | 4.1(2) |
| | | | | | 76.0 | 82.4 |
| VRC Companies, LLC (21) | Provider of records and information management services | First lien senior secured revolving loan (\$0.6 par due 3/2022) | 8.59% (Libor + 6.50%/M) | 4/17/2017 | 0.6 | 0.6(2)(17) |
| | | First lien senior secured loan (\$0.3 par due 3/2023) | 8.59% (Libor + 6.50%/M) | 10/3/2017 | 0.3 | 0.3(2)(17) |
| | | First lien senior secured loan (\$0.4 par due 3/2023) | 8.59% (Libor + 6.50%/M) | 3/13/2018 | 0.4 | 0.4(2)(17) |
| | | | | | 1.3 | 1.3 |
| | | | | 10/21/2015 | — | —(24) |

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|--------------------------------|---|--|-----------------------------|----------|-----|----------------|--|
| WorldPay Group PLC (8) | Payment processing company | C2 shares (73,974 shares) | | | | | |
| Worldwide Facilities, LLC (21) | Specialty insurance wholesale broker | First lien senior secured loan (\$0.9 par due 4/2024) | 6.55% (Libor + 4.25%/Q) | 5/3/2018 | 0.9 | 0.9(2)(17) | |
| | | First lien senior secured loan (\$1.6 par due 4/2024) | 6.61% (Libor + 4.25%/Q) | 5/3/2018 | 1.6 | 1.6(2)(17) | |
| | | | | | 2.5 | 2.5 | |
| XIFIN, Inc. (21) | Revenue cycle management provider to labs | First lien senior secured revolving loan (\$0.5 par due 11/2020) | 8.75% (Base Rate + 3.75%/Q) | 2/8/2018 | 0.5 | 0.5(2)(17)(20) | |

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As of June 30, 2018
(dollar amounts in millions)
(unaudited)

| Company(1) | Business Description | Investment | Interest(5)(10) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|---|---|--|-----------------------------|------------------|----------------|--------------|--------------------------|
| Zywave, Inc. (21) | Provider of software and technology-enabled content and analytical solutions to insurance brokers | First lien senior secured revolving loan (\$0.5 par due 11/2022) | 7.09% (Libor + 5.00%/M) | 11/17/2016 | 0.5 | 0.5 (2)(17) | |
| | | First lien senior secured revolving loan (\$1.9 par due 11/2022) | 9.00% (Base Rate + 4.00%/M) | 11/17/2016 | 1.9 | 1.9 (2)(17) | |
| | | Second lien senior secured loan (\$27.0 par due 11/2023) | 11.33% (Libor + 9.00%/Q) | 11/17/2016 | 27.0 | 27.0 (2)(17) | |
| | | | | | 29.4 | 29.4 | |
| | | | | | 1,838.9 | 1,861.9 | 25.61 % |
| Consumer Products Badger Sportswear Acquisition, Inc. | Provider of team uniforms and athletic wear | Second lien senior secured loan (\$56.8 par due 3/2024) | 11.09% (Libor + 9.00%/M) | 9/6/2016 | 56.7 | 56.8 (2)(17) | |
| BRG Sports, Inc. | Designer, manufacturer and licensor of branded sporting goods | Preferred stock (2,009 shares) | | 1/3/2017 | — | — | |
| | | Common stock (6,566,655 shares) | | 1/3/2017 | — | 0.4 | |
| | | | | | — | 0.4 | |
| Consumer Health Parent LLC | Developer and marketer of over-the-counter cold remedy products | Preferred units (1,072 units) | | 12/15/2017 | 1.1 | 1.2 (2) | |
| | | Series A units (1,072 units) | | 12/15/2017 | — | 0.1 (2) | |
| | | | | | 1.1 | 1.3 | |
| Feradyne Outdoors, LLC and Bowhunter Holdings, LLC | Provider of branded archery and bowhunting accessories | Common units (421 units) | | 4/24/2014 | 4.2 | 0.9 (2) | |
| Implus Footcare, LLC | Provider of footwear and other accessories | First lien senior secured loan (\$14.5 par due | 8.84% (Libor + 6.75%/M) | 6/1/2017 | 14.5 | 14.5 (2)(17) | |

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|--|---|---|--------------------------|------------|-------|-------------|--|
| | | 4/2021) | | | | | |
| | | First lien senior secured loan (\$77.1 par due 4/2021) | 8.84% (Libor + 6.75%/M) | 6/1/2017 | 77.1 | 77.1(2)(17) | |
| | | First lien senior secured loan (\$19.8 par due 4/2021) | 8.84% (Libor + 6.75%/M) | 6/1/2017 | 19.8 | 19.8(4)(17) | |
| | | | | | 111.4 | 111.4 | |
| Indra Holdings Corp. | Designer, marketer, and distributor of rain and cold weather products | First lien senior secured loan (\$10.0 par due 5/2021) | 6.34% (Libor + 4.25%/M) | 2/8/2018 | 6.3 | 6.5 (2)(17) | |
| | | Second lien senior secured loan (\$80.0 par due 11/2021) | | 5/1/2014 | 72.0 | 19.2(2)(16) | |
| | | | | | 78.3 | 25.7 | |
| Plantation Products, LLC, Seed Holdings, Inc. and Flora Parent, Inc. | Provider of branded lawn and garden products | Second lien senior secured loan (\$2.0 par due 6/2021) | 10.35% (Libor + 7.99%/Q) | 12/23/2014 | 2.0 | 2.0 (2)(17) | |
| | | Second lien senior secured loan (\$54.0 par due 6/2021) | 10.35% (Libor + 7.99%/Q) | 12/23/2014 | 53.9 | 54.0(3)(17) | |
| | | Second lien senior secured loan (\$10.0 par due 6/2021) | 10.35% (Libor + 7.99%/Q) | 12/23/2014 | 10.0 | 10.0(4)(17) | |
| | | Common stock (30,000 shares) | | 12/23/2014 | 3.0 | 6.0 (2) | |
| | | | | | 68.9 | 72.0 | |
| Rug Doctor, LLC and RD Holdco Inc. (7) | Manufacturer and marketer of carpet cleaning machines | Second lien senior secured loan (\$16.9 par due 10/2019) | 12.18% (Libor + 9.75%/S) | 1/3/2017 | 16.9 | 16.9(2)(17) | |
| | | Common stock (458,596 shares) | | 1/3/2017 | 14.0 | 20.3 | |
| | | Warrant to purchase up to 56,372 shares of common stock (expires 12/2023) | | 1/3/2017 | — | — | |
| | | | | | 30.9 | 37.2 | |
| S Toys Holdings LLC (fka The Step2 | Toy manufacturer | Common units (1,116,879 units) | | 4/1/2011 | — | 0.5 | |

Company,
LLC) (7)

| | | | |
|---|------------|---|-------|
| Class B common units (126,278,000 units) | 10/30/2014 | — | — (2) |
| Warrant to purchase up to 3,157,895 units | 4/1/2010 | — | — |
| | | — | 0.5 |

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As of June 30, 2018
(dollar amounts in millions)
(unaudited)

| Company(1) | Business Description | Investment | Interest(5)(10) | Acquisition Date | Amortized Cost | Fixed Value | Percentage of Net Assets |
|---|--|--|---------------------------|------------------|----------------|--------------|--------------------------|
| SHO Holding I Corporation | Manufacturer and distributor of slip resistant footwear | Second lien senior secured loan (\$100.0 par due 4/2023) | 10.86% (Libor + 8.50%/Q) | 10/27/2015 | 98.3 | 88.0(17) | |
| Shock Doctor, Inc. and Shock Doctor Holdings, LLC (6) | Developer, marketer and distributor of sports protection equipment and accessories | Second lien senior secured loan (\$89.4 par due 10/2021) | 13.36% (Libor + 11.00%/Q) | 4/22/2015 | 89.4 | 81.0(17) | |
| | | Class A preferred units (50,000 units) | | 3/14/2014 | 5.0 | 1.4(2) | |
| | | Class C preferred units (50,000 units) | | 4/22/2015 | 5.0 | 1.4(2) | |
| | | | | | 99.4 | 84.2 | |
| Singer Sewing Company, SVP-Singer Holdings, LLC and SVP-Singer Holdings LP (7)(21) | Manufacturer of consumer sewing machines | First lien senior secured revolving loan (\$70.3 par due 3/2023) | 11.33% (Libor + 9.00%/Q) | 7/26/2017 | 70.3 | 70.0(17)(20) | |
| | | First lien senior secured loan (\$178.0 par due 3/2023) | 5.00% (Libor + 2.67%/Q) | 7/26/2017 | 174.5 | 159.2(17) | |
| | | Class A common units (6,500,000 units) | | 7/26/2017 | — | —(2) | |
| | | | | | 244.8 | 229.6 | |
| Varsity Brands Holding Co., Inc., Hercules Achievement, Inc., Hercules Achievement Holdings, Inc. and Hercules VB | Leading manufacturer and distributor of textiles, apparel & luxury goods | Second lien senior secured loan (\$72.7 par due 12/2025) | 10.34% (Libor + 8.25%/M) | 12/15/2017 | 72.7 | 72.0(17) | |

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Holdings, Inc.

| | | | | | | | | | |
|--------------------|------------------------|------------------|---------------|------------|-------|-------|---------|-------|---|
| | | Second lien | | | | | | | |
| | | senior secured | 10.34% (Libor | 12/15/2017 | 50.0 | 50.0 | (17) | | |
| | | loan (\$50.0 par | + 8.25%/M) | | | | | | |
| | | due 12/2025) | | | | | | | |
| | | Common stock | | | | | | | |
| | | (3,548,841 | | 12/11/2014 | 3.7 | 9.1 | (2) | | |
| | | shares) | | | | | | | |
| | | Common stock | | | | | | | |
| | | (3,548,841 | | 12/11/2014 | 1.0 | 9.1 | (2) | | |
| | | shares) | | | | | | | |
| | | | | | 127.4 | 140.9 | | | |
| Woodstream | | First lien | | | | | | | |
| Group, Inc. and | Pet products | senior secured | 8.58% (Libor | 6/21/2017 | 4.0 | 4.0 | (2)(17) | | |
| Woodstream | manufacturer | loan (\$4.0 par | + 6.25%/Q) | | | | | | |
| Corporation (21) | | due 5/2022) | | | | | | | |
| | | First lien | | | | | | | |
| | | senior secured | 8.58% (Libor | 6/21/2017 | 8.0 | 8.0 | (4)(17) | | |
| | | loan (\$8.0 par | + 6.25%/Q) | | | | | | |
| | | due 5/2022) | | | | | | | |
| | | | | | 12.0 | 12.0 | | | |
| | | | | | 933.4 | 860.9 | | 11.84 | % |
| Financial Services | | | | | | | | | |
| Callidus Capital | Asset management | Common stock | | 4/1/2010 | 3.0 | 1.7 | | | |
| Corporation (7) | services | (100 shares) | | | | | | | |
| | | First lien | | | | | | | |
| Ciena Capital | Real estate and small | senior secured | | | | | | | |
| LLC (7)(21) | business loan servicer | revolving loan | 6.00% | 11/29/2010 | 14.0 | 14.0 | (2) | | |
| | | (\$14.0 par due | | | | | | | |
| | | 9/2018) | | | | | | | |
| | | Equity | | 11/29/2010 | 25.0 | 17.0 | (2) | | |
| | | interests | | | | | | | |
| | | | | | 39.0 | 31.8 | | | |
| Commercial | Commercial | Senior | | | | | | | |
| Credit Group, Inc. | equipment finance and | subordinated | 11.73% (Libor | 5/10/2012 | 28.0 | 28.0 | (2)(17) | | |
| | leasing company | loan (\$28.0 par | + 9.75%/M) | | | | | | |
| | | due 8/2022) | | | | | | | |
| | | First lien | | | | | | | |
| DFC Global | Non-bank provider of | senior secured | 12.73% (Libor | 9/27/2017 | 82.7 | 82.0 | (2)(17) | | |
| Facility Borrower | alternative financial | revolving loan | + 10.75%/M) | | | | | | |
| II LLC (21) | services | (\$82.7 par due | | | | | | | |
| | | 9/2022) | | | | | | | |
| Financial Asset | | | | | | | | | |
| Management | Debt collection | Common stock | | 1/11/2017 | — | — | (2) | | |
| Systems, Inc. and | services provider | (180 shares) | | | | | | | |
| FAMS Holdings, | | | | | | | | | |
| Inc. (6) | | | | | | | | | |
| Imperial Capital | Investment services | Class A | | | | | | | |
| Group LLC | | common units | | 5/10/2007 | 6.1 | 10.0 | (2) | | |
| | | (24,945 units) | | | | | | | |
| | | | | 5/10/2007 | — | — | (2) | | |

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|---|--|---|--------|-----------|-------|---------|
| | | 2006 Class B common units (8,173 units) | | | 6.1 | 10.5 |
| Ivy Hill Asset Management, L.P. (7)(9) | Asset management services | Member interest (100.00% interest) | | 6/15/2009 | 444.0 | 520.9 |
| Javlin Three LLC, Javlin Four LLC, and Javlin Five LLC (9) | Asset-backed financial services company | First lien senior secured loan (\$16.5 par due 6/2017) | 5.00% | 6/24/2014 | 16.3 | 14.0(2) |
| LS DE LLC and LM LSQ Investors LLC (9) | Asset based lender | Senior subordinated loan (\$3.0 par due 6/2021) | 10.50% | 6/15/2017 | 3.0 | 3.0(2) |
| | | Senior subordinated loan (\$27.0 par due 6/2021) | 10.50% | 6/25/2015 | 27.0 | 27.0(2) |

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As of June 30, 2018
(dollar amounts in millions)
(unaudited)

| Company(1) | Business Description | Investment | Interest(5)(10) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|---|---|---|------------------------------|------------------|----------------|------------|--------------------------|
| | | Membership units (3,275,000 units) | | 6/25/2015 | 3.3 | 3.9 | |
| | | | | | 33.3 | 33.9 | |
| NM GRC HOLDCO, LLC (21) | Regulatory compliance services provider to financial institutions | First lien senior secured loan (\$61.1 par due 2/2024) | 7.83% (Libor + 5.50%/Q) | 2/9/2018 | 60.6 | 60.5(17) | |
| Payment Alliance International, Inc. (21) | Reseller of ATM processing services through 3rd party processing networks | First lien senior secured revolving loan (\$2.5 par due 9/2021) | 10.05% (Base Rate + 5.05%/M) | 2/8/2018 | 2.5 | 2.5(2)(17) | |
| Vela Trading Technologies, LLC (21) | Provider of market data software and content to global financial services clients | First lien senior secured revolving loan (\$2.0 par due 6/2022) | 9.32% (Libor + 7.00%/Q) | 2/8/2018 | 2.0 | 2.0(2)(17) | |
| | | First lien senior secured loan (\$5.0 par due 6/2022) | 9.31% (Libor + 7.00%/Q) | 4/17/2018 | 5.0 | 4.9(2)(17) | |
| | | | | | 7.0 | 6.9 | |
| | | | | | 722.5 | 793.5 | 10.91 % |
| Investment Funds and Vehicles | | | | | | | |
| ACAS Equity Holdings Corporation (7)(9) | Investment company | Common stock (589 shares) | | 1/3/2017 | 0.5 | 0.5 | |
| ARES 2007-3R (7)(8)(9) | Investment vehicle | Subordinated notes (\$20.0 par due 4/2021) | | 1/3/2017 | — | 0.1 | |
| Blue Wolf Capital Fund II, L.P. (8)(9) | Investment partnership | Limited partnership interest (8.50% interest) | | 1/3/2017 | 3.0 | 3.7(24) | |
| Cent CLO 2014-22 Limited (8)(9) | Investment vehicle | Subordinated notes (\$45.4 par due 11/2026) | 11.83% | 1/3/2017 | 22.6 | 25.3 | |
| Centurion CDO 8 Limited (8)(9) | Investment vehicle | Subordinated notes (\$5.0 par | | 1/3/2017 | — | — | |

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|--|------------------------|---|-----------|------|------------|
| CGMS 2015-3 (8)(9) | Investment vehicle | due 3/2019) Subordinated notes (\$24.6 par 9.20% due 7/2028) | 1/3/2017 | 18.9 | 18.7 |
| CoLTs 2005-1 Ltd. (7)(8)(9) | Investment vehicle | Preferred shares (360 shares) | 1/3/2017 | — | — |
| CoLTs 2005-2 Ltd. (7)(8)(9) | Investment vehicle | Preferred shares (34,170,000 shares) | 1/3/2017 | — | — |
| CREST Exeter Street Solar 2004-1 (8)(9) | Investment vehicle | Preferred shares (3,500,000 shares) | 1/3/2017 | — | — |
| Eaton Vance CDO X plc (8)(9) | Investment vehicle | Subordinated notes (\$9.7 par due 2/2027) | 1/3/2017 | — | 0.3 |
| European Capital UK SME Debt LP (7)(8)(9)(22) | Investment partnership | Limited partnership interest (45% interest) | 1/3/2017 | 34.7 | 34.5 |
| Goldentree Loan Opportunities VII, Limited (8)(9) | Investment vehicle | Subordinated notes (\$35.3 par due 4/2025) | 1/3/2017 | 7.5 | 6.9 |
| Halcyon Loan Advisors Funding 2015-2 Ltd. (8)(9) | Investment vehicle | Subordinated notes (\$21.7 par 15.90% due 7/2027) | 1/3/2017 | 13.6 | 10.6 |
| HCI Equity, LLC (7)(8)(9) | Investment company | Member interest (100.00% interest) | 4/1/2010 | — | 0.1(24) |
| Herbert Park B.V. (8)(9) | Investment vehicle | Subordinated notes (\$5.4 par due 10/2026) | 1/3/2017 | 0.9 | — |
| Imperial Capital Private Opportunities, LP (9) | Investment partnership | Limited partnership interest (80.00% interest) | 5/10/2007 | — | 13.02) |
| Montgomery Lane, LLC and Montgomery Lane, Ltd. (7)(8)(9) | Investment company | Common stock (100 shares) | 1/3/2017 | — | — |
| | | Common stock (50,000 shares) | 1/3/2017 | — | — |
| OAKC 2015-11 (8)(9) | Investment vehicle | Subordinated notes (\$17.8 par 9.00% due 10/2028) | 1/3/2017 | 14.3 | 13.8 |
| Partnership Capital Growth Fund I, L.P. (9) | Investment partnership | Limited partnership interest | 6/16/2006 | — | 0.1(2)(24) |

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|---|------------------------|--|------------|-----|------------|
| Partnership Capital Growth Investors III, L.P. (9)(22) | Investment partnership | (25.00% interest) Limited partnership interest (2.50% interest) | 10/5/2011 | 2.4 | 4.0(2)(24) |
| PCG-Ares Sidecar Investment II, L.P. (9)(22) | Investment partnership | Limited partnership interest (100.00% interest) | 10/31/2014 | 6.6 | 10.6(2) |
| PCG-Ares Sidecar Investment, L.P. (9)(22) | Investment partnership | Limited partnership interest (100.00% interest) | 5/22/2014 | 4.4 | 4.2(2) |
| Piper Jaffray Merchant Banking Fund I, L.P. (9)(22) | Investment partnership | Limited partnership interest (2.00% interest) | 8/16/2012 | 1.6 | 1.6(24) |

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As of June 30, 2018
(dollar amounts in millions)
(unaudited)

| Company(1) | Business Description | Investment | Interest(5)(10) | Acquisition Date | Amortized Cost | Fixed Value | Percentage of Net Assets |
|---|---|--|------------------------------|------------------|----------------|-------------|--------------------------|
| Qualium Investissement (8)(9) | Investment partnership | Class A common stock (9,900,000 shares) | | 1/3/2017 | 5.2 | 6.1(24) | |
| | | Class B common stock (100,000 shares) | | 1/3/2017 | 0.1 | 0.1(24) | |
| | | Class C common stock (48,939 shares) | | 1/3/2017 | 0.1 | 0.1(24) | |
| | | | | | 5.4 | 6.3 | |
| Senior Direct Lending Program, LLC (7)(9)(23) | Co-investment vehicle | Subordinated certificates (\$589.0 par due 12/2036) | 10.34% (Libor + 8.00%/Q)(18) | 7/27/2016 | 589.0 | 589.0(17) | |
| | | Member interest (87.50% interest) | | 7/27/2016 | — | —(17) | |
| | | | | | 589.0 | 589.0 | |
| Vitesse CLO, Ltd. (8)(9) | Investment vehicle | Preferred shares (20,000,000 shares) | | 1/3/2017 | — | — | |
| Voya CLO 2014-4 Ltd. (8)(9) | Investment vehicle | Subordinated notes (\$26.7 par due 10/2026) | 8.40% | 1/3/2017 | 15.6 | 16.3 | |
| VSC Investors LLC (9) | Investment company | Membership interest (1.95% interest) | | 1/24/2008 | 0.3 | 1.2(2)(24) | |
| | | | | | 741.3 | 760.8 | 10.47 % |
| Manufacturing | | | | | | | |
| Chariot Acquisition, LLC (21) | Aftermarket golf cart parts and accessories | First lien senior secured loan (\$18.3 par due 9/2021) | 8.83% (Libor + 6.50%/Q) | 1/3/2017 | 18.1 | 17.8(17) | |
| | | First lien senior secured loan (\$9.3 par due 9/2021) | 8.83% (Libor + 6.50%/Q) | 1/3/2017 | 9.2 | 9.1(4)(17) | |
| | | | | | 27.3 | 27.0 | |
| Dorner Holding Corp. (21) | Manufacturer of precision unit conveyors | First lien senior secured revolving loan | 7.84% (Libor + 5.75%/M) | 3/15/2017 | 0.2 | 0.2(2)(17) | |

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| | | | | | | | |
|-------------------------------|---|--|--------------------------|------------|-------|-------|----------|
| ECI Purchaser Company, LLC | Manufacturer of equipment to safely control pressurized gases | (\$0.2 par due 3/2022) | | | | | |
| | | First lien senior secured loan (\$21.8 par due 12/2018) | 7.75% (Libor + 5.25%/S) | 7/26/2017 | 21.8 | 21.8 | (17) |
| | | First lien senior secured loan (\$88.7 par due 12/2018) | 7.72% (Libor + 5.25%/S) | 7/26/2017 | 88.7 | 88.7 | (17) |
| | | First lien senior secured loan (\$74.8 par due 12/2018) | 7.72% (Libor + 5.25%/S) | 7/26/2017 | 74.8 | 74.8 | (17) |
| | | First lien senior secured loan (\$0.3 par due 12/2018) | 7.75% (Libor + 5.25%/S) | 7/26/2017 | 0.3 | 0.3 | (17) |
| ETG Holdings, Inc. (7) | Industrial woven products | First lien senior secured loan (\$0.2 par due 12/2018) | 7.75% (Libor + 5.25%/S) | 7/26/2017 | 0.2 | 0.2 | (17) |
| | | | | | 185.8 | 185.8 | |
| Harvey Tool Company, LLC (21) | Cutting tool provider to the metalworking industry | Common stock (3,000 shares) | | 1/3/2017 | — | — | |
| | | First lien senior secured revolving loan (\$0.9 par due 10/2023) | 6.59% (Libor + 4.50%/M) | 10/12/2017 | 0.9 | 0.9 | (17)(20) |
| | | First lien senior secured loan (\$20.7 par due 10/2024) | 7.08% (Libor + 4.75%/Q) | 10/12/2017 | 20.7 | 20.7 | (17) |
| | | First lien senior secured loan (\$19.9 par due 10/2024) | 7.08% (Libor + 4.75%/Q) | 10/12/2017 | 19.9 | 19.9 | (17) |
| | | Second lien senior secured loan (\$43.7 par due 10/2025) | 10.84% (Libor + 8.50%/Q) | 10/12/2017 | 43.7 | 43.7 | (17) |
| Ioxus, Inc (6) | Energy storage devices | | | | 85.2 | 85.2 | |
| | | First lien senior secured loan (\$9.7 par due 12/2019) | 7.00% Cash, 5.00% PIK | 4/29/2014 | 9.6 | 9.7 | (2) |
| | | First lien senior secured loan (\$1.2 par due 12/2019) | | 4/29/2014 | 1.2 | 1.2 | (2) |

| | | | |
|---|-----------|-----|------|
| Series CC preferred stock (67,330,609 shares) | 1/27/2017 | 0.7 | —(2) |
| Warrant to purchase up to 3,038,730 shares of common stock (expires 1/2026) | 1/28/2016 | — | —(2) |
| Warrant to purchase up to 1,210,235 shares of Series BB preferred stock (expires 8/2026) | 8/24/2016 | — | —(2) |

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As of June 30, 2018
(dollar amounts in millions)
(unaudited)

| Company(1) | Business Description | Investment | Interest(5)(10) | Acquisition Date | Amortized Cost | Fixed Value | Percentage of Net Assets |
|--|--|--|-----------------------------|------------------|----------------|-------------|--------------------------|
| | | Warrant to purchase up to 336,653,045 shares of Series CC preferred stock (expires 1/2027) | | 1/27/2017 | — | —(2) | |
| | | | | | 11.5 | 10.9 | |
| KPS Global LLC | Walk-in cooler and freezer systems | First lien senior secured loan (\$1.6 par due 4/2022) | 4.56% (Libor + 2.50%/M) | 4/5/2017 | 1.6 | 1.6(2)(17) | |
| | | First lien senior secured loan (\$10.5 par due 4/2022) | 8.94% (Libor + 6.88%/M) | 4/5/2017 | 10.5 | 10.4(2)(17) | |
| | | First lien senior secured loan (\$5.2 par due 4/2022) | 8.94% (Libor + 6.88%/M) | 4/5/2017 | 5.2 | 5.2(4)(17) | |
| | | | | | 17.3 | 17.2 | |
| MacLean-Fogg Company and MacLean-Fogg Holdings, L.L.C. | Manufacturer and supplier for the power utility and automotive markets worldwide | Senior subordinated loan (\$104.5 par due 10/2025) | 10.50% Cash, 3.00% PIK | 10/31/2013 | 104.5 | 104.2(2) | |
| | | Preferred units (70,183 units) | 4.50% Cash, 9.25% PIK | 10/9/2015 | 77.7 | 77.7 | |
| | | | | | 182.2 | 182.2 | |
| Medplast Holdings, Inc (21) | Manufacturer of molded plastic and elastomeric parts and assemblies | First lien senior secured revolving loan (\$1.7 par due 12/2021) | 6.59% (Libor + 4.50%/Q) | 2/8/2018 | 1.7 | 1.7(2)(17) | |
| | | First lien senior secured revolving loan (\$0.1 par due 12/2021) | 8.50% (Base Rate + 3.50%/Q) | 2/8/2018 | 0.1 | 0.1(2)(17) | |
| | | | | | 1.8 | 1.8 | |
| Nordco Inc. (21) | | | — | 8/26/2015 | — | —(2)(19) | |

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| | | | | | | | |
|--|---|--|-------------------------|------------|------|------|-------------|
| | Railroad maintenance-of-way machinery | First lien senior secured revolving loan | | | | | |
| | | Second lien | | | | | |
| Pelican Products, Inc. | Flashlights | senior secured loan (\$27.3 par due 5/2026) | 9.73% (Libor + 7.75%/M) | 5/4/2018 | 27.1 | 27.0 | (17) |
| Sanders Industries Holdings, Inc. and SI Holdings, Inc. (21) | Elastomeric parts, mid-sized composite structures, and composite tooling | First lien senior secured loan (\$54.9 par due 5/2020) | 8.81% (Libor + 6.50%/Q) | 7/21/2017 | 54.9 | 54.9 | (17) |
| | | First lien senior secured loan (\$14.4 par due 5/2020) | 8.81% (Libor + 6.50%/Q) | 7/21/2017 | 14.4 | 14.4 | (17) |
| | | Common stock (1,500 shares) | | 5/30/2014 | 1.5 | 1.3 | (2) |
| | | | | | 70.8 | 70.6 | |
| Saw Mill PCG Partners LLC | Metal precision engineered components | Common units (1,000 units) | | 1/30/2007 | 1.0 | — | (2) |
| Sonny's Enterprises, LLC (21) | Manufacturer and supplier of car wash equipment, parts and supplies to the conveyORIZED car wash market | First lien senior secured revolving loan (\$0.5 par due 12/2022) | 6.59% (Libor + 4.50%/M) | 11/30/2017 | 0.5 | 0.5 | (2)(17) |
| Sunk Rock Foundry Partners LP, Hatteras Electrical Manufacturing Holding Company and Sigma Electric Manufacturing Corporation (21) | Manufacturer of metal castings, precision machined components and sub-assemblies in the electrical products, power transmission and distribution and general industrial markets | First lien senior secured revolving loan (\$1.4 par due 10/2022) | 7.12% (Libor + 4.75%/Q) | 10/31/2017 | 1.4 | 1.4 | (2)(17)(20) |
| | | First lien senior secured revolving loan (\$1.0 par due 10/2022) | 7.20% (Libor + 4.75%/Q) | 10/31/2017 | 1.0 | 1.0 | (2)(17)(20) |
| | | First lien senior secured loan (\$8.2 par due 10/2023) | 7.11% (Libor + 4.75%/Q) | 10/31/2017 | 8.2 | 8.1 | (2)(17) |
| | | First lien senior secured loan (\$9.3 par due 10/2023) | 7.11% (Libor + 4.75%/Q) | 10/31/2017 | 9.3 | 9.2 | (2)(17) |
| | | | | | 19.9 | 19.7 | |
| | | | | 12/11/2014 | 13.3 | 13.3 | (17) |

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| | | | | | | | | | |
|---------------------------|--|------------------|--------------|------------|------------|------------|--|------|---|
| TPTM Merger Corp. (21) | Time temperature indicator products | First lien | 8.83% (Libor | | | | | | |
| | | senior secured | + 6.50%/Q) | | | | | | |
| | | loan (\$13.3 par | | | | | | | |
| | | due 9/2020) | | | | | | | |
| | | First lien | | | | | | | |
| | | senior secured | 8.83% (Libor | | | | | | |
| | | loan (\$9.9 par | + 6.50%/Q) | 12/11/2014 | 9.9 | 9.9(4)(17) | | | |
| | | due 9/2020) | | | | | | | |
| | | | | | 23.2 | 23.2 | | | |
| | | | | | 653.8651.4 | | | 8.96 | % |

As of June 30, 2018
(dollar amounts in millions)
(unaudited)

| Company(1) | Business Description | Investment | Interest(5)(10) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|---|---|---|--------------------------|------------------|----------------|----------------|--------------------------|
| Other Services | | | | | | | |
| 1A Smart Start, LLC (21) | Provider of ignition interlock devices | First lien senior secured revolving loan (\$0.4 par due 8/2020) | 6.50% (Libor + 4.50%/M) | 2/8/2018 | 0.4 | 0.4(2)(17)(20) | |
| | | First lien senior secured revolving loan (\$1.2 par due 8/2020) | 6.59% (Libor + 4.50%/M) | 2/8/2018 | 1.2 | 1.2(2)(17)(20) | |
| | | | | | 1.6 | 1.6 | |
| American Residential Services L.L.C. | Heating, ventilation and air conditioning services provider | Second lien senior secured loan (\$67.0 par due 12/2022) | 10.09% (Libor + 8.00%/M) | 6/30/2014 | 66.8 | 63.0(2)(17) | |
| Associated Asphalt Partners, LLC | Provider of asphalt terminalling, storage and distribution | First lien senior secured loan (\$4.2 par due 4/2024) | 7.34% (Libor + 5.25%/M) | 3/30/2017 | 4.2 | 3.8(2)(17) | |
| Capstone Logistics Acquisition, Inc. (21) | Outsourced supply chain solutions provider to operators of distribution centers | First lien senior secured revolving loan | — | 2/8/2018 | — | — (2)(19) | |
| Champion Parent Corporation and Calera XVI, LLC (7) | Endurance sports media and event operator | First lien senior secured loan (\$0.7 par due 11/2018) | | 11/30/2012 | — | — (2)(16) | |
| | | First lien senior secured loan (\$6.1 par due 11/2018) | | 11/30/2012 | 0.8 | 0.2(2)(16) | |
| | | Preferred shares (18,875 shares) | | 3/25/2016 | — | — (2) | |
| | | Membership units (2,522,512 units) | | 11/30/2012 | — | — (2) | |
| | | Common shares (114,000 shares) | | 3/25/2016 | — | — (2) | |

| | | | | | | |
|---|--|--|----------------------------|-----------|------|----------------|
| | | | | | 0.8 | 0.2 |
| Crown Health Care Laundry Services, LLC and Crown Laundry Holdings, LLC (6)(21) | Provider of outsourced healthcare linen management solutions | First lien senior secured revolving loan (\$0.3 par due 12/2021) | 8.82% (Libor + 6.75%/M) | 3/13/2014 | 0.3 | 0.3(2)(17)(20) |
| | | First lien senior secured revolving loan (\$3.7 par due 12/2021) | 8.84% (Libor + 6.75%/M) | 3/13/2014 | 3.7 | 3.7(2)(17)(20) |
| | | First lien senior secured loan (\$11.9 par due 12/2021) | 8.84% (Libor + 6.75%/M) | 4/6/2017 | 11.9 | 11.9(2)(17) |
| | | First lien senior secured loan (\$1.0 par due 12/2021) | 8.80% (Libor + 6.75%/M) | 6/12/2018 | 1.0 | 1.0(2)(17) |
| | | First lien senior secured loan (\$5.0 par due 12/2021) | 8.84% (Libor + 6.75%/M) | 3/13/2014 | 5.0 | 5.0(2)(17) |
| | | First lien senior secured loan (\$5.2 par due 12/2021) | 8.84% (Libor + 6.75%/M) | 3/13/2014 | 5.2 | 5.2(3)(17) |
| | | Class A preferred units (2,475,000 units) | | 3/13/2014 | 2.5 | 2.3(2) |
| | | Class B common units (275,000 units) | | 3/13/2014 | 0.3 | 2.3(2) |
| | | | | | 29.9 | 31.7 |
| Empirix, Inc. (21) | Provider of hardware and software solutions and services for communications network management | First lien senior secured revolving loan | — | 2/8/2018 | — | — (2)(19) |
| Magento, Inc. (21) | eCommerce platform provider for the retail industry | First lien senior secured revolving loan | — | 2/8/2018 | — | — (2)(19) |
| Massage Envy, LLC and ME Equity LLC (21) | Franchisor in the massage industry | First lien senior secured loan (\$1.1 par due 12/2024) | 9.08% (Libor + 6.75%/Q) | 1/24/2018 | 1.1 | 1.1(2)(17) |
| | | First lien senior secured loan | 9.07% (Libor + 6.75%/Q) | 1/24/2018 | 0.6 | 0.6(2)(17) |

| | | | | |
|----------------------------|----------------|-----------|-----|------------|
| (\$0.6 par due 12/2024) | | | | |
| First lien senior | | | | |
| secured loan | 9.08% (Libor + | 1/24/2018 | 0.7 | 0.7(2)(17) |
| (\$0.7 par due 12/2024) | 6.75%/M) | | | |
| First lien senior | | | | |
| secured loan | 9.09% (Libor + | 1/24/2018 | 0.7 | 0.7(2)(17) |
| (\$0.7 par due 12/2024) | 6.75%/M) | | | |
| First lien senior | | | | |
| secured loan | 9.07% (Libor + | 7/27/2017 | 0.6 | 0.6(2)(17) |
| (\$0.6 par due 9/2020) | 6.75%/Q) | | | |
| First lien senior | | | | |
| secured loan | 9.05% (Libor + | 7/27/2017 | 0.5 | 0.5(2)(17) |
| (\$0.5 par due 9/2020) | 6.75%/M) | | | |
| First lien senior | | | | |
| secured loan | 9.08% (Libor + | 7/27/2017 | 0.3 | 0.3(2)(17) |
| (\$0.3 par due 9/2020) | 6.75%/Q) | | | |

As of June 30, 2018
(dollar amounts in millions)
(unaudited)

| Company(1) | Business Description | Investment | Interest(5)(10) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|------------------------------------|--|---|-----------------------------|------------------|----------------|----------------|--------------------------|
| | | First lien senior secured loan (\$0.3 par due 9/2020) | 9.05% (Libor + 6.75%/Q) | 4/12/2017 | 0.3 | 0.3(2)(17) | |
| | | First lien senior secured loan (\$0.1 par due 9/2020) | 9.08% (Libor + 6.75%/Q) | 4/12/2017 | 0.1 | 0.1(2)(17) | |
| | | First lien senior secured loan (\$1.0 par due 9/2020) | 9.07% (Libor + 6.75%/Q) | 4/12/2017 | 1.0 | 1.0(2)(17) | |
| | | First lien senior secured loan (\$38.3 par due 9/2020) | 9.06% (Libor + 6.75%/Q) | 9/27/2012 | 38.3 | 38.3(17) | |
| | | First lien senior secured loan (\$18.6 par due 9/2020) | 9.06% (Libor + 6.75%/Q) | 9/27/2012 | 18.6 | 18.6(17) | |
| | | Common stock (3,000,000 shares) | | 9/27/2012 | 3.0 | 5.1(2) | |
| | | | | | 65.8 | 67.9 | |
| Mckenzie Sports Products, LLC (21) | Designer, manufacturer and distributor of hunting-related supplies | First lien senior secured loan (\$5.5 par due 9/2020) | 7.84% (Libor + 5.75%/M) | 9/18/2014 | 5.5 | 5.5(3)(11)(17) | |
| | | First lien senior secured loan (\$84.5 par due 9/2020) | 7.84% (Libor + 5.75%/M) | 9/18/2014 | 84.5 | 84.5(11)(17) | |
| | | | | | 90.0 | 90.0 | |
| MSHC, Inc. (21) | Heating, ventilation and air conditioning services provider | First lien senior secured revolving loan (\$0.9 par due 7/2022) | 8.25% (Base Rate + 3.25%/Q) | 7/31/2017 | 0.9 | 0.9(2)(17) | |
| | | Second lien senior secured loan (\$4.8 par due 7/2024) | 10.58% (Libor + 8.25%/Q) | 7/31/2017 | 4.8 | 4.8(2)(17) | |

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|--|--|---|-----------------------------|-----------|-------|----------------|
| | | Second lien senior secured loan (\$46.0 par due 7/2024) | 10.58% (Libor + 8.25%/Q) | 7/31/2017 | 46.0 | 46.0(17) |
| | | | | | 51.7 | 51.7 |
| OpenSky Project, Inc. and OSP Holdings, Inc. | Social commerce platform operator | Warrant to purchase up to 159,496 shares of Series D preferred stock (expires 4/2025) | | 6/29/2015 | — | — (2) |
| Osmose Utilities Services, Inc. (21) | Provider of structural integrity management services to transmission and distribution infrastructure | First lien senior secured revolving loan | — | 1/3/2017 | — | — (2)(19) |
| | | Second lien senior secured loan (\$51.4 par due 8/2023) | 10.08% (Libor + 7.75%/Q) | 9/3/2015 | 50.7 | 51.4(17) |
| | | Second lien senior secured loan (\$34.0 par due 8/2023) | 10.08% (Libor + 7.75%/Q) | 1/3/2017 | 33.5 | 34.0(17) |
| | | | | | 84.2 | 85.4 |
| Siteworx Holdings, LLC & Siteworx LLC (21) | Provider of design, web content management, eCommerce solutions and system integration | First lien senior secured revolving loan (\$1.4 par due 1/2020) | 6.25% (Base Rate + 1.25%/M) | 2/16/2018 | 1.4 | 1.4(2)(14)(17) |
| | | First lien senior secured loan (\$3.4 par due 1/2020) | 7.83% (Libor + 5.50%/M) | 2/16/2018 | 3.4 | 3.4(2)(14)(17) |
| | | | | | 4.8 | 4.8 |
| SocialFlow, Inc. | Social media optimization platform provider | Warrant to purchase up to 215,331 shares of Series C preferred stock (expires 1/2026) | | 1/13/2016 | — | — (2) |
| SoundCloud Limited (8) | Platform for receiving, sending, and distributing music | Common stock (73,422 shares) | | 8/15/2017 | 0.4 | 0.7(2) |
| Spin HoldCo Inc. | Laundry service and equipment provider | Second lien senior secured loan (\$175.0 par due 5/2023) | 9.82% (Libor + 7.50%/Q) | 5/14/2013 | 175.0 | 175.0(17) |
| | | | | 5/31/2018 | 9.4 | 9.3(2)(17) |

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|--|---|---|-------------------------|------|--------|
| TDG Group Holding Company and TDG Co-Invest, LP (21) | Operator of multiple franchise concepts primarily related to home maintenance or repairs | First lien senior secured loan (\$9.4 par due 5/2024) | 7.83% (Libor + 5.50%/Q) | | |
| | | Preferred units (2,871,000 units) | 5/31/2018 | 2.9 | 2.9(2) |
| | | Common units (29,000 units) | 5/31/2018 | — | — (2) |
| | | | | 12.3 | 12.2 |
| Tyden Group Holding Corp. (8) | Producer and marketer of global cargo security, product identification and traceability products and utility meter products | Preferred stock (46,276 shares) | 1/3/2017 | 0.4 | 0.4 |

As of June 30, 2018
(dollar amounts in millions)
(unaudited)

| Company(1) | Business Description | Investment | Interest(5)(10) | Acquisition Date | Amortized Cost | Fixed Value | Percentage of Net Assets |
|--|--|--|-------------------------|------------------|----------------|----------------|--------------------------|
| | | Common stock (5,521,203 shares) | | 1/3/2017 | 2.0 | 3.9 | |
| | | | | | 2.4 | 4.3 | |
| VLS Recovery Services, LLC (21) | Provider of commercial and industrial waste processing and disposal services | First lien senior secured revolving loan (\$0.5 par due 10/2023) | 8.07% (Libor + 6.00%/M) | 10/17/2017 | 0.5 | 0.5(2)(17)(20) | |
| | | First lien senior secured revolving loan (\$1.1 par due 10/2023) | 8.36% (Libor + 6.00%/M) | 10/17/2017 | 1.1 | 1.1(2)(17)(20) | |
| | | First lien senior secured revolving loan (\$0.5 par due 10/2023) | 8.33% (Libor + 6.00%/M) | 10/17/2017 | 0.5 | 0.5(2)(17)(20) | |
| | | First lien senior secured loan (\$1.3 par due 10/2023) | 7.97% (Libor + 6.00%/S) | 10/17/2017 | 1.3 | 1.3(2)(17) | |
| | | First lien senior secured loan (\$7.2 par due 10/2023) | 8.33% (Libor + 6.00%/Q) | 10/17/2017 | 7.2 | 7.2(2)(17) | |
| | | First lien senior secured loan (\$9.7 par due 10/2023) | 8.35% (Libor + 6.00%/Q) | 10/17/2017 | 9.7 | 9.7(2)(17) | |
| | | | | | 20.3 | 20.3 | |
| WASH Multifamily Acquisition Inc. and Coinamatic Canada Inc. | Laundry service and equipment provider | Second lien senior secured loan (\$3.7 par due 5/2023) | 9.09% (Libor + 7.00%/M) | 5/14/2015 | 3.7 | 3.7(2)(8)(17) | |
| | | Second lien senior secured loan (\$21.3 par due 5/2023) | 9.09% (Libor + 7.00%/M) | 5/14/2015 | 21.0 | 21.0(2)(17) | |
| | | | | | 24.7 | 24.8 | |

| | | | | | | | | | |
|---|---|--|-------------------------|------------|-------|-------|---------|------|---|
| Power Generation | | | | | | 634.9 | 637.4 | 8.77 | % |
| Alphabet Energy, Inc. | Technology developer to convert waste-heat into electricity | First lien senior secured loan (\$3.5 par due 8/2017) | | 12/16/2013 | 3.0 | — | (2)(16) | | |
| | | Series 1B preferred stock (12,976 shares) | | 6/21/2016 | 0.2 | — | (2) | | |
| | | Warrant to purchase up to 125,000 shares of Series 2 preferred stock (expires 12/2023) | | 6/30/2016 | 0.1 | — | (2) | | |
| | | | | | 3.3 | — | | | |
| CPV Maryland Holding Company II, LLC | Gas turbine power generation facilities operator | Senior subordinated loan (\$48.7 par due 12/2020) | 6.00% Cash, 5.00% PIK | 8/8/2014 | 48.7 | 43.3 | (2) | | |
| | | Warrant to purchase up to 4 units of common stock (expires 8/2018) | | 8/8/2014 | — | — | (2) | | |
| | | | | | 48.7 | 43.3 | | | |
| DGH Borrower LLC (21) | Developer, owner and operator of quick start, small-scale natural gas-fired power generation projects | First lien senior secured loan (\$43.4 par due 6/2023) | 8.82% (Libor + 6.50%/Q) | 6/8/2018 | 43.4 | 43.3 | (2)(17) | | |
| Green Energy Partners, Stonewall LLC and Panda Stonewall Intermediate Holdings II LLC | Gas turbine power generation facilities operator | First lien senior secured loan (\$24.8 par due 11/2021) | 7.83% (Libor + 5.50%/Q) | 11/13/2014 | 24.7 | 24.7 | (2)(17) | | |
| | | Senior subordinated loan (\$20.9 par due 12/2021) | 8.00% Cash, 5.25% PIK | 11/13/2014 | 20.9 | 20.9 | (2) | | |
| | | Senior subordinated loan (\$97.6 par due 12/2021) | 8.00% Cash, 5.25% PIK | 11/13/2014 | 97.6 | 95.6 | (2) | | |
| | | | | | 143.2 | 140.8 | | | |
| | | | | 3/31/2015 | 5.9 | — | (2)(16) | | |

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|--|--|--|-------------------------|------------|------|------|--------|
| Joule Unlimited Technologies, Inc. and Stichting Joule Global Foundation | Renewable fuel and chemical production developer | First lien senior secured loan (\$7.8 par due 10/2018) | | | | | |
| | | Warrant to purchase up to 32,051 shares of Series C-2 preferred stock (expires 7/2023) | | 7/25/2013 | — | — | (2)(8) |
| | | | | | 5.9 | — | |
| Moxie Patriot LLC | Gas turbine power generation facilities operator | First lien senior secured loan (\$32.8 par due 12/2020) | 8.08% (Libor + 5.75%/Q) | 12/19/2013 | 32.7 | 32.8 | (17) |

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As of June 30, 2018
(dollar amounts in millions)
(unaudited)

| Company(1) | Business Description | Investment | Interest(5)(10) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|---|--|---|-------------------------------|------------------|----------------|-------------|--------------------------|
| Navisun LLC and Navisun Holdings LLC (7)(21) | Owner and operator of commercial and industrial solar projects | First lien senior secured loan (\$17.1 par due 11/2023) | 8.00% PIK | 11/15/2017 | 17.1 | 17.0(2) | |
| | | Series A preferred units | 10.50% PIK | 11/15/2017 | 1.9 | 1.9(2) | |
| | | Class A units (550 units) | | 11/15/2017 | — | — | |
| | | | | | 19.0 | 19.0 | |
| Panda Liberty LLC (fka Moxie Liberty LLC) | Gas turbine power generation facilities operator | First lien senior secured loan (\$49.9 par due 8/2020) | 8.83% (Libor + 6.50%/Q) | 4/6/2018 | 46.4 | 46.0(2)(17) | |
| | | First lien senior secured loan (\$34.1 par due 8/2020) | 8.83% (Libor + 6.50%/Q) | 8/21/2013 | 34.0 | 31.0(2)(17) | |
| | | | | | 80.4 | 77.7 | |
| Panda Temple Power, LLC and T1 Power Holdings LLC (6) | Gas turbine power generation facilities operator | Second lien senior secured loan (\$9.0 par due 2/2023) | 10.05% (Libor + 8.00%/M) | 3/6/2015 | 9.0 | 9.0(2)(17) | |
| | | Class A Common units (616,122 shares) | | 3/6/2015 | 15.0 | 10.0(2) | |
| | | | | | 24.0 | 19.3 | |
| PERC Holdings 1 LLC | Operator of recycled energy, combined heat and power, and energy efficiency facilities | Class B common units (21,653,543 units) | | 10/20/2014 | 21.7 | 28.0(2) | |
| Riverview Power LLC | Operator of natural gas and oil fired power generation facilities | First lien senior secured loan (\$94.3 par due 12/2022) | 10.33% (Libor + 8.00%/Q) | 12/29/2016 | 92.4 | 94.0(2)(17) | |
| | | | | | 514.7 | 499.0 | 6.86 % |
| Restaurants and Food Services | | | | | | | |
| ADF Capital, Inc., ADF Restaurant | Restaurant owner and operator | First lien senior secured loan (\$4.1 par due | 20.33% PIK (Libor + 18.00%/Q) | 12/22/2016 | 4.1 | 4.1(2)(17) | |

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|---|---|---|----------------------------|------------|------|------|-------------|--|
| Group, LLC, and ARG Restaurant Holdings, Inc. (7)(21) | | 12/2018) | | | | | | |
| | | First lien senior secured loan (\$54.0 par due 12/2018) | | 11/27/2006 | 39.9 | 8.0 | (2)(16) | |
| | | Promissory note (\$31.8 par due 12/2023) | | 11/27/2006 | 13.8 | — | (2) | |
| | | Warrant to purchase up to 0.95 units of Series D common stock (expires 12/2023) | | 12/18/2013 | — | — | (2) | |
| | | | | | 57.8 | 12.1 | | |
| Cipriani USA Inc. | Manager and operator of banquet facilities, restaurants, hotels and other leisure properties | First lien senior secured loan (\$67.1 par due 5/2023) | 9.84% (Libor + 7.75%/M) | 5/30/2018 | 67.1 | 66.4 | (2)(17) | |
| Cozzini Bros., Inc. and BH-Sharp Holdings LP (21) | Provider of commercial knife sharpening and cutlery services in the restaurant industry | First lien senior secured revolving loan (\$1.0 par due 3/2023) | 7.59% (Libor + 5.50%/M) | 3/10/2017 | 1.0 | 1.0 | (2)(17) | |
| | | First lien senior secured loan (\$6.6 par due 3/2023) | 7.59% (Libor + 5.50%/M) | 3/10/2017 | 6.6 | 6.6 | (2)(17) | |
| | | First lien senior secured loan (\$11.7 par due 3/2023) | 7.59% (Libor + 5.50%/M) | 3/10/2017 | 11.7 | 11.7 | (4)(17) | |
| | | Common units (2,950,000 units) | | 3/10/2017 | 3.0 | 3.0 | (2) | |
| | | | | | 22.3 | 22.3 | | |
| FWR Holding Corporation (21) | Restaurant owner, operator, and franchisor | First lien senior secured revolving loan (\$0.7 par due 8/2023) | 7.96% (Libor + 6.00%/M) | 8/21/2017 | 0.7 | 0.7 | (2)(17)(20) | |
| | | First lien senior secured loan (\$0.3 par due 8/2023) | 7.63% (Libor + 6.00%/M) | 8/21/2017 | 0.3 | 0.3 | (2)(17) | |
| | | | | 8/21/2017 | 0.2 | 0.2 | (2)(17) | |

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| | | | | |
|--------------------------------|-------------------------|-----------|-----|------------|
| First lien senior secured loan | 8.44% (Libor + 6.00%/M) | | | |
| (\$0.2 par due 8/2023) | | | | |
| First lien senior secured loan | 7.84% (Libor + 6.00%/S) | 8/21/2017 | 2.0 | 2.0(2)(17) |
| (\$2.0 par due 8/2023) | | | | |
| First lien senior secured loan | 8.44% (Libor + 6.00%/S) | 8/21/2017 | 2.0 | 2.0(2)(17) |
| (\$2.0 par due 8/2023) | | | | |
| | | | 5.2 | 5.2 |

| | | | | | | |
|--|-------------------------------|--|---|----------|---|-----------|
| Garden Fresh Restaurant Corp. and GFRC Holdings LLC (21) | Restaurant owner and operator | First lien senior secured revolving loan | — | 2/1/2017 | — | — (2)(19) |
|--|-------------------------------|--|---|----------|---|-----------|

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As of June 30, 2018
(dollar amounts in millions)
(unaudited)

| Company(1) | Business Description | Investment | Interest(5)(10) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|---|--|---|--------------------------|------------------|----------------|------------|--------------------------|
| | | First lien senior secured loan (\$24.9 par due 2/2022) | 10.07% (Libor + 8.00%/B) | 10/3/2013 | 24.9 | 24.9(2) | (17) |
| | | | | | 24.9 | 24.9 | |
| Global Franchise Group, LLC (21) | Worldwide franchisor of quick service restaurants | First lien senior secured loan (\$8.1 par due 12/2019) | 7.84% (Libor + 5.75%/M) | 9/15/2017 | 8.1 | 8.1(2) | (17) |
| Heritage Food Service Group, Inc. and WCI-HFG Holdings, LLC | Distributor of repair and replacement parts for commercial kitchen equipment | Second lien senior secured loan (\$31.6 par due 10/2022) | 10.60% (Libor + 8.50%/B) | 10/20/2015 | 31.6 | 31.6(2) | (17) |
| | | Preferred units (3,000,000 units) | | 10/20/2015 | 3.0 | 3.6(2) | |
| | | | | | 34.6 | 35.2 | |
| Jim N Nicks Management, LLC (21) | Restaurant owner and operator | First lien senior secured revolving loan (\$0.6 par due 7/2023) | 7.34% (Libor + 5.25%/M) | 7/10/2017 | 0.6 | 0.6(2) | (17) |
| | | First lien senior secured revolving loan (\$1.2 par due 7/2023) | 7.60% (Libor + 5.25%/M) | 7/10/2017 | 1.2 | 1.2(2) | (17) |
| | | First lien senior secured revolving loan (\$1.0 par due 7/2023) | 7.61% (Libor + 5.25%/M) | 7/10/2017 | 1.0 | 0.9(2) | (17) |
| | | First lien senior secured loan (\$0.6 par due 7/2023) | 7.34% (Libor + 5.25%/M) | 7/10/2017 | 0.6 | 0.6(2) | (17) |
| | | First lien senior secured loan (\$0.6 par due 7/2023) | 7.61% (Libor + 5.25%/M) | 7/10/2017 | 0.6 | 0.6(2) | (17) |
| | | First lien senior secured loan (\$14.0 par due 7/2023) | 7.34% (Libor + 5.25%/M) | 7/10/2017 | 14.0 | 13.8(2) | (17) |
| | | | | | 18.0 | 17.7 | |
| | | | | 4/1/2010 | 1.2 | 0.4(2) | (16) |

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| | | | | | | |
|--------------------------------|--------------------------------------|--|-----------------------------|-----------|------|-------------|
| Orion Foods, LLC (7) | Convenience food service retailer | First lien senior secured loan (\$1.2 par due 9/2015) | | | | |
| | | Second lien senior secured loan (\$19.4 par due 9/2015) | 4/1/2010 | — | — | (2)(16) |
| | | Preferred units (10,000 units) | 10/28/2010 | — | — | (2) |
| | | Class A common units (25,001 units) | 4/1/2010 | — | — | (2) |
| | | Class B common units (1,122,452 units) | 4/1/2010 | — | — | (2) |
| | | | | 1.2 | 0.4 | |
| OTG Management, LLC (21) | Airport restaurant operator | First lien senior secured revolving loan (\$1.6 par due 8/2021) | 11.33% (Libor + 9.00%/Q) | 8/26/2016 | 1.6 | 1.6(2)(17) |
| | | First lien senior secured revolving loan (\$8.4 par due 8/2021) | 11.67% (Libor + 9.00%/Q) | 8/26/2016 | 8.4 | 8.4(2)(17) |
| | | First lien senior secured loan (\$12.6 par due 8/2021) | 11.36% (Libor + 9.00%/Q) | 8/26/2016 | 12.6 | 12.6(2)(17) |
| | | First lien senior secured loan (\$2.2 par due 8/2021) | 11.37% (Libor + 9.00%/Q) | 8/26/2016 | 2.2 | 2.2(2)(17) |
| | | First lien senior secured loan (\$2.5 par due 8/2021) | 11.34% (Libor + 9.00%/Q) | 8/26/2016 | 2.5 | 2.5(2)(17) |
| | | First lien senior secured loan (\$2.2 par due 8/2021) | 11.31% (Libor + 9.00%/Q) | 8/26/2016 | 2.2 | 2.2(2)(17) |
| | | First lien senior secured loan (\$1.0 par due 8/2021) | 11.32% (Libor + 9.00%/Q) | 8/26/2016 | 1.0 | 1.0(2)(17) |
| | | First lien senior secured loan (\$0.9 par due 8/2021) | 11.33% (Libor + 9.00%/Q) | 8/26/2016 | 0.9 | 0.9(2)(17) |
| | | First lien senior secured loan | 11.06% (Libor + 9.00%/B) | 8/26/2016 | 48.9 | 48.9(2)(17) |
| | | | | | | |

| | | | | |
|--|---------------|-----------|------|-----------|
| (\$48.9 par due 8/2021) | | | | |
| First lien senior secured loan | 11.36% (Libor | 8/26/2016 | 48.9 | 48.9)(17) |
| (\$48.9 par due 8/2021) | + 9.00%/B) | | | |
| Senior subordinated loan | 17.50% PIK | 8/26/2016 | 27.4 | 27.5(2) |
| (\$27.5 par due 2/2022) | | | | |
| Class A preferred units (3,000,000 units) | | 8/26/2016 | 30.0 | 37.4(2) |
| Common units (3,000,000 units) | | 1/5/2011 | 3.0 | 8.5(2) |
| Warrant to purchase up to 7.73% of common units | | 6/19/2008 | 0.1 | 18.8(2) |

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As of June 30, 2018
(dollar amounts in millions)
(unaudited)

| Company(1) | Business Description | Investment | Interest(5)(10) | Acquisition Date | Amortized Cost | Fixed Value | Percentage of Net Assets |
|------------------------------------|---|--|-----------------------------|------------------|----------------|----------------|--------------------------|
| | | Warrant to purchase 0.60% of the common units deemed outstanding (expires 12/2018) | | 8/29/2016 | — | —(2) | |
| | | | | | 189.7 | 221.1 | |
| Restaurant Technologies, Inc. (21) | Provider of bulk cooking oil management services to the restaurant and fast food service industries | First lien senior secured revolving loan (\$0.1 par due 11/2021) | 6.84% (Libor + 4.75%/M) | 11/23/2016 | 0.1 | 0.1(2)(17)(20) | |
| | | First lien senior secured revolving loan (\$0.5 par due 11/2021) | 6.78% (Libor + 4.75%/M) | 11/23/2016 | 0.5 | 0.5(2)(17)(20) | |
| | | First lien senior secured revolving loan (\$0.7 par due 11/2021) | 8.75% (Base Rate + 3.75%/M) | 11/23/2016 | 0.7 | 0.7(2)(17)(20) | |
| | | | | | 1.3 | 1.3 | |
| SFE Intermediate Holdco LLC (21) | Provider of outsourced foodservice to K-12 school districts | First lien senior secured loan (\$6.7 par due 7/2023) | 7.36% (Libor + 5.00%/Q) | 7/31/2017 | 6.7 | 6.7(4)(17) | |
| Spectra Finance, LLC (21) | Venue management and food and beverage provider | First lien senior secured revolving loan (\$6.7 par due 4/2023) | 6.00% (Libor + 4.00%/M) | 4/2/2018 | 6.7 | 6.6(2)(17)(20) | |
| | | First lien senior secured loan | 6.83% (Libor + 4.50%/Q) | 4/2/2018 | 19.1 | 18.9(2)(17) | |

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|---|---|---|----------------------------|------------|--|-------|-------|-------------|
| | | (\$19.1 par due 4/2024) | | | | 25.8 | 25.5 | |
| | | | | | | 462.7 | 446.9 | 6.15 % |
| Education Campus Management Acquisition Corp. (6) | Education software developer | Preferred stock (485,159 shares) | | 2/8/2008 | | 10.5 | 10.7 | (2) |
| Excelligence Holdings Corp. | Developer, manufacturer and retailer of educational products | First lien senior secured loan (\$9.9 par due 4/2023) | 8.09% (Libor + 6.00%/M) | 4/17/2017 | | 9.9 | 8.9 | (4)(17) |
| Flinn Scientific, Inc. and WCI-Quantum Holdings, Inc. | Distributor of instructional products, services and resources | First lien senior secured loan (\$33.6 par due 10/2020) | 6.94% (Libor + 5.00%/S) | 7/26/2017 | | 33.6 | 33.6 | (2)(17) |
| | | First lien senior secured loan (\$27.9 par due 10/2020) | 7.45% (Libor + 5.00%/S) | 7/26/2017 | | 27.9 | 27.9 | (2)(17) |
| | | Series A preferred stock (1,272 shares) | | 10/24/2014 | | 1.0 | 1.3 | (2) |
| | | | | | | 62.5 | 62.8 | |
| Frontline Technologies Group Holding LLC, Frontline Technologies Blocker Buyer, Inc., Frontline Technologies Holdings, LLC and Frontline Technologies Parent, LLC (21) | Provider of human capital management ("HCM") and SaaS-based software solutions to employees and administrators of K-12 school organizations | First lien senior secured loan (\$19.5 par due 9/2023) | 8.59% (Libor + 6.50%/M) | 9/19/2017 | | 19.2 | 19.2 | (2)(17) |
| | | Class A preferred units (4,574 units) | | 9/18/2017 | | 4.6 | 3.6 | |
| | | Class B common units | | 9/18/2017 | | — | — | |
| | | | | | | 23.8 | 22.9 | |
| Infilaw Holding, LLC (21) | Operator of for-profit law schools | First lien senior secured | | 8/25/2011 | | 1.2 | — | (2)(16)(20) |

| | | | | | | |
|--|-------------------------|--|------------------------------|------------|-------|------------|
| Instituto de Banca y Comercio, Inc. & Leeds IV Advisors, Inc. (21) | Private school operator | revolving loan (\$2.0 par due 2/2018) | | | | |
| | | First lien | | | | |
| | | senior secured revolving loan (\$9.9 par due 2/2019) | 13.00% (Base Rate + 8.00%/S) | 5/18/2017 | 9.9 | 9.9(2)(17) |
| | | First lien | | | | |
| | | senior secured loan (\$3.4 par due 2/2019) | 10.50% PIK (Libor + 9.00%/Q) | 10/31/2015 | 3.4 | 3.4(2)(17) |
| | | Senior preferred series A-1 shares (163,902 shares) | | 10/31/2015 | 119.4 | 14.8(2) |
| | | Series B preferred stock (1,401,385 shares) | | 8/5/2010 | 4.0 | —(2) |
| | | Series C preferred stock (1,994,644 shares) | | 6/7/2010 | 0.5 | —(2) |
| | | Series B preferred stock (348,615 shares) | | 8/5/2010 | 1.0 | —(2) |
| | | | | | | |

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As of June 30, 2018
(dollar amounts in millions)
(unaudited)

| Company(1) | Business Description | Investment | Interest(5)(10) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|--|--|--|--------------------------|------------------|----------------|------------|--------------------------|
| | | Series C preferred stock (517,942 shares) | | 6/7/2010 | 0.1 | — (2) | |
| | | Common stock (16 shares) | | 6/7/2010 | — | — (2) | |
| | | Common stock (4 shares) | | 6/7/2010 | — | — (2) | |
| | | | | | 138.3 | 28.1 | |
| Liaison Acquisition, LLC (21) | Provider of centralized applications services to educational associations | Second lien senior secured loan (\$15.0 par due 8/2023) | 11.31% (Libor + 9.25%/M) | 2/9/2017 | 14.7 | 15.0(2) | (17) |
| PIH Corporation and Primrose Holding Corporation (6)(21) | Franchisor of education-based early childhood centers | First lien senior secured revolving loan (\$1.0 par due 12/2018) | 7.63% (Libor + 5.50%/M) | 12/13/2013 | 1.0 | 1.0(2) | (17) |
| | | First lien senior secured loan (\$1.6 par due 12/2020) | 7.60% (Libor + 5.50%/M) | 12/15/2017 | 1.6 | 1.6(2) | (17) |
| | | Common stock (7,227 shares) | | 1/3/2017 | 10.7 | 21.0 | |
| | | | | | 13.3 | 23.6 | |
| R3 Education Inc., Equinox EIC Partners LLC and Sierra Education Finance Corp. | Medical school operator | Preferred stock (1,977 shares) | | 7/30/2008 | 0.5 | 0.5(2) | |
| | | Common membership interest (15.76% interest) | | 9/21/2007 | 15.8 | 21.0(2) | |
| | | Warrant to purchase up to 27,890 shares (expires 11/2019) | | 12/8/2009 | — | 11.0(2) | |
| | | | | | 16.3 | 33.5 | |
| Regent Education, Inc. | Provider of software solutions designed to optimize the financial aid and enrollment processes | Warrant to purchase up to 987 shares of common stock | | 12/23/2016 | — | — (2) | |

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|-------------------------------------|---|---|-----------------------------|------------|------|------|---------|
| | | (expires 12/2026) Warrant to purchase up to 5,393,194 shares of common stock (expires 12/2026) | | 12/23/2016 | — | — | (2) |
| | | | | | — | — | |
| RuffaloCODY, LLC (21) | Provider of student fundraising and enrollment management services | First lien senior secured revolving loan | — | 5/29/2013 | — | — | (2)(19) |
| Severin Acquisition, LLC (21) | Provider of student information system software solutions to the K-12 education market | First lien senior secured revolving loan (\$1.2 par due 7/2021) | 7.09% (Libor + 4.75%/Q) | 7/31/2015 | 1.2 | 1.2 | (2)(17) |
| | | First lien senior secured revolving loan (\$0.6 par due 7/2021) | 7.06% (Libor + 4.75%/Q) | 7/31/2015 | 0.6 | 0.6 | (2)(17) |
| | | Second lien senior secured loan (\$38.7 par due 7/2022) | 11.11% (Libor + 8.75%/Q) | 2/1/2017 | 38.0 | 38.0 | (2)(17) |
| | | Second lien senior secured loan (\$4.2 par due 7/2022) | 11.11% (Libor + 8.75%/Q) | 10/28/2015 | 4.1 | 4.2 | (2)(17) |
| | | Second lien senior secured loan (\$3.1 par due 7/2022) | 11.36% (Libor + 9.00%/Q) | 10/14/2016 | 3.1 | 3.1 | (2)(17) |
| | | Second lien senior secured loan (\$15.0 par due 7/2022) | 11.11% (Libor + 8.75%/Q) | 7/31/2015 | 14.8 | 15.0 | (2)(17) |
| | | Second lien senior secured loan (\$3.3 par due 7/2022) | 11.61% (Libor + 9.25%/Q) | 2/1/2016 | 3.2 | 3.3 | (2)(17) |
| | | Second lien senior secured loan (\$2.8 par due 7/2022) | 11.61% (Libor + 9.25%/Q) | 8/8/2016 | 2.8 | 2.8 | (2)(17) |
| | | Second lien senior secured loan (\$80.0 par due 7/2026) | 9.34% (Libor + 7.00%/M) | 6/12/2018 | 79.2 | 79.2 | (2)(17) |
| | | Second lien senior secured | 11.11% (Libor + 8.75%/Q) | 1/3/2017 | 5.5 | 5.5 | (2)(17) |

| | | | | | |
|---------------------------------|---------------|----------|------|-------------|--|
| loan (\$5.5 par due 7/2022) | | | | | |
| Second lien | | | | | |
| senior secured | 11.36% (Libor | 1/3/2017 | 3.1 | 3.1(2)(17) | |
| loan (\$3.1 par due 7/2022) | + 9.00%/Q) | | | | |
| Second lien | | | | | |
| senior secured | 11.11% (Libor | 1/3/2017 | 20.0 | 20.0(2)(17) | |
| loan (\$20.0 par due 7/2022) | + 8.75%/Q) | | | | |
| Second lien | | | | | |
| senior secured | 11.61% (Libor | 1/3/2017 | 4.4 | 4.4(2)(17) | |
| loan (\$4.4 par due 7/2022) | + 9.25%/Q) | | | | |

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(unaudited)

| Company(1) | Business Description | Investment | Interest(5)(10) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|--|---|--|------------------------------|------------------|----------------|-------------|--------------------------|
| | | Second lien senior secured loan (\$2.8 par due 7/2022) | 11.61% (Libor + 9.25%/Q) | 1/3/2017 | 2.8 | 2.8(2)(17) | |
| | | | | | 182.8 | 183.9 | |
| | | | | | 473.3 | 389.4 | 5.36 % |
| Food and Beverage American Seafoods Group LLC and American Seafoods Partners LLC | Harvester and processor of seafood | Second lien senior secured loan (\$66.2 par due 2/2024) | 10.22% (Libor + 8.13%/M) | 8/21/2017 | 66.0 | 66.2(2)(17) | |
| | | Class A units (77,922 units) | | 8/19/2015 | 0.1 | 0.1(2) | |
| | | Warrant to purchase up to 7,422,078 Class A units (expires 8/2035) | | 8/19/2015 | 7.4 | 10.3(2) | |
| | | | | | 73.5 | 76.6 | |
| CHG PPC Parent LLC | Diversified food products manufacturer | Second lien senior secured loan (\$60.5 par due 3/2026) | 9.59% (Libor + 7.50%/M) | 3/30/2018 | 60.5 | 59.9(2)(17) | |
| DecoPac, Inc. (21) | Supplier of cake decorating solutions and products to in-store bakeries | First lien senior secured revolving loan (\$0.2 par due 9/2023) | 6.42% (Libor + 4.25%/B) | 9/29/2017 | 0.2 | 0.2(2)(17) | |
| | | First lien senior secured revolving loan (\$0.6 par due 9/2023) | 6.58% (Libor + 4.25%/B) | 9/29/2017 | 0.6 | 0.6(2)(17) | |
| | | | | | 0.8 | 0.8 | |
| Edward Don & Company, LLC and VCP-EDC Co-Invest, LLC | Distributor of foodservice equipment and supplies | First lien senior secured loan (\$47.4 par due 9/2022) | 12.50% (Base Rate + 7.50%/Q) | 3/31/2017 | 47.4 | 47.4(2)(17) | |
| | | First lien senior secured loan (\$17.6 par due 9/2022) | 10.50% (Libor + 8.50%/M) | 1/5/2018 | 17.6 | 17.6(2)(17) | |

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| | | | | | | |
|--|---|--|--------------------------|------------|------|--------------|
| | | Membership units (2,970,000 units) | | 6/9/2017 | 3.0 | 4.8 |
| | | | | | 68.0 | 69.8 |
| Ferraro Fine Foods Corp. and Italian Fine Foods Holdings L.P. (21) | Specialty Italian food distributor | First lien senior secured revolving loan (\$0.3 par due 5/2023) | 6.35% (Libor + 4.25%/M) | 5/9/2018 | 0.3 | 0.3 (2)(17) |
| | | First lien senior secured revolving loan (\$1.3 par due 5/2023) | 6.62% (Libor + 4.25%/M) | 5/9/2018 | 1.3 | 1.3 (2)(17) |
| | | First lien senior secured loan (\$9.4 par due 5/2024) | 6.62% (Libor + 4.25%/Q) | 5/9/2018 | 9.4 | 9.3 (2)(17) |
| | | Class A common units (2,724,000 units) | | 5/9/2018 | 2.7 | 2.7 (2) |
| | | | | | 13.7 | 13.6 |
| FPI Holding Corporation (7)(21) | Distributor of fruits | First lien senior secured loan (\$0.7 par due 6/2018) | | 1/3/2017 | 0.4 | — (16) |
| Gehl Foods, LLC and GF Parent LLC | Producer of low-acid, aseptic food and beverage products | Class A preferred units (2,940 units) | | 5/13/2015 | 2.9 | 0.3 (2) |
| | | Class A common units (60,000 units) | | 5/13/2015 | 0.1 | — (2) |
| | | Class B common units (0.26 units) | | 5/13/2015 | — | — (2) |
| | | | | | 3.0 | 0.3 |
| JWC/KI Holdings, LLC | Foodservice sales and marketing agency | Membership units (5,000 units) | | 11/16/2015 | 5.0 | 4.7 (2) |
| Kettle Cuisine, LLC | Manufacturer of fresh refrigerated and frozen food products | Second lien senior secured loan (\$28.5 par due 2/2022) | 11.84% (Libor + 9.75%/M) | 8/21/2015 | 28.5 | 28.5 (2)(17) |
| NECCO Holdings, Inc. and New England Confectionery Company, Inc. (7)(21) | Producer and supplier of candy | First lien senior secured revolving loan (\$19.9 par due 1/2018) | | 1/3/2017 | 7.9 | 2.9 (16) |
| | | | | 11/20/2017 | 1.7 | — (16) |

| | | | |
|---|------------|------|---------|
| First lien senior secured loan (\$1.7 par due 8/2018) | | | |
| First lien senior secured loan (\$11.6 par due 1/2018) | 1/3/2017 | 0.9 | 1.6(16) |
| First lien senior secured loan (\$0.7 par due 11/2018) | 11/20/2017 | 0.7 | 0.1(16) |
| Common stock (860,189 shares) | 1/3/2017 | — | — |
| | | 11.2 | 4.6 |

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As of June 30, 2018
(dollar amounts in millions)
(unaudited)

| Company(1) | Business Description | Investment | Interest(5)(10) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|---|--|--|-----------------------------|------------------|----------------|-------------|--------------------------|
| PCM Bmark, Inc. and BakeMark Holdings, Inc. | Manufacturer and distributor of specialty bakery ingredients | First lien senior secured loan (\$0.8 par due 8/2023) | 7.30% (Libor + 5.25%/M) | 5/9/2018 | 0.8 | 0.8(2)(17) | |
| RF HP SCF Investor, LLC (9) | Branded specialty food company | Membership interest (10.08% interest) | | 12/22/2016 | 12.5 | 15.2(2) | |
| Teasdale Foods, Inc. (21) | Provider of beans, sauces and hominy to the retail, foodservice and wholesale channels | First lien senior secured revolving loan (\$0.4 par due 10/2020) | 6.81% (Libor + 4.75%/M) | 6/30/2017 | 0.4 | 0.4(2)(17) | |
| | | First lien senior secured revolving loan (\$0.1 par due 10/2020) | 8.75% (Base Rate + 3.75%/M) | 6/30/2017 | 0.1 | 0.1(2)(17) | |
| | | (Second lien senior secured loan (\$0.6 par due 10/2020)) | 7.09% (Libor + 4.75%/M) | 6/27/2018 | 0.6 | 0.6(2)(17) | |
| | | Second lien senior secured loan (\$33.6 par due 10/2021) | 10.84% (Libor + 8.75%/M) | 1/3/2017 | 33.6 | 32.6(2)(17) | |
| | | Second lien senior secured loan (\$31.5 par due 10/2021) | 10.84% (Libor + 8.75%/M) | 1/3/2017 | 31.5 | 30.6(2)(17) | |
| | | Second lien senior secured loan (\$21.3 par due 10/2021) | 10.84% (Libor + 8.75%/M) | 1/3/2017 | 21.3 | 20.6(2)(17) | |
| | | | | | 87.5 | 84.9 | |
| | | | | | 365.4 | 359.7 | 4.95 % |
| Oil and Gas | | | | | | | |
| Penn Virginia Holding Corp. | Exploration and production company | Second lien senior secured loan (\$90.1 par due 9/2022) | 9.10% (Libor + 7.00%/M) | 9/28/2017 | 90.1 | 90.1(2)(17) | |
| Petroflow Energy Corporation and TexOak Petro | Oil and gas exploration and production company | First lien senior secured loan (\$10.9 par due 6/2019) | 9.98% (Libor + 8.00%/M) | 6/29/2016 | 9.7 | 9.8(2)(17) | |

Holdings LLC
(6)

| | | | | | | | | |
|---|--|--|--|------------|-------|-------|---------|---|
| | | Second lien senior secured loan (\$25.6 par due 12/2019) | | 6/29/2016 | 21.9 | — | (2)(16) | |
| | | Common units (202,000 units) | | 6/29/2016 | 11.1 | — | | |
| | | | | | 42.7 | 9.8 | | |
| Sundance Energy, Inc. | Oil and gas producer | Second lien senior secured loan (\$60.7 par due 4/2023) | 10.37% (Libor + 8.00%/Q) | 4/23/2018 | 59.5 | 60.12 | (17) | |
| VPROP Operating, LLC and Vista Proppants and Logistics, LLC | Sand-based proppant producer and distributor to the oil and natural gas industry | First lien senior secured loan (\$28.4 par due 8/2021) | 11.38% (Libor + 8.50% Cash, 1.00% PIK/Q) | 8/1/2017 | 28.2 | 28.42 | (17) | |
| | | First lien senior secured loan (\$35.4 par due 8/2021) | 11.38% (Libor + 8.50% Cash, 1.00% PIK/Q) | 11/9/2017 | 35.4 | 35.42 | (17) | |
| | | First lien senior secured loan (\$15.2 par due 3/2021) | 11.38% (Libor + 8.50% Cash, 1.00% PIK/Q) | 3/1/2017 | 15.2 | 15.22 | (17) | |
| | | First lien senior secured loan (\$75.9 par due 3/2021) | 11.38% (Libor + 8.50% Cash, 1.00% PIK/Q) | 3/1/2017 | 75.9 | 75.93 | (17) | |
| | | Common units (997,864 units) | | 11/9/2017 | 9.7 | 11.62 | | |
| | | | | | 164.4 | 166.5 | | |
| | | | | | 356.7 | 326.5 | 4.49 | % |
| Automotive Services | | | | | | | | |
| A.U.L. Corp. (21) | Provider of vehicle service contracts (“VSCs”) and limited warranties for passenger vehicles | First lien senior secured loan (\$7.7 par due 6/2023) | 7.13% (Libor + 5.00%/M) | 6/7/2017 | 7.7 | 7.7 | (2)(17) | |
| AEP Holdings, Inc. and Arrowhead Holdco Company | Distributor of non-discretionary, mission-critical aftermarket replacement parts | First lien senior secured loan (\$44.3 par due 8/2021) | 7.92% (Libor + 5.75%/B) | 6/28/2018 | 43.5 | 44.32 | (17) | |
| | | Common stock (3,467 shares) | | 8/31/2015 | 3.5 | 4.1 | (2) | |
| | | | | | 47.0 | 48.4 | | |
| ChargePoint, Inc. | Developer and operator of electric vehicle charging stations | Warrant to purchase up to 809,126 shares | | 12/30/2014 | 0.3 | 2.1 | (2) | |

| | | | | | | | |
|--|---------------------------------------|--|---|-----------------------------|----------|------|------------|
| Dent Wizard International Corporation and DWH Equity Investors, L.P. | Automotive reconditioning services | of Series E preferred stock (expires 12/2024) | Second lien senior secured loan (\$50.0 par due 10/2020) | 10.08% (Libor + 8.00%/M) | 4/7/2015 | 50.0 | 50.02)(17) |
|--|---------------------------------------|--|---|-----------------------------|----------|------|------------|

As of June 30, 2018
(dollar amounts in millions)
(unaudited)

| Company(1) | Business Description | Investment | Interest(5)(10) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|--|---|--|-------------------------|------------------|----------------|------------|--------------------------|
| | | Class A common stock (10,000 shares) | | 4/7/2015 | 0.2 | 0.4(2) | |
| | | Class B common stock (20,000 shares) | | 4/7/2015 | 0.4 | 0.9(2) | |
| | | | | | 50.6 | 51.3 | |
| Eckler Industries, Inc. and Eckler Purchaser LLC (7)(21) | Restoration parts and accessories provider for classic automobiles | First lien senior secured loan (\$17.2 par due 5/2022) | | 7/12/2012 | 17.0 | 17.2(16) | |
| | | Class A preferred units (67,972 units) | | 7/12/2012 | 15.9 | 1.0(2) | |
| | | Class A common units (67,972 units) | | 7/12/2012 | 0.5 | — (2) | |
| | | | | | 33.4 | 18.2 | |
| ESCP PPG Holdings, LLC (6) | Distributor of new equipment and aftermarket parts to the heavy-duty truck industry | Class A units (3,500,000 units) | | 12/14/2016 | 3.5 | 2.5(2) | |
| Mavis Tire Express Services Corp. and Mavis Tire Express Services TopCo, L.P. (21) | Auto parts retailer | Second lien senior secured loan (\$0.5 par due 3/2026) | 9.58% (Libor + 7.50%/M) | 3/20/2018 | 0.5 | 0.5(2)(17) | |
| | | Second lien senior secured loan (\$109.4 par due 3/2026) | 9.58% (Libor + 7.50%/M) | 3/20/2018 | 107.1 | 108.2(17) | |
| | | Class A units (12,400,000 units) | | 3/20/2018 | 12.4 | 12.5(2) | |
| | | | | | 120.0 | 121.3 | |
| Simpson Performance Products, Inc. | Provider of motorsports safety equipment | First lien senior secured loan (\$10.0 par due 2/2020) | 9.89% (Libor + 7.56%/Q) | 2/20/2015 | 10.0 | 10.0(17) | |
| | | First lien senior secured loan | 9.89% (Libor + 7.56%/Q) | 2/20/2015 | 18.3 | 18.3(17) | |

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|---|---|--|-----------------------------------|-------|-------|---------|------|---|
| | | (\$18.3 par due 2/2020) | | | 28.3 | 28.3 | | |
| SK SPV IV, LLC | Collision repair site operators | Series A common stock (12,500 units) | 8/18/2014 | 0.6 | 2.5 | (2) | | |
| | | Series B common stock (12,500 units) | 8/18/2014 | 0.6 | 2.5 | (2) | | |
| | | | | 1.2 | 5.0 | | | |
| Wholesale Distribution | | | | 292.0 | 284.8 | | 3.92 | % |
| DFS Holding Company, Inc. | Distributor of maintenance, repair, and operations parts, supplies, and equipment to the foodservice industry | First lien senior secured loan (\$4.6 par due 2/2022) | 7.09% (Libor + 5.00%/M) 3/1/2017 | 4.6 | 4.5 | (2)(17) | | |
| | | First lien senior secured loan (\$105.4 par due 2/2022) | 7.59% (Libor + 5.50%/M) 7/26/2017 | 105.4 | 103.3 | (2)(17) | | |
| | | First lien senior secured loan (\$74.8 par due 2/2022) | 7.59% (Libor + 5.50%/M) 7/26/2017 | 74.8 | 73.3 | (3)(17) | | |
| | | | | 184.8 | 181.1 | | | |
| KHC Holdings, Inc. and Kele Holdco, Inc. (21) | Catalog-based distribution services provider for building automation systems | First lien senior secured revolving loan (\$2.5 par due 10/2020) | 6.35% (Libor + 4.25%/M) 1/3/2017 | 2.5 | 2.5 | (2)(17) | | |
| | | First lien senior secured loan (\$66.1 par due 10/2022) | 8.33% (Libor + 6.00%/Q) 1/3/2017 | 66.1 | 66.1 | (3)(17) | | |
| | | Common stock (30,000 shares) | 1/3/2017 | 3.1 | 3.0 | | | |
| | | | | 71.7 | 71.6 | | | |
| PetIQ, LLC | Distributor and manufacturer of pet prescription medications and health products | First lien senior secured revolving loan (\$18.0 par due 1/2023) | 7.23% (Libor + 5.25%/M) 1/17/2018 | 18.0 | 18.0 | (2)(17) | | |
| | | | | 274.5 | 270.7 | | 3.72 | % |
| Containers and Packaging | | | | | | | | |
| GS Pretium Holdings, Inc. | Manufacturer and supplier of high performance plastic containers | Common stock (500,000 shares) | 6/2/2014 | 0.5 | 0.7 | (2) | | |

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As of June 30, 2018
(dollar amounts in millions)
(unaudited)

| Company(1) | Business Description | Investment | Interest(5)(10) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|---|---|---|--------------------------|------------------|----------------|----------------|--------------------------|
| ICSH Parent, Inc. and Vulcan Container Services Holdings, Inc. | Industrial container manufacturer, reconditioner and servicer | Second lien senior secured loan (\$63.6 par due 4/2025) | 10.09% (Libor + 8.00%/M) | 4/28/2017 | 63.0 | 64.8(2) | |
| | | Series A common stock (24,900 shares) | | 4/28/2017 | 2.5 | 4.8(2) | |
| | | | | | 65.5 | 69.1 | |
| LBP Intermediate Holdings LLC (21) | Manufacturer of paper and corrugated foodservice packaging | First lien senior secured revolving loan (\$0.2 par due 7/2020) | 7.84% (Libor + 5.50%/Q) | 7/10/2015 | 0.2 | 0.2(2)(17)(20) | |
| | | First lien senior secured loan (\$11.8 par due 7/2020) | | 7/10/2015 | 11.8 | 11.8(3)(17) | |
| | | First lien senior secured loan (\$5.0 par due 7/2020) | | 7/10/2015 | 5.0 | 5.0(4)(17) | |
| | | | | | 17.0 | 17.0 | |
| Microstar Logistics LLC, Microstar Global Asset Management LLC, and MStar Holding Corporation | Keg management solutions provider | Second lien senior secured loan (\$78.5 par due 7/2019) | 9.59% (Libor + 7.50%/M) | 12/14/2012 | 78.5 | 78.6(2)(17) | |
| | | Second lien senior secured loan (\$54.0 par due 7/2019) | | 12/14/2012 | 54.0 | 54.8(3)(17) | |
| | | Second lien senior secured loan (\$10.0 par due 7/2019) | | 12/14/2012 | 10.0 | 10.0(4)(17) | |

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| | | | | | | | | | |
|-----------------------------------|---|---|-----------------------------|------------|-------|-------------|--|------|---|
| | | secured loan (\$10.0 par due 7/2019) | | | | | | | |
| | | Common stock (54,710 shares) | | 12/14/2012 | 4.9 | 7.7(2) | | | |
| | | | | | 147.4 | 150.2 | | | |
| NSI Holdings, Inc. (6) | Manufacturer of plastic containers for the wholesale nursery industry | Series A preferred stock (2,192 shares) | | 1/3/2017 | — | — | | | |
| Ranpak Corp. | Manufacturer and marketer of paper-based protective packaging systems and materials | Second lien senior secured loan (\$8.0 par due 10/2022) | 9.34% (Libor + 7.25%/M) | 1/3/2017 | 7.7 | 8.0(2)(17) | | | |
| | | | | | 238.1 | 245.0 | | 3.37 | % |
| Aerospace and Defense | | | | | | | | | |
| Cadence Aerospace, LLC (21) | Aerospace precision components manufacturer | First lien senior secured revolving loan | — | 11/14/2017 | — | — (2)(19) | | | |
| | | First lien senior secured loan (\$32.3 par due 11/2023) | 8.86% (Libor + 6.50%/Q) | 11/14/2017 | 32.0 | 32.8(2)(17) | | | |
| | | | | | 32.0 | 32.3 | | | |
| Jazz Acquisition, Inc. | Designer and distributor of aftermarket replacement components to the commercial airlines industry | Second lien senior secured loan (\$25.0 par due 6/2022) | 9.08% (Libor + 6.75%/Q) | 1/3/2017 | 20.2 | 23.8(2)(17) | | | |
| MB Aerospace Holdings II Corp. | Aerospace engine components manufacturer | Second lien senior secured loan (\$68.4 par due 1/2026) | 10.83% (Libor + 8.50%/Q) | 1/22/2018 | 68.4 | 68.4(2)(17) | | | |
| | | | | | 120.6 | 123.7 | | 1.70 | % |
| Environmental Services | | | | | | | | | |
| MPH Energy Holdings, LP | Operator of municipal recycling facilities | Limited partnership interest (3.13% interest) | | 1/8/2014 | — | — (2) | | | |
| RE Community Holdings GP, | Operator of municipal recycling facilities | Limited partnership | | 3/1/2011 | — | — (2) | | | |

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| | | | | | | | |
|--|--|--|-----------------------------|----------|------|------|---------|
| LLC and RE Community Holdings, LP | | interest (2.86% interest) Limited partnership interest (2.49% interest) | | 3/1/2011 | — | — | (2) |
| | | | | | — | — | |
| Soil Safe, Inc. and Soil Safe Acquisition Corp. (7)(21) | Provider of soil treatment, recycling and placement services | First lien senior secured revolving loan | — | 1/3/2017 | — | — | (2)(19) |
| | | First lien senior secured loan (\$20.0 par due 1/2020) | 8.34% (Libor + 6.25%/M) | 1/3/2017 | 20.0 | 20.0 | (17) |
| | | Second lien senior secured loan (\$12.7 par due 6/2020) | 10.75% (Libor + 7.75%/M) | 1/3/2017 | 12.7 | 12.7 | (17) |
| | | | | | | | |

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As of June 30, 2018
(dollar amounts in millions)
(unaudited)

| Company(1) | Business Description | Investment | Interest(5)(10) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|----------------------------------|--|---|-------------------------|------------------|----------------|-------------|--------------------------|
| | | Senior subordinated loan (\$39.9 par due 12/2020) | 16.50% PIK | 1/3/2017 | 39.9 | 39.9(2) | |
| | | Senior subordinated loan (\$33.9 par due 12/2020) | 14.50% PIK | 1/3/2017 | 33.9 | 33.9(2) | |
| | | Senior subordinated loan (\$33.3 par due 12/2020) | | 1/3/2017 | 11.5 | 6.3(2)(16) | |
| | | Common stock (810 shares) | | 1/3/2017 | — | — | |
| | | | | | 118.0 | 112.8 | |
| | | | | | 118.0 | 112.8 | 1.55 % |
| Printing, Publishing and Media | | | | | | | |
| Capital Sports Holdings Inc. (8) | Owner and operator of a National Hockey League team | Second lien senior secured loan (\$15.2 par due 6/2024) | 7.00% (CDOR + 5.25%/Q) | 6/22/2018 | 14.7 | 15.4(2)(17) | |
| Connoisseur Media, LLC | Owner and operator of radio stations | First lien senior secured loan (\$19.8 par due 6/2019) | 8.71% (Libor + 6.38%/Q) | 7/26/2017 | 19.8 | 19.8(2)(17) | |
| | | First lien senior secured loan (\$34.6 par due 6/2019) | 8.73% (Libor + 6.38%/Q) | 7/26/2017 | 34.6 | 34.6(2)(17) | |
| | | First lien senior secured loan (\$14.8 par due 6/2019) | 8.73% (Libor + 6.38%/Q) | 7/26/2017 | 14.8 | 14.8(4)(17) | |
| | | | | | 69.2 | 69.2 | |
| Earthcolor Group, LLC | Printing management services | Limited liability company interests (9.30%) | | 5/18/2012 | — | — | |
| Roark-Money Mailer LLC | Marketer, advertiser and distributor of coupons in the mail industry | Membership units (35,000 units) | | 1/3/2017 | — | — | |

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| | | | | | | | |
|--|---|---|-----------------------------|------------|--------|------------|--------|
| The Teaching Company Holdings, Inc. | Education publications provider | Preferred stock (10,663 shares) | 9/29/2006 | 1.1 | 1.2(2) | | |
| | | Common stock (15,393 shares) | 9/29/2006 | — | — (2) | | |
| | | | | 1.1 | 1.2 | | |
| | | | | 85.0 | 85.5 | 1.18 | % |
| Chemicals | | | | | | | |
| AMZ Holding Corp. (21) | Specialty chemicals manufacturer | First lien senior secured loan (\$0.1 par due 6/2022) | 9.00% (Base Rate + 4.00%/Q) | 6/27/2017 | 0.1 | 0.1(4)(17) | |
| | | First lien senior secured loan (\$12.1 par due 6/2022) | 7.09% (Libor + 5.00%/Q) | 6/27/2017 | 12.1 | 12.4(17) | |
| | | | | | 12.2 | 12.2 | |
| Genomatica, Inc. | Developer of a biotechnology platform for the production of chemical products | Warrant to purchase 322,422 shares of Series D preferred stock (expires 3/2023) | | 3/28/2013 | — | — (2) | |
| K2 Pure Solutions Nocal, L.P. (21) | Chemical producer | First lien senior secured revolving loan (\$1.5 par due 2/2021) | 9.22% (Libor + 7.13%/M) | 8/19/2013 | 1.5 | 1.5(2)(17) | |
| | | First lien senior secured loan (\$39.4 par due 2/2021) | 8.09% (Libor + 6.00%/M) | 8/19/2013 | 39.4 | 39.4(17) | |
| | | First lien senior secured loan (\$12.8 par due 2/2021) | 8.09% (Libor + 6.00%/M) | 8/19/2013 | 12.8 | 12.8(17) | |
| | | | | | 53.7 | 53.7 | |
| | | | | | 65.9 | 65.9 | 0.91 % |
| Health Clubs | | | | | | | |
| Athletic Club Holdings, Inc. | Premier health club operator | First lien senior secured loan (\$35.0 par due 10/2020) | 10.49% (Libor + 8.50%/M) | 10/11/2007 | 35.0 | 35.0(17) | |
| CFW Co-Invest, L.P. and NCP Curves, L.P. | Health club franchisor | Limited partnership interest (4,152,165 shares) | | 7/31/2012 | 4.2 | 8.5(2) | |
| | | Limited partnership interest (2,218,235 shares) | | 7/31/2012 | — | — (2)(8) | |
| | | | | | 4.2 | 8.5 | |
| Movati Athletic (Group) Inc. | Premier health club operator | First lien senior secured loan (\$0.6 | 6.24% (Libor + 4.50%/Q) | 10/5/2017 | 0.6 | 0.6(2)(17) | |

(8)(21)

par due 10/2022)

First lien senior
secured loan (\$2.9
par due 10/2022)

6.36% (Libor +
4.50%/S)

10/5/2017

3.0

2.9(2)(17)

3.6

3.5

35

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As of June 30, 2018
(dollar amounts in millions)
(unaudited)

| Company(1) | Business Description | Investment | Interest(5)(10) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|--|---|---|-------------------------|------------------|----------------|-------------|--------------------------|
| Sunshine Sub, LLC (21) | Premier health club operator | First lien senior secured loan (\$9.8 par due 5/2024) | 6.84% (Libor + 4.75%/M) | 5/25/2018 | 9.8 | 9.7(2)(17) | |
| | | | | | 52.6 | 56.7 | 0.78 % |
| Farming and Agriculture | | | | | | | |
| QC Supply, LLC (21) | Specialty distributor and solutions provider to the swine and poultry markets | First lien senior secured revolving loan (\$9.0 par due 12/2021) | 8.10% (Libor + 6.00%/M) | 12/29/2016 | 9.0 | 8.8(2)(17) | |
| | | First lien senior secured loan (\$8.7 par due 12/2022) | 8.10% (Libor + 6.00%/M) | 12/29/2016 | 8.7 | 8.5(2)(17) | |
| | | First lien senior secured loan (\$11.2 par due 12/2022) | 8.10% (Libor + 6.00%/M) | 12/29/2016 | 11.2 | 10.9(2)(17) | |
| | | First lien senior secured loan (\$14.8 par due 12/2022) | 8.10% (Libor + 6.00%/M) | 12/29/2016 | 14.8 | 14.4(4)(17) | |
| | | | | | 43.7 | 42.6 | |
| | | | | | 43.7 | 42.6 | 0.59 % |
| Computers and Electronics | | | | | | | |
| Everspin Technologies, Inc. | Designer and manufacturer of computer memory solutions | Warrant to purchase up to 18,461 shares of common stock (expires 10/2026) | | 10/7/2016 | 0.4 | —(2)(24) | |
| Imaging Business Machines, L.L.C. and Scanner Holdings Corporation (7) | Provider of high-speed intelligent document scanning hardware and software | Senior subordinated loan (\$8.3 par due 6/2022) | 14.00% | 1/3/2017 | 8.1 | 8.3(2) | |
| | | Senior subordinated loan (\$8.3 par due 6/2022) | 14.00% | 1/3/2017 | 8.1 | 8.3(2) | |

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| | | | | | | | | |
|--|--|---|-----------------------------|-----------|------|------|---------|--------|
| | | Series A preferred stock (66,424,135 shares) | | 1/3/2017 | — | 7.9 | | |
| | | Class A common stock (33,173 shares) | | 1/3/2017 | — | — | | |
| | | Class B common stock (134,214 shares) | | 1/3/2017 | — | — | | |
| | | | | | | 16.2 | 24.5 | |
| Zemax Software Holdings, LLC (21) | Provider of optical illumination design software to design engineers | First lien senior secured loan (\$17.0 par due 6/2024) | 8.09% (Libor + 5.75%/Q) | 6/25/2018 | 17.0 | 17.0 | (2)(17) | |
| | | | | | | 33.6 | 41.5 | 0.57 % |
| Hotel Services | | | | | | | | |
| Pyramid Management Advisors, LLC and Pyramid Investors, LLC (21) | Hotel Operator | First lien senior secured revolving loan (\$0.6 par due 7/2021) | 8.83% (Libor + 6.75%/M) | 4/12/2018 | 0.6 | 0.6 | (2)(17) | |
| | | First lien senior secured loan (\$17.1 par due 7/2021) | 8.84% (Libor + 6.75%/M) | 4/12/2018 | 17.1 | 17.1 | (2)(17) | |
| | | Membership units (996,833 units) | | 7/15/2016 | 1.0 | 0.9 | (2) | |
| | | | | | | 18.7 | 18.6 | |
| | | | | | | 18.7 | 18.6 | 0.26 % |
| Retail | | | | | | | | |
| Fashion Holding Luxembourg SCA (Modacin/Camaeiu) (7)(8) | Retailer of women's clothing | Preferred stock (241,776,675 shares) | | 1/3/2017 | — | — | | |
| Paper Source, Inc. and Pine Holdings, Inc. (21) | Retailer of fine and artisanal paper products | First lien senior secured revolving loan (\$0.8 par due 9/2019) | 9.75% (Base Rate + 5.00%/Q) | 9/23/2013 | 0.8 | 0.8 | (2)(17) | |
| | | First lien senior secured loan (\$9.3 par due 9/2019) | 8.58% (Libor + 6.25%/Q) | 9/23/2013 | 9.3 | 9.2 | (4)(17) | |
| | | Class A common stock (36,364 shares) | | 9/23/2013 | 6.0 | 3.1 | (2) | |
| | | | | | | 16.1 | 13.1 | |
| | | | | 1/30/2018 | 0.4 | 0.4 | (2)(17) | |

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| | | | | | | | | |
|--|-----------------------------|---|------------------------------|-----------|------|-----|---|------|
| Things Remembered, Inc. and TRM Holdco Corp. (6)(21) | Personalized gifts retailer | First lien senior secured revolving loan (\$0.4 par due 2/2019) | 10.31% (Libor + 8.00%/M) | | | | | |
| | | First lien senior secured revolving loan (\$0.9 par due 2/2019) | 12.00% (Base Rate + 7.00%/M) | 1/30/2018 | 0.9 | 0.9 | 2 | (17) |
| | | First lien senior secured loan (\$13.0 par due 3/2020) | | 8/30/2016 | 10.4 | 0.7 | 2 | (16) |

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As of June 30, 2018
(dollar amounts in millions)
(unaudited)

| Company(1) | Business Description | Investment | Interest(5)(10) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|-------------------------------|---|--|-----------------|------------------|----------------|------------|--------------------------|
| | | Common stock (10,631,940 shares) | | 8/30/2016 | 6.1 | — | (2) |
| | | | | | 17.8 | 2.0 | |
| | | | | | 33.9 | 15.1 | 0.21 % |
| Telecommunications | | | | | | | |
| CHL, LTD. | Repair and service solutions provider for cable, satellite and telecommunications based service providers | Warrant to purchase up to 120,000 shares of Series A common stock (expires 5/2020) | | 1/3/2017 | — | — | |
| | | Warrant to purchase up to 280,000 shares of Series B common stock (expires 5/2020) | | 1/3/2017 | — | — | |
| | | Warrant to purchase up to 80,000 shares of Series C common stock (expires 5/2020) | | 1/3/2017 | — | — | |
| | | | | | — | — | |
| Kore Wireless Group Inc. (21) | Wireless network data provider | First lien senior secured revolving loan | — | 2/8/2018 | — | — | (2)(19) |
| LTG Acquisition, Inc. | Designer and manufacturer of | Class A membership | | 1/3/2017 | 5.1 | 1.1 | |

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| | | | | | | | | | |
|--|---|--|-----------------------------|----------|------|------|---------|------|---|
| | display, lighting and passenger communication systems for mass transportation markets | units (5,000 units) | | | | | | | |
| Startec Equity, LLC (7) | Communication services | Member interest | 4/1/2010 | — | — | | | | |
| Telular Corporation (21) | Provider of monitoring solutions enabling data connectivity over both cellular and satellite communication networks | First lien senior secured revolving loan (\$3.4 par due 6/2019) | 8.25% (Base Rate + 3.25%/Q) | 2/8/2018 | 3.4 | 3.4 | (2)(17) | | |
| TowerCo IV Finance LLC (21) | Owner and operator of cellular telecommunications towers | First lien senior secured revolving loan (\$0.3 par due 10/2021) | 5.85% (Libor + 3.75%/M) | 2/8/2018 | 0.3 | 0.3 | (2)(17) | | |
| | | First lien senior secured revolving loan (\$7.0 par due 10/2021) | 5.80% (Libor + 3.75%/M) | 2/8/2018 | 7.0 | 7.0 | (2)(17) | | |
| | | | | | 7.3 | 7.3 | | | |
| | | | | | 15.8 | 11.8 | | 0.16 | % |
| Commercial Real Estate Financial ACAS Real Estate Holdings Corporation (7) | Real estate holding company | Common stock (1,000 shares) | 1/3/2017 | 2.6 | 2.1 | | | | |
| NECCO Realty Investments LLC (7) | Real estate holding company | Membership units (7,450 units) | 1/3/2017 | — | — | | | | |
| | | | | | 2.6 | 2.1 | | 0.03 | % |
| Housing and Building Materials | | | | | | | | | |
| Halex Holdings, Inc. (7)(21) | Manufacturer of flooring installation products | First lien senior secured revolving loan (\$1.9 par due 12/2018) | 1/24/2017 | 1.9 | — | | | | |
| | | | 1/3/2017 | — | — | | | | |

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Common
stock
(51,853
shares)

| | | | |
|-------------------|------------|------------|----------|
| | 1.9 | — | |
| | 1.9 | — | — % |
| Total Investments | \$11,434.0 | \$11,526.7 | 158.56 % |

37

Derivative Instruments

Foreign currency forward contracts

| Description | Notional Amount to be Purchased | Notional Amount to be Sold | Counterparty | Settlement Date | Unrealized Appreciation / (Depreciation) |
|-----------------------------------|--|-------------------------------------|------------------|--------------------|--|
| Foreign currency forward contract | \$ 4 | CAD5 | Bank of Montreal | July 6, 2018 | \$ — |
| Foreign currency forward contract | \$ 23 | CAD30 | Bank of Montreal | July 13, 2018 | — |
| Foreign currency forward contract | \$ 80 | CAD103 | Bank of Montreal | August 16, 2018 | 2 |
| Foreign currency forward contract | \$ 20 | CAD26 | Bank of Montreal | September 21, 2018 | — |
| Foreign currency forward contract | \$ 19 | € 15 | Bank of Montreal | July 13, 2018 | 1 |
| Foreign currency forward contract | \$ 8 | € 6 | Bank of Montreal | August 16, 2018 | — |
| Foreign currency forward contract | \$ 28 | € 24 | Bank of Montreal | September 25, 2018 | — |
| Foreign currency forward contract | \$ 104 | £ 76 | Bank of Montreal | August 16, 2018 | 3 |
| Total, net | | | | | \$ 6 |

Interest rate swap

| Description | Payment Terms | Counterparty | Maturity Date | Notional Amount | Value | Upfront Payments/Receipts | Unrealized Appreciation (Depreciation) |
|-----------------------|----------------------|---|---------------------|--------------------|--------|------------------------------|--|
| Interest rate swap | Pay Fixed 2.0642% | Receive Floating One-Month LIBOR of 2.06% | Bank of Montreal | January 4, 2021 | \$ 395 | \$ 6 | —\$ 6 |
| Total | | | | | | | \$ 6 |

Other than the Company's investments listed in footnote 7 below (subject to the limitations set forth therein), the Company does not "Control" any of its portfolio companies, for the purposes of the Investment Company Act of 1940, as amended (together with the rules and regulations promulgated thereunder, the "Investment Company Act").

- (1) In general, under the Investment Company Act, the Company would "Control" a portfolio company if the Company owned more than 25% of its outstanding voting securities (i.e., securities with the right to elect directors) and/or had the power to exercise control over the management or policies of such portfolio company. All of the Company's portfolio company investments, which as of June 30, 2018 represented 159% of the Company's net assets or 94% of the Company's total assets, are subject to legal restrictions on sales.

- (2) These assets are pledged as collateral for the Revolving Credit Facility (as defined below) and, as a result, are not directly available to the creditors of the Company to satisfy any obligations of the Company other than the Company's obligations under the Revolving Credit Facility (see Note 5 to the consolidated financial statements).

- (3) These assets are owned by the Company's consolidated subsidiary Ares Capital CP Funding LLC ("Ares Capital CP"), are pledged as collateral for the Revolving Funding Facility (as defined below) and, as a result, are not directly available to the creditors of the Company to satisfy any obligations of the Company other than Ares Capital CP's obligations under the Revolving Funding Facility (see Note 5 to the consolidated financial statements).

- (4) These assets are owned by the Company's consolidated subsidiary Ares Capital JB Funding LLC ("ACJB"), are pledged as collateral for the SMBC Funding Facility (as defined below) and, as a result, are not directly available

to the creditors of the Company to satisfy any obligations of the Company other than ACJB's obligations under the SMBC Funding Facility (see Note 5 to the consolidated financial statements).

(5) Investments without an interest rate are non-income producing.

As defined in the Investment Company Act, the Company is deemed to be an "Affiliated Person" because it owns 5% or more of the portfolio company's outstanding voting securities or it has the power to exercise control over the (6) management or policies of such portfolio company (including through a management agreement). Transactions as of and during the six months ended June 30, 2018 in which the issuer was an Affiliated Person (but not a portfolio company that the Company is deemed to Control) are as follows:

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| | For the six months ended June 30, 2018 | | | | | | | | | As of June 30, 2018 |
|---|--|----------------------|-----------------|--------------------|--|--------------------|-----------------|--------------------------------|-------------------------------------|------------------------------|
| (in millions) Company | Purchase (cost) | Redemption (cost) | Sales (cost) | Interest income | Capital structuring service fees | Dividend income | Other income | Net realized gains (losses) | Net unrealized gains (losses) | Fair Value |
| Campus Management Acquisition Corp. | \$— | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ (0.3) | \$10.7 |
| Crown Health Care Laundry Services, LLC and Crown Laundry Holdings, LLC | \$3.0 | \$ 0.1 | \$ — | \$ 1.1 | \$ — | \$ — | \$ 0.1 | \$ — | \$ 0.4 | \$31.8 |
| ESCP PPG Holdings, LLC | \$— | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ (0.3) | \$2.5 |
| Financial Asset Management Systems, Inc. and FAMS Holdings, Inc. | \$— | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$— |
| Ioxus, Inc | \$— | \$ 0.5 | \$ — | \$ 0.6 | \$ — | \$ — | \$ — | \$ — | \$ (0.1) | \$10.9 |
| NSI Holdings, Inc. | \$— | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$— |
| Petroflow Energy Corporation and TexOak Petro Holdings LLC | \$— | \$ 2.0 | \$ — | \$ 0.2 | \$ — | \$ — | \$ — | \$ 0.2 | \$ (0.5) | \$9.8 |
| PIH Corporation and Primrose Holding Corporation | \$— | \$ — | \$ — | \$ 0.1 | \$ — | \$ — | \$ — | \$ — | \$ 3.3 | \$23.7 |
| Shock Doctor, Inc. and Shock Doctor Holdings, LLC | \$— | \$ — | \$ — | \$ 5.7 | \$ — | \$ — | \$ 0.3 | \$ — | \$ (1.9) | \$84.2 |
| Panda Temple Power, LLC and T1 Power Holdings LLC | \$— | \$ — | \$ — | \$ 0.3 | \$ — | \$ — | \$ — | \$ — | \$ 0.6 | \$19.3 |
| Things Remembered, Inc. and TRM Holdco Corp. | \$2.8 | \$ 1.3 | \$ — | \$ 0.1 | \$ — | \$ — | \$ — | \$ — | \$ (0.8) | \$2.0 |
| UL Holding Co., LLC | \$— | \$ — | \$ — | \$ 1.7 | \$ — | \$ — | \$ — | \$ — | \$ (2.2) | \$42.0 |
| | \$5.8 | \$ 3.9 | \$ — | \$ 9.8 | \$ — | \$ — | \$ 0.4 | \$ 0.2 | \$ (1.8) | \$236.9 |

As defined in the Investment Company Act, the Company is deemed to be both an “Affiliated Person” and “Control” this portfolio company because it owns more than 25% of the portfolio company’s outstanding voting securities or (7) it has the power to exercise control over the management or policies of such portfolio company (including through a management agreement). Transactions as of and during the six months ended June 30, 2018 in which the issuer was both an Affiliated Person and a portfolio company that the Company is deemed to Control are as follows:

| | For the six months ended June 30, 2018 | | | | | | | | | As of June 30, 2018 |
|---|--|----------------------|----------------|--------------------|--|--------------------|-----------------|--------------------------------|-------------------------------------|------------------------------|
| (in millions) Company | Purchase (cost) | Redemption (cost) | Sale (cost) | Interest income | Capital structuring service fees | Dividend income | Other income | Net realized gains (losses) | Net unrealized gains (losses) | Fair Value |
| ACAS Equity Holdings Corporation | \$— | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ 0.1 | \$0.5 |
| ACAS Real Estate Holdings Corporation | \$— | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$2.1 |
| ADF Capital, Inc., ADF Restaurant Group, LLC, and ARG Restaurant Holdings, Inc. | \$— | \$ — | \$ — | \$ 0.4 | \$ — | \$ — | \$ — | \$ — | \$ (4.3) | \$12.1 |
| Alcami Holdings, LLC | \$— | \$ 0.5 | \$ — | \$ 18.4 | \$ — | \$ — | \$ 1.0 | \$ — | \$ 157.1 | \$607.2 |

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| | | | | | | | | |
|--|-------|--------|-----------|-----------|------|-----------|-----------|--------|
| Ares IIIR/IVR CLO Ltd. | \$— | \$ — | \$ —\$— | \$ —\$— | \$ — | \$ — | \$ — | \$— |
| Callidus Capital Corporation | \$— | \$ — | \$ —\$— | \$ —\$— | \$ — | \$ — | \$ — | \$1.7 |
| Champion Parent Corporation and Calera XVI, LLC | \$— | \$ — | \$ —\$— | \$ —\$— | \$ — | \$ — | \$ — | \$0.3 |
| Ciena Capital LLC | \$— | \$ — | \$ —\$0.4 | \$ —\$— | \$ — | \$ — | \$ (0.5) | \$31.8 |
| CoLTS 2005-1 | \$— | \$ — | \$ —\$— | \$ —\$— | \$ — | \$ — | \$ — | \$— |
| CoLTS 2005-2 | \$— | \$ — | \$ —\$— | \$ —\$— | \$ — | \$ — | \$ — | \$— |
| Columbo Midco Limited, Columbo Bidco Limited and Columbo Topco Limited | \$— | \$ — | \$ —\$— | \$ —\$— | \$ — | \$ — | \$ (6.1) | \$34.5 |
| CSHM LLC | \$— | \$ — | \$ —\$— | \$ —\$— | \$ — | \$ — | \$ — | \$— |
| Eckler Industries, Inc. and Eckler Purchaser LLC | \$— | \$ — | \$ —\$— | \$ —\$— | \$ — | \$ (2.0) | \$ 3.3 | \$18.2 |
| ETG Holdings, Inc. | \$— | \$ — | \$ —\$— | \$ —\$— | \$ — | \$ — | \$ — | \$— |
| European Capital UK SME Debt LP | \$2.3 | \$ 8.8 | \$ —\$— | \$ —\$0.7 | \$ — | \$ — | \$ (0.9) | \$34.5 |
| Fashion Holding Luxembourg SCA (Modacin/Camaeiu) | \$— | \$ — | \$ —\$— | \$ —\$— | \$ — | \$ — | \$ — | \$— |
| FPI Holding Corporation | \$— | \$ — | \$ —\$— | \$ —\$— | \$ — | \$ — | \$ (2.0) | \$— |

| | For the six months ended June 30, 2018 | | | | | | | | | As of June 30, 2018 |
|--|--|-----------------------|-----------------|--------------------|--|--------------------|-----------------|--------------------------------|-------------------------------------|---------------------------|
| (in millions) Company | Purchases (cost) | Redemptions (cost) | Sales (cost) | Interest income | Capital structuring service fees | Dividend income | Other income | Net realized gains (losses) | Net unrealized gains (losses) | Fair Value |
| Halex Holdings, Inc. | \$0.8 | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$— |
| HCI Equity, LLC | \$— | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$0.1 |
| Imaging Business Machines, L.L.C. and Scanner Holdings Corporation | \$— | \$ — | \$ — | \$ 1.2 | \$ — | \$ — | \$ 0.3 | \$ — | \$ 3.4 | \$24.5 |
| Ivy Hill Asset Management, L.P. | \$263.0 | \$ 63.0 | \$ — | \$ 1.0 | \$ — | \$ 28.0 | \$ — | \$ — | \$ 5.7 | \$520.8 |
| LLSC Holdings Corporation (dba Lawrence Merchandising Services) | \$— | \$ 17.2 | \$ — | \$ — | \$ — | \$ — | \$ 0.1 | \$ — | \$ (1.0) |) \$— |
| Miles 33 (Finance) Limited | \$— | \$ 0.3 | \$ — | \$ 1.5 | \$ — | \$ — | \$ — | \$ 0.1 | \$ (5.6) |) \$13.1 |
| Montgomery Lane, LLC and Montgomery Lane, Ltd. | \$— | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ (0.6) |) \$— |
| MVL Group, Inc. | \$— | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$— |
| Navisun LLC and Navisun Holdings LLC | \$15.7 | \$ — | \$ — | \$ 0.4 | \$ 0.2 | \$ — | \$ 0.1 | \$ — | \$ — | \$19.1 |
| NECCO Holdings, Inc. and New England Confectionery Company, Inc. | \$14.0 | \$ 14.8 | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ (5.7) |) \$4.6 |
| NECCO Realty Investments LLC | \$— | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$— |
| Orion Foods, LLC | \$— | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$0.5 |
| PHL Investors, Inc., and PHL Holding Co. | \$— | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$— |
| Rug Doctor, LLC and RD Holdco Inc. | \$— | \$ — | \$ — | \$ 1.0 | \$ — | \$ — | \$ — | \$ — | \$ 9.5 | \$37.2 |
| S Toys Holdings LLC (fka The Step2 Company, LLC) | \$— | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$0.5 |
| Senior Direct Lending Program, LLC | \$155.2 | \$ 53.3 | \$ — | \$ 38.7 | \$ 6.0 | \$ — | \$ 2.0 | \$ — | \$ — | \$589.0 |
| Singer Sewing Company, SVP-Singer Holdings, LLC and SVP-Singer Holdings LP | \$70.2 | \$ — | \$ — | \$ 4.5 | \$ 1.3 | \$ — | \$ 4.5 | \$ — | \$ (6.5) |) \$229.5 |
| Soil Safe, Inc. and Soil Safe Acquisition Corp. | \$— | \$ 2.0 | \$ — | \$ 7.2 | \$ — | \$ — | \$ 0.2 | \$ — | \$ 2.3 | \$112.8 |
| Startec Equity, LLC | \$— | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$— |
| The Greeley Company, Inc. and HCP Acquisition Holdings, LLC | \$— | \$ 0.1 | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$— |
| | \$521.2 | \$ 160.0 | \$ — | \$ 74.7 | \$ 7.5 | \$ 28.7 | \$ 8.2 | \$ (1.9) | \$ 148.2 | \$2,294.6 |

*

Together with Varagon Capital Partners (“Varagon”) and its clients, the Company has co-invested through the Senior Direct Lending Program LLC (d/b/a the “Senior Direct Lending Program” or the “SDLP”). The SDLP has been capitalized as transactions are completed and all portfolio decisions and generally all other decisions in respect of the SDLP must be approved by an investment committee of the SDLP consisting of representatives of the Company and Varagon (with approval from a representative of each required); therefore, although the Company owns more than 25% of the voting securities of the SDLP, the Company does not believe that it has control over the SDLP (for purposes of the Investment Company Act or otherwise) because, among other things, these “voting securities” do not afford the Company the right to elect directors of the SDLP or any other special rights (see Note 4 to the consolidated financial statements).

(8) Non-U.S. company or principal place of business outside the U.S. and as a result is not a qualifying asset under Section 55(a) of the Investment Company Act. Under the Investment Company Act, the Company may not acquire any non-qualifying asset unless, at the time such acquisition is made, qualifying assets represent at least 70% of the Company’s total assets. Pursuant to Section 55(a) of the Investment Company Act, 14% of the Company’s total assets are represented by investments at fair value and other assets that are considered “non-qualifying assets” as of June 30, 2018.

(9) Exception from the definition of investment company under Section 3(c) of the Investment Company Act and as a result is not a qualifying asset under Section 55(a) of the Investment Company Act. Under the Investment Company

Act, the Company may not acquire any non-qualifying asset unless, at the time such acquisition is made, qualifying assets represent at least 70% of the Company's total assets.

Variable rate loans to the Company's portfolio companies bear interest at a rate that may be determined by reference to either the London Interbank Offered Rate ("LIBOR") or an alternate base rate (commonly based on the (10) Federal Funds Rate or the Prime Rate), at the borrower's option, which reset annually (A), semi-annually (S), quarterly (Q), bi-monthly (B), monthly (M) or daily (D). For each such loan, the Company has provided the interest rate in effect on the date presented.

In addition to the interest earned based on the stated interest rate of this security, the Company is entitled to receive an additional interest amount of 2.00% on \$69.5 aggregate principal amount of a "first out" tranche of the (11) portfolio company's senior term debt previously syndicated by the Company into "first out" and "last out" tranches, whereby the "first out" tranche will have priority as to the "last out" tranche with respect to payments of principal, interest and any other amounts due thereunder.

In addition to the interest earned based on the stated interest rate of this security, the Company is entitled to receive an additional interest amount of 2.00% on \$38.9 aggregate principal amount of a "first out" tranche of the (12) portfolio company's first lien senior secured loans, whereby the "first out" tranche will have priority as to the "last out" tranche with respect to payments of principal, interest and any other amounts due thereunder.

The Company sold a participating interest of approximately \$9.1 aggregate principal amount of the portfolio company's second lien senior secured term loan as a "first out" tranche. As the transaction did not qualify as a "true (13) sale" in accordance with U.S. generally accepted accounting principles, the Company recorded a corresponding \$8.8 secured borrowing included in "accounts payable and other liabilities" in the accompanying consolidated balance sheet.

The Company sold a participating interest of approximately \$2.5 aggregate principal amount of the portfolio company's first lien senior secured term loan. As the transaction did not qualify as a "true sale" in accordance with (14) U.S. generally accepted accounting principles, the Company recorded a corresponding \$2.5 secured borrowing included in "accounts payable and other liabilities" in the accompanying consolidated balance sheet.

The Company is entitled to receive a fixed fee upon the occurrence of certain events as defined in the credit (15) agreement governing the Company's debt investment in the portfolio company. The fair value of such fee is included in the fair value of the debt investment.

(16) Loan was on non-accrual status as of June 30, 2018.

(17) Loan includes interest rate floor feature.

In addition to the interest earned based on the stated contractual interest rate of this security, the certificates entitle (18) the holders thereof to receive a portion of the excess cash flow from the SDLP's loan portfolio, after expenses, which may result in a return to the Company greater than the contractual stated interest rate.

As of June 30, 2018, no amounts were funded by the Company under this first lien senior secured revolving loan; (19) however, there were letters of credit issued and outstanding through a financial intermediary under the loan. See Note 7 to the consolidated financial statements for further information on letters of credit commitments related to certain portfolio companies.

(20) As of June 30, 2018, in addition to the amounts funded by the Company under this first lien senior secured revolving loan, there were also letters of credit issued and outstanding through a financial intermediary under the loan. See Note 7 to the consolidated financial statements for further information on letters of credit commitments related to certain portfolio companies.

(21) As of June 30, 2018, the Company had the following commitments to fund various revolving and delayed draw senior secured and subordinated loans, including commitments to issue letters of credit through a financial intermediary on behalf of certain portfolio companies. Such commitments are subject to the satisfaction of certain conditions set forth in the documents governing these loans and letters of credit and there can be no assurance that such conditions will be satisfied. See Note 7 to the consolidated financial statements for further information on revolving and delayed draw loan commitments, including commitments to issue letters of credit, related to certain portfolio companies.

| (in millions) Portfolio Company | Total revolving and delayed draw loan commitments | Less: drawn commitments | Total undrawn commitments | Less: substantially at discretion of the Company | Less: commitments due to borrowing base or other covenant restrictions | Total net adjusted undrawn revolving and delayed draw commitments |
|---|---|-------------------------|---------------------------|--|--|---|
| 1163227 B.C. Ltd | \$ 3.9 | \$ — | \$ 3.9 | \$ — | \$ — | \$ 3.9 |
| 1A Smart Start, LLC | 3.5 | (1.6) | 1.9 | — | — | 1.9 |
| A.U.L. Corp. | 1.2 | — | 1.2 | — | — | 1.2 |
| Accommodations Plus Technologies LLC | 4.1 | — | 4.1 | — | — | 4.1 |
| Accruent, LLC, Accruent Holding, LLC and Athena Parent, Inc. | 20.6 | — | 20.6 | — | — | 20.6 |
| Achilles Acquisition LLC | 7.8 | — | 7.8 | — | — | 7.8 |
| ADCS Billings Intermediate Holdings, LLC | 5.0 | (3.3) | 1.7 | — | — | 1.7 |
| ADF Capital, Inc. | 1.3 | — | 1.3 | — | — | 1.3 |
| ADG, LLC | 13.7 | (3.7) | 10.0 | — | — | 10.0 |
| Alcami Holdings, LLC | 30.0 | (25.6) | 4.4 | — | — | 4.4 |
| American Academy Holdings, LLC | 7.0 | (0.9) | 6.1 | — | — | 6.1 |
| AMZ Holding Corp. | 3.4 | — | 3.4 | — | — | 3.4 |
| Avetta, LLC | 7.0 | — | 7.0 | — | — | 7.0 |
| Bambino CI Inc. | 9.6 | (2.8) | 6.8 | — | — | 6.8 |
| Cadence Aerospace, LLC | 14.3 | (0.5) | 13.8 | — | — | 13.8 |
| Capstone Logistics Acquisition, Inc. | 2.0 | (1.1) | 0.9 | — | — | 0.9 |
| Care Hospice, Inc | 2.3 | — | 2.3 | — | — | 2.3 |
| CCS Intermediate Holdings, LLC and CCS Group Holdings, LLC | 7.5 | (6.0) | 1.5 | — | — | 1.5 |
| Chariot Acquisition, LLC | 1.0 | — | 1.0 | — | — | 1.0 |
| Chesapeake Research Review, LLC | 5.8 | — | 5.8 | — | — | 5.8 |
| Ciena Capital LLC | 20.0 | (14.0) | 6.0 | (6.0) | — | — |
| Clearwater Analytics, LLC | 5.0 | (0.3) | 4.7 | — | — | 4.7 |
| Command Alkon Incorporated | 3.4 | (1.6) | 1.8 | — | — | 1.8 |
| Comprehensive EyeCare Partners, LLC | 6.1 | — | 6.1 | — | — | 6.1 |
| Corepoint Health, LLC | 4.3 | — | 4.3 | — | — | 4.3 |
| Cozzini Bros., Inc. and BH-Sharp Holdings LP | 24.2 | (1.0) | 23.2 | — | — | 23.2 |
| Crown Health Care Laundry Services, LLC and Crown Laundry Holdings, LLC | 18.5 | (4.9) | 13.6 | — | — | 13.6 |
| CST Buyer Company | 4.2 | — | 4.2 | — | — | 4.2 |
| D4C Dental Brands, Inc. | 5.0 | (1.3) | 3.7 | — | — | 3.7 |
| DCA Investment Holding, LLC | 5.8 | — | 5.8 | — | — | 5.8 |
| DecoPac, Inc. | 8.1 | (0.8) | 7.3 | — | — | 7.3 |
| DFC Global Facility Borrower II LLC | 115.0 | (82.7) | 32.3 | — | — | 32.3 |
| DGH Borrower LLC | 26.5 | — | 26.5 | — | — | 26.5 |
| Dorner Holding Corp. | 3.3 | (0.2) | 3.1 | — | — | 3.1 |
| Doxim Inc. | 5.9 | — | 5.9 | — | — | 5.9 |

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| | | | | | | |
|---|------|--------|------|--------|---|------|
| DRB Holdings, LLC | 9.9 | — | 9.9 | — | — | 9.9 |
| DTI Holdco, Inc. and OPE DTI Holdings, Inc. | 8.8 | (2.2) | 6.6 | — | — | 6.6 |
| Eckler Industries, Inc. | 2.0 | — | 2.0 | (2.0) | — | — |
| Emergency Communications Network, LLC | 6.5 | — | 6.5 | — | — | 6.5 |
| Emerus Holdings, Inc. | 4.5 | (1.5) | 3.0 | — | — | 3.0 |
| Empirix Inc. | 1.9 | (0.1) | 1.8 | — | — | 1.8 |
| EN Engineering, LLC | 5.0 | — | 5.0 | — | — | 5.0 |
| Entertainment Partners, LLC and Entertainment Partners Canada Inc. | 28.0 | — | 28.0 | — | — | 28.0 |
| Episerver, Inc. | 0.8 | — | 0.8 | — | — | 0.8 |
| ExteNet Systems, Inc. | 2.0 | — | 2.0 | — | — | 2.0 |
| Ferraro Fine Foods Corp. | 8.0 | (1.6) | 6.4 | — | — | 6.4 |
| FM:Systems Group, LLC | 1.5 | — | 1.5 | — | — | 1.5 |
| Foundation Risk Partners, Corp. | 12.0 | — | 12.0 | — | — | 12.0 |
| FPI Holding Corporation | 2.6 | — | 2.6 | — | — | 2.6 |
| Frontline Technologies Group Holding LLC | 8.4 | — | 8.4 | — | — | 8.4 |
| FWR Holding Corporation | 2.9 | (0.7) | 2.2 | — | — | 2.2 |

| (in millions) Portfolio Company | Total revolving and delayed draw loan commitments | Less: drawn commitments | Total undrawn commitments | Less: substantially at discretion of the Company | Less: commitments due to borrowing base or other covenant restrictions | Total net adjusted undrawn revolving and delayed draw commitments |
|---|---|-------------------------|---------------------------|--|--|---|
| Garden Fresh Restaurant Corp. | 7.5 | Ø2.7 | 4.8 | — | — | 4.8 |
| Gastro Health Holdco, LLC | 3.4 | — | 3.4 | — | — | 3.4 |
| Gentle Communications, LLC | 5.0 | — | 5.0 | — | — | 5.0 |
| Global Franchise Group, LLC | 1.2 | — | 1.2 | — | — | 1.2 |
| GraphPAD Software, LLC | 1.1 | — | 1.1 | — | — | 1.1 |
| GTCR-Ultra Acquisition, Inc. and GTCR-Ultra Holdings, LLC | 2.0 | — | 2.0 | — | — | 2.0 |
| HAI Acquisition Corporation | 19.0 | Ø4.7 | 14.3 | — | — | 14.3 |
| Halex Holdings, Inc. | 2.0 | Ø1.9 | 0.1 | — | — | 0.1 |
| Harvey Tool Company, LLC | 38.7 | Ø1.0 | 37.7 | — | — | 37.7 |
| Help/Systems Holdings, Inc. | 5.0 | Ø0.2 | 4.8 | — | — | 4.8 |
| Hosting.com, Inc. | 1.5 | — | 1.5 | — | — | 1.5 |
| Hygiena Borrower LLC | 15.1 | — | 15.1 | — | — | 15.1 |
| Implementation Management Assistance, LLC | 16.6 | Ø1.5 | 15.1 | — | — | 15.1 |
| Infilaw Holding, LLC | 6.5 | Ø6.5 | — | — | — | — |
| Infogix, Inc. | 5.3 | — | 5.3 | — | — | 5.3 |
| Instituto de Banca y Comercio, Inc. | 10.8 | Ø9.9 | 0.9 | Ø0.8 | — | 0.1 |
| iPipeline, Inc. | 4.0 | — | 4.0 | — | — | 4.0 |
| JDC Healthcare Management, LLC | 11.0 | Ø2.5 | 8.5 | — | — | 8.5 |
| Jim N Nicks Management, LLC | 9.7 | Ø2.8 | 6.9 | — | — | 6.9 |
| K2 Pure Solutions Nocal, L.P. | 5.0 | Ø1.5 | 3.5 | — | — | 3.5 |
| KBHS Acquisition, LLC (d/b/a Alita Care, LLC) | 5.0 | Ø3.3 | 1.7 | — | — | 1.7 |
| Key Surgical LLC | 2.8 | Ø0.6 | 2.2 | — | — | 2.2 |
| KHC Holdings, Inc. | 6.9 | Ø2.5 | 4.4 | — | — | 4.4 |
| KORE Wireless Group Inc. | 2.5 | Ø0.1 | 2.4 | — | — | 2.4 |
| LBP Intermediate Holdings LLC | 0.9 | Ø0.3 | 0.6 | — | — | 0.6 |
| Liaison Acquisition, LLC | 3.9 | — | 3.9 | — | — | 3.9 |
| Lone Wolf Real Estate Technologies Inc. | 3.0 | — | 3.0 | — | — | 3.0 |
| Magento, Inc. | 7.5 | Ø0.2 | 7.3 | — | — | 7.3 |
| Masergy Holdings, Inc. | 2.5 | — | 2.5 | — | — | 2.5 |
| Massage Envy, LLC | 7.5 | — | 7.5 | — | — | 7.5 |
| Mavis Tire Express Services Corp. | 17.1 | — | 17.1 | — | — | 17.1 |
| MB2 Dental Solutions, LLC | 3.5 | Ø2.1 | 1.4 | — | — | 1.4 |
| McKenzie Sports Products, LLC | 4.5 | — | 4.5 | — | — | 4.5 |
| Medplast Holdings, Inc. | 2.0 | Ø1.8 | 0.2 | — | — | 0.2 |
| Ministry Brands, LLC | 10.9 | Ø3.3 | 7.6 | — | — | 7.6 |
| Movati Athletic (Group) Inc. | 2.4 | — | 2.4 | — | — | 2.4 |
| MSHC, Inc. | 30.5 | Ø0.9 | 29.6 | — | — | 29.6 |
| MW Dental holding Corp. | 24.9 | Ø3.5 | 21.4 | — | — | 21.4 |
| | 9.0 | — | 9.0 | — | — | 9.0 |

National Intergovernmental Purchasing Alliance

Company

| | | | | | | |
|--------------------------------------|------|-------|------|------|---|------|
| Navisun LLC | 28.1 | — | 28.1 | — | — | 28.1 |
| NECCO Holdings, Inc. | 25.4 | Ø19.9 | 5.5 | Ø5.1 | — | 0.4 |
| NM GRC HOLDCO, LLC | 20.7 | — | 20.7 | — | — | 20.7 |
| Nordco Inc. | 12.5 | — | 12.5 | — | — | 12.5 |
| NSM Sub Holdings Corp. | 7.2 | Ø1.3 | 5.9 | — | — | 5.9 |
| Osmose Utilities Services, Inc. | 6.0 | Ø1.0 | 5.0 | — | — | 5.0 |
| OTG Management, LLC | 12.3 | Ø10.0 | 2.3 | — | — | 2.3 |
| Palermo Finance Corporation | 0.2 | — | 0.2 | — | — | 0.2 |
| Paper Source, Inc. | 2.5 | Ø0.8 | 1.7 | — | — | 1.7 |
| Park Place Technologies, LLC | 5.4 | — | 5.4 | — | — | 5.4 |
| Pathway Vet Alliance LLC | 2.1 | — | 2.1 | — | — | 2.1 |
| Payment Alliance International, Inc. | 4.2 | Ø2.5 | 1.7 | — | — | 1.7 |
| PDI TA Holdings, Inc. | 35.1 | — | 35.1 | — | — | 35.1 |
| Pegasus Intermediate Holdings, LLC | 5.0 | — | 5.0 | — | — | 5.0 |

| (in millions) Portfolio Company | Total revolving and delayed draw loan commitments | Less: drawn commitments | Total undrawn commitments | Less: commitments substantially at discretion of the Company | Less: unavailable commitments due to borrowing base or other covenant restrictions | Total net adjusted undrawn revolving and delayed draw commitments |
|--|---|-------------------------|---------------------------|--|--|---|
| PIH Corporation and Primrose Holding Corporation | 3.3 | Ø1.0 | 2.3 | — | — | 2.3 |
| Plusgrade L.P. | 1.5 | — | 1.5 | — | — | 1.5 |
| Practice Insight, LLC | 2.9 | Ø0.6 | 2.3 | — | — | 2.3 |
| Pyramid Management Advisors, LLC | 7.0 | Ø0.6 | 6.4 | — | — | 6.4 |
| QC Supply, LLC | 17.9 | Ø9.0 | 8.9 | — | — | 8.9 |
| R1 RCM Inc. | 10.0 | — | 10.0 | — | — | 10.0 |
| RecoveryDirect Acquisition, L.L.C. | 8.0 | Ø2.3 | 5.7 | — | — | 5.7 |
| Restaurant Technologies, Inc. | 5.4 | Ø1.7 | 3.7 | — | — | 3.7 |
| Retriever Medical/Dental Payments LLC | 3.5 | — | 3.5 | — | — | 3.5 |
| RMP Group, Inc. | 1.8 | — | 1.8 | — | — | 1.8 |
| RuffaloCODY, LLC | 7.7 | Ø0.2 | 7.5 | — | — | 7.5 |
| Salter Labs | 1.7 | Ø1.0 | 0.7 | — | — | 0.7 |
| Sanders Industries Holdings, Inc. | 10.0 | — | 10.0 | — | — | 10.0 |
| SCM Insurance Services Inc. | 4.1 | Ø1.8 | 2.3 | — | — | 2.3 |
| SCSG EA Acquisition Company, Inc. | 4.0 | Ø0.5 | 3.5 | — | — | 3.5 |
| Securelink, Inc | 3.0 | — | 3.0 | — | — | 3.0 |
| Severin Acquisition, LLC | 2.9 | Ø1.8 | 1.1 | — | — | 1.1 |
| SFE Intermediate Holdco LLC | 3.8 | — | 3.8 | — | — | 3.8 |
| Shift PPC LLC | 3.6 | — | 3.6 | — | — | 3.6 |
| Singer Sewing Company | 90.0 | Ø71.5 | 18.5 | — | — | 18.5 |
| SiroMed Physician Services, Inc. | 7.1 | — | 7.1 | — | — | 7.1 |
| Siteworx Holdings, LLC | 1.5 | Ø1.4 | 0.1 | — | — | 0.1 |
| Soil Safe, Inc. and Soil Safe Acquisition Corp. | 10.5 | Ø3.6 | 6.9 | — | — | 6.9 |
| Sonny's Enterprises, LLC | 1.8 | Ø0.5 | 1.3 | — | — | 1.3 |
| SpareFoot, LLC | 1.4 | Ø0.3 | 1.1 | — | — | 1.1 |
| Sparta Systems, Inc. | 6.5 | — | 6.5 | — | — | 6.5 |
| Spectra Finance, LLC | 24.1 | Ø6.8 | 17.3 | — | — | 17.3 |
| St. Croix Acquisition Corp. | 2.0 | — | 2.0 | — | — | 2.0 |
| Storm UK Holdco Limited and Storm US Holdco Inc. | 1.1 | — | 1.1 | — | — | 1.1 |
| Sunk Rock Foundry Partners LP | 10.0 | Ø2.6 | 7.4 | — | — | 7.4 |
| Sunshine Sub, LLC | 7.7 | — | 7.7 | — | — | 7.7 |
| Symmetry Surgical Inc. | 3.1 | Ø2.0 | 1.1 | — | — | 1.1 |
| Synergy HomeCare Franchising, LLC | 4.2 | — | 4.2 | — | — | 4.2 |
| Syntax USA Acquisition Corporation | 3.3 | Ø1.2 | 2.1 | — | — | 2.1 |
| TDG Group Holding Company | 3.5 | — | 3.5 | — | — | 3.5 |
| Teasdale Foods, Inc. | 0.8 | Ø0.5 | 0.3 | — | — | 0.3 |
| Telestream Holdings Corporation | 2.3 | — | 2.3 | — | — | 2.3 |
| Telular Corporation | 5.0 | Ø3.4 | 1.6 | — | — | 1.6 |

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| | | | | | | |
|---|------|------|------|---|---|------|
| The Gordian Group, Inc. | 1.1 | — | 1.1 | — | — | 1.1 |
| Things Remembered, Inc | 2.3 | Ø1.3 | 1.0 | — | — | 1.0 |
| Tidi Products, LLC | 2.3 | — | 2.3 | — | — | 2.3 |
| Total Community Options, Inc. | 4.2 | — | 4.2 | — | — | 4.2 |
| Towerco IV Finance, LLC | 17.0 | Ø7.3 | 9.7 | — | — | 9.7 |
| TPTM Merger Corp. | 4.3 | — | 4.3 | — | — | 4.3 |
| U.S. Acute Care Solutions, LLC | 1.7 | — | 1.7 | — | — | 1.7 |
| Urgent Cares of America Holdings I, LLC | 10.0 | — | 10.0 | — | — | 10.0 |
| Utility Pipeline, LTD. | 3.0 | — | 3.0 | — | — | 3.0 |
| Vela Trading Technologies, LLC | 3.5 | Ø2.0 | 1.5 | — | — | 1.5 |
| Veson Nautical LLC | 2.5 | — | 2.5 | — | — | 2.5 |
| Visual Edge Technology, Inc. | 4.9 | — | 4.9 | — | — | 4.9 |
| VLS Recovery Services, LLC | 20.8 | Ø2.4 | 18.4 | — | — | 18.4 |
| VRC Companies, LLC | 2.6 | Ø0.6 | 2.0 | — | — | 2.0 |
| WatchFire Enterprises, Inc. | 2.0 | — | 2.0 | — | — | 2.0 |
| West Dermatology, LLC | 10.8 | Ø2.9 | 7.9 | — | — | 7.9 |

| (in millions) Portfolio Company | Total revolving and delayed draw loan commitments | Less: drawn commitments | Total undrawn commitments | Less: commitments substantially at discretion of the Company | Less: unavailable commitments due to borrowing base or other covenant restrictions | Total net adjusted undrawn revolving and delayed draw commitments |
|---|---|-------------------------|---------------------------|--|--|---|
| WIRB - Copernicus Group, Inc | 3.0 | — | 3.0 | — | — | 3.0 |
| Woodstream Group, Inc. and Woodstream Corporation | 4.7 | — | 4.7 | — | — | 4.7 |
| Worldwide Facilities LLC | 2.7 | — | 2.7 | — | — | 2.7 |
| Wrench Group LLC | 2.8 | — | 2.8 | — | — | 2.8 |
| WSHP FC Acquisition LLC | 11.8 | (2.5) | 9.3 | — | — | 9.3 |
| XIFIN, Inc. | 4.6 | (0.5) | 4.1 | — | — | 4.1 |
| Zemax Software Holdings, LLC | 4.1 | — | 4.1 | — | — | 4.1 |
| Zywave, Inc. | 11.5 | (2.4) | 9.1 | — | — | 9.1 |
| | \$ 1,421.7 | \$ (383.9) | \$ 1,037.8 | \$ (13.9) | \$ — | \$ 1,023.9 |

(22) As of June 30, 2018, the Company was party to subscription agreements to fund equity investments in private equity investment partnerships as follows:

| (in millions) Portfolio Company | Total private equity commitments | Less: funded private equity commitments | Total unfunded private equity commitments | Less: private equity commitments substantially at the discretion of the Company | Total net adjusted unfunded private equity commitments |
|--|----------------------------------|---|---|---|--|
| Partnership Capital Growth Investors III, L.P. | \$ 5.0 | \$ (4.9) | \$ 0.1 | \$ — | \$ 0.1 |
| PCG-Ares Sidecar Investment, L.P. and PCG-Ares Sidecar Investment II, L.P. | 50.0 | (12.2) | 37.8 | (37.8) | — |
| Piper Jaffray Merchant Banking Fund I, L.P. | 2.0 | (1.9) | 0.1 | — | 0.1 |
| European Capital UK SME Debt LP | 59.3 | (50.7) | 8.6 | (8.6) | — |
| | \$ 116.3 | \$ (69.7) | \$ 46.6 | \$ (46.4) | \$ 0.2 |

As of June 30, 2018, the Company had commitments to co-invest in the SDLP for its portion of the SDLP's commitment to fund delayed draw loans of up to \$24. See Note 4 to the consolidated financial statements for more information on the SDLP.

(24) Other than the investments noted by this footnote, the fair value of the Company's investments is determined using unobservable inputs that are significant to the overall fair value measurement. See Note 8 to the consolidated financial statements for more information regarding the fair value of the Company's investments.

(25)

As of June 30, 2018, the net estimated unrealized loss for federal tax purposes was \$0.7 billion based on a tax cost basis of \$12.2 billion. As of June 30, 2018, the estimated aggregate gross unrealized loss for federal income tax purposes was \$1.3 billion and the estimated aggregate gross unrealized gain for federal income tax purposes was \$0.6 billion.

ARES CAPITAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED SCHEDULE OF INVESTMENTS

As of December 31, 2017

(dollar amounts in millions)

| Company(1) | Business Description | Investment | Interest(6)(12) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|--|--------------------------|---|--------------------------|------------------|----------------|----------------|--------------------------|
| Healthcare Services | | | | | | | |
| Absolute Dental Management LLC and ADM Equity, LLC | Dental services provider | First lien senior secured loan (\$18.8 par due 1/2022) | 11.08% (Libor + 9.39%/Q) | 1/5/2016 | \$ 18.8 | \$ 17.6(2)(17) | |
| | | First lien senior secured loan (\$5.0 par due 1/2022) | 11.08% (Libor + 9.39%/Q) | 1/5/2016 | 5.0 | 4.7 (4)(17) | |
| | | Class A preferred units (4,000,000 units) | | 1/5/2016 | 4.0 | 0.9 (2) | |
| | | Class A common units (4,000,000 units) | | 1/5/2016 | — | — (2) | |
| | | | | | 27.8 | 23.2 | |
| Acessa Health Inc. (fka HALT Medical, Inc.) | Medical supply provider | Common stock (569,823 shares) | | 6/22/2017 | 0.1 | — | |
| ADCS Billings Intermediate Holdings, LLC (21) | Dermatology practice | First lien senior secured revolving loan | — | 5/18/2016 | — | — (19) | |
| ADG, LLC and RC IV GEDC Investor LLC (21) | Dental services provider | First lien senior secured revolving loan (\$1.0 par due 9/2022) | 6.14% (Libor + 4.75%/Q) | 9/28/2016 | 1.0 | 1.0 (2)(17) | |
| | | First lien senior secured revolving loan (\$1.4 par due 9/2022) | 6.24% (Libor + 4.75%/Q) | 9/28/2016 | 1.4 | 1.3 (2)(17) | |
| | | First lien senior secured revolving loan (\$8.5 par due 9/2022) | 6.32% (Libor + 4.75%/Q) | 9/28/2016 | 8.5 | 8.3 (2)(17) | |
| | | | | 9/28/2016 | 0.6 | 0.6 (2)(17) | |

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| | | | | | | | | |
|------------------------------|---|---|------------------------------|-----------|-------|------|---------|--|
| | | First lien senior secured revolving loan (\$0.6 par due 9/2022) | 8.25% (Base Rate + 3.75%/Q) | | | | | |
| | | Second lien senior secured loan (\$87.5 par due 3/2024) | 10.57% (Libor + 9.00%/Q) | 9/28/2016 | 87.5 | 81.4 | (2)(17) | |
| | | Membership units (3,000,000 units) | | 9/28/2016 | 3.0 | 1.9 | (2) | |
| | | | | | 102.0 | 94.5 | | |
| Alcami Holdings, LLC (8)(21) | Outsourced drug development services provider | First lien senior secured revolving loan (\$2.0 par due 10/2019) | 6.89% (Libor + 5.50%/Q) | 1/3/2017 | 2.0 | 2.0 | (2)(17) | |
| | | First lien senior secured revolving loan (\$15.9 par due 10/2019) | 6.96% (Libor + 5.50%/Q) | 1/3/2017 | 15.9 | 15.9 | (2)(17) | |
| | | First lien senior secured revolving loan (\$7.7 par due 10/2019) | 7.06% (Libor + 5.50%/Q) | 1/3/2017 | 7.7 | 7.7 | (2)(17) | |
| | | First lien senior secured loan (\$10.0 par due 10/2020) | 7.07% (Libor + 5.50%/Q) | 1/3/2017 | 10.0 | 10.0 | (2)(17) | |
| | | First lien senior secured loan (\$95.7 par due 10/2020) | 7.07% (Libor + 5.50%/Q) | 1/3/2017 | 95.7 | 95.7 | (3)(17) | |
| | | First lien senior secured loan (\$0.2 par due 10/2020) | 11.00% (Base Rate + 6.50%/Q) | 1/3/2017 | 0.2 | 0.2 | (3)(17) | |
| | | Senior subordinated loan (\$30.0 par due 10/2020) | 11.75% | 1/3/2017 | 30.0 | 30.0 | (2) | |
| | | Senior subordinated loan (\$30.0 par due 10/2020) | 12.00% | 1/3/2017 | 30.0 | 30.0 | (2) | |
| | | Senior subordinated loan (\$25.0 par | 12.25% | 1/3/2017 | 25.0 | 25.0 | (2) | |

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| | | | | | | | | |
|----------------|-------------------------|-------------------|----------------|------------|-------|-------|---------|--|
| | | due 10/2020) | | | | | | |
| | | Senior | | | | | | |
| | | subordinated | | | | | | |
| | | loan (\$36.1 par | 14.75% PIK | 1/3/2017 | 36.1 | 36.1 | (2) | |
| | | due 10/2020) | | | | | | |
| | | Senior | | | | | | |
| | | subordinated | | | | | | |
| | | loan (\$36.6 par | 15.25% PIK | 1/3/2017 | 22.8 | 36.6 | (2) | |
| | | due 10/2020) | | | | | | |
| | | Series R | | | | | | |
| | | preferred | | | | | | |
| | | membership | | 1/3/2017 | — | 54.1 | | |
| | | units (30,000 | | | | | | |
| | | units) | | | | | | |
| | | Series R-2 | | | | | | |
| | | preferred | | | | | | |
| | | membership | | 1/3/2017 | — | 99.0 | | |
| | | units (54,936 | | | | | | |
| | | units) | | | | | | |
| | | | | | 275.4 | 442.3 | | |
| Alegeus | Benefits administration | Preferred stock | | 12/13/2013 | 3.1 | 2.8 | | |
| Technologies | and transaction | (2,997 shares) | | | | | | |
| Holdings Corp. | processing provider | Common stock | | 12/13/2013 | — | — | | |
| | | (3 shares) | | | 3.1 | 2.8 | | |
| | | First lien senior | | | | | | |
| Alteon Health, | Provider of physician | secured loan | 7.00% (Libor + | 5/15/2017 | 3.5 | 3.3 | (2)(17) | |
| LLC | management services | (\$3.5 par due | 5.50%/Q) | | | | | |
| | | 9/2022) | | | | | | |

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As of December 31, 2017
(dollar amounts in millions)

| Company(1) | Business Description | Investment | Interest(6)(12) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|-------------------------------------|--|---|-----------------------------|------------------|----------------|----------------|--------------------------|
| American Academy Holdings, LLC (21) | Provider of education, training, certification, networking, and consulting services to medical coders and other healthcare professionals | First lien senior secured revolving loan (\$0.9 par due 12/2022) | 9.75% (Base Rate + 5.25%/Q) | 12/15/2017 | 0.9 | 0.9(2)(17) | |
| | | First lien senior secured loan (\$0.5 par due 12/2022) | 7.84% (Libor + 6.25%/Q) | 12/15/2017 | 0.5 | 0.5(2)(17) | |
| | | First lien senior secured loan (\$199.8 par due 12/2022) | 8.01% (Libor + 6.25%/Q) | 12/15/2017 | 199.8 | 197.3(2)(17) | |
| | | Senior subordinated loan (\$75.0 par due 6/2023) | 15.76% (Libor + 14.00%/Q) | 12/15/2017 | 75.0 | 73.6(2)(17) | |
| | | | | | 276.2 | 272.7 | |
| Argon Medical Devices, Inc. | Manufacturer and marketer of single-use specialty medical devices | Second lien senior secured loan (\$9.0 par due 6/2022) | 11.07% (Libor + 9.50%/Q) | 12/23/2015 | 8.8 | 9.0(2)(17) | |
| AwarePoint Corporation | Healthcare technology platform developer | First lien senior secured loan (\$8.1 par due 12/2019) | 13.98% (Libor + 12.50%/M) | 9/5/2014 | 8.0 | 6.5(2)(15)(17) | |
| | | Warrant to purchase up to 3,213,367 shares of Series 1 preferred stock (expires 9/2024) | | 11/14/2014 | — | 0.4(2) | |
| | | | | | 8.0 | 6.9 | |
| Bambino CI Inc. (21) | Manufacturer and provider of single-use obstetrics products | First lien senior secured revolving loan (\$1.1 par due 10/2022) | 7.49% (Libor + 6.00%/Q) | 10/17/2017 | 1.1 | 1.1(2)(17) | |
| | | First lien senior secured loan (\$43.7 par due | 7.49% (Libor + 6.00%/Q) | 10/17/2017 | 43.7 | 43.6(2)(17) | |

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|---|---|---|------------------------------|------------|-------|----------------|
| | | 10/2023) | | | 44.8 | 44.4 |
| CCS Intermediate Holdings, LLC and CCS Group Holdings, LLC (21) | Correctional facility healthcare operator | First lien senior secured revolving loan (\$4.5 par due 7/2019) | 5.69% (Libor + 4.00%/Q) | 7/23/2014 | 4.5 | 4.1(2)(17)(20) |
| | | First lien senior secured loan (\$6.5 par due 7/2021) | 5.69% (Libor + 4.00%/Q) | 7/23/2014 | 6.5 | 5.9(2)(17) |
| | | Second lien senior secured loan (\$135.0 par due 7/2022) | 9.86% (Libor + 8.38%/Q) | 7/23/2014 | 134.2 | 112.1(17) |
| | | Class A units (1,000,000 units) | | 8/19/2010 | — | 0.9(2) |
| | | | | | 145.2 | 122.9 |
| Correctional Medical Group Companies, Inc. | Correctional facility healthcare operator | First lien senior secured loan (\$48.8 par due 9/2021) | 9.62% (Libor + 8.62%/Q) | 9/29/2015 | 48.8 | 48.8(17) |
| | | First lien senior secured loan (\$3.1 par due 9/2021) | 9.62% (Libor + 8.62%/Q) | 9/29/2015 | 3.1 | 3.1(2)(17) |
| | | | | | 51.9 | 51.9 |
| CSHM LLC (8) | Dental services provider | Class A membership units (1,979 units) | | 1/3/2017 | — | — |
| D4C Dental Brands HoldCo, Inc. and Bambino Group Holdings, LLC (21) | Dental services provider | Class A preferred units (1,000,000 units) | | 12/21/2016 | 1.0 | 1.1(2) |
| DCA Investment Holding, LLC (21) | Multi-branded dental practice management | First lien senior secured revolving loan | — | 7/2/2015 | — | — (19) |
| | | First lien senior secured loan (\$18.7 par due 7/2021) | 6.94% (Libor + 5.25%/Q) | 7/2/2015 | 18.6 | 18.4(17) |
| | | | | | 18.6 | 18.4 |
| Drayer Physical Therapy Institute LLC | Outpatient physical therapy provider | First lien senior secured loan (\$12.3 par due 7/2018) | 10.50% (Base Rate + 6.00%/Q) | 7/26/2017 | 12.3 | 12.2(17) |

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|----------------------------|--|---|------------------------------|-----------|-------|-------|---------|
| Emerus Holdings, Inc. (21) | Freestanding 24-hour emergency care micro-hospitals operator | First lien senior secured loan (\$114.6 par due 7/2018) | 10.50% (Base Rate + 6.00%/Q) | 7/26/2017 | 114.6 | 114.6 | (17) |
| | | | | | 126.9 | 126.9 | |
| | | First lien senior secured revolving loan (\$0.3 par due 9/2020) | 8.00% (Base Rate + 3.50%/Q) | 3/14/2017 | 0.3 | 0.3 | (2)(17) |
| | | First lien senior secured loan (\$2.3 par due 9/2021) | 6.07% (Libor + 4.50%/Q) | 3/14/2017 | 2.0 | 2.1 | (2)(17) |
| | | | | | 2.3 | 2.4 | |

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As of December 31, 2017
(dollar amounts in millions)

| Company(1) | Business Description | Investment | Interest(6)(12) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|--|---|--|-------------------------------|------------------|----------------|------------|--------------------------|
| GHX Ultimate Parent Corporation, Commerce Parent, Inc. and Commerce Topco, LLC | On-demand supply chain automation solutions provider to the healthcare industry | Second lien senior secured loan (\$103.7 par due 6/2025) | 9.69% (Libor + 8.00%/Q) | 6/30/2017 | 102.8 | 103.2 | (17) |
| | | Series A perpetual preferred stock (110,425 shares) | 12.44% PIK (Libor + 10.75%/Q) | 6/30/2017 | 117.4 | 117.4 | (17) |
| | | Class A units (14,013,303 units) | | 6/30/2017 | 14.0 | 16.0 | (2) |
| | | | | | 234.2 | 238.0 | |
| Greenphire, Inc. and RMC III CIV XXIX, L.P | Software provider for clinical trial management | Limited partnership interest (99.90% interest) | | 12/19/2014 | 1.0 | 2.4 | (2) |
| Heartland Dental, LLC | Dental services provider | Second lien senior secured loan (\$27.8 par due 7/2024) | 9.75% (Libor + 8.50%/Q) | 7/31/2017 | 27.4 | 27.8 | (17) |
| Hygiena Borrower LLC (21) | Adenosine triphosphate testing technology provider | Second lien senior secured loan (\$10.0 par due 8/2023) | 10.69% (Libor + 9.00%/Q) | 8/26/2016 | 10.0 | 10.0 | (17) |
| | | Second lien senior secured loan (\$10.7 par due 8/2023) | 10.69% (Libor + 9.00%/Q) | 2/27/2017 | 10.7 | 10.7 | (17) |
| | | | | | 20.7 | 20.7 | |
| Intermedix Corporation | Revenue cycle management provider to the emergency healthcare industry | First lien senior secured loan (\$72.3 par due 12/2019) | 6.16% (Libor + 4.75%/Q) | 7/26/2017 | 72.3 | 70.8 | (17) |
| | | First lien senior secured loan (\$35.2 par due 12/2019) | 6.16% (Libor + 4.75%/Q) | 7/26/2017 | 35.2 | 34.5 | (17) |
| | | First lien senior secured loan (\$9.3 par due 12/2019) | 6.16% (Libor + 4.75%/Q) | 7/26/2017 | 9.3 | 9.1 | (4)(17) |

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|--|--|---|-------------------------|------------|-------|------------|
| JDC Healthcare Management, LLC (21) | Dental services provider | First lien senior secured loan (\$80.8 par due 12/2019) | 6.35% (Libor + 4.75%/Q) | 7/26/2017 | 80.8 | 79.22(17) |
| | | First lien senior secured loan (\$39.3 par due 12/2019) | 6.35% (Libor + 4.75%/Q) | 7/26/2017 | 39.3 | 38.53(17) |
| | | First lien senior secured loan (\$10.4 par due 12/2019) | 6.35% (Libor + 4.75%/Q) | 7/26/2017 | 10.4 | 10.24(17) |
| | | Second lien senior secured loan (\$112.0 par due 6/2020) | 9.94% (Libor + 8.25%/Q) | 12/27/2012 | 112.0 | 107.3(17) |
| | | | | | 359.3 | 349.8 |
| | | First lien senior secured revolving loan (\$1.5 par due 4/2022) | 7.82% (Libor + 6.25%/Q) | 4/10/2017 | 1.5 | 1.5(2)(17) |
| | | First lien senior secured loan (\$9.9 par due 4/2023) | 7.82% (Libor + 6.25%/Q) | 4/10/2017 | 9.9 | 9.7(2)(17) |
| | | First lien senior secured loan (\$19.9 par due 4/2023) | 7.82% (Libor + 6.25%/Q) | 4/10/2017 | 19.9 | 19.54(17) |
| | | | | | 31.3 | 30.7 |
| | | First lien senior secured revolving loan (\$0.2 par due 3/2022) | 6.43% (Libor + 5.00%/Q) | 3/17/2017 | 0.2 | 0.2(2)(17) |
| KBHS Acquisition, LLC (d/b/a Alita Care, LLC) (21) | Provider of behavioral health services | First lien senior secured revolving loan (\$0.1 par due 3/2022) | 6.46% (Libor + 5.00%/Q) | 3/17/2017 | 0.1 | 0.1(2)(17) |
| | | First lien senior secured revolving loan (\$0.2 par due 3/2022) | 6.50% (Libor + 5.00%/Q) | 3/17/2017 | 0.2 | 0.2(2)(17) |
| | | First lien senior secured revolving loan (\$0.2 par due 3/2022) | 6.56% (Libor + 5.00%/Q) | 3/17/2017 | 0.2 | 0.2(2)(17) |
| | | | | | | |

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|--------------------------|--|---|-----------------------------------|-----------|-----|------------|
| Key Surgical LLC (21) | Provider of sterile processing, operating room and instrument care supplies for hospitals | First lien senior secured revolving loan (\$0.8 par due 3/2022) | 6.57% (Libor + 5.00%/Q) | 3/17/2017 | 0.8 | 0.8(2)(17) |
| | | First lien senior secured revolving loan (\$0.3 par due 3/2022) | 8.50% (Base Rate + 4.00%/Q) | 3/17/2017 | 0.3 | 0.3(2)(17) |
| | | | | | 1.8 | 1.8 |
| | | First lien senior secured revolving loan (\$0.9 par due 6/2022) | 6.35% (Libor + 4.75%/Q) | 6/1/2017 | 0.9 | 0.9(2)(17) |

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As of December 31, 2017
(dollar amounts in millions)

| Company(1) | Business Description | Investment | Interest(6)(12) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|---|----------------------------------|---|-----------------------------|------------------|----------------|------------|--------------------------|
| MB2 Dental Solutions, LLC (21) | Dental services provider | First lien senior secured loan (\$18.0 par due 6/2023) | 5.75% (EURIBOR + 4.75%/Q) | 6/1/2017 | 16.9 | 18.0(17) | |
| | | First lien senior secured loan (\$4.4 par due 6/2023) | 6.23% (Libor + 4.75%/Q) | 6/1/2017 | 4.3 | 4.4(4)(17) | |
| | | | | | 22.1 | 23.3 | |
| | | First lien senior secured revolving loan (\$1.3 par due 9/2023) | 8.25% (Base Rate + 3.75%/Q) | 9/29/2017 | 1.3 | 1.3(2)(17) | |
| | | First lien senior secured loan (\$4.7 par due 9/2023) | 6.44% (Libor + 4.75%/Q) | 9/29/2017 | 4.7 | 4.7(2)(17) | |
| MCH Holdings, Inc. and MC Acquisition Holdings I, LLC | Healthcare professional provider | | | | 6.0 | 6.0 | |
| | | First lien senior secured loan (\$65.3 par due 1/2020) | 6.96% (Libor + 5.50%/Q) | 7/26/2017 | 65.3 | 64.0(17) | |
| | | First lien senior secured loan (\$79.0 par due 1/2020) | 7.07% (Libor + 5.50%/Q) | 7/26/2017 | 79.0 | 78.0(17) | |
| | | First lien senior secured loan (\$9.0 par due 1/2020) | 6.96% (Libor + 5.50%/Q) | 7/26/2017 | 9.0 | 9.0(4)(17) | |
| | | First lien senior secured loan (\$11.0 par due 1/2020) | 7.07% (Libor + 5.50%/Q) | 7/26/2017 | 11.0 | 10.8(17) | |
| | | Class A units (1,438,643 shares) | | 1/17/2014 | 1.5 | 1.0(2) | |
| MW Dental Holding Corp. (21) | Dental services provider | | | | 165.8 | 163.7 | |
| | | First lien senior secured revolving loan (\$9.7 par due 4/2018) | 9.19% (Libor + 7.50%/Q) | 4/12/2011 | 9.7 | 9.7(2)(17) | |

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|---|---|---|---------------------------|------------|-------|-------|----------|
| | | First lien senior secured loan (\$44.4 par due 4/2018) | 9.19% (Libor + 7.50%/Q) | 4/12/2011 | 44.4 | 44.4 | (17) |
| | | First lien senior secured loan (\$46.8 par due 4/2018) | 9.19% (Libor + 7.50%/Q) | 4/12/2011 | 46.8 | 46.8 | (17) |
| | | First lien senior secured loan (\$19.3 par due 4/2018) | 9.19% (Libor + 7.50%/Q) | 4/12/2011 | 19.3 | 19.3 | (17) |
| | | | | | 120.2 | 120.2 | |
| My Health Direct, Inc. | Healthcare scheduling exchange software solution provider | Warrant to purchase up to 4,548 shares of Series D preferred stock (expires 9/2024) | | 9/18/2014 | — | — | (2) |
| New Trident Holdcorp, Inc. and Trident Holding Company, LLC | Outsourced mobile diagnostic healthcare service provider | First lien senior secured loan (\$19.9 par due 7/2019) | 7.44% (Libor + 5.75%/Q) | 8/1/2013 | 15.9 | 16.0 | (17) |
| | | Second lien senior secured loan (\$80.0 par due 7/2020) | — | 8/1/2013 | 79.3 | 44.2 | (14)(16) |
| | | Senior subordinated loan (\$8.9 par due 7/2020) | — | 11/29/2017 | 8.8 | — | (2)(16) |
| | | | | | 104.0 | 60.2 | |
| NMSC Holdings, Inc. and ASP NAPA Holdings, LLC | Anesthesia management services provider | Second lien senior secured loan (\$72.8 par due 10/2023) | 11.69% (Libor + 10.00%/Q) | 4/19/2016 | 72.8 | 67.0 | (17) |
| | | Class A units (25,277 units) | | 4/19/2016 | 2.5 | 1.3 | (2) |
| | | | | | 75.3 | 68.3 | |
| Nodality, Inc. | Biotechnology company | First lien senior secured loan (\$2.3 par due 8/2016) | — | 11/12/2015 | 2.1 | — | (2)(16) |
| | | First lien senior secured loan (\$10.9 par due 8/2016) | — | 4/25/2014 | 9.7 | — | (2)(16) |
| | | Warrant to purchase up to 3,736,255 shares | | 5/1/2016 | — | — | (2) |

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|--|--|--|-----------------------------|------------|-----|------|---------|
| | | of common stock (expires 3/2026) | | | | 11.8 | — |
| nThrive, Inc. (fka Precyse Acquisition Corp.) OmniSYS Acquisition Corporation, OmniSYS, LLC, and OSYS Holdings, LLC (21) | Provider of healthcare information management technology and services | Second lien senior secured loan (\$10.0 par due 4/2023) | 11.32% (Libor + 9.75%/Q) | 4/20/2016 | 9.7 | 10.0 | (17) |
| | Provider of technology-enabled solutions to pharmacies | First lien senior secured loan (\$5.9 par due 11/2018) | 9.19% (Libor + 7.50%/Q) | 11/21/2013 | 5.9 | 5.9 | (4)(17) |
| | | Limited liability company membership interest (1.57%) | | 11/21/2013 | 1.0 | 0.8 | (2) |
| | | | | | 6.9 | 6.7 | |

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As of December 31, 2017
(dollar amounts in millions)

| Company(1) | Business Description | Investment | Interest(6)(12) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|---|---|--|-----------------------------|------------------|----------------|-------------|--------------------------|
| Pathway Partners Vet Management Company LLC (21) | Owner and operator of veterinary hospitals | First lien senior secured loan (\$0.3 par due 10/2024) | 6.07% (Libor + 4.50%/Q) | 10/4/2017 | 0.3 | 0.3 (2)(17) | |
| | | First lien senior secured loan (\$6.0 par due 10/2024) | 6.07% (Libor + 4.50%/Q) | 10/4/2017 | 6.0 | 6.0 (2)(17) | |
| | | | | | 6.3 | 6.3 | |
| Patterson Medical Supply, Inc. | Distributor of rehabilitation supplies and equipment | Second lien senior secured loan (\$78.0 par due 8/2023) | 9.98% (Libor + 8.50%/Q) | 9/2/2015 | 76.4 | 72.5(2)(17) | |
| PhyMED Management LLC | Provider of anesthesia services | Second lien senior secured loan (\$47.2 par due 5/2021) | 10.21% (Libor + 8.75%/Q) | 12/18/2015 | 46.8 | 45.3(2)(17) | |
| Practice Insight, LLC (21) | Revenue cycle management provider to the emergency healthcare industry | First lien senior secured revolving loan (\$0.6 par due 8/2022) | 8.50% (Base Rate + 4.00%/Q) | 8/23/2017 | 0.6 | 0.6 (2)(17) | |
| | | First lien senior secured loan (\$12.7 par due 8/2022) | 6.48% (Libor + 5.00%/Q) | 8/23/2017 | 12.7 | 12.7(2)(17) | |
| | | | | | 13.3 | 13.3 | |
| Respicardia, Inc. | Developer of implantable therapies to improve cardiovascular health | Warrant to purchase up to 99,094 shares of Series C preferred stock (expires 6/2022) | | 6/28/2012 | — | — (2) | |
| Sarnova HC, LLC, Tri-Anim Health Services, Inc., and BEMS Holdings, LLC | Distributor of emergency medical service and respiratory products | Second lien senior secured loan (\$54.0 par due 7/2022) | 11.07% (Libor + 9.50%/Q) | 1/29/2016 | 54.0 | 54.0(2)(17) | |
| TerSera Therapeutics LLC | Acquirer and developer of specialty therapeutic pharmaceutical products | First lien senior secured loan (\$5.3 par due 3/2023) | 6.94% (Libor + 5.25%/Q) | 5/3/2017 | 5.2 | 5.3 (4)(17) | |

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|---|--|---|-----------------------------|------------|---------|-----------------|
| Transaction Data Systems, Inc. | Pharmacy management software provider | Second lien senior secured loan (\$35.3 par due 6/2022) | 10.35% (Libor + 9.00%/Q) | 6/15/2015 | 35.3 | 35.3(2)(17) |
| | | Second lien senior secured loan (\$3.8 par due 6/2022) | 10.35% (Libor + 9.00%/Q) | 12/19/2017 | 3.8 | 3.8 (2)(17) |
| | | | | | 39.1 | 39.1 |
| U.S. Anesthesia Partners, Inc. | Anesthesiology service provider | Second lien senior secured loan (\$71.8 par due 6/2025) | 8.82% (Libor + 7.25%/Q) | 6/16/2017 | 70.8 | 71.8(2)(17) |
| Urgent Cares of America Holdings I, LLC and FastMed Holdings I, LLC (21) | Operator of urgent care clinics | Preferred units (7,696,613 units) | | 6/11/2015 | 7.7 | 0.5 |
| | | Series A common units (2,000,000 units) | | 6/11/2015 | 2.0 | — |
| | | Series C common units (5,288,427 units) | | 6/11/2015 | — | — |
| | | | | | 9.7 | 0.5 |
| VistaPharm, Inc. and Vertice Pharma UK Parent Limited (21) | Manufacturer and distributor of generic pharmaceutical products | First lien senior secured loan (\$7.8 par due 12/2021) | 7.86% (Libor + 6.00%/Q) | 11/6/2017 | 7.8 | 7.7 (2)(17) |
| | | Preferred shares (40,662 shares) | | 12/21/2015 | 0.3 | 0.5 (9) |
| | | | | | 8.1 | 8.2 |
| | | | | | 2,622.8 | 2,668.6 37.60 % |
| Business Services Accruent, LLC, Accruent Holding, LLC and Athena Parent, Inc. (21) | Real estate and facilities management software provider | First lien senior secured revolving loan (\$0.7 par due 7/2023) | 6.36% (Libor + 4.75%/Q) | 7/28/2017 | 0.7 | 0.7 (2)(17) |
| | | Second lien senior secured loan (\$13.2 par due 7/2024) | 10.13% (Libor + 8.75%/Q) | 7/28/2017 | 13.2 | 13.2(2)(17) |
| | | Second lien senior secured loan (\$0.5 par due 7/2024) | 10.36% (Libor + 8.75%/Q) | 7/28/2017 | 0.5 | 0.5 (2)(17) |
| | | | | 7/28/2017 | 2.6 | 2.6 (2)(17) |

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|--|-----------------------------|-----------|------|-------------|
| Second lien senior secured loan (\$2.6 par due 7/2024) | 10.16% (Libor + 8.75%/Q) | | | |
| Second lien senior secured loan (\$58.4 par due 7/2024) | 10.13% (Libor + 8.75%/Q) | 7/28/2017 | 58.4 | 58.4(2)(17) |
| Senior subordinated loan (\$21.2 par due 7/2025) | 11.50% PIK | 7/28/2017 | 21.2 | 20.4(2) |
| Senior subordinated loan (\$75.7 par due 7/2025) | 11.50% PIK | 7/28/2017 | 75.7 | 72.8(2) |
| Common stock (3,464 shares) | | 5/16/2016 | 3.6 | 2.7 (2) |

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As of December 31, 2017
(dollar amounts in millions)

| Company(1) | Business Description | Investment | Interest(6)(12) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|--|--|--|-------------------------|------------------|----------------|------------|--------------------------|
| | | Warrant to purchase up to 11,380 shares of common stock (expires 7/2037) | | 7/28/2017 | — | 3.3(2) | |
| | | | | | 175.9 | 174.6 | |
| Achilles Acquisition LLC (21) | Benefits broker and outsourced workflow automation platform provider for brokers | First lien senior secured loan (\$3.0 par due 6/2023) | 7.69% (Libor + 6.00%/Q) | 6/6/2017 | 3.0 | 3.0(2)(17) | |
| | | First lien senior secured loan (\$10.2 par due 6/2023) | 7.69% (Libor + 6.00%/Q) | 6/6/2017 | 10.2 | 10.2(17) | |
| | | | | | 13.2 | 13.2 | |
| Acrisure, LLC, Acrisure Investors FO, LLC and Acrisure Investors SO, LLC | Retail insurance advisor and brokerage | Membership interests (10,793,504 units) | | 11/18/2016 | 10.8 | 10.8(2) | |
| | | Membership interests (2,698,376 units) | | 11/18/2016 | 2.7 | 2.7(2) | |
| | | | | | 13.5 | 13.5 | |
| BeyondTrust Software, Inc. | Management software solutions provider | First lien senior secured loan (\$46.2 par due 11/2023) | 7.89% (Libor + 6.25%/Q) | 11/21/2017 | 45.5 | 45.5(17) | |
| Brandtone Holdings Limited (9) | Mobile communications and marketing services provider | First lien senior secured loan (\$4.7 par due 11/2018) | — | 5/11/2015 | 4.5 | — (2)(16) | |
| | | First lien senior secured loan (\$3.1 par due 2/2019) | — | 5/11/2015 | 2.9 | — (2)(16) | |
| | | Warrant to purchase up to 184,003 units of | | 5/11/2015 | — | — (2) | |

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|---|--|---|-----------------------------|-----------|------|------|-------------|
| | | convertible preferred shares (expires 8/2026) | | | 7.4 | — | |
| CallMiner, Inc. | Provider of cloud-based conversational analytics solutions | Warrant to purchase up to 2,350,636 shares of Series 1 preferred stock (expires 7/2024) | | 7/23/2014 | — | — | (2) |
| Chesapeake Research Review, LLC and Schulman Associates Institutional Review Board, Inc. (21) | Provider of central institutional review boards over clinical trials | First lien senior secured revolving loan (\$0.6 par due 11/2023) | 7.14% (Libor + 5.75%/Q) | 11/7/2017 | 0.6 | 0.6 | (2)(17) |
| | | First lien senior secured loan (\$30.8 par due 11/2023) | 7.14% (Libor + 5.75%/Q) | 11/7/2017 | 30.8 | 30.8 | (2)(17) |
| | | | | | 31.4 | 31.1 | |
| Clearwater Analytics, LLC (21) | Provider of integrated cloud-based investment portfolio management, accounting, reporting and analytics software | First lien senior secured revolving loan (\$0.4 par due 9/2022) | 9.00% (Libor + 7.50%/Q) | 9/1/2016 | 0.4 | 0.4 | (2)(17) |
| CMW Parent LLC (fka Black Arrow, Inc.) | Multiplatform media firm | Series A units (32 units) | | 9/11/2015 | — | — | (2) |
| Columbo Midco Limited, Columbo Bidco Limited and Columbo Topco Limited (8)(9) | Compliance, accounting and tax consulting services provider | Preferred stock (34,028,135 shares) | | 1/3/2017 | 2.3 | 9.9 | |
| | | Preferred stock (17,653,253 shares) | | 1/3/2017 | 21.6 | 26.0 | |
| | | Preferred stock (3,232,666 shares) | | 1/3/2017 | 4.0 | 4.7 | |
| | | | | | 27.9 | 40.6 | |
| Command Alkon Incorporated (21) | Software solutions provider to the ready-mix concrete industry | First lien senior secured revolving loan (\$1.5 par due 9/2022) | 8.50% (Base Rate + 4.00%/Q) | 9/1/2017 | 1.5 | 1.5 | (2)(17)(20) |
| | | | | 9/1/2017 | 25.6 | 25.6 | (2)(17) |

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|------------------------------------|---|--|--------------------------|------------|------|------|------|
| | | First lien senior secured loan (\$25.6 par due 9/2023) | 6.48% (Libor + 5.00%/Q) | | | | |
| | | Second lien senior secured loan (\$33.8 par due 3/2024) | 10.48% (Libor + 9.00%/Q) | 9/1/2017 | 33.8 | 33.4 | (17) |
| | | | | | 60.9 | 60.2 | |
| Compusearch Software Systems, Inc. | Provider of enterprise software and services for organizations in the public sector | Second lien senior secured loan (\$51.0 par due 11/2021) | 10.16% (Libor + 8.75%/Q) | 1/3/2017 | 51.0 | 51.0 | (17) |
| Compuware Parent, LLC | Web and mobile cloud performance testing and monitoring services provider | Class A-1 common stock (4,132 units) | | 12/15/2014 | 2.2 | 2.2 | (2) |

As of December 31, 2017
(dollar amounts in millions)

| Company(1) | Business Description | Investment | Interest(6)(12) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|-----------------------------|---|--|--------------------------|------------------|----------------|------------|--------------------------|
| Convergent Technologies LLC | Integrated services provider for security, fire and life safety | Class B-1 common stock (4,132 units) | | 12/15/2014 | 0.4 | 0.4(2) | |
| | | Class C-1 common stock (4,132 units) | | 12/15/2014 | 0.3 | 0.3(2) | |
| | | Class A-2 common stock (4,132 units) | | 12/15/2014 | — | — (2) | |
| | | Class B-2 common stock (4,132 units) | | 12/15/2014 | — | — (2) | |
| | | Class C-2 common stock (4,132 units) | | 12/15/2014 | — | — (2) | |
| | | | | | 2.9 | 2.9 | |
| | | Second lien senior secured loan (\$25.0 par due 12/2020) | 10.27% (Libor + 8.50%/Q) | 12/18/2017 | 25.0 | 25.0(17) | |
| | | Second lien senior secured loan (\$3.0 par due 12/2020) | 10.12% (Libor + 8.50%/Q) | 1/3/2017 | 3.0 | 3.0(2)(17) | |
| | | Second lien senior secured loan (\$6.0 par due 12/2020) | 9.98% (Libor + 8.50%/Q) | 1/3/2017 | 6.0 | 6.0(2)(17) | |
| | | Second lien senior secured loan (\$14.0 par due 12/2020) | 10.00% (Libor + 8.50%/Q) | 1/3/2017 | 14.0 | 14.0(17) | |
| | | Second lien senior secured loan (\$8.0 par due 12/2020) | 10.27% (Libor + 8.50%/Q) | 1/3/2017 | 8.0 | 8.0(2)(17) | |
| | | Second lien senior secured loan (\$8.0 par due 12/2020) | 9.45% (Libor + 8.00%/Q) | 1/3/2017 | 8.0 | 8.0(2)(17) | |

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|--|--|--|-------------------------|------------|-------|------------|
| | | Second lien senior secured loan (\$11.0 par due 12/2020) | 9.50% (Libor + 8.00%/Q) | 1/3/2017 | 11.0 | 11.0(17) |
| | | Second lien senior secured loan (\$75.0 par due 12/2020) | 9.61% (Libor + 8.00%/Q) | 1/3/2017 | 75.0 | 75.0(17) |
| | | | | | 150.0 | 150.0 |
| Directworks, Inc. and Co-Exprise Holdings, Inc. | Provider of cloud-based software solutions for direct materials sourcing and supplier management for manufacturers | First lien senior secured loan (\$1.8 par due 4/2018) | — | 12/19/2014 | 1.3 | 0.2(2)(16) |
| | | Warrant to purchase up to 1,875,000 shares of Series 1 preferred stock (expires 12/2024) | | 12/19/2014 | — | — (2) |
| | | | | | 1.3 | 0.2 |
| DRB Holdings, LLC (21) | Provider of integrated technology solutions to car wash operators | First lien senior secured loan (\$36.7 par due 10/2023) | 7.10% (Libor + 5.75%/Q) | 10/6/2017 | 36.7 | 36.0(17) |
| DTI Holdco, Inc. and OPE DTI Holdings, Inc. (21) | Provider of legal process outsourcing and managed services | First lien senior secured loan (\$4.1 par due 10/2023) | 6.63% (Libor + 5.25%/Q) | 9/23/2016 | 4.1 | 4.1(4)(17) |
| | | Class A common stock (7,500 shares) | | 8/19/2014 | 7.5 | 6.9(2) |
| | | Class B common stock (7,500 shares) | | 8/19/2014 | — | — (2) |
| | | | | | 11.6 | 11.0 |
| Emergency Communications Network, LLC (21) | Provider of mission critical emergency mass notification solutions | First lien senior secured loan (\$37.9 par due 6/2023) | 7.82% (Libor + 6.25%/Q) | 6/1/2017 | 37.7 | 37.0(17) |
| | | First lien senior secured loan (\$19.9 par due 6/2023) | 7.82% (Libor + 6.25%/Q) | 6/1/2017 | 19.8 | 19.0(17) |

| | | | | | | |
|---|--|--|----------|-----------|---------------|--------|
| | | | | | 57.5 | 57.3 |
| EN Engineering, L.L.C. (21) | National utility services firm providing engineering and consulting services to natural gas, electric power and other energy and industrial end markets | First lien senior secured — revolving loan | — | 6/30/2015 | — | — (19) |
| Entertainment Partners, LLC and Entertainment Partners Canada Inc. (21) | Provider of entertainment workforce and production management solutions | First lien senior secured 6.85% (Libor loan (\$7.9 par + 5.50%/Q) due 5/2022) | 5/8/2017 | 7.3 | 7.9(2)(9)(17) | |

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As of December 31, 2017
(dollar amounts in millions)

| Company(1) | Business Description | Investment | Interest(6)(12) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|--------------------------------------|---|--|-------------------------|------------------|----------------|------------|--------------------------|
| | | First lien senior secured loan (\$4.2 par due 5/2023) | 7.15% (Libor + 5.75%/Q) | 5/8/2017 | 4.2 | 4.1(2)(17) | |
| | | First lien senior secured loan (\$26.1 par due 5/2023) | 7.15% (Libor + 5.75%/Q) | 5/8/2017 | 26.1 | 25.8(17) | |
| | | First lien senior secured loan (\$3.6 par due 5/2023) | 7.44% (Libor + 5.75%/Q) | 5/8/2017 | 3.6 | 3.6(2)(17) | |
| | | First lien senior secured loan (\$22.5 par due 5/2023) | 7.44% (Libor + 5.75%/Q) | 5/8/2017 | 22.5 | 22.3(17) | |
| | | First lien senior secured loan (\$4.2 par due 5/2023) | 7.34% (Libor + 5.75%/Q) | 5/8/2017 | 4.2 | 4.1(2)(17) | |
| | | First lien senior secured loan (\$26.1 par due 5/2023) | 7.34% (Libor + 5.75%/Q) | 5/8/2017 | 26.1 | 25.8(17) | |
| | | | | | 94.0 | 93.5 | |
| First Insight, Inc. | Software company providing merchandising and pricing solutions to companies worldwide | Warrant to purchase up to 122,827 units of Series C preferred stock (expires 3/2024) | | 3/20/2014 | — | — (2) | |
| Flexera Software LLC | Provider of software and software applications that manages application usage, compliance and security risk | Second lien senior secured loan (\$5.0 par due 4/2021) | 8.57% (Libor + 7.00%/Q) | 1/3/2017 | 4.8 | 5.0(2)(17) | |
| Foundation Risk Partners, Corp. (21) | Full service independent insurance agency | First lien senior secured loan (\$23.5 par due 11/2023) | 6.16% (Libor + 4.75%/Q) | 11/10/2017 | 23.5 | 23.8(17) | |
| | | | | 11/10/2017 | 27.5 | 27.2(17) | |

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| | | | | | | | |
|--|--|--|-----------------------------|------------|------|--------------|------|
| | | Second lien senior secured loan (\$27.5 par due 11/2024) | 9.91% (Libor + 8.50%/Q) | | | 51.0 | 50.5 |
| Graphpad Software, LLC (21) | Provider of data analysis, statistics, and visualization software solutions for scientific research applications | First lien senior secured revolving loan (\$0.6 par due 12/2023) | 7.66% (Libor + 6.00%/Q) | 12/21/2017 | 0.6 | 0.6(2)(17) | |
| | | First lien senior secured loan (\$8.8 par due 12/2023) | 7.66% (Libor + 6.00%/Q) | 12/21/2017 | 8.8 | 8.7(2)(17) | |
| | | | | | 9.4 | 9.3 | |
| GTCR-Ultra Acquisition, Inc. and GTCR-Ultra Holdings, LLC (21) | Provider of payment processing and merchant acquiring solutions | First lien senior secured loan (\$8.9 par due 8/2024) | 7.37% (Libor + 6.00%/Q) | 8/1/2017 | 8.9 | 8.9(4)(17) | |
| | | Class A-2 units (911 units) | | 8/1/2017 | 0.9 | 1.0(2) | |
| | | Class B units (2,878,372 units) | | 8/1/2017 | — | — (2) | |
| | | | | | 9.8 | 9.9 | |
| HAI Acquisition Corporation and Aloha Topco, LLC (21) | Professional employer organization provider of human resources, compliance and risk management services | First lien senior secured revolving loan (\$4.7 par due 11/2023) | 7.38% (Libor + 6.00%/Q) | 11/1/2017 | 4.7 | 4.7(2)(17) | |
| | | First lien senior secured loan (\$81.4 par due 11/2024) | 9.50% (Base Rate + 5.00%/Q) | 11/1/2017 | 81.4 | 80.6(2)(17) | |
| | | Class A units (16,980 units) | | 11/1/2017 | 1.7 | 1.7(2) | |
| | | | | | 87.8 | 87.0 | |
| IfByPhone Inc. | Voice-based marketing automation software provider | Warrant to purchase up to 124,300 shares of Series C preferred stock (expires 10/2022) | | 10/15/2012 | 0.1 | 0.1(2) | |
| Implementation Management Assistance, LLC (21) | Revenue cycle consulting firm to the healthcare industry | First lien senior secured loan (\$8.0 par due 12/2023) | 5.46% (Libor + 4.00%/Q) | 12/13/2017 | 8.0 | 7.9(2)(17) | |
| Infogix, Inc. and Infogix Parent | Enterprise data analytics and integrity software | First lien senior secured loan | 8.44% (Libor + 6.75%/Q) | 1/3/2017 | 51.6 | 51.6(12)(17) | |

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|-------------|--------------------|-----------------------------------|----------------------------|----------|------|------|
| Corporation | solutions provider | (\$51.6 par due 12/2021) | | | | |
| | | First lien senior secured loan | 8.44% (Libor + 6.75%/Q) | 1/3/2017 | 34.9 | 34.9 |
| | | (\$34.9 par due 12/2021) | | | (12) | (17) |
| | | Series A preferred stock | | 1/3/2017 | 2.5 | 2.9 |
| | | (2,475 shares) | | | | |
| | | Common stock | | | | |
| | | (1,297,768 shares) | | 1/3/2017 | — | 0.3 |

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As of December 31, 2017
(dollar amounts in millions)

| Company(1) | Business Description | Investment | Interest(6)(12) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|---|--|---|-------------------------|------------------|----------------|-------------|--------------------------|
| | | | | | 89.0 | 89.7 | |
| Inmar, Inc. | Technology-driven solutions provider for retailers, wholesalers and manufacturers | Second lien senior secured loan (\$28.3 par due 5/2025) | 9.42% (Libor + 8.00%/Q) | 4/25/2017 | 27.9 | 28.2(17) | |
| InterVision Systems, LLC and InterVision Holdings, LLC | Provider of cloud based IT solutions, infrastructure and services | First lien senior secured loan (\$24.7 par due 5/2022) | 9.79% (Libor + 7.95%/Q) | 5/31/2017 | 24.7 | 24.7(17) | |
| | | First lien senior secured loan (\$10.0 par due 5/2022) | 9.79% (Libor + 7.95%/Q) | 5/31/2017 | 10.0 | 10.0(17) | |
| | | Class A membership units (1,000 units) | | 5/31/2017 | 1.0 | 1.4 | |
| | | | | | 35.7 | 36.1 | |
| iParadigms Holdings, LLC | Anti-plagiarism software provider to the education market | Second lien senior secured loan (\$37.5 par due 7/2022) | 8.94% (Libor + 7.25%/Q) | 1/3/2017 | 36.8 | 36.7(17) | |
| iPipeline, Inc., Internet Pipeline, Inc., iPipeline Limited and iPipeline Holdings, Inc. (21) | Provider of SaaS-based software solutions to the insurance and financial services industry | First lien senior secured loan (\$7.5 par due 8/2022) | 7.74% (Libor + 6.25%/Q) | 6/15/2017 | 7.4 | 7.5(2)(17) | |
| | | First lien senior secured loan (\$9.1 par due 8/2022) | 7.74% (Libor + 6.25%/Q) | 9/15/2017 | 9.1 | 9.1(2)(17) | |
| | | First lien senior secured loan (\$46.4 par due 8/2022) | 8.60% (Libor + 7.25%/Q) | 8/4/2015 | 46.4 | 46.4(17) | |
| | | First lien senior secured loan (\$14.7 par due 8/2022) | 8.60% (Libor + 7.25%/Q) | 8/4/2015 | 14.7 | 14.7(17) | |
| | | First lien senior secured loan | 8.07% (Libor + 6.50%/Q) | 12/18/2017 | 12.0 | 12.2(9)(17) | |

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|---|---|--|---|-----------|------|------------|--|
| | | (\$12.2 par due 8/2022) | | | | | |
| | | Preferred stock (1,100 shares) | | 8/4/2015 | 1.1 | 3.5(2) | |
| | | Common stock (668,781 shares) | | 8/4/2015 | — | — (2) | |
| | | | | | 90.7 | 93.4 | |
| IQMS | Provider of enterprise resource planning and manufacturing execution software for small and midsize manufacturers | First lien senior secured loan (\$4.0 par due 3/2022) | 9.82% (Libor + 8.25%/Q) | 3/28/2017 | 4.0 | 4.0(2)(17) | |
| | | First lien senior secured loan (\$18.8 par due 3/2022) | 9.82% (Libor + 8.25%/Q) | 3/28/2017 | 18.8 | 18.8(17) | |
| | | First lien senior secured loan (\$15.0 par due 3/2022) | 9.82% (Libor + 8.25%/Q) | 3/28/2017 | 15.0 | 15.0(17) | |
| | | | | | 37.8 | 37.8 | |
| Iron Bow Technologies, LLC | Provider and value added reseller of information technology products and solutions | Second lien senior secured loan (\$10.0 par due 2/2021) | 13.11% (Libor + 10.00% Cash, 1.75% PIK/Q) | 1/3/2017 | 10.0 | 10.0(17) | |
| IronPlanet, Inc. | Online auction platform provider for used heavy equipment | Warrant to purchase to up to 133,333 shares of Series C preferred stock (expires 9/2023) | | 9/23/2013 | 0.2 | 0.4(2) | |
| LLSC Holdings Corporation (dba Lawrence Merchandising Services) (8) | Marketing services provider | Series A preferred stock (9,000 shares) | | 1/3/2017 | 19.2 | 18.2 | |
| | | Common stock (1,000 shares) | | 1/3/2017 | — | — | |
| | | | | | 19.2 | 18.2 | |
| Miles 33 (Finance) Limited (8)(9) | Software provider to the regional media industry and magazines | First lien senior secured loan (\$0.4 par due 9/2018) | 7.00% (EURIBOR + 3.50% Cash, 3.00% PIK/Q) | 1/3/2017 | 0.3 | 0.4 | |
| | | First lien senior secured loan (\$4.1 par due 9/2018) | 7.00% (EURIBOR + 3.50% Cash, 3.00% PIK/Q) | 1/3/2017 | 3.7 | 4.1 | |
| | | Senior subordinated loan (\$17.4 par | 5.00% (EURIBOR + 4.50%/Q) | 1/3/2017 | 9.9 | 13.4 | |

| | | | |
|------------------|----------|---|---|
| due 9/2021) | | | |
| Preferred stock | | | |
| (19,500,000 | 1/3/2017 | — | — |
| shares) | | | |
| Preferred stock | 1/3/2017 | — | — |
| (900,000 shares) | | | |
| Common stock | 1/3/2017 | — | — |
| (600,000 shares) | | | |

As of December 31, 2017
(dollar amounts in millions)

| Company(1) | Business Description | Investment | Interest(6)(12) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|--|--|---|--------------------------|------------------|----------------|-------------|--------------------------|
| | | | | | 13.9 | 17.9 | |
| Ministry Brands, LLC and MB Parent HoldCo, L.P. (21) | Software and payment services provider to faith-based institutions | First lien senior secured revolving loan (\$10.9 par due 12/2022) | 6.57% (Libor + 5.00%/Q) | 12/2/2016 | 10.9 | 10.9(17) | |
| | | First lien senior secured loan (\$1.7 par due 12/2022) | 6.57% (Libor + 5.00%/Q) | 8/22/2017 | 1.7 | 1.7(2)(17) | |
| | | First lien senior secured loan (\$1.4 par due 12/2022) | 6.38% (Libor + 5.00%/Q) | 8/22/2017 | 1.4 | 1.4(2)(17) | |
| | | First lien senior secured loan (\$10.6 par due 12/2022) | 6.38% (Libor + 5.00%/Q) | 4/6/2017 | 10.6 | 10.6(17) | |
| | | First lien senior secured loan (\$16.7 par due 12/2022) | 6.38% (Libor + 5.00%/Q) | 4/6/2017 | 16.5 | 16.7(2)(17) | |
| | | Second lien senior secured loan (\$4.6 par due 6/2023) | 10.82% (Libor + 9.25%/Q) | 8/22/2017 | 4.6 | 4.6(2)(17) | |
| | | Second lien senior secured loan (\$1.6 par due 6/2023) | 10.60% (Libor + 9.25%/Q) | 8/22/2017 | 1.6 | 1.6(2)(17) | |
| | | Second lien senior secured loan (\$5.1 par due 6/2023) | 10.63% (Libor + 9.25%/Q) | 8/22/2017 | 5.1 | 5.1(2)(17) | |
| | | Second lien senior secured loan (\$16.6 par due 6/2023) | 10.63% (Libor + 9.25%/Q) | 12/2/2016 | 16.6 | 16.6(17) | |
| | | Second lien senior secured loan (\$4.7 par due 6/2023) | 10.63% (Libor + 9.25%/Q) | 4/6/2017 | 4.7 | 4.7(2)(17) | |

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|--|--|--|--------------------------|-----------|-------|-------------|
| | | Second lien senior secured loan (\$9.2 par due 6/2023) | 10.63% (Libor + 9.25%/Q) | 4/6/2017 | 9.2 | 9.2(2)(17) |
| | | Second lien senior secured loan (\$90.0 par due 6/2023) | 10.63% (Libor + 9.25%/Q) | 12/2/2016 | 89.3 | 90.0(2)(17) |
| | | Class A units (500,000 units) | | 12/2/2016 | 5.0 | 6.8(2) |
| | | | | | 177.2 | 179.9 |
| MVL Group, Inc. (8) | Marketing research provider | Common stock (560,716 shares) | | 4/1/2010 | — | — (2) |
| NAS, LLC, Nationwide Marketing Group, LLC and Nationwide Administrative Services, Inc. | Buying and marketing services organization for appliance, furniture and consumer electronics dealers | Second lien senior secured loan (\$24.1 par due 12/2021) | 10.32% (Libor + 9.00%/Q) | 6/1/2015 | 24.1 | 24.1(2)(17) |
| Novetta Solutions, LLC | Provider of advanced analytics solutions for the government, defense and commercial industries | First lien senior secured loan (\$12.7 par due 10/2022) | 6.70% (Libor + 5.00%/Q) | 1/3/2017 | 12.3 | 12.1(2)(17) |
| | | Second lien senior secured loan (\$31.0 par due 10/2023) | 10.20% (Libor + 8.50%/Q) | 1/3/2017 | 28.4 | 27.0(2)(17) |
| | | | | | 40.7 | 40.0 |
| Palermo Finance Corporation (21) | Provider of mission-critical integrated public safety software and services to local, state and federal agencies | First lien senior secured revolving loan | — | 4/17/2017 | — | — (19) |
| | | First lien senior secured loan (\$11.0 par due 4/2023) | 5.85% (Libor + 4.50%/Q) | 4/17/2017 | 10.9 | 11.0(4)(17) |
| | | Second lien senior secured loan (\$54.3 par due 10/2023) | 9.85% (Libor + 8.50%/Q) | 4/17/2017 | 54.3 | 54.3(2)(17) |
| | | | | | 65.2 | 65.3 |
| Park Place Technologies, LLC | Provider of third party hardware maintenance and support services for IT data centers | Second lien senior secured loan (\$41.5 par due 12/2022) | 10.54% (Libor + 9.00%/Q) | 1/3/2017 | 41.5 | 41.5(2)(17) |
| PayNearMe, Inc. | Electronic cash payment system provider | Warrant to purchase up to 195,726 shares | | 3/11/2016 | 0.2 | — (5) |

| | | | | | | | |
|-------------------------------|---|--|-----------------------------------|-----------|------|-------------|--|
| PDI TA Holdings, Inc. (21) | Provider of enterprise management software for the convenience retail and petroleum wholesale markets | of Series E preferred stock (expires 3/2023) | | | | | |
| | | First lien senior secured revolving loan (\$0.9 par due 8/2023) | 8.25% (Base Rate + 3.75%/Q) | 8/25/2017 | 0.9 | 0.9(2)(17) | |
| | | First lien senior secured loan (\$3.7 par due 8/2023) | 6.32% (Libor + 4.75%/Q) | 8/25/2017 | 3.7 | 3.7(2)(17) | |
| | | First lien senior secured loan (\$26.4 par due 8/2023) | 6.21% (Libor + 4.75%/Q) | 8/25/2017 | 26.4 | 26.4(2)(17) | |
| | | | | | | | |
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As of December 31, 2017
(dollar amounts in millions)

| Company(1) | Business Description | Investment | Interest(6)(12) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|---|---|---|--------------------------|------------------|----------------|-------------|--------------------------|
| PHL Investors, Inc., and PHL Holding Co. (8) PHNTM Holdings, Inc. and Planview Parent, Inc. | | Second lien senior secured loan (\$8.2 par due 8/2024) | 10.32% (Libor + 8.75%/Q) | 8/25/2017 | 8.2 | 8.1(2)(17) | |
| | | Second lien senior secured loan (\$66.8 par due 8/2024) | 10.21% (Libor + 8.75%/Q) | 8/25/2017 | 66.8 | 66.4(2)(17) | |
| | | | | | 106.0 | 104.9 | |
| | Mortgage services | Class A common stock (576 shares) | | 7/31/2012 | 3.8 | — (2) | |
| | Provider of project and portfolio management software | First lien senior secured loan (\$5.1 par due 1/2023) | 6.82% (Libor + 5.25%/Q) | 12/7/2017 | 5.1 | 5.1(2)(17) | |
| | | First lien senior secured loan (\$31.6 par due 1/2023) | 6.82% (Libor + 5.25%/Q) | 1/27/2017 | 31.1 | 31.6(2)(17) | |
| | | First lien senior secured loan (\$5.0 par due 1/2023) | 6.82% (Libor + 5.25%/Q) | 1/27/2017 | 4.9 | 5.0(4)(17) | |
| | | Second lien senior secured loan (\$62.0 par due 7/2023) | 11.32% (Libor + 9.75%/Q) | 1/27/2017 | 61.2 | 62.0(2)(17) | |
| | | Class A common shares (990 shares) | | 1/27/2017 | 1.0 | 1.1(2) | |
| | | Class B common shares (168,329 shares) | | 1/27/2017 | — | 0.2(2) | |
| | | | | | 103.3 | 105.0 | |
| | | Warrant to purchase up to 2,402,991 shares of Series C preferred stock (expires 6/2025) | | 6/25/2015 | 0.1 | — (5) | |
| PowerPlan, Inc. and Project Torque Ultimate | Fixed asset financial management software provider | Second lien senior secured loan (\$30.0 par due | 10.57% (Libor + 9.00%/Q) | 2/23/2015 | 29.8 | 30.0(2)(17) | |

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|--|---|---|--------------------------|------------|------|------|---------|--|
| Parent Corporation | | 2/2023) | | | | | | |
| | | Second lien senior secured loan (\$50.0 par due 2/2023) | 10.57% (Libor + 9.00%/Q) | 2/23/2015 | 49.7 | 50.0 | (17) | |
| | | Class A common stock (1,697 shares) | | 2/23/2015 | 1.7 | 3.3 | (2) | |
| | | Class B common stock (989,011 shares) | | 2/23/2015 | — | — | (2) | |
| | | | | | 81.2 | 83.3 | | |
| Project Alpha Intermediate Holding, Inc. and Qlik Parent, Inc. | Provider of data visualization software for data analytics | Class A common shares (7,444 shares) | | 8/22/2016 | 7.4 | 7.6 | (2) | |
| | | Class B common shares (1,841,608.69 shares) | | 8/22/2016 | 0.1 | — | (2) | |
| | | | | | 7.5 | 7.6 | | |
| R2 Acquisition Corp. | Marketing services | Common stock (250,000 shares) | | 5/29/2007 | 0.2 | 0.3 | (2) | |
| SCM Insurance Services Inc. (9)(21) | Provider of claims management, claims investigation & support and risk management solutions for the Canadian property and casualty insurance industry | First lien senior secured loan (\$21.5 par due 8/2024) | 6.35% (Libor + 5.00%/Q) | 8/29/2017 | 21.5 | 21.0 | (17) | |
| | | Second lien senior secured loan (\$60.5 par due 3/2025) | 10.35% (Libor + 9.00%/Q) | 8/29/2017 | 60.5 | 59.0 | (17) | |
| | | | | | 82.0 | 81.1 | | |
| Shift PPC LLC (21) | Digital solutions provider | First lien senior secured loan (\$1.7 par due 12/2021) | 7.57% (Libor + 6.00%/Q) | 12/22/2016 | 1.7 | 1.7 | (4)(17) | |
| | | First lien senior secured loan (\$3.3 par due 12/2021) | 7.69% (Libor + 6.00%/Q) | 12/22/2016 | 3.3 | 3.3 | (4)(17) | |
| | | First lien senior secured loan (\$5.0 par due 12/2021) | 7.84% (Libor + 6.00%/Q) | 12/22/2016 | 5.0 | 5.0 | (4)(17) | |
| Sparta Systems, Inc., Project Silverback Holdings Corp. and Silverback | Quality management software provider | | | | 10.0 | 10.0 | | |
| | | Second lien senior secured loan (\$20.0 par due 8/2025) | 9.69% (Libor + 8.25%/Q) | 8/21/2017 | 19.6 | 19.0 | (17) | |

Holdings, Inc.
(21)

| | | | |
|---|-----------|------|------|
| Series B preferred shares (10,084 shares) | 8/21/2017 | 1.1 | 1.1 |
| | | 20.7 | 20.9 |

| | | | | | | |
|-----------------------|----------------------------------|--|-----------------------------|----------|-----|------------|
| Talari Networks, Inc. | Networking equipment provider | First lien senior secured loan (\$6.0 par due 10/2019) | 10.88% (Libor + 9.50%/M) | 8/3/2015 | 6.0 | 5.7(5)(17) |
|-----------------------|----------------------------------|--|-----------------------------|----------|-----|------------|

56

As of December 31, 2017
(dollar amounts in millions)

| Company(1) | Business Description | Investment | Interest(6)(12) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|---|---|---|-------------------------|------------------|----------------|------------|--------------------------|
| | | Warrant to purchase up to 421,052 shares of Series D-1 preferred stock (expires 8/2022) | | 8/3/2015 | 0.1 | 0.1(5) | |
| | | | | | 6.1 | 5.8 | |
| The Gordian Group, Inc. (21) | Construction software and service provider | First lien senior secured loan (\$8.4 par due 7/2019) | 6.14% (Libor + 4.50%/Q) | 1/3/2017 | 8.3 | 8.4(3)(17) | |
| | | First lien senior secured loan (\$3.2 par due 7/2019) | 6.14% (Libor + 4.50%/Q) | 1/3/2017 | 3.1 | 3.2(4)(17) | |
| | | First lien senior secured loan (\$8.9 par due 7/2019) | 5.86% (Libor + 4.50%/Q) | 1/3/2017 | 8.8 | 8.9(3)(17) | |
| | | First lien senior secured loan (\$3.4 par due 7/2019) | 5.86% (Libor + 4.50%/Q) | 1/3/2017 | 3.3 | 3.4(4)(17) | |
| | | First lien senior secured loan (\$7.8 par due 7/2019) | 5.95% (Libor + 4.50%/Q) | 1/3/2017 | 7.6 | 7.8(3)(17) | |
| | | First lien senior secured loan (\$2.9 par due 7/2019) | 5.95% (Libor + 4.50%/Q) | 1/3/2017 | 2.9 | 2.9(4)(17) | |
| | | | | | 34.0 | 34.6 | |
| The Greeley Company, Inc. and HCP Acquisition Holdings, LLC (8) | Healthcare compliance advisory services | Senior subordinated loan (\$10.5 par due 3/2017) | | 3/5/2013 | — | — (2)(16) | |
| | | Class A units (14,293,110 units) | | 6/26/2008 | — | — (2) | |
| | | | | | — | — | |
| UL Holding Co., LLC (7) | Provider of collection and landfill avoidance solutions for food waste and unsold food products | Senior subordinated loan (\$2.8 par due 5/2020) | 10.00% PIK | 4/30/2012 | 0.9 | 2.8(2) | |
| | | Senior subordinated loan (\$0.4 par due | | 4/30/2012 | 0.1 | 0.4(2) | |

| | | | | |
|-------------------|------------|-----------|-----|---------|
| 5/2020) | | | | |
| Senior | | | | |
| subordinated loan | 10.00% PIK | 4/30/2012 | 1.9 | 6.2(2) |
| (\$6.2 par due | | | | |
| 5/2020) | | | | |
| Senior | | | | |
| subordinated loan | | 4/30/2012 | 0.2 | 0.5(2) |
| (\$0.5 par due | | | | |
| 5/2020) | | | | |
| Senior | | | | |
| subordinated loan | 10.00% PIK | 4/30/2012 | 7.6 | 24.5(2) |
| (\$24.5 par due | | | | |
| 5/2020) | | | | |
| Senior | | | | |
| subordinated loan | | 4/30/2012 | 1.2 | 3.8(2) |
| (\$3.8 par due | | | | |
| 5/2020) | | | | |
| Class A common | | | | |
| units (533,351 | | 6/17/2011 | 5.0 | 2.8(2) |
| units) | | | | |
| Class B-5 | | | | |
| common units | | 6/17/2011 | 2.5 | 1.4(2) |
| (272,834 units) | | | | |
| Class C common | | | | |
| units (758,546 | | 4/25/2008 | — | — (2) |
| units) | | | | |
| Warrant to | | | | |
| purchase up to | | 5/2/2014 | — | — (2) |
| 719,044 shares of | | | | |
| Class A units | | | | |
| Warrant to | | | | |
| purchase up to | | 5/2/2014 | — | — (2) |
| 28,663 shares of | | | | |
| Class B-1 units | | | | |
| Warrant to | | | | |
| purchase up to | | 5/2/2014 | — | — (2) |
| 57,325 shares of | | | | |
| Class B-2 units | | | | |
| Warrant to | | | | |
| purchase up to | | 5/2/2014 | — | — (2) |
| 29,645 shares of | | | | |
| Class B-3 units | | | | |
| Warrant to | | | | |
| purchase up to | | 5/2/2014 | — | — (2) |
| 80,371 shares of | | | | |
| Class B-5 units | | | | |
| Warrant to | | | | |
| purchase up to | | 5/2/2014 | — | — (2) |
| 59,655 shares of | | | | |
| Class B-6 units | | | | |
| | | 5/2/2014 | — | — (2) |

| | | | | | | | |
|---------------------------------|---|--|----------------------------|------------|-----|------------|------|
| | | Warrant to purchase up to 1,046,713 shares of Class C units | | | | 19.4 | 42.4 |
| Velocity Holdings Corp. | Hosted enterprise resource planning application management services provider | Common units (1,713,546 units) | | 12/13/2013 | 4.5 | 3.4 | |
| Visual Edge Technology, Inc. | Provider of outsourced office solutions with a focus on printer and copier equipment and other parts and supplies | First lien senior secured loan (\$1.2 par due 8/2022) | 7.32% (Libor + 5.75%/Q) | 8/31/2017 | 1.2 | 1.2(2)(17) | |

As of December 31, 2017
(dollar amounts in millions)

| Company(1) | Business Description | Investment | Interest(6)(12) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|-------------------------|---|--|------------------------------|------------------|----------------|--------------|--------------------------|
| VRC Companies, LLC (21) | Provider of records and information management services | First lien senior secured loan (\$3.8 par due 8/2022) | 7.13% (Libor + 5.75%/Q) | 8/31/2017 | 3.8 | 3.8 (2)(17) | |
| | | First lien senior secured loan (\$10.0 par due 8/2022) | 7.23% (Libor + 5.75%/Q) | 8/31/2017 | 10.0 | 10.0 (2)(17) | |
| | | Senior subordinated loan (\$41.5 par due 9/2024) | 12.50% PIK | 8/31/2017 | 37.6 | 39.0 (2) | |
| | | Warrant to purchase up to 1,816,089 shares of common stock (expires 8/2027) | | 8/31/2017 | — | 0.9 (2) | |
| | | Warrant to purchase up to 2,070,511 shares of preferred stock (expires 8/2027) | | 8/31/2017 | 4.1 | 4.4 (2) | |
| | | | | | 56.7 | 59.3 | |
| | | First lien senior secured revolving loan (\$0.8 par due 3/2022) | 10.00% (Base Rate + 5.50%/Q) | 4/17/2017 | 0.8 | 0.8 (2)(17) | |
| | | First lien senior secured loan (\$1.4 par due 3/2023) | 7.82% (Libor + 6.50%/Q) | 4/17/2017 | 1.4 | 1.4 (2)(17) | |
| | | First lien senior secured loan (\$0.2 par due 3/2023) | 8.03% (Libor + 6.50%/Q) | 4/17/2017 | 0.2 | 0.2 (2)(17) | |
| | | First lien senior secured loan (\$0.4 par due 3/2023) | 7.93% (Libor + 6.50%/Q) | 10/3/2017 | 0.4 | 0.4 (2)(17) | |
| | | | | 10/3/2017 | 0.3 | 0.3 (2)(17) | |

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| | | | | | | | |
|---|---|--|-----------------------------|------------|---------|---------|---------|
| | | First lien senior secured loan (\$0.3 par due 3/2023) | 7.98% (Libor + 6.50%/Q) | | | | |
| | | First lien senior secured loan (\$0.3 par due 3/2023) | 8.03% (Libor + 6.50%/Q) | 10/3/2017 | 0.3 | 0.3 | (2)(17) |
| | | First lien senior secured loan (\$5.5 par due 3/2023) | 8.12% (Libor + 6.50%/Q) | 4/17/2017 | 5.5 | 5.5 | (2)(17) |
| | | | | | 8.9 | 8.9 | |
| WorldPay Group PLC (9) | Payment processing company | C2 shares (73,974 shares) | | 10/21/2015 | — | — | (24) |
| Zywave, Inc. (21) | Provider of software and technology-enabled content and analytical solutions to insurance brokers | First lien senior secured revolving loan (\$1.3 par due 11/2022) | 6.57% (Libor + 5.00%/Q) | 11/17/2016 | 1.3 | 1.3 | (2)(17) |
| | | First lien senior secured revolving loan (\$1.0 par due 11/2022) | 8.50% (Base Rate + 4.00%/Q) | 11/17/2016 | 1.0 | 1.0 | (2)(17) |
| | | Second lien senior secured loan (\$27.0 par due 11/2023) | 10.42% (Libor + 9.00%/Q) | 11/17/2016 | 27.0 | 27.0 | (2)(17) |
| | | | | | 29.3 | 29.3 | |
| | | | | | 2,235.8 | 2,267.3 | 31.94 % |
| Consumer Products Badger Sportswear Acquisition, Inc. | Provider of team uniforms and athletic wear | Second lien senior secured loan (\$56.8 par due 3/2024) | 10.46% (Libor + 9.00%/Q) | 9/6/2016 | 56.7 | 56.8 | (2)(17) |
| BRG Sports, Inc. | Designer, manufacturer and licensor of branded sporting goods | Preferred stock (2,009 shares) | | 1/3/2017 | — | — | |
| | | Common stock (6,566,655 shares) | | 1/3/2017 | — | 0.3 | |
| | | | | | — | 0.3 | |
| Consumer Health Parent LLC | Developer and marketer of over-the-counter cold remedy products | Preferred units (1,072 units) | | 12/15/2017 | 1.1 | 1.1 | (2) |
| | | Series A units (1,072 units) | | 12/15/2017 | — | — | (2) |
| | | | | | 1.1 | 1.1 | |
| | | | | 4/24/2014 | 4.2 | 1.0 | (2) |

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| | | | | | | | |
|---|--|---|----------------------------|----------|-------|-------------|--|
| Feradyne Outdoors, LLC and Bowhunter Holdings, LLC | Provider of branded archery and bowhunting accessories | Common units (421 units) | | | | | |
| | | First lien senior secured loan (\$14.6 par due 4/2021) | 8.44% (Libor + 6.75%/Q) | 6/1/2017 | 14.6 | 14.6(2)(17) | |
| Implus Footcare, LLC | Provider of footwear and other accessories | First lien senior secured loan (\$77.5 par due 4/2021) | 8.44% (Libor + 6.75%/Q) | 6/1/2017 | 77.5 | 77.5(2)(17) | |
| | | First lien senior secured loan (\$19.9 par due 4/2021) | 8.44% (Libor + 6.75%/Q) | 6/1/2017 | 19.9 | 19.9(4)(17) | |
| | | | | | 112.0 | 112.0 | |

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As of December 31, 2017
(dollar amounts in millions)

| Company(1) | Business Description | Investment | Interest(6)(12) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|--|---|---|--------------------------|------------------|----------------|------------|--------------------------|
| Indra Holdings Corp. | Designer, marketer, and distributor of rain and cold weather products | Second lien senior secured loan (\$80.0 par due 11/2021) | — | 5/1/2014 | 76.9 | 43.6(2) | (16) |
| Plantation Products, LLC, Seed Holdings, Inc. and Flora Parent, Inc. | Provider of branded lawn and garden products | Second lien senior secured loan (\$2.0 par due 6/2021) | 9.41% (Libor + 7.99%/Q) | 12/23/2014 | 2.0 | 2.0(2) | (17) |
| | | Second lien senior secured loan (\$54.0 par due 6/2021) | 9.41% (Libor + 7.99%/Q) | 12/23/2014 | 53.8 | 54.0(3) | (17) |
| | | Second lien senior secured loan (\$10.0 par due 6/2021) | 9.41% (Libor + 7.99%/Q) | 12/23/2014 | 10.0 | 10.0(4) | (17) |
| | | Common stock (30,000 shares) | | 12/23/2014 | 3.0 | 6.0(2) | |
| | | | | | 68.8 | 72.0 | |
| Rug Doctor, LLC and RD Holdco Inc. (8) | Manufacturer and marketer of carpet cleaning machines | Second lien senior secured loan (\$16.9 par due 12/2018) | 11.42% (Libor + 9.75%/Q) | 1/3/2017 | 16.9 | 16.0(2) | (17) |
| | | Common stock (458,596 shares) | | 1/3/2017 | 14.0 | 10.8 | |
| | | Warrant to purchase up to 56,372 shares of common stock (expires 12/2023) | | 1/3/2017 | — | — | |
| | | | | | 30.9 | 27.7 | |
| S Toys Holdings LLC (fka The Step2 Company, LLC) (8) | Toy manufacturer | Class B common units (126,278,000 units) | | 10/30/2014 | — | 0.5(2) | |
| | | Common units (1,116,879 units) | | 4/1/2011 | — | — | |
| | | Warrant to purchase up to | | 4/1/2010 | — | — | |

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| | | | | | | |
|--|--|---|---|------------|-------|------------|
| | | 3,157,895 units | | | — | 0.5 |
| SHO Holding I Corporation | Manufacturer and distributor of slip resistant footwear | Second lien senior secured loan (\$100.0 par due 4/2023) | 9.92% (Libor + 8.50%/Q) | 10/27/2015 | 98.2 | 92.0(17) |
| Shock Doctor, Inc. and Shock Doctor Holdings, LLC (7) | Developer, marketer and distributor of sports protection equipment and accessories | Second lien senior secured loan (\$89.4 par due 10/2021) | 11.86% (Libor + 10.50%/Q) | 4/22/2015 | 89.4 | 82.8(17) |
| | | Class A preferred units (50,000 units) | | 3/14/2014 | 5.0 | 1.9(2) |
| | | Class C preferred units (50,000 units) | | 4/22/2015 | 5.0 | 1.9(2) |
| | | | | | 99.4 | 86.1 |
| Singer Sewing Company | Manufacturer of consumer sewing machines | First lien senior secured loan (\$174.5 par due 12/2017) | 9.19% (Libor + 7.00% Cash, 0.50% PIK/Q) | 7/26/2017 | 174.5 | 165.2(17) |
| Varsity Brands Holding Co., Inc., Hercules Achievement, Inc., Hercules Achievement Holdings, Inc. and Hercules VB Holdings, Inc. | Leading manufacturer and distributor of textiles, apparel & luxury goods | Second lien senior secured loan (\$122.7 par due 12/2025) | 9.82% (Libor + 8.25%/Q) | 12/15/2017 | 122.7 | 122.2(17) |
| | | Common stock (3,548,841 shares) | | 12/11/2014 | 3.8 | 6.1(2) |
| | | Common stock (3,548,841 shares) | | 12/11/2014 | 4.3 | 6.1(2) |
| | | | | | 130.8 | 134.9 |
| Woodstream Group, Inc. and Woodstream Corporation (21) | Pet products manufacturer | First lien senior secured loan (\$1.0 par due 5/2022) | 7.69% (Libor + 6.25%/Q) | 6/21/2017 | 1.0 | 1.0(2)(17) |
| | | First lien senior secured loan (\$2.0 par due 5/2022) | 7.69% (Libor + 6.25%/Q) | 6/21/2017 | 2.0 | 2.0(4)(17) |
| | | First lien senior secured loan (\$3.1 par due 5/2022) | 7.89% (Libor + 6.25%/Q) | 6/21/2017 | 3.1 | 3.1(2)(17) |
| | | | | 6/21/2017 | 6.2 | 6.2(4)(17) |

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First lien senior 7.89% (Libor +
secured loan 6.25%/Q)
(\$6.2 par due
5/2022)

12.3 12.3
865.8 806.0 11.36 %

Other Services

| | | | | | | |
|--------------------------------------|---|--|-------------------------|-----------|------|------------|
| American Residential Services L.L.C. | Heating, ventilation and air conditioning services provider | Second lien senior secured loan (\$67.0 par due 12/2022) | 9.57% (Libor + 8.00%/Q) | 6/30/2014 | 66.7 | 66.8(17) |
| Associated Asphalt Partners, LLC | Provider of asphalt terminalling, storage and distribution | First lien senior secured loan (\$4.2 par due 4/2024) | 6.82% (Libor + 5.25%/Q) | 3/30/2017 | 4.2 | 3.8(2)(17) |

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As of December 31, 2017
(dollar amounts in millions)

| Company(1) | Business Description | Investment | Interest(6)(12) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|---|--|--|-------------------------|------------------|----------------|----------------|--------------------------|
| Champion Parent Corporation and Calera XVI, LLC (8) | Endurance sports media and event operator | First lien senior secured revolving loan (\$0.7 par due 11/2018) | — | 11/30/2012 | — | — (2)(16) | |
| | | First lien senior secured loan (\$5.9 par due 11/2018) | — | 11/30/2012 | 0.9 | 0.2(2)(16) | |
| | | Preferred shares (18,875 shares) | | 3/25/2016 | — | — (2) | |
| | | Membership units (2,522,512 units) | | 11/30/2012 | — | — (2) | |
| | | Common shares (114,000 shares) | | 3/25/2016 | — | — (2) | |
| | | | | | 0.9 | 0.2 | |
| Crown Health Care Laundry Services, LLC and Crown Laundry Holdings, LLC (7)(21) | Provider of outsourced healthcare linen management solutions | First lien senior secured revolving loan (\$2.0 par due 12/2021) | 7.82% (Libor + 6.25%/Q) | 3/13/2014 | 2.0 | 2.0(2)(17)(20) | |
| | | First lien senior secured loan (\$12.0 par due 12/2021) | 7.82% (Libor + 6.25%/Q) | 4/6/2017 | 12.0 | 12.0(2)(17) | |
| | | First lien senior secured loan (\$5.0 par due 12/2021) | 7.82% (Libor + 6.25%/Q) | 3/13/2014 | 5.0 | 5.0(2)(17) | |
| | | First lien senior secured loan (\$5.2 par due 12/2021) | 7.82% (Libor + 6.25%/Q) | 3/13/2014 | 5.2 | 5.2(3)(17) | |
| | | Class A preferred units (2,475,000 units) | | 3/13/2014 | 2.5 | 3.9(2) | |
| | | Class B common units | | 3/13/2014 | 0.3 | 0.4(2) | |
| | | | | | | | |

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| | | | | | | |
|--|--|---|------------------------------|-----------|-------|------------|
| | | (275,000 units) | | | 27.0 | 28.5 |
| CST Buyer Company (d/b/a Intoxalock) (21) | Provider of ignition interlock devices | First lien senior secured loan (\$11.3 par due 3/2023) | 7.75% (Libor + 6.25%/Q) | 3/1/2017 | 11.0 | 11.0(17) |
| Dwyer Acquisition Parent, Inc. and TDG Group Holding Company | Operator of multiple franchise concepts primarily related to home maintenance or repairs | Senior subordinated loan (\$52.7 par due 2/2020) | 11.00% | 8/15/2014 | 52.7 | 52.7(2) |
| | | Senior subordinated loan (\$23.5 par due 2/2020) | 11.00% | 5/1/2017 | 23.5 | 23.5(2) |
| | | Senior subordinated loan (\$31.5 par due 2/2020) | 11.00% | 6/12/2015 | 31.5 | 31.5(2) |
| | | Common stock (32,843 shares) | | 8/15/2014 | 2.2 | 5.1(2) |
| | | | | | 109.9 | 112.8 |
| Massage Envy, LLC and ME Equity LLC (21) | Franchisor in the massage industry | First lien senior secured revolving loan (\$0.5 par due 9/2020) | 8.44% (Libor + 6.75%/Q) | 6/28/2017 | 0.5 | 0.5(2)(17) |
| | | First lien senior secured loan (\$0.3 par due 9/2020) | 8.23% (Libor + 6.75%/Q) | 4/12/2017 | 0.3 | 0.3(2)(17) |
| | | First lien senior secured loan (\$1.0 par due 9/2020) | 8.24% (Libor + 6.75%/Q) | 4/12/2017 | 1.0 | 1.0(2)(17) |
| | | First lien senior secured loan (\$0.1 par due 9/2020) | 10.00% (Base Rate + 5.50%/Q) | 4/12/2017 | 0.1 | 0.1(2)(17) |
| | | First lien senior secured loan (\$0.3 par due 9/2020) | 8.11% (Libor + 6.75%/Q) | 7/27/2017 | 0.3 | 0.3(2)(17) |
| | | First lien senior secured loan (\$0.5 par due 9/2020) | 8.23% (Libor + 6.75%/Q) | 7/27/2017 | 0.5 | 0.5(2)(17) |
| | | First lien senior secured loan (\$38.5 par due | 8.37% (Libor + 6.75%/Q) | 9/27/2012 | 38.5 | 38.5(17) |

| | | | | | | | |
|-----------------|--------------------------|-------------------|----------------|-----------|------|------|-------------|
| | | 9/2020) | | | | | |
| | | First lien senior | | | | | |
| | | secured loan | 8.37% (Libor + | 9/27/2012 | 18.7 | 18.7 | (17) |
| | | (\$18.7 par due | 6.75%/Q) | | | | |
| | | 9/2020) | | | | | |
| | | Common stock | | | | | |
| | | (3,000,000 | | 9/27/2012 | 3.0 | 4.2 | (2) |
| | | shares) | | | | | |
| | | | | | 62.9 | 64.1 | |
| | | First lien senior | | | | | |
| | | secured | 7.25% (Base | | | | |
| | | revolving loan | Rate + | 9/18/2014 | 0.9 | 0.9 | (3)(17) |
| | | (\$0.9 par due | 2.75%/Q) | | | | |
| | | 9/2020) | | | | | |
| | | First lien senior | | | | | |
| | | secured loan | 7.44% (Libor + | 9/18/2014 | 0.8 | 0.8 | (3)(13)(17) |
| | | (\$0.8 par due | 5.75%/Q) | | | | |
| | | 9/2020) | | | | | |
| | | First lien senior | | | | | |
| | | secured loan | 5.32% (Libor + | 9/18/2014 | 2.5 | 2.5 | (3)(17) |
| | | (\$2.5 par due | 3.75%/Q) | | | | |
| | | 9/2020) | | | | | |
| | | First lien senior | | | | | |
| | | secured loan | 5.44% (Libor + | 9/18/2014 | 2.2 | 2.2 | (3)(17) |
| | | (\$2.2 par due | 3.75%/Q) | | | | |
| | | 9/2020) | | | | | |
| McKenzie Sports | Designer, manufacturer | | | | | | |
| Products, LLC | and distributor of | | | | | | |
| (21) | hunting-related supplies | | | | | | |

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As of December 31, 2017
(dollar amounts in millions)

| Company(1) | Business Description | Investment | Interest(6)(12) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|--|--|---|-----------------------------|------------------|----------------|--------------|--------------------------|
| | | First lien senior secured loan (\$84.5 par due 9/2020) | 7.44% (Libor + 5.75%/Q) | 9/18/2014 | 84.5 | 84.6(13)(17) | |
| | | | | | 90.9 | 90.9 | |
| MSHC, Inc. (21) | Heating, ventilation and air conditioning services provider | First lien senior secured revolving loan (\$0.1 par due 7/2022) | 7.75% (Base Rate + 3.25%/Q) | 7/31/2017 | 0.1 | 0.1(2)(17) | |
| | | First lien senior secured loan (\$1.1 par due 7/2023) | 5.92% (Libor + 4.25%/Q) | 7/31/2017 | 1.1 | 1.1(2)(17) | |
| | | First lien senior secured loan (\$3.2 par due 7/2023) | 5.94% (Libor + 4.25%/Q) | 7/31/2017 | 3.1 | 3.2(2)(17) | |
| | | Second lien senior secured loan (\$46.0 par due 7/2024) | 9.94% (Libor + 8.25%/Q) | 7/31/2017 | 46.0 | 46.0(17) | |
| | | | | | 50.3 | 50.4 | |
| OpenSky Project, Inc. and OSP Holdings, Inc. | Social commerce platform operator | Warrant to purchase up to 159,496 shares of Series D preferred stock (expires 4/2025) | | 6/29/2015 | — | — (2) | |
| Osmose Utilities Services, Inc. (21) | Provider of structural integrity management services to transmission and distribution infrastructure | First lien senior secured revolving loan | — | 1/3/2017 | — | — (19) | |
| | | Second lien senior secured loan (\$25.0 par due | 9.44% (Libor + 7.75%/Q) | 9/3/2015 | 24.6 | 25.0(17) | |

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| | | | | | | | | |
|------------------|---------------------------|-----------------|--------------|------------|-------|-------|-------------|--|
| | | 8/2023) | | | | | | |
| | | Second lien | | | | | | |
| | | senior secured | 9.44% (Libor | 1/3/2017 | 33.4 | 34.0 | (17) | |
| | | loan (\$34.0 | + 7.75%/Q) | | | | | |
| | | par due | | | | | | |
| | | 8/2023) | | | | | | |
| | | | | | 58.0 | 59.0 | | |
| | | Warrant to | | | | | | |
| | | purchase up to | | | | | | |
| | | 215,331 | | | | | | |
| SocialFlow, Inc. | Social media | shares of | | 1/13/2016 | — | — | (5) | |
| | optimization platform | Series C | | | | | | |
| | provider | preferred | | | | | | |
| | | stock (expires | | | | | | |
| | | 1/2026) | | | | | | |
| SoundCloud | Platform for receiving, | Common | | 8/15/2017 | 0.4 | 0.7 | (2) | |
| Limited (9) | sending, and distributing | stock (73,422 | | | | | | |
| | music | shares) | | | | | | |
| | | Second lien | | | | | | |
| Spin HoldCo | Laundry service and | senior secured | 9.21% (Libor | 6/23/2017 | 175.0 | 175.0 | (17) | |
| Inc. | equipment provider | loan (\$175.0 | + 7.75%/Q) | | | | | |
| | | par due | | | | | | |
| | | 5/2023) | | | | | | |
| Tyden Cayman | Producer and marketer | Preferred | | 1/3/2017 | 0.4 | 0.4 | | |
| Holdings Corp. | of global cargo security, | stock (46,276 | | | | | | |
| (9) | product identification | shares) | | | | | | |
| | and traceability products | | | | | | | |
| | and utility meter | | | | | | | |
| | products | | | | | | | |
| | | Common | | | | | | |
| | | stock | | 1/3/2017 | 2.0 | 2.9 | | |
| | | (5,521,203 | | | | | | |
| | | shares) | | | | | | |
| | | | | | 2.4 | 3.3 | | |
| VLS Recovery | Provider of commercial | First lien | | | | | | |
| Services, LLC | and industrial waste | senior secured | 7.53% (Libor | 10/17/2017 | 1.6 | 1.6 | (2)(17)(20) | |
| (21) | processing and disposal | revolving loan | + 6.00%/Q) | | | | | |
| | services | (\$1.6 par due | | | | | | |
| | | 10/2023) | | | | | | |
| | | First lien | | | | | | |
| | | senior secured | 7.53% (Libor | 10/17/2017 | 23.9 | 23.9 | (2)(17) | |
| | | loan (\$23.9 | + 6.00%/Q) | | | | | |
| | | par due | | | | | | |
| | | 10/2023) | | | | | | |
| | | First lien | | | | | | |
| | | senior secured | 7.35% (Libor | 10/17/2017 | 7.4 | 7.4 | (2)(17) | |
| | | loan (\$7.4 par | + 6.00%/Q) | | | | | |
| | | due 10/2023) | | | | | | |
| | | First lien | 9.50% (Base | 10/17/2017 | 0.1 | 0.1 | (2)(17) | |
| | | senior secured | Rate + | | | | | |
| | | loan (\$0.1 par | 5.00%/Q) | | | | | |

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| | | | | | | | | |
|--|--|---|----------------------------|------------|-------|---------|------|---------|
| | | due 10/2023) | | | | 33.0 | 32.8 | |
| WASH Multifamily Acquisition Inc. and Coinamatic Canada Inc. | Laundry service and equipment provider | Second lien senior secured loan (\$3.7 par due 5/2023) | 8.57% (Libor + 7.00%/Q) | 5/14/2015 | 3.7 | 3.7(2) | (17) | |
| | | Second lien senior secured loan (\$21.3 par due 5/2023) | 8.57% (Libor + 7.00%/Q) | 5/14/2015 | 21.0 | 21.0(2) | (17) | |
| | | | | | 24.7 | 24.8 | | |
| Wrench Group LLC (21) | Provider of essential home services to residential customers | First lien senior secured loan (\$4.0 par due 3/2022) | 6.19% (Libor + 4.50%/Q) | 1/31/2017 | 4.0 | 4.0(2) | (17) | |
| | | First lien senior secured loan (\$4.3 par due 3/2022) | 5.85% (Libor + 4.50%/Q) | 12/15/2017 | 4.3 | 4.3(2) | (17) | |
| | | | | | 8.3 | 8.3 | | |
| | | | | | 725.6 | 732.2 | | 10.32 % |
| Manufacturing | | | | | | | | |

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As of December 31, 2017
(dollar amounts in millions)

| Company(1) | Business Description | Investment | Interest(6)(12) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|-------------------------------------|---|---|-------------------------|------------------|----------------|------------|--------------------------|
| Chariot Acquisition, LLC (21) | Aftermarket golf cart parts and accessories | First lien senior secured loan (\$18.4 par due 9/2021) | 7.91% (Libor + 6.25%/Q) | 1/3/2017 | 18.2 | 18.0 | (17) |
| | | First lien senior secured loan (\$9.4 par due 9/2021) | 7.91% (Libor + 6.25%/Q) | 1/3/2017 | 9.3 | 9.2 | (4)(17) |
| | | | | | 27.5 | 27.2 | |
| Component Hardware Group, Inc. (21) | Commercial equipment | First lien senior secured revolving loan (\$1.9 par due 7/2019) | 6.19% (Libor + 4.50%/Q) | 7/1/2013 | 1.9 | 1.9 | (2)(17) |
| | | First lien senior secured loan (\$7.9 par due 7/2019) | 6.19% (Libor + 4.50%/Q) | 7/1/2013 | 7.9 | 7.9 | (4)(17) |
| | | | | | 9.8 | 9.8 | |
| Dorner Holding Corp. (21) | Manufacturer of precision unit conveyors | First lien senior secured revolving loan (\$1.3 par due 3/2022) | 7.32% (Libor + 5.75%/Q) | 3/15/2017 | 1.3 | 1.3 | (2)(17) |
| | | First lien senior secured loan (\$4.4 par due 3/2023) | 7.32% (Libor + 5.75%/Q) | 3/15/2017 | 4.4 | 4.4 | (2)(17) |
| | | | | | 5.7 | 5.7 | |
| ECI Purchaser Company, LLC | Manufacturer of equipment to safely control pressurized gases | First lien senior secured loan (\$21.8 par due 12/2018) | 7.09% (Libor + 5.25%/Q) | 7/26/2017 | 21.8 | 21.6 | (17) |
| | | First lien senior secured loan (\$88.7 par due 12/2018) | 6.92% (Libor + 5.25%/Q) | 7/26/2017 | 88.7 | 87.6 | (17) |
| | | First lien senior secured loan (\$74.8 par due 12/2018) | 6.92% (Libor + 5.25%/Q) | 7/26/2017 | 74.8 | 74.0 | (17) |
| | | First lien senior secured loan (\$0.3 par due 12/2018) | 7.09% (Libor + 5.25%/Q) | 7/26/2017 | 0.3 | 0.3 | (2)(17) |
| | | First lien senior secured loan (\$0.2 par due 12/2018) | 7.09% (Libor + 5.25%/Q) | 7/26/2017 | 0.2 | 0.2 | (3)(17) |
| | | | | | | | |

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|-------------------------------|--|--|--------------------------|------------|-------|-------------|
| | | | | | 185.8 | 183.8 |
| ETG Holdings, Inc. (8) | Industrial woven products | Common stock (3,000 shares) | | 1/3/2017 | — | — |
| Harvey Tool Company, LLC (21) | Cutting tool provider to the metalworking industry | First lien senior secured revolving loan (\$1.8 par due 10/2023) | 5.96% (Libor + 4.50%/Q) | 10/12/2017 | 1.8 | 1.7(2)(17) |
| | | First lien senior secured loan (\$40.8 par due 10/2024) | 6.11% (Libor + 4.75%/Q) | 10/12/2017 | 40.8 | 40.8(2)(17) |
| | | Second lien senior secured loan (\$43.7 par due 10/2025) | 10.02% (Libor + 8.50%/Q) | 10/12/2017 | 43.7 | 43.7(2)(17) |
| | | | | | 86.3 | 85.3 |
| Ioxus, Inc (7) | Energy storage devices | First lien senior secured loan (\$10.2 par due 12/2019) | 12.00% PIK | 4/29/2014 | 10.0 | 10.0(2)(15) |
| | | First lien senior secured loan (\$1.0 par due 12/2019) | — | 4/29/2014 | 1.0 | 1.0(2)(15) |
| | | Series CC preferred stock (67,330,609 shares) | | 1/27/2017 | 0.7 | — (2) |
| | | Warrant to purchase up to 3,038,730 shares of common stock (expires 1/2026) | | 1/28/2016 | — | — (2) |
| | | Warrant to purchase up to 1,210,235 shares of Series BB preferred stock (expires 8/2026) | | 1/28/2016 | — | — (2) |
| | | Warrant to purchase up to 336,653,045 shares of Series CC preferred stock (expires 1/2027) | | 1/27/2017 | — | — (2) |
| | | | | | 11.7 | 11.2 |
| KPS Global LLC | Walk-in cooler and freezer systems | First lien senior secured loan (\$1.7 par due 4/2022) | 3.93% (Libor + 2.50%/Q) | 4/5/2017 | 1.7 | 1.7(2)(17) |
| | | First lien senior secured loan (\$11.2 par due | 7.18% (Libor + 5.75%/Q) | 4/5/2017 | 11.2 | 11.2(2)(17) |

| | | | | | | | |
|------------------|------------------------|---------------------|----------------|------------|-------|------------|--|
| | | 4/2022) | | | | | |
| | | First lien senior | 7.18% (Libor + | 4/5/2017 | 5.6 | 5.5(4)(17) | |
| | | secured loan (\$5.6 | 5.75%/Q) | | | | |
| | | par due 4/2022) | | | | | |
| | | | | | 18.5 | 18.2 | |
| MacLean-Fogg | Manufacturer and | Senior | | | | | |
| Company and | supplier for the power | subordinated loan | 10.50% Cash, | 10/31/2013 | 103.0 | 103.0 | |
| MacLean-Fogg | utility and automotive | (\$103.0 par due | 3.00% PIK | | | | |
| Holdings, L.L.C. | markets worldwide | 10/2025) | | | | | |
| | | Preferred units | 4.50% Cash, | 10/9/2015 | 76.3 | 76.3 | |
| | | (70,183 units) | 9.25% PIK | | | | |

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As of December 31, 2017
(dollar amounts in millions)

| Company(1) | Business Description | Investment | Interest(6)(12) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|--|--|---|-------------------------|------------------|----------------|------------|--------------------------|
| | | | | | 179.3 | 179.3 | |
| Niagara Fiber Intermediate Corp. (21) | Insoluble fiber filler products | First lien senior secured revolving loan (\$0.9 par due 5/2018) | — | 5/8/2014 | — | — | (2)(16) |
| | | First lien senior secured loan (\$5.9 par due 5/2018) | — | 5/8/2014 | 0.2 | — | (2)(16) |
| | | First lien senior secured loan (\$0.6 par due 5/2018) | — | 5/8/2014 | — | — | (2)(16) |
| | | | | | 0.2 | — | |
| Nordco Inc. (21) | Railroad maintenance-of-way machinery | First lien senior secured revolving loan | — | 8/26/2015 | — | — | (19) |
| Pelican Products, Inc. | Flashlights | Second lien senior secured loan (\$40.0 par due 4/2021) | 9.94% (Libor + 8.25%/Q) | 4/11/2014 | 40.0 | 39.6 | (17) |
| Sanders Industries Holdings, Inc. and SI Holdings, Inc. (21) | Elastomeric parts, mid-sized composite structures, and composite tooling | First lien senior secured loan (\$56.5 par due 5/2020) | 7.38% (Libor + 6.00%/Q) | 7/21/2017 | 56.5 | 55.4 | (17) |
| | | First lien senior secured loan (\$14.8 par due 5/2020) | 7.38% (Libor + 6.00%/Q) | 7/21/2017 | 14.8 | 14.6 | (17) |
| | | Common stock (1,500 shares) | | 5/30/2014 | 1.5 | 0.8 | (2) |
| | | | | | 72.8 | 70.7 | |
| Saw Mill PCG Partners LLC | Metal precision engineered components | Common units (1,000 units) | | 1/30/2007 | 1.0 | — | (2) |
| Sonny's Enterprises, LLC (21) | Manufacturer and supplier of car wash equipment, parts and supplies to the | First lien senior secured revolving loan | 6.30% (Libor + 4.75%/Q) | 11/30/2017 | 1.0 | 1.0 | (2)(17) |

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|--|---|--|--------------------------|------------|------|-------------|------|------|
| | conveyorized car wash market | (\$1.0 par due 12/2022) | | | | | | |
| | | First lien | | | | | | |
| | | senior secured | 6.44% (Libor + 4.75%/Q) | 12/5/2017 | 0.9 | 0.9(2)(17) | | |
| | | loan (\$0.9 par due 12/2022) | | | | | | |
| | | First lien | | | | | | |
| | | senior secured | 6.44% (Libor + 4.75%/Q) | 6/1/2017 | 0.4 | 0.4(2)(17) | | |
| | | loan (\$0.4 par due 12/2022) | | | | | | |
| | | First lien | | | | | | |
| | | senior secured | 6.44% (Libor + 4.75%/Q) | 5/3/2017 | 0.2 | 0.2(2)(17) | | |
| | | loan (\$0.2 par due 12/2022) | | | | | | |
| Sunk Rock Foundry Partners LP, Hatteras Electrical Manufacturing Holding Company and Sigma Electric Manufacturing Corporation (21) | Manufacturer of metal castings, precision machined components and sub-assemblies in the electrical products, power transmission and distribution and general industrial markets | First lien | | | | | | |
| | | senior secured | 6.16% (Libor + 4.75%/Q) | 10/31/2017 | 1.5 | 1.5(2)(17) | | |
| | | revolving loan (\$1.5 par due 10/2022) | | | | | | |
| | | First lien | | | | | | |
| | | senior secured | 6.13% (Libor + 4.75%/Q) | 10/31/2017 | 16.4 | 16.2(2)(17) | | |
| | | loan (\$16.4 par due 10/2023) | | | | | | |
| | | First lien | | | | | | |
| | | senior secured | 6.13% (Libor + 4.75%/Q) | 10/31/2017 | 9.3 | 9.2(2)(17) | | |
| | | loan (\$9.3 par due 10/2023) | | | | | | |
| | | | | | | | 27.2 | 26.9 |
| TPTM Merger Corp. (21) | Time temperature indicator products | First lien | | | | | | |
| | | senior secured | 9.98% (Libor + 8.42%/Q) | 9/12/2013 | 10.5 | 10.5(3)(17) | | |
| | | loan (\$10.5 par due 9/2018) | | | | | | |
| | | First lien | | | | | | |
| | | senior secured | 9.98% (Libor + 8.42%/Q) | 9/12/2013 | 6.2 | 6.2(4)(17) | | |
| | | loan (\$6.2 par due 9/2018) | | | | | | |
| | | First lien | | | | | | |
| | | senior secured | 10.11% (Libor + 8.42%/Q) | 9/12/2013 | 6.5 | 6.5(3)(17) | | |
| | | loan (\$6.5 par due 9/2018) | | | | | | |

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|--|-------------------------------|---|--------------------------|-----------|-------|-------------|
| WP CPP Holdings, LLC | Precision engineered castings | First lien senior secured loan (\$3.8 par due 9/2018) | 10.11% (Libor + 8.42%/Q) | 9/12/2013 | 3.8 | 3.8(4)(17) |
| | | | | | 27.0 | 27.0 |
| | | Second lien senior secured loan (\$19.7 par due 4/2021) | 9.13% (Libor + 7.75%/Q) | 1/3/2017 | 18.8 | 19.8(2)(17) |
| | | | | | 714.3 | 706.7 |
| Investment Funds and Vehicles | | | | | | |
| ACAS Equity Holdings Corporation (8)(10) | Investment company | Common stock (589 shares) | | 1/3/2017 | 0.5 | 0.4 |
| Ares IIIR/IVR CLO Ltd. (8)(9)(10) | Investment vehicle | Subordinated notes (\$20.0 par due 4/2021) | | 1/3/2017 | — | 0.1 |

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As of December 31, 2017
(dollar amounts in millions)

| Company(1) | Business Description | Investment | Interest(6)(12) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|---|------------------------|---|-----------------|------------------|----------------|------------|--------------------------|
| Blue Wolf Capital Fund II, L.P. (9)(10) | Investment partnership | Limited partnership interest (8.50% interest) | | 1/3/2017 | 3.0 | 3.5(24) | |
| Carlyle Global Market Strategies CLO 2013-3 (9)(10) | Investment vehicle | Subordinated notes (\$5.0 par due 10/2030) | 15.00% | 1/3/2017 | 2.6 | 3.2 | |
| Cent CLO 2014-22 Limited (9)(10) | Investment vehicle | Subordinated notes (\$45.4 par due 11/2026) | 11.75% | 1/3/2017 | 23.6 | 22.7 | |
| Centurion CDO 8 Limited (9)(10) | Investment vehicle | Subordinated notes (\$5.0 par due 3/2019) | | 1/3/2017 | — | — | |
| CGMS 2015-3A (9)(10) | Investment vehicle | Subordinated notes (\$24.6 par due 7/2028) | 10.00% | 1/3/2017 | 19.2 | 18.9 | |
| CoLTs 2005-1 Ltd. (8)(9)(10) | Investment vehicle | Preferred shares (360 shares) | | 1/3/2017 | — | — | |
| CoLTs 2005-2 Ltd. (8)(9)(10) | Investment vehicle | Preferred shares (34,170,000 shares) | | 1/3/2017 | — | — | |
| CREST Exeter Street Solar 2004-1 (9)(10) | Investment vehicle | Preferred shares (3,500,000 shares) | | 1/3/2017 | — | — | |
| Eaton Vance CDO X plc (9)(10) | Investment vehicle | Subordinated notes (\$15.0 par due 2/2027) | 3.00% | 1/3/2017 | 4.1 | 6.4 | |
| European Capital UK SME Debt LP (8)(9)(10)(22) | Investment partnership | Limited partnership interest (45% interest) | | 1/3/2017 | 41.1 | 41.7 | |
| Flagship CLO V (9)(10) | Investment vehicle | Subordinated notes (\$0.0 par due 9/2019) | | 1/3/2017 | — | — | |
| Goldentree Loan Opportunities VII, Limited (9)(10) | Investment vehicle | Subordinated notes (\$35.3 par due 4/2025) | 4.25% | 1/3/2017 | 18.7 | 19.1 | |
| Halcyon Loan Advisors Funding 2015-2 Ltd. (9)(10) | Investment vehicle | Subordinated notes (\$21.7 par due 7/2027) | 16.35% | 1/3/2017 | 14.0 | 11.3 | |
| HCI Equity, LLC (8)(9)(10) | Investment company | Member interest (100.00% interest) | | 4/1/2010 | — | 0.1(24) | |
| | Investment vehicle | | | 1/3/2017 | 0.9 | 0.5 | |

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|---|---------------------------|--|--------------------------------|------------|--------------|--------------|
| Herbert Park B.V. (9)(10) | | Subordinated notes (\$5.4 par due 10/2026) | | | | |
| Imperial Capital Private Opportunities, LP (10) | Investment partnership | Limited partnership interest (80.00% interest) | | 5/10/2007 | 1.0 | 15.42 |
| LightPoint CLO VII, Ltd. (9)(10) | Investment vehicle | Subordinated notes (\$9.0 par due 5/2021) | | 1/3/2017 | — | — |
| Montgomery Lane, LLC and Montgomery Lane, Ltd. (8)(9)(10) | Investment company | Common stock (100 shares) | | 1/3/2017 | — | 0.6 |
| | | Common stock (50,000 shares) | | 1/3/2017 | — | — |
| | | | | | — | 0.6 |
| OAKC 2015-11 (9)(10) | Investment vehicle | Subordinated notes (\$17.8 par due 10/2028) | 9.50% | 1/3/2017 | 14.3 | 13.0 |
| Partnership Capital Growth Fund I, L.P. (10) | Investment partnership | Limited partnership interest (25.00% interest) | | 6/16/2006 | — | 0.1(2)(24) |
| Partnership Capital Growth Investors III, L.P. (10)(22) | Investment partnership | Limited partnership interest (2.50% interest) | | 10/5/2011 | 2.5 | 3.5(2)(24) |
| PCG-Ares Sidecar Investment II, L.P. (10)(22) | Investment partnership | Limited partnership interest (100.00% interest) | | 10/31/2014 | 7.5 | 11.72 |
| PCG-Ares Sidecar Investment, L.P. (10)(22) | Investment partnership | Limited partnership interest (100.00% interest) | | 5/22/2014 | 4.4 | 5.1(2) |
| Piper Jaffray Merchant Banking Fund I, L.P. (10)(22) | Investment partnership | Limited partnership interest (2.00% interest) | | 8/16/2012 | 1.5 | 1.6(24) |
| Qualium Investissement (9)(10) | Investment partnership | Class A common stock (9,900,000 shares) | | 1/3/2017 | 5.9 | 6.5(24) |
| | | Class B common stock (100,000 shares) | | 1/3/2017 | 0.1 | 0.1(24) |
| | | Class C common stock (48,939 shares) | | 1/3/2017 | 0.1 | 0.1(24) |
| Senior Direct Lending Program, LLC | Co-investment vehicle | Subordinated certificates | 9.34% (Libor + 8.00%/Q)(18) | 7/27/2016 | 6.1 487.1 | 6.7 487.1 |

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|---------------------------------|--------------------|---|--------|-----------|-------|------------|
| (8)(10)(23) | | (\$487.1 par due 12/2036) | | | | |
| | | Member interest (87.50% interest) | | 7/27/2016 | — | — |
| | | | | | 487.1 | 487.1 |
| Vitesse CLO, Ltd. (9)(10) | Investment vehicle | Preferred shares (20,000,000 shares) | | 1/3/2017 | — | — |
| Voya CLO 2014-4 Ltd. (9)(10) | Investment vehicle | Subordinated notes (\$26.7 par due 10/2026) | 10.50% | 1/3/2017 | 17.0 | 18.6 |
| VSC Investors LLC (10) | Investment company | Membership interest (1.95% interest) | | 1/24/2008 | 0.3 | 1.3(2)(24) |

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As of December 31, 2017
(dollar amounts in millions)

| Company(1) | Business Description | Investment | Interest(6)(12) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|--|---|--|---------------------------|------------------|----------------|------------|--------------------------|
| | | | | | 669.4 | 692.3 | 9.75 % |
| Financial Services Callidus Capital Corporation (8) | Asset management services | Common stock (100 shares) First lien senior secured revolving loan (\$14.0 par due 12/2017) | | 4/1/2010 | 3.0 | 1.7 | |
| Ciena Capital LLC (8)(21) | Real estate and small business loan servicer | Equity interests | 6.00% | 11/29/2010 | 14.0 | 14.0(2) | |
| | | | | 11/29/2010 | 25.0 | 18.8(2) | |
| | | | | | 39.0 | 32.3 | |
| Commercial Credit Group, Inc. | Commercial equipment finance and leasing company | Senior subordinated loan (\$28.0 par due 8/2022) | 11.11% (Libor + 9.75%/Q) | 5/10/2012 | 28.0 | 28.0(2) | (17) |
| DFC Global Facility Borrower II LLC (21) | Non-bank provider of alternative financial services | First lien senior secured revolving loan (\$75.0 par due 9/2022) | 12.11% (Libor + 10.75%/Q) | 9/27/2017 | 75.0 | 75.0(2) | (17) |
| Financial Asset Management Systems, Inc. and FAMS Holdings, Inc. (7) | Debt collection services provider | Common stock (180 shares) | | 1/11/2017 | — | — (2) | |
| Gordian Group, LLC | Provider of products, services and software to organizations pursuing efficient and effective procurement and information solutions | Common stock (526 shares) | | 11/30/2012 | — | — (2) | |
| Imperial Capital Group LLC | Investment services | Class A common units (24,945 units) | | 5/10/2007 | 6.1 | 10.2(2) | |
| | | 2006 Class B common units (8,173 units) | | 5/10/2007 | — | — (2) | |
| | | | | | 6.1 | 10.2 | |
| Ivy Hill Asset Management, | Asset management services | Member interest (100.00%) | | 6/15/2009 | 244.0 | 315.1 | |

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| | | | | | | | | |
|--|---|--|---------------------------|-----------|-------|-------|---------|---|
| L.P. (8)(10) | | interest) | | | | | | |
| Javlin Three LLC, Javlin Four LLC, and Javlin Five LLC (10) | Asset-backed financial services company | First lien senior secured loan (\$18.6 par due 6/2017) | 11.36% (Libor + 10.00%/Q) | 6/24/2014 | 18.6 | 16.82 | (17) | |
| LS DE LLC and LM LSQ Investors LLC (10) | Asset based lender | Senior subordinated loan (\$3.0 par due 6/2021) | 10.50% | 6/15/2017 | 3.0 | 3.0 | (2) | |
| | | Senior subordinated loan (\$27.0 par due 6/2021) | 10.50% | 6/25/2015 | 27.0 | 27.02 | (2) | |
| | | Membership units (3,275,000 units) | | 6/25/2015 | 3.3 | 3.9 | | |
| | | | | | 33.3 | 33.9 | | |
| | | | | | 447.0 | 513.0 | 7.23 | % |
| Food and Beverage American Seafoods Group LLC and American Seafoods Partners LLC | Harvester and processor of seafood | Second lien senior secured loan (\$87.0 par due 2/2024) | 9.57% (Libor + 8.13%/Q) | 8/21/2017 | 86.8 | 87.02 | (17) | |
| | | Class A units (77,922 units) | | 8/19/2015 | 0.1 | 0.1 | (2) | |
| | | Warrant to purchase up to 7,422,078 Class A units (expires 8/2035) | | 8/19/2015 | 7.4 | 10.42 | | |
| | | | | | 94.3 | 97.2 | | |
| Bakemark Holdings, Inc. | Manufacturer and distributor of specialty bakery ingredients | First lien senior secured loan (\$1.7 par due 8/2023) | 6.94% (Libor + 5.25%/Q) | 8/14/2017 | 1.7 | 1.7 | (2)(17) | |
| DecoPac, Inc. (21) | Supplier of cake decorating solutions and products to in-store bakeries | First lien senior secured revolving loan (\$2.3 par due 9/2023) | 5.94% (Libor + 4.25%/Q) | 9/29/2017 | 2.3 | 2.2 | (2)(17) | |
| | | First lien senior secured revolving loan (\$0.3 par due 9/2023) | 5.89% (Libor + 4.25%/Q) | 9/29/2017 | 0.3 | 0.3 | (2)(17) | |
| | | First lien senior secured loan (\$8.4 par due | 5.94% (Libor + 4.25%/Q) | 9/29/2017 | 8.4 | 8.3 | (2)(17) | |

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|------------------------------------|---|---|-----------------------------|-----------|------|------------|
| | | 9/2024) | | | 11.0 | 10.8 |
| Eagle Family Foods Group LLC | Manufacturer and producer of milk products | First lien senior secured loan (\$0.2 par due 12/2021) | 5.69% (Libor + 4.00%/Q) | 8/29/2017 | 0.2 | 0.2(2)(17) |
| | | First lien senior secured loan (\$7.9 par due 12/2021) | 10.74% (Libor + 9.05%/Q) | 9/11/2017 | 7.8 | 7.5(2)(17) |

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As of December 31, 2017
(dollar amounts in millions)

| Company(1) | Business Description | Investment | Interest(6)(12) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|--|--|---|--------------------------|------------------|----------------|------------|--------------------------|
| Edward Don & Company, LLC and VCP-EDC Co-Invest, LLC | Distributor of foodservice equipment and supplies | First lien senior secured loan (\$1.4 par due 12/2021) | 10.74% (Libor + 9.05%/Q) | 8/22/2016 | 1.4 | 1.3(2)(17) | |
| | | First lien senior secured loan (\$20.2 par due 12/2021) | 10.74% (Libor + 9.05%/Q) | 8/22/2016 | 20.2 | 19.23(17) | |
| | | First lien senior secured loan (\$54.8 par due 12/2021) | 10.74% (Libor + 9.05%/Q) | 12/31/2015 | 54.5 | 52.03(17) | |
| | | | | | 84.1 | 80.2 | |
| | | First lien senior secured loan (\$47.6 par due 9/2022) | 10.00% (Libor + 8.50%/Q) | 3/31/2017 | 47.6 | 47.62(17) | |
| FPI Holding Corporation (8)(21) | Distributor of fruits | Membership units (2,970,000 units) | | 6/9/2017 | 3.0 | 3.4 | |
| | | | | | 50.6 | 51.0 | |
| Gehl Foods, LLC and GF Parent LLC | Producer of low-acid, aseptic food and beverage products | First lien senior secured loan (\$0.7 par due 6/2018) | — | 1/3/2017 | 0.4 | 0.4(16) | |
| | | First lien senior secured loan (\$120.7 par due 6/2019) | 7.88% (Libor + 6.50%/Q) | 7/26/2017 | 120.7 | 120.2(17) | |
| | | Class A preferred units (2,940 units) | | 5/13/2015 | 2.9 | 1.9(2) | |
| | | Class A common units (60,000 units) | | 5/13/2015 | 0.1 | — (2) | |
| | | Class B common units (0.26 units) | | 5/13/2015 | — | — (2) | |
| | | | | | 123.7 | 122.6 | |
| JWC/KI Holdings, LLC | Foodservice sales and marketing agency | Membership units (5,000 units) | | 11/16/2015 | 5.0 | 5.3(2) | |

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| | | | | | | | |
|--|--|--|-----------------------------|------------|------|------|---------|
| Kettle Cuisine, LLC | Manufacturer of fresh refrigerated and frozen food products | Second lien senior secured loan (\$28.5 par due 2/2022) | 11.21% (Libor + 9.75%/Q) | 8/21/2015 | 28.5 | 28.5 | (17) |
| NECCO Holdings, Inc. and New England Confectionery Company, Inc. (8)(21) | Producer and supplier of candy | First lien senior secured revolving loan (\$21.7 par due 1/2018) | — | 1/3/2017 | 9.7 | 9.2 | (16) |
| | | First lien senior secured loan (\$0.6 par due 8/2018) | — | 11/20/2017 | 0.6 | — | (16) |
| | | First lien senior secured loan (\$10.9 par due 1/2018) | — | 1/3/2017 | 0.9 | 1.3 | (16) |
| | | First lien senior secured loan (\$0.7 par due 1/2018) | — | 11/20/2017 | 0.7 | 0.1 | (16) |
| | | Common stock (860,189 shares) | | 1/3/2017 | — | — | |
| | | | | | 11.9 | 10.6 | |
| RF HP SCF Investor, LLC (10) | Branded specialty food company | Membership interest (10.08% interest) | | 12/22/2016 | 12.5 | 14.4 | (2) |
| Teasdale Foods, Inc. (21) | Provider of beans, sauces and hominy to the retail, foodservice and wholesale channels | First lien senior secured revolving loan (\$0.2 par due 10/2020) | 6.18% (Libor + 4.75%/Q) | 6/30/2017 | 0.2 | 0.2 | (2)(17) |
| | | First lien senior secured revolving loan (\$0.2 par due 10/2020) | 8.25% (Base Rate + 3.75%/Q) | 6/30/2017 | 0.2 | 0.2 | (2)(17) |
| | | Second lien senior secured loan (\$33.6 par due 10/2021) | 10.44% (Libor + 8.75%/Q) | 1/3/2017 | 33.6 | 33.3 | (2)(17) |
| | | Second lien senior secured loan (\$21.3 par due 10/2021) | 10.11% (Libor + 8.75%/Q) | 1/3/2017 | 21.3 | 21.4 | (2)(17) |
| | | Second lien senior secured loan (\$31.5 par due 10/2021) | 10.13% (Libor + 8.75%/Q) | 1/3/2017 | 31.5 | 31.2 | (2)(17) |
| | | | | | 86.8 | 86.0 | |

| | | | | | | |
|-----------------------|---|--|------------|-------|------------|---|
| Power Generation | | | 510.5 | 508.7 | 7.17 | % |
| Alphabet Energy, Inc. | Technology developer to convert waste-heat into electricity | First lien senior secured loan (\$3.4 par due 8/2017) | 12/16/2013 | 3.3 | 0.4(2)(16) | |
| | | Series 1B preferred stock (12,976 shares) | 6/21/2016 | 0.2 | — (2) | |
| | | Warrant to purchase up to 125,000 shares of Series 2 preferred stock (expires 12/2023) | 6/30/2016 | 0.1 | — (2) | |

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As of December 31, 2017
(dollar amounts in millions)

| Company(1) | Business Description | Investment | Interest(6)(12) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|---|--|--|-------------------------|------------------|----------------|-------------|--------------------------|
| | | | | | 3.6 | 0.4 | |
| CPV Maryland Holding Company II, LLC | Gas turbine power generation facilities operator | Senior subordinated loan (\$46.1 par due 12/2020) Warrant to purchase up to 4 units of common stock (expires 8/2018) | 5.00% Cash, 5.00% PIK | 8/8/2014 | 46.1 | 42.4(2) | |
| | | | | 8/8/2014 | — | — (2) | |
| | | | | | 46.1 | 42.4 | |
| DESRI VI Management Holdings, LLC | Wind power generation facility operator | Senior subordinated loan (\$13.9 par due 12/2021) | 10.00% | 12/24/2014 | 13.9 | 13.0(2) | |
| Green Energy Partners, Stonewall LLC and Panda Stonewall Intermediate Holdings II LLC | Gas turbine power generation facilities operator | First lien senior secured loan (\$24.9 par due 11/2021) | 7.19% (Libor + 5.50%/Q) | 11/13/2014 | 24.8 | 24.4(2)(17) | |
| | | Senior subordinated loan (\$20.2 par due 12/2021) | 8.00% Cash, 5.25% PIK | 11/13/2014 | 20.2 | 19.6(2) | |
| | | Senior subordinated loan (\$94.6 par due 12/2021) | 8.00% Cash, 5.25% PIK | 11/13/2014 | 94.6 | 91.8(2) | |
| | | | | | 139.6 | 135.2 | |
| Joule Unlimited Technologies, Inc. and Stichting Joule Global Foundation | Renewable fuel and chemical production developer | First lien senior secured loan (\$8.3 par due 10/2018) Warrant to purchase up to 32,051 shares of Series C-2 preferred stock (expires 7/2023) | — | 3/31/2015 | 7.9 | 0.4(2)(16) | |
| | | | | 7/25/2013 | — | — (2)(9) | |

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| | | | | | | | |
|--|--|---|--------------------------|------------|-------|-------|---------|
| | | | | | 7.9 | 0.4 | |
| Moxie Patriot LLC | Gas turbine power generation facilities operator | First lien senior secured loan (\$33.9 par due 12/2020) | 7.44% (Libor + 5.75%/Q) | 12/19/2013 | 33.8 | 33.42 | (17) |
| Navisun LLC and Navisun Holdings LLC (8)(21) | Owner and operator of commercial and industrial solar projects | First lien senior secured loan (\$2.6 par due 11/2023) | 8.00% PIK | 11/15/2017 | 2.6 | 2.6 | (2) |
| | | Series A Preferred units (1,000 units) | 10.50% PIK | 11/15/2017 | 0.3 | 0.3 | (2) |
| | | Class A units (550 units) | | 11/15/2017 | — | — | (2) |
| | | | | | 2.9 | 2.9 | |
| Panda Liberty LLC (fka Moxie Liberty LLC) | Gas turbine power generation facilities operator | First lien senior secured loan (\$5.0 par due 8/2020) | 8.19% (Libor + 6.50%/Q) | 5/8/2017 | 4.6 | 4.6 | (2)(17) |
| | | First lien senior secured loan (\$34.4 par due 8/2020) | 8.19% (Libor + 6.50%/Q) | 8/21/2013 | 34.2 | 31.62 | (17) |
| | | | | | 38.8 | 36.2 | |
| Panda Temple Power II, LLC | Gas turbine power generation facilities operator | First lien senior secured loan (\$19.6 par due 4/2019) | 7.69% (Libor + 6.00%/Q) | 4/3/2013 | 19.6 | 17.42 | (17) |
| Panda Temple Power, LLC | Gas turbine power generation facilities operator | First lien senior secured revolving loan (\$2.3 par due 4/2018) | 10.35% (Libor + 9.00%/Q) | 4/28/2017 | 2.3 | 2.3 | (2)(17) |
| | | First lien senior secured loan (\$24.8 par due 3/2022) | — | 3/6/2015 | 23.6 | 18.42 | (16) |
| | | | | | 25.9 | 20.7 | |
| PERC Holdings 1 LLC | Operator of recycled energy, combined heat and power, and energy efficiency facilities | Class B common units (21,653,543 units) | | 10/20/2014 | 21.7 | 24.02 | |
| Riverview Power LLC | Operator of natural gas and oil fired power generation facilities | First lien senior secured loan (\$98.1 par due 12/2022) | 9.69% (Libor + 8.00%/Q) | 12/29/2016 | 95.9 | 98.22 | (17) |
| | | | | | 449.7 | 425.1 | 5.99 % |
| Restaurants and Food Services | | | | | | | |
| ADF Capital, Inc., ADF Restaurant | Restaurant owner and operator | First lien senior secured loan | 19.67% PIK (Libor + | 12/22/2016 | 3.7 | 3.7 | (2)(17) |

Group, LLC, and
ARG Restaurant
Holdings, Inc.
(8)(21)

(\$3.7 par due 18.00%/Q)
12/2018)

| | | | | | |
|---|---|------------|------|-------|------|
| First lien senior secured loan | — | 11/27/2006 | 39.9 | 12.82 | (16) |
| (\$49.3 par due 12/2018) | | | | | |
| Promissory note | | 11/27/2006 | 13.8 | — | (2) |
| (\$29.2 par due 12/2023) | | | | | |
| Warrant to purchase up to 0.95 units of Series D common stock (expires 12/2023) | | 12/18/2013 | — | — | (2) |

As of December 31, 2017
(dollar amounts in millions)

| Company(1) | Business Description | Investment | Interest(6)(12) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|---|---|---|------------------------------|------------------|----------------|----------------|--------------------------|
| | | | | | 57.4 | 16.0 | |
| Benihana, Inc. (21) | Restaurant owner and operator | First lien senior secured revolving loan (\$0.5 par due 7/2018) | 8.57% (Libor + 7.00%/Q) | 8/21/2012 | 0.5 | 0.5(2)(17)(20) | |
| | | First lien senior secured revolving loan (\$1.1 par due 7/2018) | 8.69% (Libor + 7.00%/Q) | 8/21/2012 | 1.1 | 1.1(2)(17)(20) | |
| | | First lien senior secured revolving loan (\$1.0 par due 7/2018) | 10.25% (Base Rate + 5.75%/Q) | 8/21/2012 | 1.0 | 0.9(2)(17)(20) | |
| | | First lien senior secured loan (\$0.3 par due 1/2019) | 8.59% (Libor + 7.00%/Q) | 12/28/2016 | 0.3 | 0.3(2)(17) | |
| | | First lien senior secured loan (\$4.7 par due 1/2019) | 8.59% (Libor + 7.00%/Q) | 8/21/2012 | 4.7 | 4.5(4)(17) | |
| | | | | | 7.6 | 7.3 | |
| Cozzini Bros., Inc. and BH-Sharp Holdings LP (21) | Provider of commercial knife sharpening and cutlery services in the restaurant industry | First lien senior secured loan (\$1.9 par due 3/2023) | 7.07% (Libor + 5.50%/Q) | 3/10/2017 | 1.9 | 1.9(2)(17) | |
| | | First lien senior secured loan (\$1.2 par due 3/2023) | 6.92% (Libor + 5.50%/Q) | 3/10/2017 | 1.2 | 1.2(2)(17) | |
| | | First lien senior secured loan (\$19.3 par due 3/2023) | 6.92% (Libor + 5.50%/Q) | 3/10/2017 | 19.3 | 19.3(4)(17) | |
| | | Common units (2,950,000 units) | | 3/10/2017 | 3.0 | 2.8(2) | |
| | | | | | 25.4 | 25.2 | |
| | | | | 8/21/2017 | 0.3 | 0.3(2)(17) | |

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|---|--|---|-------------------------|------------|------|----------------|
| FWR Holding Corporation (21) | Restaurant owner, operator, and franchisor | First lien senior secured revolving loan (\$0.3 par due 8/2023) | 7.57% (Libor + 6.00%/Q) | | | |
| | | First lien senior secured loan (\$0.2 par due 8/2023) | 7.60% (Libor + 6.00%/Q) | 8/21/2017 | 0.2 | 0.2(2)(17) |
| | | First lien senior secured loan (\$2.0 par due 8/2023) | 7.32% (Libor + 6.00%/Q) | 8/21/2017 | 2.0 | 2.0(2)(17) |
| | | First lien senior secured loan (\$2.0 par due 8/2023) | 7.48% (Libor + 6.00%/Q) | 8/21/2017 | 2.0 | 2.0(2)(17) |
| Garden Fresh Restaurant Corp. and GFRC Holdings LLC (8)(21) | Restaurant owner and operator | | | | 4.5 | 4.5 |
| | | First lien senior secured revolving loan (\$0.1 par due 2/2022) | 9.50% (Libor + 8.00%/Q) | 2/1/2017 | 0.1 | 0.1(2)(17)(20) |
| | | First lien senior secured loan (\$24.9 par due 2/2022) | 9.50% (Libor + 8.00%/Q) | 10/3/2013 | 24.9 | 24.9(2)(17) |
| | | | | | 25.0 | 25.0 |
| Global Franchise Group, LLC (21) | Worldwide franchisor of quick service restaurants | First lien senior secured loan (\$8.7 par due 12/2019) | 7.44% (Libor + 5.75%/Q) | 9/15/2017 | 8.7 | 8.6(2)(17) |
| Heritage Food Service Group, Inc. and WCI-HFG Holdings, LLC | Distributor of repair and replacement parts for commercial kitchen equipment | Second lien senior secured loan (\$31.6 par due 10/2022) | 9.92% (Libor + 8.50%/Q) | 10/20/2015 | 31.6 | 31.6(2)(17) |
| | | Preferred units (3,000,000 units) | | 10/20/2015 | 3.0 | 3.6(2) |
| | | | | | 34.6 | 35.2 |
| Hojeij Branded Foods, LLC (21) | Leading operator of airport concessions across the U.S. | First lien senior secured loan (\$0.3 par due 7/2022) | 7.29% (Libor + 6.00%/Q) | 7/20/2017 | 0.3 | 0.3(2)(17) |
| | | First lien senior secured loan (\$6.3 par due 7/2022) | 7.57% (Libor + 6.00%/Q) | 7/20/2017 | 6.2 | 6.3(4)(17) |
| | | | | | 6.5 | 6.6 |
| | | | | 7/10/2017 | 1.2 | 1.2(2)(17) |

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|--|----------------------------------|------------------|----------------|-----------|------|------------|--|
| Jim N Nicks Management, LLC (21) | Restaurant owner and operator | First lien | 6.71% (Libor + | | | | |
| | | senior secured | 5.25%/Q) | | | | |
| | | revolving loan | | | | | |
| | | (\$1.2 par due | | | | | |
| | | 7/2023) | | | | | |
| | | First lien | | | | | |
| | | senior secured | 6.64% (Libor + | 7/10/2017 | 0.5 | 0.5(2)(17) | |
| | | revolving loan | 5.25%/Q) | | | | |
| | | (\$0.5 par due | | | | | |
| | | 7/2023) | | | | | |
| | | First lien | | | | | |
| | | senior secured | 6.63% (Libor + | 7/10/2017 | 0.6 | 0.6(2)(17) | |
| | | loan (\$0.6 par | 5.25%/Q) | | | | |
| | | due 7/2023) | | | | | |
| | | First lien | | | | | |
| | | senior secured | 6.94% (Libor + | 7/10/2017 | 0.6 | 0.6(2)(17) | |
| | | loan (\$0.6 par | 5.25%/Q) | | | | |
| | | due 7/2023) | | | | | |
| | | First lien | | | | | |
| | | senior secured | 6.94% (Libor + | 7/10/2017 | 14.1 | 13.84(17) | |
| | | loan (\$14.1 par | 5.25%/Q) | | | | |
| | | due 7/2023) | | | | | |
| | | | | | 17.0 | 16.7 | |

As of December 31, 2017
(dollar amounts in millions)

| Company(1) | Business Description | Investment | Interest(6)(12) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|--------------------------|-----------------------------------|---|-------------------------|------------------|----------------|-------------|--------------------------|
| Orion Foods, LLC (8) | Convenience food service retailer | First lien senior secured loan (\$1.2 par due 9/2015) | — | 4/1/2010 | 1.2 | 0.5(2)(16) | |
| | | Second lien senior secured loan (\$19.4 par due 9/2015) | — | 4/1/2010 | — | — (2)(16) | |
| | | Preferred units (10,000 units) | | 10/28/2010 | — | — (2) | |
| | | Class A common units (25,001 units) | | 4/1/2010 | — | — (2) | |
| | | Class B common units (1,122,452 units) | | 4/1/2010 | — | — (2) | |
| | | | | | 1.2 | 0.5 | |
| OTG Management, LLC (21) | Airport restaurant operator | First lien senior secured revolving loan (\$8.4 par due 8/2021) | 9.85% (Libor + 8.50%/Q) | 8/26/2016 | 8.4 | 8.4(2)(17) | |
| | | First lien senior secured loan (\$4.9 par due 8/2021) | 9.88% (Libor + 8.50%/Q) | 8/26/2016 | 4.9 | 4.9(2)(17) | |
| | | First lien senior secured loan (\$1.6 par due 8/2021) | 9.91% (Libor + 8.50%/Q) | 8/26/2016 | 1.6 | 1.6(2)(17) | |
| | | First lien senior secured loan (\$2.2 par due 8/2021) | 9.98% (Libor + 8.50%/Q) | 8/26/2016 | 2.2 | 2.2(2)(17) | |
| | | First lien senior secured loan (\$97.8 par due 8/2021) | 9.88% (Libor + 8.50%/Q) | 8/26/2016 | 97.8 | 97.8(2)(17) | |
| | | Senior subordinated loan (\$25.3 par | 17.50% PIK | 8/26/2016 | 25.1 | 25.1(2) | |
| | | | | | | | |

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|---------------|--------------------------|-------------------|--------------|------------|-------|----------------|--|--------|
| | | due 2/2022) | | | | | | |
| | | Class A | | | | | | |
| | | preferred units | | 8/26/2016 | 30.0 | 34.72) | | |
| | | (3,000,000 | | | | | | |
| | | units) | | | | | | |
| | | Common units | | 1/5/2011 | 3.0 | 9.1(2) | | |
| | | (3,000,000 | | | | | | |
| | | units) | | | | | | |
| | | Warrant to | | | | | | |
| | | purchase up to | | 6/19/2008 | 0.1 | —(2) | | |
| | | 7.73% of | | | | | | |
| | | common units | | | | | | |
| | | (expires 6/2018) | | | | | | |
| | | Warrant to | | | | | | |
| | | purchase 0.60% | | 8/29/2016 | — | 19.02) | | |
| | | of the common | | | | | | |
| | | units deemed | | | | | | |
| | | outstanding | | | | | | |
| | | (expires | | | | | | |
| | | 12/2018) | | | | | | |
| | | | | | 173.1 | 203.9 | | |
| Restaurant | | First lien senior | | | | | | |
| Holding | | secured loan | 9.32% (Libor | 3/13/2014 | 31.6 | 30.73)(17) | | |
| Company, LLC | Fast food restaurant | (\$31.7 par due | + 7.75%/Q) | | | | | |
| | operator | 2/2019) | | | | | | |
| Restaurant | | First lien senior | | | | | | |
| Technologies, | Provider of bulk | secured | 6.32% (Libor | 11/23/2016 | 0.2 | 0.2(2)(17)(20) | | |
| Inc. (21) | cooking oil management | revolving loan | + 4.75%/Q) | | | | | |
| | services to the | (\$0.2 par due | | | | | | |
| | restaurant and fast food | 11/2021) | | | | | | |
| | service industries | First lien senior | | | | | | |
| | | secured | 6.30% (Libor | 11/23/2016 | 0.4 | 0.4(2)(17)(20) | | |
| | | revolving loan | + 4.75%/Q) | | | | | |
| | | (\$0.4 par due | | | | | | |
| | | 11/2021) | | | | | | |
| | | | | | 0.6 | 0.6 | | |
| SFE | | First lien senior | | | | | | |
| Intermediate | | secured | 6.50% (Libor | 7/31/2017 | 0.8 | 0.8(2)(17) | | |
| Holdco LLC | Provider of outsourced | revolving loan | + 5.00%/Q) | | | | | |
| (21) | foodservice to K-12 | (\$0.8 par due | | | | | | |
| | school districts | 7/2022) | | | | | | |
| | | First lien senior | | | | | | |
| | | secured loan | 6.38% (Libor | 7/31/2017 | 6.7 | 6.8(4)(17) | | |
| | | (\$6.8 par due | + 5.00%/Q) | | | | | |
| | | 7/2023) | | | | | | |
| | | | | | 7.5 | 7.6 | | |
| | | | | | 400.7 | 388.4 | | 5.47 % |
| Automotive | | | | | | | | |
| Services | | | | | | | | |
| A.U.L. Corp. | | First lien senior | 9.00% (Base | 6/7/2017 | 0.4 | 0.4(2)(17) | | |
| (21) | Provider of vehicle | secured | Rate + | | | | | |
| | service contracts | | | | | | | |

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|---|--|--|--|-----------|-----|------------|--|
| AEP Holdings, Inc. and Arrowhead Holdco Company | Distributor of non-discretionary, mission-critical aftermarket replacement parts | (“VSCs”) and limited warranties for passenger vehicles | revolving loan 4.50%/Q) | | | | |
| | | | (\$0.4 par due 6/2023) | | | | |
| | | | First lien senior secured loan 6.75% (Libor + 5.00%/Q) | 6/7/2017 | 7.8 | 7.8(2)(17) | |
| | | | (\$7.8 par due 6/2023) | | | | |
| | | | | | 8.2 | 8.2 | |
| | | | First lien senior secured loan 7.09% (Libor + 5.75%/Q) | 7/21/2017 | 0.1 | 0.1(2)(17) | |
| | | | (\$0.1 par due 8/2021) | | | | |
| | | | First lien senior secured loan 7.13% (Libor + 5.75%/Q) | 7/21/2017 | 3.0 | 3.0(2)(17) | |
| | | | (\$3.0 par due 8/2021) | | | | |
| | | | First lien senior secured loan 7.23% (Libor + 5.75%/Q) | 7/21/2017 | 1.5 | 1.5(2)(17) | |
| | | | (\$1.5 par due 8/2021) | | | | |

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As of December 31, 2017
(dollar amounts in millions)

| Company(1) | Business Description | Investment | Interest(6)(12) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|--|--|--|--------------------------|------------------|----------------|------------|--------------------------|
| | | Common stock (3,467 shares) | | 8/31/2015 | 3.5 | 4.3(2) | |
| | | | | | 8.1 | 8.9 | |
| ChargePoint, Inc. | Developer and operator of electric vehicle charging stations | Warrant to purchase up to 809,126 shares of Series E preferred stock (expires 12/2024) | | 12/30/2014 | 0.3 | 2.1(2) | |
| Dent Wizard International Corporation and DWH Equity Investors, L.P. | Automotive reconditioning services | Second lien senior secured loan (\$50.0 par due 10/2020) | 10.24% (Libor + 8.75%/Q) | 4/7/2015 | 50.0 | 50.0(2) | (17) |
| | | Class A common stock (10,000 shares) | | 4/7/2015 | 0.2 | 0.5(2) | |
| | | Class B common stock (20,000 shares) | | 4/7/2015 | 0.4 | 1.0(2) | |
| | | | | | 50.6 | 51.5 | |
| Eckler Industries, Inc. (21) | Restoration parts and accessories provider for classic automobiles | First lien senior secured revolving loan (\$2.0 par due 12/2017) | — | 7/12/2012 | 2.0 | 1.5(2) | (16) |
| | | First lien senior secured loan (\$6.6 par due 12/2017) | — | 7/12/2012 | 6.6 | 4.9(2) | (16) |
| | | First lien senior secured loan (\$24.3 par due 12/2017) | — | 7/12/2012 | 24.3 | 18.0(2) | (16) |
| | | Series A preferred stock (1,800 shares) | | 7/12/2012 | 1.8 | — | (2) |
| | | Common stock (20,000 shares) | | 7/12/2012 | 0.2 | — | (2) |
| | | | | | 34.9 | 24.4 | |
| EcoMotors, Inc. | Engine developer | | — | 9/1/2015 | 9.1 | 0.1(2) | (16) |

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| | | | | | | |
|------------------------------------|---|--|-------------------------|------------|-------|--------------|
| | | First lien senior secured loan (\$9.4 par due 3/2018) | | | | |
| | | Warrant to purchase up to 321,888 shares of Series C preferred stock (expires 12/2022) | | 12/28/2012 | — | — (2) |
| | | Warrant to purchase up to 70,000 shares of Series C preferred stock (expires 2/2025) | | 2/24/2015 | — | — (2) |
| | | | | | 9.1 | 0.1 |
| ESCP PPG Holdings, LLC (7) | Distributor of new equipment and aftermarket parts to the heavy-duty truck industry | Class A units (3,500,000 units) | | 12/14/2016 | 3.5 | 2.8(2) |
| Mavis Tire Supply LLC | Auto parts retailer | First lien senior secured loan (\$38.5 par due 10/2020) | 6.67% (Libor + 5.25%/Q) | 7/26/2017 | 38.5 | 38.5(2)(17) |
| | | First lien senior secured loan (\$2.0 par due 10/2020) | 6.67% (Libor + 5.25%/Q) | 10/18/2017 | 2.0 | 2.0(2)(17) |
| | | First lien senior secured loan (\$179.0 par due 10/2020) | 6.67% (Libor + 5.25%/Q) | 7/26/2017 | 179.0 | 179.0(2)(17) |
| | | | | | 219.5 | 219.5 |
| Simpson Performance Products, Inc. | Provider of motorsports safety equipment | First lien senior secured loan (\$10.0 par due 2/2020) | 9.25% (Libor + 7.59%/Q) | 2/20/2015 | 10.0 | 10.0(2)(17) |
| | | First lien senior secured loan (\$18.3 par due 2/2020) | 9.25% (Libor + 7.59%/Q) | 2/20/2015 | 18.3 | 18.3(3)(17) |
| | | | | | 28.3 | 28.3 |
| SK SPV IV, LLC | Collision repair site operators | Series A common stock (12,500 units) | | 8/18/2014 | 0.6 | 3.2(2) |
| | | Series B common stock | | 8/18/2014 | 0.6 | 3.2(2) |

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(12,500 units)

1.2 6.4
363.7 352.2 4.96 %

| | | | | | |
|--|---|--|-----------|------|------------|
| Education Campus Management Acquisition Corp. (7) | Education software developer | Preferred stock (485,159 shares) | 2/8/2008 | 10.5 | 11.02) |
| Excelligence Holdings Corp. | Developer, manufacturer and retailer of educational products | First lien senior secured loan 7.35% (Libor + (\$10.0 par due 6.00%/Q) 4/2023) | 4/17/2017 | 10.0 | 9.6(4)(17) |
| Flinn Scientific, Inc. and WCI-Quantum Holdings, Inc. | Distributor of instructional products, services and resources | First lien senior secured loan 6.50% (Libor + (\$32.0 par due 5.00%/Q) 10/2020) | 7/26/2017 | 32.0 | 32.02)(17) |

70

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As of December 31, 2017
(dollar amounts in millions)

| Company(1) | Business Description | Investment | Interest(6)(12) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|--|---|---|------------------------------|------------------|----------------|---------------|--------------------------|
| Frontline Technologies Group Holding LLC, Frontline Technologies Blocker Buyer, Inc., Frontline Technologies Holdings, LLC and Frontline Technologies Parent, LLC (21) | Provider of human capital management ("HCM") and SaaS-based software solutions to employees and administrators of K-12 school organizations | First lien senior secured loan (\$38.7 par due 10/2020) | 6.37% (Libor + 5.00%/Q) | 7/26/2017 | 38.7 | 38.7(17) | |
| | | Series A preferred stock (1,272 shares) | | 10/24/2014 | 1.0 | 1.2(2) | |
| | | | | | 71.7 | 71.9 | |
| | | First lien senior secured loan (\$39.6 par due 9/2023) | 8.09% (Libor + 6.50%/Q) | 9/19/2017 | 39.1 | 39.1(17) | |
| Infilaw Holding, LLC (21) | Operator of for-profit law schools | Class A preferred units (4,574 units) | | 9/18/2017 | 4.6 | 4.8 | |
| | | Class B units (499,050 units) | | 9/18/2017 | — | — | |
| | | | | | 43.7 | 43.8 | |
| Instituto de Banca y Comercio, Inc. & Leeds IV Advisors, Inc. (21) | Private school operator | First lien senior secured revolving loan (\$4.5 par due 2/2018) | — | 8/25/2011 | 3.5 | — (2)(16)(20) | |
| | | First lien senior secured revolving loan (\$11.8 par due 12/2018) | 12.50% (Base Rate + 8.00%/Q) | 5/18/2017 | 11.8 | 11.8(17) | |
| | | First lien senior secured loan (\$3.2 par due 12/2018) | 10.50% (Libor + 9.00%/Q) | 10/31/2015 | 3.2 | 3.2(2)(17) | |
| | | Senior preferred series | | 10/31/2015 | 119.4 | 25.2(2) | |

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| | | | | | | | | |
|--|---|--|-----------------------------------|------------|-------|------|---------|--|
| | | A-1 shares (163,902 shares) | | | | | | |
| | | Series B preferred stock (1,401,385 shares) | | 8/5/2010 | 4.0 | — | (2) | |
| | | Series C preferred stock (1,994,644 shares) | | 6/7/2010 | 0.5 | — | (2) | |
| | | Series B preferred stock (348,615 shares) | | 8/5/2010 | 1.0 | — | (2) | |
| | | Series C preferred stock (517,942 shares) | | 6/7/2010 | 0.1 | — | (2) | |
| | | Common stock (16 shares) | | 6/7/2010 | — | — | (2) | |
| | | Common stock (4 shares) | | 6/7/2010 | — | — | (2) | |
| | | | | | 140.0 | 40.2 | | |
| Liaison Acquisition, LLC (21) | Provider of centralized applications services to educational associations | Second lien senior secured loan (\$15.0 par due 8/2023) | 10.81% (Libor + 9.25%/Q) | 2/9/2017 | 14.7 | 15.0 | (17) | |
| PIH Corporation and Primrose Holding Corporation (7)(21) | Franchisor of education-based early childhood centers | First lien senior secured revolving loan (\$0.6 par due 12/2018) | 6.63% (Libor + 5.25%/Q) | 12/13/2013 | 0.6 | 0.6 | (2)(17) | |
| | | First lien senior secured revolving loan (\$0.4 par due 12/2018) | 8.75% (Base Rate + 4.25%/Q) | 12/13/2013 | 0.4 | 0.4 | (2)(17) | |
| | | First lien senior secured loan (\$1.6 par due 12/2018) | 7.07% (Libor + 5.50%/Q) | 12/15/2017 | 1.6 | 1.6 | (2)(17) | |
| | | Common stock (7,227 shares) | | 1/3/2017 | 10.7 | 17.8 | | |
| | | | | | 13.3 | 20.4 | | |
| R3 Education Inc., Equinox EIC Partners LLC and Sierra Education Finance Corp. | Medical school operator | Preferred stock (1,977 shares) | | 7/30/2008 | 0.5 | 0.5 | (2) | |
| | | | | 9/21/2007 | 15.8 | 26.0 | (2) | |

| | | | | | |
|------------------------|--|--|------------|------|--------|
| | | Common membership interest (15.76% interest) | | | |
| | | Warrant to purchase up to 27,890 shares (expires 11/2019) | 12/8/2009 | — | 9.1(2) |
| | | | | 16.3 | 35.8 |
| Regent Education, Inc. | Provider of software solutions designed to optimize the financial aid and enrollment processes | Warrant to purchase up to 987 shares of common stock (expires 12/2026) | 12/23/2016 | — | — (2) |
| | | Warrant to purchase up to 5,393,194 shares of common stock (expires 12/2026) | 12/23/2016 | — | — (2) |
| | | | | — | — |

As of December 31, 2017
(dollar amounts in millions)

| Company(1) | Business Description | Investment | Interest(6)(12) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|-------------------------------|--|---|--------------------------|------------------|----------------|-------------|--------------------------|
| RuffaloCODY, LLC (21) | Provider of student fundraising and enrollment management services | First lien senior secured revolving loan | — | 5/29/2013 | — | — (19) | |
| Severin Acquisition, LLC (21) | Provider of student information system software solutions to the K-12 education market | Second lien senior secured loan (\$38.7 par due 7/2022) | 10.32% (Libor + 8.75%/Q) | 2/1/2017 | 37.9 | 38.7(2)(17) | |
| | | Second lien senior secured loan (\$3.1 par due 7/2022) | 10.57% (Libor + 9.00%/Q) | 10/14/2016 | 3.1 | 3.1(17) | |
| | | Second lien senior secured loan (\$4.2 par due 7/2022) | 10.32% (Libor + 8.75%/Q) | 10/28/2015 | 4.1 | 4.2(2)(17) | |
| | | Second lien senior secured loan (\$15.0 par due 7/2022) | 10.32% (Libor + 8.75%/Q) | 7/31/2015 | 14.8 | 15.0(2)(17) | |
| | | Second lien senior secured loan (\$3.3 par due 7/2022) | 10.82% (Libor + 9.25%/Q) | 2/1/2016 | 3.2 | 3.3(2)(17) | |
| | | Second lien senior secured loan (\$2.8 par due 7/2022) | 10.82% (Libor + 9.25%/Q) | 8/8/2016 | 2.8 | 2.8(17) | |
| | | Second lien senior secured loan (\$3.1 par due 7/2022) | 10.57% (Libor + 9.00%/Q) | 1/3/2017 | 3.1 | 3.1(17) | |
| | | Second lien senior secured loan (\$5.5 par due 7/2022) | 10.32% (Libor + 8.75%/Q) | 1/3/2017 | 5.5 | 5.5(2)(17) | |
| | | Second lien senior secured loan (\$20.0 par due 7/2022) | 10.32% (Libor + 8.75%/Q) | 1/3/2017 | 20.0 | 20.0(2)(17) | |
| | | Second lien senior secured | 10.82% (Libor + 9.25%/Q) | 1/3/2017 | 4.4 | 4.4(2)(17) | |

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| | | | | | | | | | |
|---|---|--|--------------------------|------------|-------|-------|---------|------|---|
| | | loan (\$4.4 par due 7/2022) | | | | | | | |
| | | Second lien | | | | | | | |
| | | senior secured loan (\$2.8 par due 7/2022) | 10.82% (Libor + 9.25%/Q) | 1/3/2017 | 2.8 | 2.8 | (17) | | |
| | | | | | 101.7 | 102.9 | | | |
| | | | | | 425.4 | 350.6 | | 4.94 | % |
| Wholesale Distribution | | | | | | | | | |
| DFS Holding Company, Inc. | Distributor of maintenance, repair, and operations parts, supplies, and equipment to the foodservice industry | First lien senior secured loan (\$4.7 par due 2/2022) | 6.69% (Libor + 5.00%/Q) | 3/1/2017 | 4.7 | 4.6 | (2)(17) | | |
| | | First lien senior secured loan (\$188.7 par due 2/2022) | 7.19% (Libor + 5.50%/Q) | 7/26/2017 | 188.7 | 186.3 | (17) | | |
| | | | | | 193.4 | 191.4 | | | |
| Flow Solutions Holdings, Inc. | Distributor of high value fluid handling, filtration and flow control products | Second lien senior secured loan (\$6.0 par due 10/2018) | 10.57% (Libor + 9.00%/Q) | 12/16/2014 | 6.0 | 6.0 | (2)(17) | | |
| | | Second lien senior secured loan (\$29.5 par due 10/2018) | 10.57% (Libor + 9.00%/Q) | 12/16/2014 | 29.5 | 29.6 | (2)(17) | | |
| | | | | | 35.5 | 35.5 | | | |
| KHC Holdings, Inc. and Kele Holdco, Inc. (21) | Catalog-based distribution services provider for building automation systems | First lien senior secured revolving loan (\$0.7 par due 10/2020) | 5.80% (Libor + 4.25%/Q) | 1/3/2017 | 0.7 | 0.7 | (2)(17) | | |
| | | First lien senior secured loan (\$66.2 par due 10/2022) | 7.69% (Libor + 6.00%/Q) | 1/3/2017 | 66.2 | 66.3 | (17) | | |
| | | Common stock (30,000 shares) | | 1/3/2017 | 3.1 | 3.1 | | | |
| | | | | | 70.0 | 70.0 | | | |
| | | | | | 298.9 | 296.9 | | 4.18 | % |
| Oil and Gas | | | | | | | | | |
| Moss Creek Resources, LLC | Exploration and production company | Senior subordinated loan (\$30.0 par due 4/2022) | 9.50% (Libor + 8.00%/Q) | 5/5/2017 | 29.7 | 30.0 | (2)(17) | | |
| | | Second lien senior secured loan (\$90.1 par due 9/2022) | 8.57% (Libor + 7.00%/Q) | 9/28/2017 | 90.1 | 88.8 | (2)(17) | | |

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|--|--|--|-------------------------|-----------|------|------|---------|
| Petroflow Energy Corporation and TexOak Petro Holdings LLC (7) | Oil and gas exploration and production company | First lien senior secured loan (\$12.8 par due 6/2019) | 3.36% (Libor + 2.00%/Q) | 6/29/2016 | 11.7 | 12.4 | (2)(17) |
| | | Second lien senior secured loan (\$24.7 par due 12/2019) | — | 6/29/2016 | 21.9 | — | (2)(16) |
| | | Common units (202,000 units) | | 6/29/2016 | 11.1 | — | |
| | | | | | 44.7 | 12.4 | |

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As of December 31, 2017
(dollar amounts in millions)

| Company(1) | Business Description | Investment | Interest(6)(12) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|--|--|---|--|------------------|----------------|------------|--------------------------|
| VPROP Operating, LLC and Vista Proppants and Logistics, LLC | Sand based proppant producer and distributor to the oil and natural gas industry | First lien senior secured loan (\$28.2 par due 8/2021) | 10.98% (Libor + 9.50%/Q) | 8/1/2017 | 28.1 | 28.2(17) | |
| | | First lien senior secured loan (\$35.3 par due 8/2021) | 10.74% (Libor + 8.50% Cash, 1.00% PIK/Q) | 11/9/2017 | 35.3 | 35.3(17) | |
| | | First lien senior secured loan (\$15.2 par due 3/2021) | 10.98% (Libor + 8.50% Cash, 1.00% PIK/Q) | 3/1/2017 | 15.2 | 15.2(17) | |
| | | First lien senior secured loan (\$75.5 par due 3/2021) | 10.98% (Libor + 8.50% Cash, 1.00% PIK/Q) | 3/1/2017 | 75.5 | 75.3(17) | |
| | | Common units (997,864 units) | | 11/9/2017 | 9.7 | 9.7(2) | |
| | | | | | 163.8 | 163.9 | |
| | | | | | 328.3 | 294.6 | 4.15 % |
| Containers and Packaging | | | | | | | |
| GS Pretium Holdings, Inc. | Manufacturer and supplier of high performance plastic containers | Common stock (500,000 shares) | | 6/2/2014 | 0.5 | 0.8(2) | |
| ICSH Parent, Inc. and Vulcan Container Services Holdings, Inc. | Industrial container manufacturer, reconditioner and servicer | Second lien senior secured loan (\$63.6 par due 4/2025) | 9.38% (Libor + 8.00%/Q) | 4/28/2017 | 62.9 | 63.6(17) | |
| | | Series A common stock (24,900 shares) | | 4/28/2017 | 2.5 | 3.3(2) | |
| | | | | | 65.4 | 66.9 | |
| | | | — | 7/10/2015 | — | — (19) | |

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|---|---|--|-------------------------|------------|-------|-------|---------|--|
| LBP Intermediate Holdings LLC (21) | Manufacturer of paper and corrugated foodservice packaging | First lien senior secured revolving loan | | | | | | |
| | | First lien senior secured loan (\$11.8 par due 7/2020) | 7.19% (Libor + 5.50%/Q) | 7/10/2015 | 11.8 | 11.83 | (17) | |
| | | First lien senior secured loan (\$5.0 par due 7/2020) | 7.19% (Libor + 5.50%/Q) | 7/10/2015 | 5.0 | 5.0 | (4)(17) | |
| | | | | | 16.8 | 16.8 | | |
| Microstar Logistics LLC, Microstar Global Asset Management LLC, and MStar Holding Corporation | Keg management solutions provider | Second lien senior secured loan (\$78.5 par due 12/2018) | 9.05% (Libor + 7.50%/Q) | 12/14/2012 | 78.5 | 78.52 | (17) | |
| | | Second lien senior secured loan (\$54.0 par due 12/2018) | 9.05% (Libor + 7.50%/Q) | 12/14/2012 | 54.0 | 54.03 | (17) | |
| | | Second lien senior secured loan (\$10.0 par due 12/2018) | 9.05% (Libor + 7.50%/Q) | 12/14/2012 | 10.0 | 10.04 | (17) | |
| | | Common stock (50,000 shares) | | 12/14/2012 | 4.0 | 6.8 | (2) | |
| | | | | | 146.5 | 149.3 | | |
| NSI Holdings, Inc. (7) | Manufacturer of plastic containers for the wholesale nursery industry | Series A preferred stock (2,192 shares) | | 1/3/2017 | — | — | | |
| Ranpak Corp. | Manufacturer and marketer of paper-based protective packaging systems and materials | Second lien senior secured loan (\$13.3 par due 10/2022) | 8.75% (Libor + 7.25%/Q) | 1/3/2017 | 12.8 | 13.32 | (17) | |
| | | | | | 242.0 | 247.1 | 3.48 % | |
| Environmental Services | | | | | | | | |
| MPH Energy Holdings, LP | Operator of municipal recycling facilities | Limited partnership interest (3.13% interest) | | 1/8/2014 | — | — | (2) | |
| | | | | 3/1/2011 | — | — | (2) | |

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|---|--|---|-------------------------|----------|------|-------|------|
| RE Community Holdings GP, LLC and RE Community Holdings, LP | Operator of municipal recycling facilities | Limited partnership interest (2.86% interest) Limited partnership interest (2.49% interest) | | 3/1/2011 | — | — | (2) |
| | | | | | — | — | |
| Soil Safe, Inc. and Soil Safe Acquisition Corp. (8)(21) | Provider of soil treatment, recycling and placement services | First lien senior secured revolving loan — | | 1/3/2017 | — | — | (19) |
| | | First lien senior secured loan (\$22.0 par due 1/2020) | 8.00% (Libor + 6.25%/Q) | 1/3/2017 | 22.0 | 22.02 | (17) |

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As of December 31, 2017
(dollar amounts in millions)

| Company(1) | Business Description | Investment | Interest(6)(12) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|--|---|---|-----------------------------|------------------|----------------|------------|--------------------------|
| Storm UK Holdco Limited and Storm US Holdco Inc. (9)(21) | Provider of water infrastructure software solutions for municipalities / utilities and engineering consulting firms | Second lien senior secured loan (\$12.7 par due 6/2020) | 10.75% (Libor + 7.75%/Q) | 1/3/2017 | 12.7 | 12.7(2) | (17) |
| | | Senior subordinated loan (\$36.7 par due 12/2020) | 16.50% PIK | 1/3/2017 | 36.7 | 36.7(2) | |
| | | Senior subordinated loan (\$31.5 par due 12/2020) | 14.50% PIK | 1/3/2017 | 31.5 | 31.5(2) | |
| | | Senior subordinated loan (\$30.5 par due 12/2020) | — | 1/3/2017 | 11.5 | 4.0(16) | |
| | | Common stock (810 shares) | | 1/3/2017 | — | — | |
| | | | | | 114.4 | 106.9 | |
| | | First lien senior secured revolving loan (\$0.1 par due 5/2022) | 9.00% (Base Rate + 4.50%/Q) | 5/5/2017 | 0.1 | 0.1(2) | (17) |
| Waste Pro USA, Inc | Waste management services | First lien senior secured loan (\$1.6 par due 5/2023) | 6.89% (Libor + 5.50%/Q) | 5/5/2017 | 1.6 | 1.5(2) | (17) |
| | | | | | 1.7 | 1.6 | |
| | | Second lien senior secured loan (\$75.2 par due 10/2020) | 9.05% (Libor + 7.50%/Q) | 10/15/2014 | 75.2 | 75.2(3) | (17) |
| Printing, Publishing and Media | | | | | 191.3 | 183.7 | 2.59 % |
| Connoisseur Media, LLC | Owner and operator of radio stations | First lien senior secured loan (\$21.0 par due 6/2019) | 7.74% (Libor + 6.38%/Q) | 7/26/2017 | 21.0 | 20.8(2) | (17) |

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| | | | | | | | | |
|-------------------------------------|---|---|-----------------------------|-----------|------|-------------|------|---|
| | | First lien senior secured loan (\$0.1 par due 6/2019) | 9.88% (Base Rate + 5.38%/Q) | 7/26/2017 | 0.1 | 0.1(2)(17) | | |
| | | First lien senior secured loan (\$0.7 par due 6/2019) | 8.07% (Libor + 6.38%/Q) | 7/26/2017 | 0.7 | 0.6(2)(17) | | |
| | | First lien senior secured loan (\$0.3 par due 6/2019) | 8.07% (Libor + 6.38%/Q) | 7/26/2017 | 0.3 | 0.3(4)(17) | | |
| | | First lien senior secured loan (\$41.4 par due 6/2019) | 7.76% (Libor + 6.38%/Q) | 7/26/2017 | 41.4 | 41.0(2)(17) | | |
| | | First lien senior secured loan (\$17.8 par due 6/2019) | 7.76% (Libor + 6.38%/Q) | 7/26/2017 | 17.8 | 17.6(4)(17) | | |
| | | | | | 81.3 | 80.4 | | |
| Earthcolor Group, LLC | Printing management services | Limited liability company interests (9.30%) | | 5/18/2012 | — | — | | |
| EDS Group (8)(9) | Provider of print and digital services | Common stock (2,432,750 shares) | | 1/3/2017 | — | 2.7 | | |
| Roark-Money Mailer LLC | Marketer, advertiser and distributor of coupons in the mail industry | Membership units (35,000 units) | | 1/3/2017 | — | — | | |
| The Teaching Company Holdings, Inc. | Education publications provider | Preferred stock (10,663 shares) | | 9/29/2006 | 1.1 | 2.4(2) | | |
| | | Common stock (15,393 shares) | | 9/29/2006 | — | — (2) | | |
| | | | | | 1.1 | 2.4 | | |
| | | | | | 82.4 | 85.5 | 1.20 | % |
| Chemicals | | | | | | | | |
| AMZ Holding Corp. (21) | Specialty chemicals manufacturer | First lien senior secured loan (\$12.2 par due 6/2022) | 6.57% (Libor + 5.00%/Q) | 6/27/2017 | 12.2 | 12.2(4)(17) | | |
| Genomatica, Inc. | Developer of a biotechnology platform for the production of chemical products | Warrant to purchase 322,422 shares of Series D preferred stock (expires 3/2023) | | 3/28/2013 | — | — (2) | | |
| K2 Pure Solutions Nocal, L.P. (21) | Chemical producer | First lien senior secured revolving loan | 8.70% (Libor + 7.13%/Q) | 8/19/2013 | 1.5 | 1.5(2)(17) | | |

(\$1.5 par due
2/2021)
First lien senior
secured loan 7.57% (Libor + 8/19/2013 40.0 40.03)(17)
(\$40.0 par due 6.00%/Q)
2/2021)
First lien senior
secured loan 7.57% (Libor + 8/19/2013 13.0 13.04)(17)
(\$13.0 par due 6.00%/Q)
2/2021)

54.5 54.5
66.7 66.7 0.94 %

Retail

74

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As of December 31, 2017
(dollar amounts in millions)

| Company(1) | Business Description | Investment | Interest(6)(12) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|---|--|---|-------------------------|------------------|----------------|------------|--------------------------|
| Fashion Holding Luxembourg SCA (Modacin/Camaeiu) (8)(9) | Retailer of women's clothing | Preferred stock (241,776,675 shares) | | 1/3/2017 | — | — | |
| Galls, LLC | Distributor of public safety, private security and defense products in the United States | Second lien senior secured loan (\$2.0 par due 8/2021) | 9.71% (Libor + 8.25%/Q) | 8/25/2017 | 2.0 | 2.0 | (17) |
| | | Second lien senior secured loan (\$7.1 par due 8/2021) | 9.85% (Libor + 8.25%/Q) | 8/25/2017 | 7.1 | 7.1 | (17) |
| | | Second lien senior secured loan (\$1.9 par due 8/2021) | 9.94% (Libor + 8.25%/Q) | 8/25/2017 | 1.9 | 1.9 | (17) |
| | | Second lien senior secured loan (\$14.3 par due 8/2021) | 9.94% (Libor + 8.25%/Q) | 1/3/2017 | 14.3 | 14.3 | (17) |
| | | Second lien senior secured loan (\$26.0 par due 8/2021) | 9.94% (Libor + 8.25%/Q) | 1/3/2017 | 26.0 | 26.0 | (17) |
| | | | | | 51.3 | 51.3 | |
| Paper Source, Inc. and Pine Holdings, Inc. (21) | Retailer of fine and artisanal paper products | First lien senior secured loan (\$9.6 par due 9/2019) | 7.94% (Libor + 6.25%/Q) | 9/23/2013 | 9.6 | 9.4 | (17) |
| | | Class A common stock (36,364 shares) | | 9/23/2013 | 6.0 | 3.1 | (2) |
| | | | | | 15.6 | 12.5 | |
| Things Remembered, Inc. and TRM Holdco Corp. (7)(21) | Personalized gifts retailer | First lien senior secured loan (\$12.3 par due 3/2020) | — | 8/30/2016 | 10.5 | 1.5 | (16) |
| | | Common stock (10,631,940 shares) | | 8/30/2016 | 6.1 | — | (2) |
| | | | | | 16.6 | 1.5 | |

| | | | | | | | | |
|---|--|--|--------------------------|------------|------|------|----------|------|
| | | | | | 83.5 | 65.3 | 0.92 | % |
| Aerospace and Defense | | | | | | | | |
| Cadence Aerospace, LLC (21) | Aerospace precision components manufacturer | First lien senior secured revolving loan (\$0.7 par due 11/2022) | 7.91% (Libor + 6.50%/Q) | 11/14/2017 | 0.7 | 0.7 | (17)(20) | |
| | | First lien senior secured loan (\$32.5 par due 11/2023) | 7.91% (Libor + 6.50%/Q) | 11/14/2017 | 32.2 | 32 | (2)(17) | |
| | | | | | 32.9 | 32.9 | | |
| Jazz Acquisition, Inc. | Designer and distributor of aftermarket replacement components to the commercial airlines industry | Second lien senior secured loan (\$25.0 par due 6/2022) | 8.44% (Libor + 6.75%/Q) | 1/3/2017 | 19.8 | 22 | (3)(17) | |
| | | | | | | 52.7 | 55.4 | 0.78 |
| Health Clubs | | | | | | | | |
| Athletic Club Holdings, Inc. | Premier health club operator | First lien senior secured loan (\$35.0 par due 10/2020) | 10.07% (Libor + 8.50%/Q) | 10/11/2007 | 35.0 | 35 | (8)(17) | |
| CFW Co-Invest, L.P., NCP Curves, L.P. and Curves International Holdings, Inc. | Health club franchisor | Limited partnership interest (4,152,165 shares) | | 7/31/2012 | 4.2 | 4.4 | (2) | |
| | | Limited partnership interest (2,218,235 shares) | | 7/31/2012 | 2.2 | 9.7 | (2)(9) | |
| | | Common stock (1,680 shares) | | 11/12/2014 | — | — | (2)(9) | |
| | | | | | 6.4 | 14.1 | | |
| Movati Athletic (Group) Inc. (9)(21) | Premier health club operator | First lien senior secured loan (\$0.3 par due 10/2022) | 5.90% (Libor + 4.50%/Q) | 10/5/2017 | 0.3 | 0.3 | (2)(17) | |
| | | First lien senior secured loan (\$3.1 par due 10/2022) | 5.91% (Libor + 4.50%/Q) | 10/5/2017 | 3.0 | 3.0 | (2)(17) | |
| | | | | | 3.3 | 3.3 | | |
| | | | | | 44.7 | 52.4 | 0.74 | % |
| Farming and Agriculture | | | | | | | | |

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| | | | | | | |
|---------------------|---|--|-------------------------|------------|------|----------|
| QC Supply, LLC (21) | Specialty distributor and solutions provider to the swine and poultry markets | First lien senior secured revolving loan (\$4.0 par due 12/2021) | 7.57% (Libor + 6.00%/Q) | 12/29/2016 | 4.0 | 3.92(17) |
| | | First lien senior secured loan (\$2.5 par due 12/2022) | 7.57% (Libor + 6.00%/Q) | 12/29/2016 | 2.5 | 2.42(17) |
| | | First lien senior secured loan (\$11.2 par due 12/2022) | 7.57% (Libor + 6.00%/Q) | 12/29/2016 | 11.2 | 11.0(17) |

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As of December 31, 2017
(dollar amounts in millions)

| Company(1) | Business Description | Investment | Interest(6)(12) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets |
|--|--|---|---------------------------|------------------|----------------|------------|--------------------------|
| | | First lien senior secured loan (\$14.9 par due 12/2022) | 7.57% (Libor + 6.00%/Q) | 12/29/2016 | 14.9 | 14.4(17) | |
| | | | | | 32.6 | 31.9 | |
| | | | | | 32.6 | 31.9 | 0.45 % |
| Hotel Services Pyramid Management Advisors, LLC and Pyramid Investors, LLC | Hotel Operator | First lien senior secured loan (\$3.0 par due 7/2021) | 8.69% (Libor + 7.00%/Q) | 7/15/2016 | 3.0 | 3.0(2)(17) | |
| | | First lien senior secured loan (\$19.5 par due 7/2021) | 11.37% (Libor + 10.06%/Q) | 7/15/2016 | 19.5 | 19.5(17) | |
| | | Membership units (996,833 units) | | 7/15/2016 | 1.0 | 0.8(2) | |
| | | | | | 23.5 | 23.3 | |
| | | | | | 23.5 | 23.3 | 0.33 % |
| Computers and Electronics | | | | | | | |
| Everspin Technologies, Inc. | Designer and manufacturer of computer memory solutions | Warrant to purchase up to 18,461 shares of common stock (expires 10/2026) | | 6/5/2015 | 0.4 | —(5)(24) | |
| Imaging Business Machines, L.L.C. and Scanner Holdings Corporation (8) | Provider of high-speed intelligent document scanning hardware and software | Senior subordinated loan (\$8.3 par due 6/2022) | 14.00% | 1/3/2017 | 8.1 | 8.3(2) | |
| | | Senior subordinated loan (\$8.3 par due 6/2022) | 14.00% | 1/3/2017 | 8.1 | 8.3(2) | |
| | | Series A preferred stock (66,424,135 shares) | | 1/3/2017 | — | 4.5 | |
| | | Class A common stock | | 1/3/2017 | — | — | |

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| | | | | | | | | |
|---|--|--|--|------------|------|------|------|------|
| | | (33,173 shares) Class B common stock (134,214 shares) | | 1/3/2017 | — | — | | |
| | | | | | 16.2 | 21.1 | | |
| | | | | | 16.6 | 21.1 | 0.30 | % |
| Telecommunications | | | | | | | | |
| Adaptive Mobile Security Limited (9) | Developer of security software for mobile communications networks | First lien senior 12.00% secured loan (EURIBOR + (\$0.9 par due 8.00% Cash, 10/2018) 2.00% PIK/M) | | 10/17/2016 | 0.8 | 0.8 | (2) | (17) |
| | | First lien senior 12.00% secured loan (EURIBOR + (\$0.8 par due 8.00% Cash, 7/2018) 2.00% PIK/M) | | 1/16/2015 | 0.7 | 0.7 | (2) | (17) |
| | | First lien senior 12.00% secured loan (EURIBOR + (\$0.3 par due 8.00% Cash, 10/2018) 2.00% PIK/M) | | 1/16/2015 | 0.3 | 0.3 | (2) | (17) |
| | | | | | 1.8 | 1.8 | | |
| CHL, LTD. | Repair and service solutions provider for cable, satellite and telecommunications based service providers | Warrant to purchase up to 120,000 shares of Series A common stock (expires 5/2020) | | 1/3/2017 | — | — | | |
| | | Warrant to purchase up to 280,000 shares of Series B common stock (expires 5/2020) | | 1/3/2017 | — | — | | |
| | | Warrant to purchase up to 80,000 shares of Series C common stock (expires 5/2020) | | 1/3/2017 | — | — | | |
| | | | | | — | — | | |
| LTG Acquisition, Inc. | Designer and manufacturer of display, lighting and passenger communication systems for mass transportation markets | Class A membership units (5,000 units) | | 1/3/2017 | 5.1 | 1.7 | | |
| | | | | 4/1/2010 | — | — | | |

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| | | | | | | |
|-------------------------------------|---------------------------|--------------------|-----|-----|------|---|
| Startec Equity, LLC (8) | Communication services | Member interest | 6.9 | 3.5 | 0.05 | % |
| Commercial Real Estate Financial | | | | | | |

76

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As of December 31, 2017
(dollar amounts in millions)

| Company(1) | Business Description | Investment | Interest(6)(12) | Acquisition Date | Amortized Cost | Fair Value | Percentage of Net Assets | |
|---|--|--|-----------------|------------------|----------------|-------------|--------------------------|---|
| ACAS Real Estate Holdings Corporation (8) | Real estate holding company | Common stock (1,000 shares) | | 1/3/2017 | 2.6 | 2.1 | | |
| NECCO Realty Investments LLC (8) | Real estate holding company | Membership units (7,450 units) | | 1/3/2017 | — | — | | |
| | | | | | 2.6 | 2.1 | 0.03 | % |
| Housing and Building Materials | | | | | | | | |
| Halex Holdings, Inc. (8)(21) | Manufacturer of flooring installation products | First lien senior secured revolving loan (\$1.1 par due 12/2018) | | 1/24/2017 | 1.1 | — | | |
| | | Common stock (51,853 shares) | | 1/3/2017 | — | — | | |
| | | | | | 1.1 | — | | |
| | | | | | 1.1 | — | — | % |
| Total Investments | | | | | \$ 11,904.5 | \$ 11,840.6 | 166.83 | % |

Derivative Instruments

Foreign currency forward contracts

| Description | Notional Amount to be Purchased | Notional Amount to be Sold | Counterparty | Settlement Date | Unrealized Appreciation / (Depreciation) |
|-----------------------------------|---------------------------------|----------------------------|------------------|----------------------|--|
| Foreign currency forward contract | \$ 3 | CAD4 | Bank of Montreal | January 4, 2018 | \$ — |
| Foreign currency forward contract | \$ 8 | CAD10 | Bank of Montreal | January 16, 2018 | — |
| Foreign currency forward contract | \$ 81 | CAD 103 | Bank of Montreal | February 16, 2018 (1 |) |
| Foreign currency forward contract | \$ 18 | € 15 | Bank of Montreal | January 16, 2018 | — |
| Foreign currency forward contract | \$ 9 | € 8 | Bank of Montreal | February 15, 2018 | — |
| Foreign currency forward contract | \$ 2 | € 2 | Bank of Montreal | March 15, 2018 | — |
| Foreign currency forward contract | \$ 90 | £ 68 | Bank of Montreal | February 15, 2018 (2 |) |
| Foreign currency forward contract | \$ 12 | £ 9 | Bank of Montreal | February 16, 2018 | — |
| Total | | | | | \$ (3) |

Interest rate swap

| Description | Payment Terms | Counterparty | Maturity Date | Notional Amount | Value | Upfront Payments/Receipts | Unrealized Appreciation (Depreciation) |
|--------------------|-------------------|---|------------------|-----------------|--------|---------------------------|--|
| Interest rate swap | Pay Fixed 2.0642% | Receive Floating One-Month LIBOR of 1.50% | Bank of Montreal | January 4, 2021 | \$ 395 | \$ (1) | —\$ (1) |
| Total | | | | | | | \$ (1) |

Other than the Company's investments listed in footnote 8 below (subject to the limitations set forth therein), the Company does not "Control" any of its portfolio companies, for the purposes of the Investment Company Act of 1940, as amended (together with the rules and regulations promulgated thereunder, the "Investment Company Act").

- (1) In general, under the Investment Company Act, the Company would "Control" a portfolio company if the Company owned more than 25% of its outstanding voting securities (i.e., securities with the right to elect directors) and/or had the power to exercise control over the management or policies of such portfolio company. All of the Company's portfolio company investments, which as of December 31, 2017 represented 167% of the Company's net assets or 96% of the Company's total assets, are subject to legal restrictions on sales.

- These assets are pledged as collateral for the Revolving Credit Facility (as defined below) and, as a result, are not directly available to the creditors of the Company to satisfy any obligations of the Company other than the Company's obligations under the Revolving Credit Facility (see Note 5 to the consolidated financial statements).

- These assets are owned by the Company's consolidated subsidiary Ares Capital CP Funding LLC ("Ares Capital CP"), are pledged as collateral for the Revolving Funding Facility (as defined below) and, as a result, are not directly

available to the creditors of the Company to satisfy any obligations of the Company other than Ares Capital CP's obligations under the Revolving Funding Facility (see Note 5 to the consolidated financial statements).

(4) These assets are owned by the Company's consolidated subsidiary Ares Capital JB Funding LLC ("ACJB"), are pledged as collateral for the SMBC Funding Facility (as defined below) and, as a result, are not directly available to the creditors of the Company to satisfy any obligations of the Company other than ACJB's obligations under the SMBC Funding Facility (see Note 5 to the consolidated financial statements).

(5) These assets are owned by the Company's consolidated subsidiary Ares Venture Finance, L.P. ("AVF LP"), are pledged as collateral for the SBA-guaranteed debentures (the "SBA Debentures") and, as a result, are not directly available to the creditors of the Company to satisfy any obligations of the Company other than AVF LP's obligations (see Note 5 to the consolidated financial statements). AVF LP operates as a Small Business Investment Company ("SBIC") under the provisions of Section 301(c) of the Small Business Investment Act of 1958, as amended.

(6) Investments without an interest rate are non-income producing.

(7) As defined in the Investment Company Act, the Company is deemed to be an "Affiliated Person" because it owns 5% or more of the portfolio company's outstanding voting securities or it has the power to exercise control over the management or policies of such portfolio company (including through a management agreement). Transactions as of and during the year ended December 31, 2017 in which the issuer was an Affiliated Person (but not a portfolio company that the Company is deemed to Control) are as follows:

| | For the year ended December 31, 2017 | | | | | | | | | As of December 31, 2017 |
|---|--------------------------------------|-----------------------|-----------------|--------------------|--|--------------------|-----------------|--------------------------------|-------------------------------------|-------------------------------|
| (in millions) Company | Purchases (cost) | Redemptions (cost) | Sales (cost) | Interest income | Capital structuring service fees | Dividend income | Other income | Net realized gains (losses) | Net unrealized gains (losses) | Fair Value |
| Campus Management Acquisition Corp. | \$— | \$— | \$— | \$— | \$— | \$— | \$— | \$— | \$ 0.7 | \$ 11.0 |
| Crown Health Care Laundry Services, LLC and Crown Laundry Holdings, LLC | \$ 14.0 | \$ 0.8 | \$— | \$ 1.1 | \$ 0.1 | \$— | \$ 0.2 | \$— | \$ 1.0 | \$ 28.5 |
| ESCP PPG Holdings, LLC | \$— | \$— | \$— | \$— | \$— | \$— | \$— | \$— | \$ (0.9) | \$ 2.8 |
| Financial Asset Management Systems, Inc. and FAMS Holdings, Inc. | \$ 3.0 | \$ 3.0 | \$— | \$— | \$— | \$— | \$— | \$— | \$— | \$— |
| Ioxus, Inc | \$— | \$— | \$— | \$ 1.3 | \$— | \$— | \$— | \$— | \$ (0.1) | \$ 11.2 |
| Multi-Ad Services, Inc. | \$— | \$— | \$— | \$— | \$— | \$— | \$— | \$ 0.1 | \$— | \$— |
| NSI Holdings, Inc. | \$— | \$— | \$— | \$— | \$— | \$— | \$— | \$— | \$— | \$— |
| Petroflow Energy Corporation and TexOak Petro Holdings LLC | \$— | \$ 2.6 | \$ 1.8 | \$ 0.4 | \$— | \$— | \$— | \$ 0.2 | \$ (4.8) | \$ 12.4 |
| PIH Corporation and Primrose Holding Corporation | \$ 17.0 | \$ 6.2 | \$— | \$— | \$— | \$ 1.4 | \$— | \$— | \$ 7.0 | \$ 20.4 |
| Shock Doctor, Inc. and Shock Doctor Holdings, LLC | \$— | \$— | \$— | \$ 10.7 | \$— | \$— | \$ 0.1 | \$— | \$ (9.1) | \$ 86.1 |
| Things Remembered, Inc. and TRM Holdco Corp. | \$ 5.1 | \$ 5.0 | \$ 0.3 | \$ 0.1 | \$— | \$— | \$ 0.1 | \$— | \$ (1.9) | \$ 1.5 |

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| | | | | | | | | | | |
|---------------------|--------|---------|--------|---------|--------|--------|--------|--------|-----------|----------|
| UL Holding Co., LLC | \$— | \$ — | \$— | \$ 3.3 | \$ — | \$ — | \$ — | \$ — | \$ 6.3 | \$ 42.4 |
| | \$39.1 | \$ 17.6 | \$ 2.1 | \$ 16.9 | \$ 0.1 | \$ 1.4 | \$ 0.4 | \$ 0.3 | \$ (1.8) | \$ 216.3 |

As defined in the Investment Company Act, the Company is deemed to be both an “Affiliated Person” and “Control” this portfolio company because it owns more than 25% of the portfolio company’s outstanding voting securities or (8) it has the power to exercise control over the management or policies of such portfolio company (including through a management agreement). Transactions as of and during the year ended December 31, 2017 in which the issuer was both an Affiliated Person and a portfolio company that the Company is deemed to Control are as follows:

| (in millions) Company | For the year ended December 31, 2017 | | | | | | | | | As of December 31, 2017 |
|---|--------------------------------------|-----------------------|-----------------|--------------------|--|--------------------|-----------------|--------------------------------|-------------------------------------|----------------------------------|
| | Purchases (cost) | Redemptions (cost) | Sales (cost) | Interest income | Capital structuring service fees | Dividend income | Other income | Net realized gains (losses) | Net unrealized gains (losses) | Fair Value |
| 10th Street, LLC and New 10th Street, LLC | \$— | \$ 53.3 | \$ 0.6 | \$ 2.0 | \$ — | \$ — | \$ — | \$ 34.5 | \$ (34.7) | \$ — |

| | For the year ended December 31, 2017 | | | | | | | | | As of December 31, 2017 |
|---|--------------------------------------|-----------------------|-----------------|--------------------|--|--------------------|-----------------|--------------------------------|-------------------------------------|-------------------------------|
| (in millions) Company | Purchases (cost) | Redemptions (cost) | Sales (cost) | Interest income | Capital structuring service fees | Dividend income | Other income | Net realized gains (losses) | Net unrealized gains (losses) | Fair Value |
| ACAS 2007-1 CLO | \$— | \$— | \$— | \$— | \$— | \$— | \$— | \$— | \$— | \$— |
| ACAS Equity Holdings Corporation | \$0.5 | \$— | \$— | \$— | \$— | \$— | \$— | \$— | \$ (0.1) | \$ 0.4 |
| ACAS Real Estate Holdings Corporation | \$2.6 | \$— | \$— | \$— | \$— | \$— | \$— | \$— | \$ (0.5) | \$ 2.1 |
| ADF Capital, Inc., ADF Restaurant Group, LLC, and ARG Restaurant Holdings, Inc. | \$— | \$— | \$— | \$ 0.6 | \$— | \$— | \$ 0.1 | \$— | \$ (15.9) | \$ 16.0 |
| Alcami Holdings, LLC | \$273.1 | \$ 5.5 | \$0.3 | \$ 29.8 | \$— | \$— | \$ 2.1 | \$— | \$ 166.8 | \$ 442.3 |
| AllBridge Financial, LLC | \$— | \$— | \$— | \$— | \$— | \$ 0.4 | \$— | \$— | \$ (0.4) | \$— |
| Ares IIIR/IVR CLO Ltd. | \$— | \$ 5.2 | \$— | \$ 0.4 | \$— | \$— | \$— | \$ 0.5 | \$ 0.1 | \$ 0.1 |
| Bellotto Holdings Limited | \$193.6 | \$ 193.6 | \$— | \$— | \$— | \$— | \$— | \$ 58.1 | \$— | \$— |
| Callidus Capital Corporation | \$— | \$— | \$— | \$— | \$— | \$— | \$— | \$— | \$— | \$ 1.7 |
| Ciena Capital LLC | \$— | \$— | \$10.0 | \$ 0.8 | \$— | \$— | \$— | \$— | \$ 10.6 | \$ 32.3 |
| CoLTS 2005-1 | \$— | \$— | \$— | \$— | \$— | \$— | \$— | \$— | \$— | \$— |
| CoLTS 2005-2 | \$— | \$— | \$— | \$— | \$— | \$— | \$— | \$— | \$— | \$— |
| Columbo Midco Limited, Columbo Bidco Limited and Columbo Topco Limited | \$27.9 | \$— | \$— | \$— | \$— | \$— | \$— | \$— | \$ 12.7 | \$ 40.6 |
| Community Education Centers, Inc. and CEC Parent Holdings LLC | \$— | \$ 36.2 | \$38.1 | \$ 1.2 | \$— | \$ 8.4 | \$ 0.1 | \$ 24.3 | \$ (10.9) | \$— |
| Competitor Group, Inc., Calera XVI, LLC and Champion Parent Corporation | \$0.5 | \$ 18.6 | \$42.8 | \$— | \$— | \$— | \$— | \$ (20.1) | \$ 17.3 | \$ 0.2 |
| CSHM LLC | \$— | \$— | \$— | \$— | \$— | \$— | \$— | \$— | \$— | \$— |
| EDS Group | \$11.8 | \$ 12.1 | \$— | \$ 0.4 | \$— | \$— | \$— | \$ 3.3 | \$ 2.7 | \$ 2.7 |
| ETG Holdings, Inc. | \$— | \$— | \$— | \$— | \$— | \$— | \$— | \$— | \$— | \$— |
| European Capital Private Debt LP | \$97.9 | \$ 0.3 | \$97.7 | \$— | \$— | \$— | \$— | \$ 1.1 | \$— | \$— |
| European Capital UK SME Debt LP | \$46.8 | \$ 4.8 | \$0.8 | \$— | \$— | \$— | \$— | \$ 0.1 | \$ 0.6 | \$ 41.7 |
| Fashion Holding Luxembourg SCA (Modacin/Camaeiu) | \$— | \$— | \$— | \$— | \$— | \$— | \$— | \$— | \$— | \$— |
| FPI Holding Corporation | \$0.4 | \$— | \$— | \$— | \$— | \$— | \$— | \$— | \$ (1.0) | \$ 0.4 |
| Garden Fresh Restaurant Corp. and GFRC Holdings LLC | \$14.6 | \$ 12.3 | \$18.9 | \$ 3.6 | \$— | \$— | \$ 0.2 | \$— | \$ 2.0 | \$ 25.0 |
| Halex Holdings, Inc. | \$1.1 | \$— | \$— | \$— | \$— | \$— | \$— | \$ 2.4 | \$ (2.0) | \$— |
| HALT Medical, Inc. | \$0.7 | \$— | \$0.6 | \$— | \$— | \$— | \$— | \$— | \$— | \$— |
| Hard 8 Games, LLC | \$9.4 | \$— | \$9.4 | \$— | \$— | \$— | \$— | \$ 4.6 | \$— | \$— |
| HCI Equity, LLC | \$— | \$— | \$— | \$— | \$— | \$— | \$— | \$— | \$— | \$ 0.1 |

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| | | | | | | | | | | |
|--|----------|----------|--------|--------|------|------|--------|---------|-----------|----------|
| Imaging Business Machines, L.L.C. and Scanner Holdings Corporation | \$ 16.1 | \$ — | \$ — | \$ 2.4 | \$ — | \$ — | \$ 0.6 | \$ — | \$ 5.0 | \$ 21.1 |
| Ivy Hill Asset Management, L.P. | \$ 228.6 | \$ 155.5 | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ 12.8 | \$ 315.1 |
| LLSC Holdings Corporation (dba Lawrence Merchandising Services) | \$ 19.2 | \$ — | \$ — | \$ — | \$ — | \$ — | \$ 0.2 | \$ — | \$ (1.0) | \$ 18.2 |
| Miles 33 (Finance) Limited | \$ 15.2 | \$ 1.5 | \$ 0.6 | \$ 2.0 | \$ — | \$ — | \$ — | \$ 0.2 | \$ 3.9 | \$ 17.9 |
| Montgomery Lane, LLC and Montgomery Lane, Ltd. | \$ 2.2 | \$ 2.3 | \$ — | \$ — | \$ — | \$ — | \$ — | \$ 1.1 | \$ 0.6 | \$ 0.6 |
| MVL Group, Inc. | \$ — | \$ 0.2 | \$ — | \$ — | \$ — | \$ — | \$ — | \$ 0.1 | \$ — | \$ — |
| Navisun LLC and Navisun Holdings LLC | \$ 2.9 | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ 2.9 |
| NECCO Holdings, Inc. | \$ 60.4 | \$ 41.9 | \$ 7.1 | \$ — | \$ — | \$ — | \$ — | \$ — | \$ (1.3) | \$ 10.6 |
| NECCO Realty Investments LLC | \$ 32.7 | \$ 27.4 | \$ 6.4 | \$ 1.2 | \$ — | \$ — | \$ — | \$ 13.0 | \$ — | \$ — |
| Orion Foods, LLC | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ 0.5 |
| Pillar Processing LLC and PHL Investors, Inc. | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — |
| Rug Doctor, LLC and RD Holdco Inc. | \$ 30.9 | \$ — | \$ — | \$ 1.9 | \$ — | \$ — | \$ — | \$ — | \$ (3.2) | \$ 27.7 |
| S Toys Holdings LLC (fka The Step2 Company, LLC) | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ 6.8 | \$ (5.7) | \$ 0.5 |

| | For the year ended December 31, 2017 | | | | | | | | | As of December 31, 2017 |
|--|--------------------------------------|-----------------------|-----------------|--------------------|--|--------------------|-----------------|--------------------------------|-------------------------------------|-------------------------------|
| (in millions) Company | Purchases (cost) | Redemptions (cost) | Sales (cost) | Interest income | Capital structuring service fees | Dividend income | Other income | Net realized gains (losses) | Net unrealized gains (losses) | Fair Value |
| Senior Direct Lending Program, LLC | \$221.4 | \$ 2.0 | \$2.1 | \$52.3 | \$ 9.1 | \$ — | \$ 1.5 | \$ — | \$ — | \$487.1 |
| Senior Secured Loan Fund LLC | \$— | \$ 1,938.4 | \$— | \$69.3 | \$ 0.9 | \$— | \$ 4.5 | \$ (17.5) | \$ 24.2 | \$— |
| Soil Safe, Inc. and Soil Safe Acquisition Corp. | \$110.6 | \$ 4.2 | \$1.0 | \$13.0 | \$ — | \$— | \$ 0.1 | \$ — | \$ (7.6) | \$106.9 |
| Startec Equity, LLC | \$— | \$— | \$— | \$— | \$ — | \$— | \$— | \$— | \$— | \$— |
| The Greeley Company, Inc. and HCP Acquisition Holdings, LLC | \$— | \$— | \$12.8 | \$— | \$ — | \$— | \$— | \$ (12.3) | \$ 12.4 | \$— |
| | \$1,421.1 | \$2,515.3 | \$249.2 | \$180.9 | \$ 10.0 | \$48.8 | \$ 9.4 | \$ 100.2 | \$ 187.4 | \$1,614.7 |

Together with Varagon Capital Partners (“Varagon and its clients”), the Company has co-invested through the Senior Direct Lending Program LLC (d/b/a the "Senior Direct Lending Program" or the "SDLP"). The SDLP has been capitalized as transactions are completed and all portfolio decisions and generally all other decisions in respect of the SDLP must be approved by an investment committee of the SDLP consisting of representatives of the Company and *Varagon (with approval from a representative of each required); therefore, although the Company owns more than 25% of the voting securities of the SDLP, the Company does not believe that it has control over the SDLP (for purposes of the Investment Company Act or otherwise) because, among other things, these "voting securities" do not afford the Company the right to elect directors of the SDLP or any other special rights (see Note 4 to the consolidated financial statements).

(9) Non-U.S. company or principal place of business outside the U.S. and as a result is not a qualifying asset under Section 55(a) of the Investment Company Act. Under the Investment Company Act, the Company may not acquire any non-qualifying asset unless, at the time such acquisition is made, qualifying assets represent at least 70% of the Company's total assets. Pursuant to Section 55(a) of the Investment Company Act, 12% of the Company's total assets are represented by investments at fair value and other assets that are considered “non-qualifying assets” as of December 31, 2017.

(10) Exception from the definition of investment company under Section 3(c) of the Investment Company Act and as a result is not a qualifying asset under Section 55(a) of the Investment Company Act. Under the Investment Company Act, the Company may not acquire any non-qualifying asset unless, at the time such acquisition is made, qualifying assets represent at least 70% of the Company's total assets.

(11) Variable rate loans to the Company's portfolio companies bear interest at a rate that may be determined by reference to either the London Interbank Offered Rate (“LIBOR”) or an alternate base rate (commonly based on the Federal Funds Rate or the Prime Rate), at the borrower's option, which reset annually (A), semi-annually (S), quarterly (Q), bi-monthly (B), monthly (M) or daily (D). For each such loan, the Company has provided the interest rate in effect on the date presented.

In addition to the interest earned based on the stated interest rate of this security, the Company is entitled to receive an additional interest amount of 1.75% on \$63 aggregate principal amount of a “first out” tranche of the (12) portfolio company’s senior term debt previously syndicated by the Company into “first out” and “last out” tranches, whereby the “first out” tranche will have priority as to the “last out” tranche with respect to payments of principal, interest and any other amounts due thereunder.

In addition to the interest earned based on the stated interest rate of this security, the Company is entitled to receive an additional interest amount of 2.00% on \$73 aggregate principal amount of a “first out” tranche of the (13) portfolio company’s first lien senior secured loans, whereby the “first out” tranche will have priority as to the “last out” tranche with respect to payments of principal, interest and any other amounts due thereunder.

The Company sold a participating interest of approximately \$9 of aggregate principal amount of the portfolio company’s second lien senior secured term loan as a “first out” tranche. As the transaction did not qualify as a “true (14) sale” in accordance with U.S. generally accepted accounting principles, the Company recorded a corresponding \$9 secured borrowing included in “accounts payable and other liabilities” in the accompanying consolidated balance sheet.”

The Company is entitled to receive a fixed fee upon the occurrence of certain events as defined in the credit agreement governing the Company's debt investment in the portfolio company. The fair value of such fee is included in the fair value of the debt investment.

(16) Loan was on non-accrual status as of December 31, 2017.

(17) Loan includes interest rate floor feature.

In addition to the interest earned based on the stated contractual interest rate of this security, the certificates entitle the holders thereof to receive a portion of the excess cash flow from the SDLP's loan portfolio, after expenses, which may result in a return to the Company greater than the contractual stated interest rate.

As of December 31, 2017, no amounts were funded by the Company under this first lien senior secured revolving loan; however, there were letters of credit issued and outstanding through a financial intermediary under the loan. See Note 7 to the consolidated financial statements for further information on letters of credit commitments related to certain portfolio companies.

As of December 31, 2017, in addition to the amounts funded by the Company under this first lien senior secured revolving loan, there were also letters of credit issued and outstanding through a financial intermediary under the loan. See Note 7 to the consolidated financial statements for further information on letters of credit commitments related to certain portfolio companies.

As of December 31, 2017, the Company had the following commitments to fund various revolving and delayed draw senior secured and subordinated loans, including commitments to issue letters of credit through a financial intermediary on behalf of certain portfolio companies. Such commitments are subject to the satisfaction of certain conditions set forth in the documents governing these loans and letters of credit and there can be no assurance that such conditions will be satisfied. See Note 7 to the consolidated financial statements for further information on revolving and delayed draw loan commitments, including commitments to issue letters of credit, related to certain portfolio companies.

| (in millions) Portfolio Company | Total revolving and delayed draw loan commitments | Less: drawn commitments | Total undrawn commitments | Less: substantially at discretion of the Company | Less: unavailable commitments due to borrowing base or other covenant restrictions | Total net adjusted undrawn revolving and delayed draw commitments |
|--|---|-------------------------|---------------------------|--|--|---|
| A.U.L. Corp. | \$ 1.3 | \$ (0.4) |) \$ 0.9 | \$ — | \$ — | \$ 0.9 |
| Accruent, LLC, Accruent Holding, LLC and Athena Parent, Inc. | 9.9 | (0.7) |) 9.2 | — | — | 9.2 |
| Achilles Acquisition LLC | 1.1 | — | 1.1 | — | — | 1.1 |
| ADCS Billings Intermediate Holdings, LLC | 5.0 | — | 5.0 | — | — | 5.0 |
| ADF Pizza I LLC | 1.3 | — | 1.3 | — | — | 1.3 |
| ADG, LLC | 13.7 | (11.5) |) 2.2 | — | — | 2.2 |
| Alcami Holdings, LLC | 30.0 | (25.6) |) 4.4 | — | — | 4.4 |

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| | | | | | | |
|---|------|-------|--------|------|-----|------|
| American Academy Holdings, LLC | 7.0 | (0.9 |) 6.1 | — | — | 6.1 |
| AMZ Holding Corp. | 3.4 | — | 3.4 | — | — | 3.4 |
| Bambino CI Inc. | 9.6 | (1.1 |) 8.5 | — | — | 8.5 |
| Benihana, Inc. | 3.2 | (3.1 |) 0.1 | — | — | 0.1 |
| Cadence Aerospace, LLC | 14.3 | (1.5 |) 12.8 | — | — | 12.8 |
| CCS Intermediate Holdings, LLC and CCS Group Holdings, LLC | 7.5 | (6.4 |) 1.1 | — | — | 1.1 |
| Chariot Acquisition, LLC | 1.0 | — | 1.0 | — | — | 1.0 |
| Chesapeake Research Review, LLC | 5.8 | (0.6 |) 5.2 | — | — | 5.2 |
| Ciena Capital LLC | 20.0 | (14.0 |) 6.0 | (6.0 |) — | — |
| Clearwater Analytics, LLC | 5.0 | (0.5 |) 4.5 | — | — | 4.5 |
| Command Alkon Incorporated | 3.3 | (1.6 |) 1.7 | — | — | 1.7 |
| Component Hardware Group, Inc | 3.7 | (1.9 |) 1.8 | — | — | 1.8 |
| Cozzini Bros., Inc. and BH-Sharp Holdings LP | 16.0 | — | 16.0 | — | — | 16.0 |
| Crown Health Care Laundry Services, LLC and Crown Laundry Holdings, LLC | 5.0 | (2.6 |) 2.4 | — | — | 2.4 |
| CST Buyer Company | 4.2 | — | 4.2 | — | — | 4.2 |

| (in millions) Portfolio Company | Total revolving and delayed draw loan commitments | Less: drawn commitments | Total undrawn commitments | Less: substantially discretionary of the Company | Less: commitments due to borrowing base or other covenant restrictions | Total net adjusted undrawn revolving and delayed draw commitments |
|--|---|-------------------------|---------------------------|--|--|---|
| D4C Dental Brands, Inc. | 5.0 | — | 5.0 | — | — | 5.0 |
| DCA Investment Holding, LLC | 5.8 | Ø0.1 | 5.7 | — | — | 5.7 |
| DecoPac, Inc. | 8.1 | Ø2.6 | 5.5 | — | — | 5.5 |
| DFC Global Facility Borrower II LLC | 40.0 | — | 40.0 | — | — | 40.0 |
| Dorner Holding Corp. | 3.3 | Ø1.3 | 2.0 | — | — | 2.0 |
| DRB Holdings, LLC | 9.9 | — | 9.9 | — | — | 9.9 |
| DTI Holdco, Inc. and OPE DTI Holdings, Inc. | 8.8 | — | 8.8 | — | — | 8.8 |
| Eckler Industries, Inc. | 4.0 | Ø2.0 | 2.0 | Ø2.0 | — | — |
| Emergency Communications Network, LLC | 6.5 | — | 6.5 | — | — | 6.5 |
| Emerus Holdings, Inc. | 2.0 | Ø0.3 | 1.7 | — | — | 1.7 |
| EN Engineering, LLC | 5.0 | Ø1.2 | 3.8 | — | — | 3.8 |
| Entertainment Partners, LLC and Entertainment Partners Canada Inc. | 28.0 | — | 28.0 | — | — | 28.0 |
| Foundation Risk Partners, Corp. | 19.9 | — | 19.9 | — | — | 19.9 |
| FPI Holding Corporation | 2.6 | — | 2.6 | — | — | 2.6 |
| Frontline Technologies Group Holding LLC | 8.4 | — | 8.4 | — | — | 8.4 |
| FWR Holding Corporation | 3.3 | Ø0.3 | 3.0 | — | — | 3.0 |
| Garden Fresh Restaurant Corp. | 7.5 | Ø2.9 | 4.6 | — | — | 4.6 |
| Gentle Communications, LLC | 5.0 | — | 5.0 | — | — | 5.0 |
| Global Franchise Group, LLC | 1.2 | — | 1.2 | — | — | 1.2 |
| GraphPAD Software, LLC | 1.1 | Ø0.6 | 0.5 | — | — | 0.5 |
| GTCR-Ultra Acquisition, Inc. and GTCR-Ultra Holdings, LLC | 2.0 | — | 2.0 | — | — | 2.0 |
| HAI Acquisition Corporation | 19.0 | Ø4.7 | 14.3 | — | — | 14.3 |
| Halex Holdings, Inc. | 2.0 | Ø1.1 | 0.9 | — | — | 0.9 |
| Harvey Tool Company, LLC | 35.5 | Ø1.8 | 33.7 | — | — | 33.7 |
| Hojeij Branded Foods, LLC | 2.9 | — | 2.9 | — | — | 2.9 |
| Hygiena Borrower LLC | 5.3 | — | 5.3 | — | — | 5.3 |
| Implementation Management Assistance, LLC | 24.1 | — | 24.1 | — | — | 24.1 |
| Infilaw Holdings, LLC | 11.5 | Ø11.5 | — | — | — | — |
| Instituto de Banca y Comercio, Inc. | 11.8 | Ø11.8 | — | — | — | — |
| iPipeline, Inc. | 4.0 | — | 4.0 | — | — | 4.0 |
| JDC Healthcare Management, LLC | 13.9 | Ø1.5 | 12.4 | — | — | 12.4 |
| Jim N Nicks Management, LLC | 9.7 | Ø1.7 | 8.0 | — | — | 8.0 |
| K2 Pure Solutions Nocal, L.P. | 5.0 | Ø1.5 | 3.5 | — | — | 3.5 |
| KBHS Acquisition, LLC (d/b/a Alita Care, LLC) | 5.0 | Ø1.8 | 3.2 | — | — | 3.2 |
| Key Surgical LLC | 2.8 | Ø0.9 | 1.9 | — | — | 1.9 |
| KHC Holdings, Inc. | 6.9 | Ø0.7 | 6.2 | — | — | 6.2 |
| Lakeland Tours, LLC | 1.9 | Ø1.9 | — | — | — | — |
| LBP Intermediate Holdings LLC | 0.9 | Ø0.1 | 0.8 | — | — | 0.8 |

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| | | | | | | |
|--|------|-------|------|------|---|------|
| Liaison Acquisition, LLC | 3.9 | — | 3.9 | — | — | 3.9 |
| Massage Envy, LLC | 5.0 | Ø0.5 | 4.5 | — | — | 4.5 |
| Massage Envy, LLC and ME Equity LLC | 0.6 | — | 0.6 | — | — | 0.6 |
| MB2 Dental Solutions, LLC | 3.5 | Ø1.3 | 2.2 | — | — | 2.2 |
| McKenzie Sports Products, LLC | 4.5 | Ø0.9 | 3.6 | — | — | 3.6 |
| Ministry Brands, LLC | 19.5 | Ø10.9 | 8.6 | — | — | 8.6 |
| Movati Athletic (Group) Inc. | 2.8 | — | 2.8 | — | — | 2.8 |
| MSHC, Inc. | 9.8 | Ø0.1 | 9.7 | — | — | 9.7 |
| MW Dental Holding Corp. | 10.0 | Ø9.7 | 0.3 | — | — | 0.3 |
| Navisun LLC | 42.4 | — | 42.4 | — | — | 42.4 |
| NECCO Holdings, Inc. | 25.0 | Ø21.7 | 3.3 | Ø3.3 | — | — |
| Niagara Fiber Intermediate Corp. | 1.2 | Ø0.9 | 0.3 | — | — | 0.3 |
| Nordco Inc. | 12.5 | — | 12.5 | — | — | 12.5 |
| NSM Sub Holdings Corp. | 5.0 | — | 5.0 | — | — | 5.0 |
| OmniSYS Acquisition Corporation, OmniSYS, LLC, and OSYS Holdings, LLC | 2.5 | — | 2.5 | — | — | 2.5 |

| (in millions) Portfolio Company | Total revolving and delayed draw loan commitments | Less: drawn commitments | Total undrawn commitments | Less: commitments substantially at discretion of the Company | Less: unavailable commitments due to borrowing base or other covenant restrictions | Total net undrawn revolving and delayed draw commitments adjusted |
|---|---|-------------------------|---------------------------|--|--|---|
| Osmose Utilities Services, Inc. | 6.0 | (1.0) |) 5.0 | — | — | 5.0 |
| OTG Management, LLC | 13.6 | (8.4) |) 5.2 | — | — | 5.2 |
| Palermo Finance Corporation | 1.1 | (0.2) |) 0.9 | — | — | 0.9 |
| Paper Source, Inc. | 3.3 | — | 3.3 | — | — | 3.3 |
| Pathway Partners Vet Management Company LLC | 2.4 | — | 2.4 | — | — | 2.4 |
| PDI TA Holdings, Inc. | 12.5 | (0.9) |) 11.6 | — | — | 11.6 |
| Pegasus Intermediate Holdings, LLC | 5.0 | — | 5.0 | — | — | 5.0 |
| PIH Corporation and Primrose Holding Corporation | 3.3 | (1.0) |) 2.3 | — | — | 2.3 |
| Practice Insight, LLC | 2.9 | (0.6) |) 2.3 | — | — | 2.3 |
| QC Supply, LLC | 24.2 | (4.0) |) 20.2 | — | — | 20.2 |
| Restaurant Technologies, Inc. | 5.4 | (1.1) |) 4.3 | — | — | 4.3 |
| Retriever Medical/Dental Payments LLC | 3.5 | — | 3.5 | — | — | 3.5 |
| RuffaloCODY, LLC | 7.7 | (0.2) |) 7.5 | — | — | 7.5 |
| Sanders Industries Holdings, Inc. | 15.0 | — | 15.0 | — | — | 15.0 |
| SCM Insurance Services Inc. | 4.3 | — | 4.3 | — | — | 4.3 |
| SCSG EA Acquisition Company, Inc. | 4.0 | — | 4.0 | — | — | 4.0 |
| Severin Acquisition, LLC | 2.9 | — | 2.9 | — | — | 2.9 |
| SFE Intermediate Holdco LLC | 3.8 | (0.8) |) 3.0 | — | — | 3.0 |
| Shift PPC LLC | 3.6 | — | 3.6 | — | — | 3.6 |
| Sigma Electric Manufacturing Corporation | 10.0 | (1.5) |) 8.5 | — | — | 8.5 |
| Soil Safe, Inc. and Soil Safe Acquisition Corp. | 10.5 | (4.6) |) 5.9 | — | — | 5.9 |
| Sonny's Enterprises, LLC | 1.8 | (1.0) |) 0.8 | — | — | 0.8 |
| Sparta Systems, Inc. | 6.5 | — | 6.5 | — | — | 6.5 |
| Storm UK Holdco Limited and Storm US Holdco Inc. | 1.1 | (0.1) |) 1.0 | — | — | 1.0 |
| Teasdale Foods, Inc. | 0.8 | (0.4) |) 0.4 | — | — | 0.4 |
| The Gordian Group, Inc. | 1.1 | — | 1.1 | — | — | 1.1 |
| Things Remembered, Inc. | 2.4 | — | 2.4 | — | — | 2.4 |
| Towne Holdings, Inc. | 1.0 | — | 1.0 | — | — | 1.0 |
| TPTM Merger Corp. | 2.5 | — | 2.5 | — | — | 2.5 |
| Urgent Cares of America Holdings I, LLC | 10.0 | — | 10.0 | — | — | 10.0 |
| VistaPharm, Inc. | 2.5 | — | 2.5 | — | — | 2.5 |
| VLS Recovery Services, LLC | 22.1 | (1.8) |) 20.3 | — | — | 20.3 |
| VRC Companies, LLC | 1.9 | (0.8) |) 1.1 | — | — | 1.1 |
| Woodstream Group, Inc. and Woodstream Corporation | 4.7 | — | 4.7 | — | — | 4.7 |
| Wrench Group LLC | 4.6 | — | 4.6 | — | — | 4.6 |

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| | | | | | | |
|--------------|----------|-----------|------------|----------|------|-----------|
| Zemax, LLC | 3.0 | — | 3.0 | — | — | 3.0 |
| Zywave, Inc. | 11.4 | (2.4 |) 9.0 | — | — | 9.0 |
| | \$ 881.5 | \$ (201.5 |) \$ 680.0 | \$ (11.3 |) \$ | —\$ 668.7 |

(22) As of December 31, 2017, the Company was party to subscription agreements to fund equity investments in private equity investment partnerships as follows:

| (in millions) Company | Total private equity commitments | Less: funded private equity commitments | Total unfunded private equity commitments | Less: private equity commitments substantially at the discretion of the Company | Total net adjusted unfunded private equity commitments |
|---|---|---|---|---|---|
| Partnership Capital Growth Investors III, L.P. | \$ 5.0 | \$ (4.5 |) \$ 0.5 | \$ — | \$ 0.5 |
| PCG-Ares Sidecar Investment, L.P. and PCG-Ares Sidecar Investment II, L.P. | 50.0 | (12.1 |) 37.9 | (37.9 |) — |
| Piper Jaffray Merchant Banking Fund I, L.P. | 2.0 | (1.8 |) 0.2 | — | 0.2 |
| European Capital UK SME Debt LP | 54.0 | (44.0 |) 10.0 | (10.0 |) — |
| | \$ 111.0 | \$ (62.4 |) \$ 48.6 | \$ (47.9 |) \$ 0.7 |

As of December 31, 2017, the Company had commitments to co-invest in the SDLP for its portion of the SDLP's
(23) commitment to fund delayed draw loans of up to \$19. See Note 4 to the consolidated financial statements for more information on the SDLP.

Other than the investments noted by this footnote, the fair value of the Company's investments is
(24) determined using unobservable inputs that are significant to the overall fair value measurement. See Note 8 to the consolidated financial statements for more information regarding the fair value of the Company's investments.

As of December 31, 2017, the net estimated unrealized loss for federal tax purposes was \$0.8 billion based on a
(25) tax cost basis of \$12.7 billion. As of December 31, 2017, the estimated aggregate gross unrealized loss for federal income tax purposes was \$1.3 billion and the estimated aggregate gross unrealized gain for federal income tax purposes was \$0.5 billion.

ARES CAPITAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
(in millions, except per share data)
(unaudited)

| | Common Stock | | Capital in Excess of Par Value | Accumulated Overdistributed Net Investment Income | | Accumulated Undistributed Net Realized Gains on Investments, Foreign Currency Transactions, Extinguishment of Debt and Other Assets | Net Unrealized Gains (Losses) on Investments, Foreign Currency and Other Transactions | Total Stockholders' Equity |
|--|-----------------|----|---|---|----------|---|--|----------------------------------|
| Balance at December 31, 2017 | 426 | \$ | — | \$7,192 | \$ (81) | \$ 72 | \$ (85) | \$ 7,098 |
| Net increase in stockholders' equity resulting from operations | — | — | — | 306 | | 15 | 175 | 496 |
| Dividends declared and payable (\$0.76 per share) | — | — | — | (324) |) | — | — | (324) |
| Balance at June 30, 2018 | 426 | \$ | — | \$7,192 | \$ (99) | \$ 87 | \$ 90 | \$ 7,270 |

See accompanying notes to consolidated financial statements.

ARES CAPITAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS
(in millions)
(unaudited)

| | For the Six Months Ended June 30, 2018 2017 | |
|--|---|---------|
| OPERATING ACTIVITIES: | | |
| Net increase in stockholders' equity resulting from operations | \$496 | \$296 |
| Adjustments to reconcile net increase in stockholders' equity resulting from operations: | | |
| Net realized gains on investments and foreign currency and other transactions | (15) | (112) |
| Net unrealized (gains) losses on investments, foreign currency and other transactions | (175) | 30 |
| Realized losses on extinguishment of debt | — | 4 |
| Net accretion of discount on investments | (7) | (5) |
| PIK interest and dividends | (49) | (37) |
| Collections of payment-in-kind interest and dividends | — | 47 |
| Amortization of debt issuance costs | 9 | 9 |
| Net accretion of discount on notes payable | 3 | 3 |
| Acquisition of American Capital, net of cash acquired | — | (2,38) |
| Proceeds from sales and repayments of investments | 3,462 | 2,802 |
| Purchases of investments | (2,883) | (2,730) |
| Changes in operating assets and liabilities: | | |
| Interest receivable | 4 | 12 |
| Other assets | (4) | (17) |
| Base management fees payable | 1 | 10 |
| Income based fees payable | 2 | (12) |
| Capital gains incentive fees payable | 38 | 25 |
| Accounts payable and other liabilities | (47) | (99) |
| Interest and facility fees payable | 5 | 9 |
| Net cash provided by (used in) operating activities | 840 | (2,146) |
| FINANCING ACTIVITIES: | | |
| Net proceeds from issuance of common stock | — | 1,839 |
| Borrowings on debt | 3,247 | 7,090 |
| Repayments and repurchases of debt | (3,561) | (6,124) |
| Debt issuance costs | (9) | (28) |
| Dividends paid | (324) | (318) |
| Net cash (used in) provided by financing activities | (647) | 2,459 |
| CHANGE IN CASH AND CASH EQUIVALENTS | 193 | 313 |
| CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD | 316 | 223 |
| CASH AND CASH EQUIVALENTS, END OF PERIOD | \$509 | \$536 |
| Supplemental Information: | | |
| Interest paid during the period | \$97 | \$85 |
| Taxes, including excise tax, paid during the period | \$18 | \$19 |
| Dividends declared and payable during the period | \$324 | \$324 |
| Deemed contribution from Ares Capital Management (see Note 14) | | \$54 |

See accompanying notes to consolidated financial statements.

ARES CAPITAL CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

As of June 30, 2018

(unaudited)

(in millions, except per share data, percentages and as otherwise indicated; for example, with the word “billion” or otherwise)

1. ORGANIZATION

Ares Capital Corporation (the “Company”) is a specialty finance company that is a closed-end, non-diversified management investment company incorporated in Maryland. The Company has elected to be regulated as a business development company (“BDC”) under the Investment Company Act of 1940, as amended (together with the rules and regulations promulgated thereunder, the “Investment Company Act”). The Company has elected to be treated as a regulated investment company (“RIC”) under the Internal Revenue Code of 1986, as amended (the “Code”) and operates in a manner so as to qualify for the tax treatment applicable to RICs.

The Company’s investment objective is to generate both current income and capital appreciation through debt and equity investments. The Company invests primarily in first lien senior secured loans (including “unitranche” loans, which are loans that combine both senior and mezzanine debt, generally in a first lien position), second lien senior secured loans and mezzanine debt, which in some cases includes an equity component. To a lesser extent, the Company also makes equity investments.

The Company is externally managed by Ares Capital Management LLC (“Ares Capital Management” or the Company’s “investment adviser”), a subsidiary of Ares Management, L.P. (“Ares Management”), a publicly traded, leading global alternative asset manager, pursuant to an investment advisory and management agreement. Ares Operations LLC (“Ares Operations” or the Company’s “administrator”), a subsidiary of Ares Management, provides certain administrative and other services necessary for the Company to operate.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in conformity with U.S. generally accepted accounting principles (“GAAP”), and include the accounts of the Company and its consolidated subsidiaries. The Company is an investment company following accounting and reporting guidance in Accounting Standards Codification (“ASC”) 946. The consolidated financial statements reflect all adjustments and reclassifications that, in the opinion of management, are necessary for the fair presentation of the results of the operations and financial condition as of and for the periods presented. All significant intercompany balances and transactions have been eliminated.

Interim financial statements are prepared in accordance with GAAP for interim financial information and pursuant to the requirements for reporting on Form 10-Q and Articles 6 or 10 of Regulation S-X. In the opinion of management, all adjustments, consisting solely of normal recurring accruals considered necessary for the fair presentation of financial statements for the interim period presented, have been included. The current period’s results of operations will not necessarily be indicative of results that ultimately may be achieved for the fiscal year ending December 31, 2018.

Cash and Cash Equivalents

Cash and cash equivalents include funds from time to time deposited with financial institutions and short-term, liquid investments in a money market account. Cash and cash equivalents are carried at cost which approximates fair value.

Concentration of Credit Risk

The Company places its cash and cash equivalents with financial institutions and, at times, cash held in money market accounts may exceed the Federal Deposit Insurance Corporation insured limit.

Investments

Investment transactions are recorded on the trade date. Realized gains or losses are measured by the difference between the net proceeds from the repayment or sale and the amortized cost basis of the investment using the specific

identification method without regard to unrealized gains or losses previously recognized, and include investments charged off during the period, net of recoveries. Unrealized gains or losses primarily reflect the change in investment values, including the reversal of previously recorded unrealized gains or losses when gains or losses are realized.

Investments for which market quotations are readily available are typically valued at such market quotations. In order to validate market quotations, the Company looks at a number of factors to determine if the quotations are representative of fair value, including the source and nature of the quotations. Debt and equity securities that are not publicly traded or whose market prices are not readily available (i.e., substantially all of the Company's investments) are valued at fair value as determined in good faith by the Company's board of directors, based on, among other things, the input of the Company's investment adviser, audit committee and independent third-party valuation firms that have been engaged at the direction of the Company's board of directors to assist in the valuation of each portfolio investment without a readily available market quotation at least once during a trailing 12-month period (with certain de minimis exceptions) and under a valuation policy and a consistently applied valuation process. The valuation process is conducted at the end of each fiscal quarter, and a portion of the Company's investment portfolio at fair value is subject to review by an independent valuation firm each quarter. In addition, the Company's independent registered public accounting firm obtains an understanding of, and performs select procedures relating to, the Company's investment valuation process within the context of performing the integrated audit.

As part of the valuation process, the Company may take into account the following types of factors, if relevant, in determining the fair value of the Company's investments: the enterprise value of a portfolio company (the entire value of the portfolio company to a market participant, including the sum of the values of debt and equity securities used to capitalize the enterprise at a point in time), the nature and realizable value of any collateral, the portfolio company's ability to make payments and its earnings and discounted cash flow, the markets in which the portfolio company does business, a comparison of the portfolio company's securities to any similar publicly traded securities, changes in the interest rate environment and the credit markets, which may affect the price at which similar investments would trade in their principal markets and other relevant factors. When an external event such as a purchase transaction, public offering or subsequent equity sale occurs, the Company considers the pricing indicated by the external event to corroborate its valuation.

Because there is not a readily available market value for most of the investments in its portfolio, the Company values substantially all of its portfolio investments at fair value as determined in good faith by its board of directors, as described herein. Due to the inherent uncertainty of determining the fair value of investments that do not have a readily available market value, the fair value of the Company's investments may fluctuate from period to period. Additionally, the fair value of the Company's investments may differ significantly from the values that would have been used had a ready market existed for such investments and may differ materially from the values that the Company may ultimately realize. Further, such investments are generally subject to legal and other restrictions on resale or otherwise are less liquid than publicly traded securities. If the Company was required to liquidate a portfolio investment in a forced or liquidation sale, the Company could realize significantly less than the value at which the Company has recorded it.

In addition, changes in the market environment and other events that may occur over the life of the investments may cause the gains or losses ultimately realized on these investments to be different than the unrealized gains or losses reflected in the valuations currently assigned.

The Company's board of directors undertakes a multi-step valuation process each quarter, as described below:

The Company's quarterly valuation process begins with each portfolio company or investment being initially valued by the investment professionals responsible for the portfolio investment in conjunction with the Company's portfolio management team.

Preliminary valuations are reviewed and discussed with the Company's investment adviser's management and investment professionals, and then valuation recommendations are presented to the Company's board of directors.

The audit committee of the Company's board of directors reviews these valuations, as well as the input of third parties, including independent third-party valuation firms who have reviewed a portion of the investments in the Company's portfolio at fair value.

The Company's board of directors discusses valuations and ultimately determines the fair value of each investment in the Company's portfolio without a readily available market quotation in good faith based on, among other things, the input of the Company's investment adviser, audit committee and, where applicable, independent third-party valuation firms.

See Note 8 for more information on the Company's valuation process.

Interest and Dividend Income Recognition

Interest income is recorded on an accrual basis and includes the accretion of discounts and amortization of premiums. Discounts from and premiums to par value on securities purchased are accreted/amortized into interest income over the life of the respective security using the effective yield method. The amortized cost of investments represents the original cost adjusted for the accretion of discounts and amortization of premiums, if any.

Loans are generally placed on non-accrual status when principal or interest payments are past due 30 days or more or when there is reasonable doubt that principal or interest will be collected in full. Accrued and unpaid interest is generally reversed when a loan is placed on non-accrual status. Interest payments received on non-accrual loans may be recognized as income or applied to principal depending upon management's judgment regarding collectability. Non-accrual loans are restored to accrual status when past due principal and interest is paid and, in management's judgment, are likely to remain current. The Company may make exceptions to this policy if the loan has sufficient collateral value and is in the process of collection.

Dividend income on preferred equity securities is recorded as dividend income on an accrual basis to the extent that such amounts are payable by the portfolio company and are expected to be collected. Dividend income on common equity securities is recorded on the record date for private portfolio companies or on the ex-dividend date for publicly traded portfolio companies.

Payment-in-Kind Interest

The Company has loans in its portfolio that contain payment-in-kind ("PIK") provisions. The PIK interest, computed at the contractual rate specified in each loan agreement, is added to the principal balance of the loan and recorded as interest income. To maintain the Company's status as a RIC, this non-cash source of income must be paid out to stockholders in the form of dividends, even though the Company has not yet collected the cash.

Capital Structuring Service Fees and Other Income

The Company's investment adviser seeks to provide assistance to its portfolio companies and in return the Company may receive fees for capital structuring services. These fees are fixed based on contractual terms, are generally only available to the Company as a result of the Company's underlying investments, are normally paid at the closing of the investments, are generally non-recurring and non-refundable and are recognized as revenue when earned upon closing of the investment. The services that the Company's investment adviser provides vary by investment, but generally include reviewing existing credit facilities, arranging bank financing, arranging equity financing, structuring financing from multiple lenders, structuring financing from multiple equity investors, restructuring existing loans, raising equity and debt capital, and providing general financial advice, which concludes upon closing of the investment. Any services of the above nature subsequent to the closing would generally generate a separate fee payable to the Company. In certain instances where the Company is invited to participate as a co-lender in a transaction and does not provide significant services in connection with the investment, a portion of loan fees paid to the Company in such situations will be deferred and amortized over the estimated life of the loan.

Other income includes amendment fees that are fixed based on contractual terms and are generally non-recurring and non-refundable and are recognized as revenue when earned upon closing of the transaction. Other income also includes fees for management and consulting services, loan guarantees, commitments, and other services rendered by the Company to portfolio companies. Such fees are fixed based on contractual terms and are recognized as income as services are rendered.

Foreign Currency Translation

The Company's books and records are maintained in U.S. dollars. Any foreign currency amounts are translated into U.S. dollars on the following basis:

- (1) Fair value of investment securities, other assets and liabilities—at the exchange rates prevailing at the end of the period.
- (2) Purchases and sales of investment securities, income and expenses—at the exchange rates prevailing on the respective dates of such transactions, income or expenses.

Results of operations based on changes in foreign exchange rates are separately disclosed in the statement of operations, if any. Foreign security and currency translations may involve certain considerations and risks not typically associated with investing in U.S. companies and U.S. government securities. These risks include, but are not limited to, currency fluctuations and revaluations and future adverse political, social and economic developments, which could cause investments in foreign markets to be less liquid and prices more volatile than those of comparable U.S. companies or U.S. government securities.

Derivative Instruments

The Company does not utilize hedge accounting and as such values its derivatives at fair value with the unrealized gains or losses recorded in “net unrealized gains (losses) from foreign currency and other transactions” in the Company’s consolidated statement of operations.

Equity Offering Expenses

The Company’s offering costs are charged against the proceeds from equity offerings when proceeds are received.

Debt Issuance Costs

Debt issuance costs are amortized over the life of the related debt instrument using the straight line method or the effective yield method, depending on the type of debt instrument.

Income Taxes

The Company has elected to be treated as a RIC under the Code and operates in a manner so as to qualify for the tax treatment applicable to RICs. To qualify as a RIC, the Company must (among other requirements) meet certain source-of-income and asset diversification requirements and timely distribute to its stockholders at least 90% of its investment company taxable income, as defined by the Code, for each year. The Company (among other requirements) has made and intends to continue to make the requisite distributions to its stockholders, which will generally relieve the Company from U.S. federal corporate-level income taxes.

Depending on the level of taxable income earned in a tax year, the Company may choose to carry forward taxable income in excess of current year dividend distributions from such current year taxable income into the next tax year and pay a 4% excise tax on such income, as required. To the extent that the Company determines that its estimated current year taxable income will be in excess of estimated dividend distributions for the current year, the Company accrues excise tax, if any, on estimated excess taxable income as such taxable income is earned.

Certain of the Company’s consolidated subsidiaries are subject to U.S. federal and state corporate-level income taxes.

Dividends to Common Stockholders

Dividends and distributions to common stockholders are recorded on the ex-dividend date. The amount to be paid out as a dividend is determined by the Company’s board of directors each quarter and is generally based upon the earnings estimated by management. Net realized capital gains, if any, are generally distributed, although the Company may decide to retain such capital gains for investment.

The Company has adopted a dividend reinvestment plan that provides for reinvestment of any distributions the Company declares in cash on behalf of its stockholders, unless a stockholder elects to receive cash. As a result, if the Company’s board of directors authorizes, and the Company declares, a cash dividend, then the Company’s stockholders who have not “opted out” of the Company’s dividend reinvestment plan will have their cash dividends automatically

reinvested in additional shares of the Company's common stock, rather than receiving the cash dividend. The Company intends to use primarily newly issued shares to implement the dividend reinvestment plan (so long as the Company is trading at a premium to net asset value). If the Company's shares are trading at a discount to net asset value and the Company is otherwise permitted under applicable law to purchase such shares, the Company may purchase shares in the open market in connection with the Company's obligations under the dividend reinvestment plan. However, the Company reserves the right to issue new shares of the Company's common stock in connection with the Company's obligations under the dividend reinvestment plan even if the Company's shares are trading below net asset value.

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of actual and contingent assets and liabilities at the date of the financial statements and the reported amounts of income or loss and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates include the valuation of investments.

3. AGREEMENTS

Investment Advisory and Management Agreement

The Company is party to an investment advisory and management agreement (the “investment advisory and management agreement”) with Ares Capital Management. Subject to the overall supervision of the Company’s board of directors, Ares Capital Management provides investment advisory and management services to the Company. For providing these services, Ares Capital Management receives fees from the Company consisting of a base management fee, a fee based on the Company’s net investment income (“income based fee”) and a fee based on the Company’s net capital gains (“capital gains incentive fee”). The investment advisory and management agreement may be terminated by either party without penalty upon 60 days’ written notice to the other party.

The base management fee is calculated at an annual rate of 1.5% based on the average value of the Company’s total assets (other than cash or cash equivalents but including assets purchased with borrowed funds) at the end of the two most recently completed calendar quarters. The base management fee is payable quarterly in arrears. In connection with the Company’s board of directors approving the modification of the asset coverage requirement applicable to senior securities from 200% to 150% effective on June 21, 2019 (unless the Company receives earlier stockholder approval), the investment advisory and management agreement will be amended prior to June 21, 2019 (or such earlier date) to reduce the Company’s annual base management fee from 1.5% to 1.0% on all assets financed using leverage over 1.0x debt to equity. See Note 5 for additional information.

The income based fee is calculated and payable quarterly in arrears based on the Company’s pre-incentive fee net investment income, as defined in the investment advisory and management agreement, for the quarter. Pre-incentive fee net investment income means interest income, dividend income and any other income (including any other fees such as commitment, origination, structuring, diligence and consulting fees or other fees that the Company receives from portfolio companies but excluding fees for providing managerial assistance) accrued during the calendar quarter, minus operating expenses for the quarter (including the base management fee, any expenses payable under the administration agreement, and any interest expense and dividends paid on any outstanding preferred stock, but excluding the income based fee and capital gains incentive fee accrued under GAAP). Pre-incentive fee net investment income includes, in the case of investments with a deferred interest feature such as market discount, debt instruments with PIK interest, preferred stock with PIK dividends and zero coupon securities, accrued income that the Company has not yet received in cash. The Company’s investment adviser is not under any obligation to reimburse the Company for any part of the income based fees it received that was based on accrued interest that the Company never actually received.

Pre-incentive fee net investment income does not include any realized capital gains, realized capital losses, unrealized capital appreciation, unrealized capital depreciation or income tax expense related to realized gains and losses. Because of the structure of the income based fee, it is possible that the Company may pay such fees in a quarter where the Company incurs a loss. For example, if the Company receives pre-incentive fee net investment income in excess of the hurdle rate (as defined below) for a quarter, the Company will pay the applicable income based fee even if the Company has incurred a loss in that quarter due to realized and/or unrealized capital losses.

Pre-incentive fee net investment income, expressed as a rate of return on the value of the Company's net assets (defined as total assets less indebtedness and before taking into account any income based fees and capital gains incentive fees payable during the period) at the end of the immediately preceding calendar quarter, is compared to a fixed "hurdle rate" of 1.75% per quarter. If market credit spreads rise, the Company may be able to invest its funds in debt instruments that provide for a higher return, which may increase the Company's pre-incentive fee net investment income and make it easier for the Company's investment adviser to surpass the fixed hurdle rate and receive an income based fee based on such net investment income. To the extent the Company has retained pre-incentive fee net investment income that has been used to calculate the income based fee, it is also included in the amount of the Company's total assets (other than cash and cash equivalents but including assets purchased with borrowed funds) used to calculate the 1.5% base management fee.

The Company pays its investment adviser an income based fee with respect to the Company's pre-incentive fee net investment income in each calendar quarter as follows:

• No income based fee in any calendar quarter in which the Company's pre-incentive fee net investment income does not exceed the hurdle rate;

• 100% of the Company's pre-incentive fee net investment income with respect to that portion of such pre-incentive fee net investment income, if any, that exceeds the hurdle rate but is less than 2.1875% in any calendar quarter. The Company refers to this portion of its pre-incentive fee net investment income (which exceeds the hurdle rate but is less than 2.1875%) as the "catch-up" provision. The "catch-up" is meant to provide the Company's investment adviser with 20% of the pre-incentive fee net investment income as if a hurdle rate did not apply if this net investment income exceeded 2.1875% in any calendar quarter; and

• 20% of the amount of the Company's pre-incentive fee net investment income, if any, that exceeds 2.1875% in any calendar quarter.

These calculations are adjusted for any share issuances or repurchases during the quarter.

In connection with the Company's acquisition of American Capital, Ltd., a Delaware corporation ("American Capital") (the "American Capital Acquisition"), Ares Capital Management agreed to waive, for each of the first ten calendar quarters beginning with the second quarter of 2017 and ending with the third quarter of 2019, the lesser of (x) \$10 of income based fees and (y) the amount of income based fees for such quarter, in each case, to the extent earned and payable by the Company in such quarter pursuant to and as calculated under the Company's investment advisory and management agreement (the "Fee Waiver"). See Note 14 for additional information regarding the American Capital Acquisition.

The capital gains incentive fee is determined and payable in arrears as of the end of each calendar year (or, upon termination of the investment advisory and management agreement, as of the termination date) and is calculated at the end of each applicable year by subtracting (a) the sum of the Company's cumulative aggregate realized capital losses and aggregate unrealized capital depreciation from (b) the Company's cumulative aggregate realized capital gains, in each case calculated from October 8, 2004 (the date the Company completed its initial public offering). Realized capital gains and losses include gains and losses on investments and foreign currencies, gains and losses on extinguishment of debt and from other assets, as well as any income tax and other expenses related to cumulative aggregate realized gains and losses. If such amount is positive at the end of such year, then the capital gains incentive fee for such year is equal to 20% of such amount, less the aggregate amount of capital gains incentive fees paid in all prior years. If such amount is negative, then there is no capital gains incentive fee for such year.

The cumulative aggregate realized capital gains are calculated as the sum of the differences, if positive, between (a) the net sales price of each investment in the Company's portfolio when sold and (b) the accreted or amortized cost basis of such investment.

The cumulative aggregate realized capital losses are calculated as the sum of the amounts by which (a) the net sales price of each investment in the Company's portfolio when sold is less than (b) the accreted or amortized cost basis of such investment.

The aggregate unrealized capital depreciation is calculated as the sum of the differences, if negative, between (a) the valuation of each investment in the Company's portfolio as of the applicable capital gains incentive fee calculation date and (b) the accreted or amortized cost basis of such investment.

Notwithstanding the foregoing, as a result of an amendment to the capital gains incentive fee under the investment advisory and management agreement that was adopted on June 6, 2011, if the Company is required by GAAP to record an investment at its fair value as of the time of acquisition instead of at the actual amount paid for such investment by the Company (including, for example, as a result of the application of the asset acquisition method of accounting), then solely for the purposes of calculating the capital gains incentive fee, the “accreted or amortized cost basis” of an investment shall be an amount (the “Contractual Cost Basis”) equal to (1) (x) the actual amount paid by the Company for such investment plus (y) any amounts recorded in the Company’s financial statements as required by GAAP that are attributable to the accretion of such investment plus (z) any other adjustments made to the cost basis included in the Company’s financial statements, including PIK interest or additional amounts funded (net of repayments) minus (2) any amounts recorded in the Company’s financial statements as required by GAAP that are attributable to the amortization of such investment, whether such calculated

Contractual Cost Basis is higher or lower than the fair value of such investment (as determined in accordance with GAAP) at the time of acquisition.

There was no capital gains incentive fee earned by the Company's investment adviser as calculated under the investment advisory and management agreement (as described above) for the three and six months ended June 30, 2018. However, in accordance with GAAP, the Company had cumulatively accrued a capital gains incentive fee of \$117 as of June 30, 2018, of which \$117 is not currently due under the investment advisory and management agreement. GAAP requires that the capital gains incentive fee accrual consider the cumulative aggregate unrealized capital appreciation in the calculation, as a capital gains incentive fee would be payable if such unrealized capital appreciation were realized, even though such unrealized capital appreciation is not permitted to be considered in calculating the fee actually payable under the investment advisory and management agreement. This GAAP accrual is calculated using the aggregate cumulative realized capital gains and losses and aggregate cumulative unrealized capital depreciation included in the calculation of the capital gains incentive fee plus the aggregate cumulative unrealized capital appreciation, net of any expense associated with cumulative unrealized capital depreciation or appreciation. If such amount is positive at the end of a period, then GAAP requires the Company to record a capital gains incentive fee equal to 20% of such cumulative amount, less the aggregate amount of actual capital gains incentive fees paid or capital gains incentive fees accrued under GAAP in all prior periods. As of June 30, 2018, the Company has paid capital gains incentive fees since inception totaling \$57. The resulting accrual for any capital gains incentive fee under GAAP in a given period may result in an additional expense if such cumulative amount is greater than in the prior period or a reversal of previously recorded expense if such cumulative amount is less than in the prior period. If such cumulative amount is negative, then there is no accrual. There can be no assurance that such unrealized capital appreciation will be realized in the future.

The Company defers cash payment of any income based fees and capital gains incentive fees otherwise earned by the Company's investment adviser if during the most recent four full calendar quarter period ending on or prior to the date such payment is to be made the sum of (a) the aggregate distributions to the Company's stockholders and (b) the change in net assets (defined as total assets less indebtedness and before taking into account any income based fees and capital gains incentive fees payable during the period) is less than 7.0% of the Company's net assets (defined as total assets less indebtedness) at the beginning of such period. Any deferred income based fees and capital gains incentive fees are carried over for payment in subsequent calculation periods to the extent such payment is payable under the investment advisory and management agreement.

For the three and six months ended June 30, 2018, base management fees were \$45 and \$91, respectively, and income based fees were \$30 and \$58, respectively. The income based fees for the three and six months ended June 30, 2018 were net of the Fee Waiver of \$10 and \$20, respectively. For the three and six months ended June 30, 2018, the capital gains incentive fees calculated in accordance with GAAP were \$18 and \$38, respectively. For the three and six months ended June 30, 2017, base management fees were \$44 and \$83, respectively, and income based fees were \$20 and \$52, respectively. The income based fees for the three and six months ended June 30, 2017 were net of the Fee Waiver of \$10. For the three and six months ended June 30, 2017, the capital gains incentive fees calculated in accordance with GAAP were \$10 and \$26, respectively. For the six months ended June 30, 2017, \$11 of capital gains incentive fees calculated in accordance with GAAP were recorded in connection with the American Capital Acquisition as a result of the fair value of the net assets acquired exceeding the fair value of the merger consideration paid by the Company.

The services of all investment professionals and staff of the Company's investment adviser, when and to the extent engaged in providing investment advisory and management services to the Company, and routine overhead expenses of such personnel allocable to such services, are provided and paid for by the Company's investment adviser. Under the investment advisory and management agreement, the Company bears all other costs and expenses of its operations and transactions, including, but not limited to, those relating to: organization; calculation of the Company's net asset

value (including, but not limited to, the cost and expenses of any independent valuation firm); expenses incurred by the Company's investment adviser payable to third parties, including agents, consultants or other advisers in monitoring the Company's financial and legal affairs and in monitoring the Company's investments (including the cost of consultants hired to develop information technology systems designed to monitor the Company's investments) and performing due diligence on the Company's prospective portfolio companies; interest payable on indebtedness, if any, incurred to finance the Company's investments (including payments to third party vendors for financial information services); offerings of the Company's common stock and other securities; investment advisory and management fees; administration fees; fees payable to third parties, including agents, consultants or other advisers, relating to, or associated with, evaluating and making investments in portfolio companies, including costs associated with meeting with and marketing to financial sponsors, regardless of whether such transactions are ultimately consummated; transfer agent and custodial fees; registration fees; listing fees; taxes; independent directors' fees and expenses; costs of preparing and filing reports or other documents with the SEC; the costs of any reports, proxy statements or other notices to stockholders, including printing costs; to the extent the Company is covered by any joint insurance policies, the

Company's allocable portion of the insurance premiums for such policies; direct costs and expenses of administration, including auditor and legal costs; and all other expenses incurred by the Company or its administrator in connection with administering the Company's business as described in more detail under "Administration Agreement" below.

Administration Agreement

The Company is party to an administration agreement, referred to herein as the "administration agreement", with its administrator, Ares Operations. Pursuant to the administration agreement, Ares Operations furnishes the Company with office equipment and clerical, bookkeeping and record keeping services at the Company's office facilities. Under the administration agreement, Ares Operations also performs, or oversees the performance of, the Company's required administrative services, which include, among other things, providing assistance in accounting, legal, compliance, operations, technology and investor relations, being responsible for the financial records that the Company is required to maintain and preparing reports to its stockholders and reports filed with the Securities and Exchange Commission (the "SEC"). In addition, Ares Operations assists the Company in determining and publishing its net asset value, assists the Company in providing managerial assistance to its portfolio companies, oversees the preparation and filing of the Company's tax returns and the printing and dissemination of reports to its stockholders, and generally oversees the payment of its expenses and the performance of administrative and professional services rendered to the Company by others. Payments under the administration agreement are equal to an amount based upon its allocable portion of Ares Operations' overhead and other expenses (including travel expenses) incurred by Ares Operations in performing its obligations under the administration agreement, including the Company's allocable portion of the compensation, rent and other expenses of certain of its officers (including the Company's chief compliance officer, chief financial officer, chief accounting officer, general counsel, secretary, treasurer and assistant treasurer) and their respective staffs. The administration agreement may be terminated by either party without penalty upon 60 days' written notice to the other party.

For the three and six months ended June 30, 2018, the Company incurred \$4 and \$7 million, respectively, in administrative fees. As of June 30, 2018 and December 31, 2017, a total of \$4 and \$4, respectively, in administrative fees were unpaid and included in "accounts payable and other liabilities" in the accompanying consolidated balance sheet. For the three and six months ended June 30, 2017, the Company incurred \$3 and \$6, respectively, in administrative fees. In addition, for the three and six months ended June 30, 2017, the Company incurred an additional \$2 and \$5, respectively, in administrative fees related to the integration of the American Capital Acquisition. These acquisition-related expenses are included in "net professional fees and other costs related to the American Capital Acquisition" in the consolidated statement of operations.

4. INVESTMENTS

As of June 30, 2018 and December 31, 2017, investments consisted of the following:

| | As of | | | |
|---|----------------|------------|-------------------|------------|
| | June 30, 2018 | | December 31, 2017 | |
| | Amortized Cost | Fair Value | Amortized Cost | Fair Value |
| First lien senior secured loans | \$4,739 | \$ 4,626 | \$5,337 | \$ 5,197 |
| Second lien senior secured loans | 3,618 | 3,449 | 3,885 | 3,744 |
| Subordinated certificates of the SDLP (2) | 589 | 589 | 487 | 487 |
| Senior subordinated loans | 1,059 | 1,077 | 978 | 995 |
| Collateralized loan obligations | 93 | 92 | 115 | 114 |
| Preferred equity securities | 496 | 679 | 485 | 532 |
| Other equity securities | 841 | 1,015 | 618 | 772 |
| Total | \$11,435 | \$ 11,527 | \$11,905 | \$ 11,841 |

- (1) The amortized cost represents the original cost adjusted for the accretion of discounts and amortization of premiums, if any.
- (2) The proceeds from these certificates were applied to co-investments with Varagon and its clients to fund first lien senior secured loans to 20 and 19 different borrowers as of June 30, 2018 and December 31, 2017, respectively.

The industrial and geographic compositions of the Company's portfolio at fair value as of June 30, 2018 and December 31, 2017 were as follows:

| | As of | | | |
|----------------------------------|-------|---|----------|---|
| | June | | December | |
| | 30, | | 31, 2017 | |
| | 2018 | | | |
| Industry | | | | |
| Healthcare Services | 22.2 | % | 22.5 | % |
| Business Services | 16.1 | | 19.2 | |
| Consumer Products | 7.5 | | 6.8 | |
| Financial Services | 6.9 | | 4.3 | |
| Investment Funds and Vehicles(1) | 6.6 | | 5.8 | |
| Manufacturing | 5.7 | | 6.0 | |
| Other Services | 5.5 | | 6.2 | |
| Power Generation | 4.3 | | 3.6 | |
| Restaurants and Food Services | 3.9 | | 3.3 | |
| Education | 3.4 | | 3.0 | |
| Food and Beverage | 3.1 | | 4.3 | |
| Oil and Gas | 2.8 | | 2.5 | |
| Automotive Services | 2.5 | | 3.0 | |
| Wholesale Distribution | 2.3 | | 2.5 | |
| Containers and Packaging | 2.1 | | 2.1 | |
| Other | 5.1 | | 4.9 | |
| Total | 100.0 | % | 100.0 | % |

Includes the Company's investment in the SDLP, which had made first lien senior secured loans to 20 and 19 (1)different borrowers as of June 30, 2018 and December 31, 2017, respectively. The portfolio companies in the SDLP are in industries similar to the companies in the Company's portfolio.

| | As of | | | |
|-------------------|-------|---|----------|---|
| | June | | December | |
| | 30, | | 31, 2017 | |
| | 2018 | | | |
| Geographic Region | | | | |
| West(1) | 29.0 | % | 23.9 | % |
| Midwest | 23.9 | | 25.3 | |
| Southeast | 23.1 | | 28.5 | |
| Mid Atlantic | 16.0 | | 15.0 | |
| Northeast | 5.0 | | 3.9 | |
| International | 3.0 | | 3.4 | |
| Total | 100.0 | % | 100.0 | % |

(1) Includes the Company's investment in the SDLP, which represented 5.1% and 4.1% of the total investment portfolio at fair value as of June 30, 2018 and December 31, 2017, respectively.

As of June 30, 2018, 2.7% of total investments at amortized cost (or 0.8% of total investments at fair value) were on non-accrual status. As of December 31, 2017, 3.1% of total investments at amortized cost (or 1.4% of total

investments at fair value) were on non-accrual status.

Co-Investment Programs

Senior Direct Lending Program

The Company has established a joint venture with Varagon to make certain first lien senior secured loans, including certain stretch senior and unitranche loans, primarily to U.S. middle market companies. Varagon was formed in 2013 as a lending platform by American International Group, Inc. and other partners. The joint venture is called the SDLP. In July 2016, the Company and Varagon and its clients completed the initial funding of the SDLP. The SDLP may generally commit and hold individual loans of up to \$300. The Company and other accounts managed by the Company's investment adviser and its affiliates may directly co-invest with the SDLP to accommodate larger transactions. The SDLP is capitalized as transactions are completed and all portfolio decisions and generally all other decisions in respect of the SDLP must be approved by an investment committee of the SDLP consisting of representatives of the Company and Varagon (with approval from a representative of each required).

The Company provides capital to the SDLP in the form of subordinated certificates (the "SDLP Certificates"), and Varagon and its clients provide capital to the SDLP in the form of senior notes, intermediate funding notes and SDLP Certificates. As of June 30, 2018 and December 31, 2017, the Company and a client of Varagon owned 87.5% and 12.5%, respectively, of the outstanding SDLP Certificates.

As of June 30, 2018 and December 31, 2017, the Company and Varagon and its clients had agreed to make capital available to the SDLP of \$6,400 and \$2,925, respectively, in the aggregate, of which \$1,444 and \$591, respectively, is to be made available from the Company. This capital will only be committed to the SDLP upon approval of transactions by the investment committee of the SDLP as discussed above. Below is a summary of the funded capital and unfunded capital commitments of the SDLP.

| | As of | |
|--|---------------------|----------------------|
| | June 30, 2018 | December 31, 2017 |
| Total capital funded to the SDLP(1) | \$2,928 | \$ 2,319 |
| Total capital funded to the SDLP by the Company(1) | \$589 | \$ 487 |
| Total unfunded capital commitments to the SDLP(2) | \$115 | \$ 92 |
| Total unfunded capital commitments to the SDLP by the Company(2) | \$24 | \$ 19 |

(1) At principal amount.

(2) These commitments have been approved by the investment committee of the SDLP and will be funded as the transactions are completed.

The SDLP Certificates pay a coupon of LIBOR plus 8.0% and also entitle the holders thereof to receive a portion of the excess cash flow from the loan portfolio, after expenses, which may result in a return to the holders of the SDLP Certificates that is greater than the stated coupon. The SDLP Certificates are junior in right of payment to the senior notes and intermediate funding notes.

The amortized cost and fair value of the SDLP Certificates held by the Company were \$589 and \$589, respectively, as of June 30, 2018. The Company's yield on its investment in the SDLP at amortized cost and fair value was 15.0% and 15.0%, respectively, as of June 30, 2018. The amortized cost and fair value of the SDLP Certificates held by the Company were \$487 and \$487, respectively, as of December 31, 2017. The Company's yield on its investment in the SDLP at amortized cost and fair value was 14.5% and 14.5%, respectively, as of December 31, 2017. For the three

and six months ended June 30, 2018, the Company earned interest income of \$20 and \$39, respectively, from its investment in the SDLP Certificates. For the three and six months ended June 30, 2017, the Company earned interest income of \$11 and \$21, respectively, from its investment in the SDLP Certificates. The Company is also entitled to certain fees in connection with the SDLP. For the three and six months ended June 30, 2018, in connection with the SDLP, the Company earned capital structuring service and other fees totaling \$5 and \$8, respectively. For the three and six months ended June 30, 2017, in connection with the SDLP, the Company earned capital structuring service and other fees totaling \$5 and \$6, respectively.

As of June 30, 2018 and December 31, 2017, the SDLP's portfolio was comprised entirely of first lien senior secured loans to U.S. middle-market companies and were in industries similar to the companies in the Company's portfolio. As of

June 30, 2018 and December 31, 2017, none of the loans were on non-accrual status. Below is a summary of the SDLP's portfolio.

| | As of June 30, 2018 | December 31, 2017 |
|---|------------------------------|----------------------|
| Total first lien senior secured loans(1) | \$2,760 | \$ 2,316 |
| Largest loan to a single borrower(1) | \$249 | \$ 200 |
| Total of five largest loans to borrowers(1) | \$1,087 | \$ 947 |
| Number of borrowers in the SDLP | 20 | 19 |
| Commitments to fund delayed draw loans(2) | \$115 | \$ 92 |

(1) At principal amount.

(2) As discussed above, these commitments have been approved by the investment committee of the SDLP.

Senior Secured Loan Program

The Company and General Electric Capital Corporation and GE Global Sponsor Finance LLC (collectively, "GE") had previously co-invested in first lien senior secured loans of middle market companies through the SSLP. The SSLP was capitalized as transactions were completed. All portfolio decisions and generally all other decisions in respect of the SSLP were approved by an investment committee of the SSLP consisting of representatives of the Company and GE (with approval from a representative of each required). The Company provided capital to the SSLP in the form of subordinated certificates (the "SSLP Certificates"). GE provided capital to the SSLP in the form of senior notes and the SSLP Certificates.

As of June 30, 2017, the Company's investment in the SSLP Certificates at amortized cost and fair value was \$1.9 billion and \$1.9 billion, respectively. As of June 30, 2017, the SSLP had \$1.2 billion in cash and GE's senior notes outstanding totaled \$601. In July 2017, the SSLP made its monthly waterfall distribution from this cash, which fully repaid the senior notes of the SSLP with the remaining amounts distributed to the holders of the SSLP Certificates. From this distribution, the Company received \$474 in respect of the Company's SSLP Certificates. After this distribution, the Company's amortized cost in its SSLP Certificates was \$1.5 billion.

In addition, in July 2017, the Company and GE agreed to an effective termination of the SSLP whereby on July 26, 2017, the Company purchased the remaining \$1.6 billion in aggregate principal amount of first lien senior secured loans outstanding at par plus accrued and unpaid interest and fees from the SSLP (the "SSLP Loan Sale") and assumed the SSLP's remaining unfunded loan commitments totaling \$50. Upon completion of the SSLP Loan Sale, the SSLP made a liquidation distribution to the holders of the SSLP Certificates (the "SSLP Liquidation Distribution"), of which the Company received \$1.5 billion. In connection with the SSLP Liquidation Distribution, the Company recognized an \$18 realized loss. After completion of the transactions above, the operations of the SSLP were effectively terminated pursuant to the terms of the documents governing the SSLP and the SSLP no longer has an obligation to fund existing commitments and other amounts in respect of its former portfolio companies.

For the three and six months ended June 30, 2017, the Company earned interest income of \$29 and \$63, respectively, from its investment in the SSLP Certificates. The Company was also entitled to certain fees in connection with the SSLP. For the three and six months ended June 30, 2017, in connection with the SSLP, the Company earned capital structuring service, sourcing and other fees totaling \$3 and \$5, respectively.

Ivy Hill Asset Management, L.P.

Ivy Hill Asset Management, L.P. (“IHAM”) is an asset management services company and an SEC-registered investment adviser. The Company has made investments in IHAM, its wholly owned portfolio company, and previously made investments in certain vehicles managed by IHAM. As of June 30, 2018, IHAM had assets under management of approximately \$5.0 billion. As of June 30, 2018, IHAM managed 23 vehicles and served as the sub-manager/sub-servicer for two other vehicles (these vehicles managed or sub-managed/sub-serviced by IHAM are collectively referred to as the “IHAM Vehicles”). IHAM earns fee income from managing the IHAM Vehicles and has also invested in certain of these vehicles as part of its business strategy. As of June 30, 2018 and December 31, 2017, IHAM had total investments of \$451 and \$229, respectively. For the three and six months ended June 30, 2018, IHAM had management and incentive fee income of \$6 and

\$12, respectively, and other investment-related income of \$12 and \$27, respectively. For the three and six months ended June 30, 2017, IHAM had management and incentive fee income of \$8 and \$16, respectively, and other investment-related income of \$6 and \$13, respectively.

In connection with the American Capital Acquisition, which was completed on January 3, 2017 (the “Acquisition Date”), American Capital Asset Management, LLC (“ACAM”), a wholly owned portfolio company of American Capital, merged with and into IHAM, with IHAM remaining as the surviving entity as a wholly owned portfolio company of the Company. As a result of the merger of IHAM and ACAM, the Company’s investment in IHAM increased by \$179, which was recorded as an equity capital contribution in the amount of the fair value of the net assets of ACAM as of the Acquisition Date. In January 2017, as a result of sales of certain assets previously held by ACAM, IHAM made a distribution to the Company of \$103, which was recorded as a return of the Company’s equity capital contribution discussed above. See Note 14 for additional information regarding the American Capital Acquisition.

The amortized cost and fair value of the Company’s investment in IHAM was \$444 and \$521, respectively, as of June 30, 2018, and \$244 and \$315, respectively, as of December 31, 2017. For the three and six months ended June 30, 2018, the Company received distributions from IHAM of \$15 and \$28, respectively. The distributions for the three and six months ended June 30, 2018, included dividend income of \$15 and \$28, respectively. Additionally, in February 2018, the Company provided a \$63 subordinated revolving loan and a \$200 equity capital contribution to IHAM to help support IHAM’s acquisition of a portfolio of middle market loans. For the three and six months ended June 30, 2017, the Company received distributions from IHAM of \$62 and \$73 (excluding the \$103 return of capital discussed above), respectively. The distributions for the three and six months ended June 30, 2017, included dividend income of \$10 and \$20, respectively.

From time to time, IHAM or certain IHAM Vehicles may purchase investments from, or sell investments to, the Company. For any such sales or purchases by the IHAM Vehicles to or from the Company, the IHAM Vehicles must obtain approval from third parties unaffiliated with the Company or IHAM, as applicable. During the six months ended June 30,

2018 and 2017, IHAM or certain of the IHAM Vehicles purchased \$453 and \$32, respectively, of investments from the Company. For the six months ended June 30, 2018 and 2017, the Company recorded \$0 and \$0, respectively, of net realized losses from these sales.

IHAM is party to an administration agreement, referred to herein as the “IHAM administration agreement,” with Ares Operations. Pursuant to the IHAM administration agreement, Ares Operations provides IHAM with, among other things, office facilities, equipment, clerical, bookkeeping and record keeping services, services relating to the marketing and sale of interests in vehicles managed by IHAM, services of, and oversight of, custodians, depositories, accountants, attorneys, underwriters and such other persons in any other capacity deemed to be necessary. Under the IHAM administration agreement, IHAM reimburses Ares Operations for all of the actual costs associated with such services, including Ares Operations’ allocable portion of the compensation, rent and other expenses of its officers, employees and respective staff in performing its obligations under the IHAM administration agreement.

5. DEBT

In accordance with the Investment Company Act, the Company is currently allowed to borrow amounts such that its asset coverage, calculated pursuant to the Investment Company Act, is at least 200% after such borrowing. On June 21, 2018, the Company’s board of directors, including a “required majority” (as such term is defined in Section 57(o) of the Investment Company Act) of the Company’s board of directors, approved the application of the modified asset coverage requirements set forth in Section 61(a)(2) of the Investment Company Act, as amended by the Small Business Credit Availability Act. As a result, effective on June 21, 2019 (unless the Company receives earlier stockholder approval), the Company’s asset coverage requirement applicable to senior securities will be reduced to

150%. As of June 30, 2018, the aggregate amount outstanding of the senior securities issued by the Company was \$4,643. As of June 30, 2018, the Company's asset coverage was 255%.

The Company's outstanding debt as of June 30, 2018 and December 31, 2017 was as follows:

98

| | As of June 30, 2018 | | | December 31, 2017 | | |
|----------------------------|---|------------------------------------|-------------------|---|------------------------------------|-------------------|
| | Total Aggregate Principal Amount Committed/ Outstanding(1) | Principal Amount Outstanding | Carrying Value | Total Aggregate Principal Amount Committed/ Outstanding(1) | Principal Amount Outstanding | Carrying Value |
| Revolving Credit Facility | \$2,133(2) | \$ 414 | \$ 414 | \$2,108 | \$ 395 | \$ 395 |
| Revolving Funding Facility | 1,000 | — | — | 1,000 | 600 | 600 |
| SMBC Funding Facility | 400 | — | — | 400 | 60 | 60 |
| SBA Debentures | — | — | — | (3) 50 | — | — |
| 2018 Convertible Notes | — | — | — | (4) 270 | 270 | 270 (5) |
| 2019 Convertible Notes | 300 | 300 | 299 | (5) 300 | 300 | 298 (5) |
| 2022 Convertible Notes | 388 | 388 | 370 | (5) 388 | 388 | 368 (5) |
| 2018 Notes | 750 | 750 | 749 | (6) 750 | 750 | 748 (6) |
| 2020 Notes | 600 | 600 | 598 | (7) 600 | 600 | 597 (7) |
| 2022 Notes | 600 | 600 | 594 | (8) 600 | 600 | 593 (8) |
| 2023 Notes | 750 | 750 | 743 | (9) 750 | 750 | 743 (9) |
| 2025 Notes | 600 | 600 | 593 | (10) — | — | — |
| 2047 Notes | 230 | 230 | 182 | (11) 230 | 230 | 182 (11) |
| Total | \$7,751 | \$ 4,632 | \$ 4,542 | \$7,446 | \$ 4,943 | \$ 4,854 |

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

(2) Provides for a feature that allows the Company, under certain circumstances, to increase the size of the Revolving Credit Facility (as defined below) to a maximum of \$3,133.

(3) See below for more information on the termination of the undrawn SBA Debenture (as defined below) commitments.

(4) See below for more information on the repayment of the 2018 Convertible Notes (as defined below) at maturity.

Represents the aggregate principal amount outstanding of the Convertible Unsecured Notes (as defined below). As of June 30, 2018, the total unamortized debt issuance costs and the unaccreted discount for the 2019 Convertible Notes and the 2022 Convertible Notes (each as defined below) were \$1 and \$18, respectively. As of December 31, 2017, the total unamortized debt issuance costs and the unaccreted discount for the 2018 Convertible Notes, the 2019 Convertible Notes and the 2022 Convertible Notes were \$0, \$2 and \$20, respectively.

(6) Represents the aggregate principal amount outstanding of the 2018 Notes (as defined below) less unamortized debt issuance costs and plus the net unamortized premium that was recorded upon the issuances of the 2018 Notes. As of June 30, 2018 and December 31, 2017, the total unamortized debt issuance costs less the net unamortized premium was \$1 and \$2, respectively.

(7) Represents the aggregate principal amount outstanding of the 2020 Notes (as defined below) less unamortized debt issuance costs and the net unaccreted discount recorded upon the issuances of the 2020 Notes. As of June 30, 2018 and December 31, 2017, the total unamortized debt issuance costs and the net unaccreted discount was \$2 and \$3,

respectively.

Represents the aggregate principal amount outstanding of the 2022 Notes (as defined below), less unamortized debt
(8) issuance costs and the unaccreted discount recorded upon the issuance of the 2022 Notes. As of June 30, 2018 and
December 31, 2017, the total unamortized debt issuance costs and the unaccreted discount was \$6 and \$7,
respectively.

Represents the aggregate principal amount outstanding of the 2023 Notes (as defined below), less unamortized debt issuance costs and the unaccreted discount recorded upon the issuance of the 2023 Notes. As of June 30, 2018 and (9) December 31, 2017, the total unamortized debt issuance costs and the unaccreted discount was \$7 and \$7, respectively.

Represents the aggregate principal amount outstanding of the 2025 Notes (as defined below), less unamortized (10) debt issuance costs and the unaccreted discount recorded upon the issuance of the 2025 Notes. As of June 30, 2018, the total unamortized debt issuance costs and the unaccreted discount was \$7.

Represents the aggregate principal amount outstanding of the 2047 Notes (as defined below) less the unaccreted purchased discount recorded as a part of the Allied Acquisition (as defined below). As of June 30, 2018 and (11) December 31, 2017, the total unaccreted purchased discount was \$48 and \$48, respectively. The carrying value represents the outstanding principal amount of the 2047 Notes less the unaccreted purchased discount recorded as a part of the Allied Acquisition.

The weighted average stated interest rate and weighted average maturity, both on aggregate principal amount outstanding, of all the Company's outstanding debt as of June 30, 2018 were 4.2% and 4.5 years, respectively, and as of December 31, 2017 were 4.1% and 4.3 years, respectively.

Revolving Credit Facility

The Company is party to a senior secured revolving credit facility (as amended and restated, the "Revolving Credit Facility"), which allows the Company to borrow up to \$2,133 at any one time outstanding. The Revolving Credit Facility consists of a \$414 term loan tranche with a stated maturity date of March 30, 2023 and a \$1,719 revolving tranche. For \$1,624 of the revolving tranche, the end of the revolving period and the stated maturity date are March 30, 2022 and March 30, 2023, respectively. For \$50 of the revolving tranche, the end of the revolving period and the stated maturity date are January 4, 2021 and January 4, 2022, respectively. For the remaining \$45 of the revolving tranche, the end of the revolving period and the stated maturity date are May 4, 2019 and May 4, 2020, respectively. The Revolving Credit Facility also provides for a feature that allows the Company, under certain circumstances, to increase the overall size of the Revolving Credit Facility to a maximum of \$3,133. The Revolving Credit Facility generally requires payments of interest at the end of each LIBOR interest period, but no less frequently than quarterly, on LIBOR based loans, and monthly payments of interest on other loans. From the end of the revolving period to the stated maturity date as applicable for each revolving tranche, the Company is required to repay outstanding principal amounts under such revolving tranche on a monthly basis in an amount equal to 1/12th of the outstanding principal amount at the end of the revolving period.

Under the Revolving Credit Facility, the Company is required to comply with various covenants, reporting requirements and other customary requirements for similar revolving credit facilities, including, without limitation, covenants related to: (a) limitations on the incurrence of additional indebtedness and liens, (b) limitations on certain investments, (c) limitations on certain restricted payments, (d) maintaining a certain minimum stockholders' equity, (e) maintaining a ratio of total assets (less total liabilities other than indebtedness) to total indebtedness of the Company and its consolidated subsidiaries (subject to certain exceptions) of not less than 2.0:1.0, (f) limitations on pledging certain unencumbered assets, and (g) limitations on the creation or existence of agreements that prohibit liens on certain properties of the Company and certain of its subsidiaries. These covenants are subject to important limitations and exceptions that are described in the documents governing the Revolving Credit Facility. Amounts available to borrow under the Revolving Credit Facility (and the incurrence of certain other permitted debt) are also subject to compliance with a borrowing base that applies different advance rates to different types of assets in the Company's portfolio that are pledged as collateral. As of June 30, 2018, the Company was in compliance in all material respects with the terms of the Revolving Credit Facility.

As of June 30, 2018 and December 31, 2017, there was \$414 and \$395 outstanding, respectively, under the Revolving Credit Facility. As of June 30, 2018, the Revolving Credit Facility also provides for a sub-limit for the issuance of letters of credit for up to an aggregate amount of \$150. As of June 30, 2018 and December 31, 2017, the Company had \$45 and \$44, respectively, in letters of credit issued through the Revolving Credit Facility. The amount available for borrowing under the Revolving Credit Facility is reduced by any letters of credit issued. As of June 30, 2018, there was \$1,674 available for borrowing (net of letters of credit issued) under the Revolving Credit Facility.

Since March 30, 2018, the interest rate charged on the Revolving Credit Facility is based on an applicable spread of either 1.75% or 1.875% over LIBOR or 0.75% or 0.875% over an “alternate base rate” (as defined in the agreements governing the Revolving Credit Facility), in each case, determined monthly based on the total amount of the borrowing base relative to the total commitments of the Revolving Credit Facility and other debt, if any, secured by the same collateral as the Revolving Credit Facility. Prior to March 30, 2018, the interest rate charged on the Revolving Credit Facility was based on an applicable spread of

either 1.75% or 2.00% over LIBOR or 0.75% or 1.00% over an “alternate base rate” (as defined in the agreements governing the Revolving Credit Facility), in each case, determined monthly based on the total amount of the borrowing base relative to the total commitments of the Revolving Credit Facility and other debt, if any, secured by the same collateral as the Revolving Credit Facility. As of June 30, 2018, the interest rate in effect was LIBOR plus 1.75%. As of June 30, 2018, the one, two, three and six month LIBOR was 2.09%, 2.17%, 2.34% and 2.50%, respectively. As of December 31, 2017, the one, two, three and six month LIBOR was 1.56%, 1.62%, 1.69% and 1.84%, respectively. In addition to the stated interest expense on the Revolving Credit Facility, the Company is required to pay a commitment fee of 0.375% per annum on any unused portion of the Revolving Credit Facility. The Company is also required to pay a letter of credit fee of either 2.00% or 2.125% per annum on letters of credit issued, determined monthly based on the total amount of the borrowing base relative to the total commitments of the Revolving Credit Facility and other debt, if any, secured by the same collateral as the Revolving Credit Facility.

In December 2017, the Company entered into an interest rate swap agreement to effectively fix the interest rate in connection with \$395 of the term loan tranche of the Revolving Credit Facility. See Note 6 for more information on the interest rate swap.

The Revolving Credit Facility is secured by certain assets in the Company’s portfolio and excludes investments held by Ares Capital CP under the Revolving Funding Facility, those held by ACJB under the SMBC Funding Facility (as defined below) and those held by AVF LP (as defined below) under the SBA Debentures (as defined below), each as described below, and certain other investments.

For the three and six months ended June 30, 2018 and 2017, the components of interest and credit facility fees expense, cash paid for interest expense, average stated interest rates (i.e., rate in effect plus the spread) and average outstanding balances for the Revolving Credit Facility were as follows:

| | For the Three Months Ended June 30, 2018 | | For the Six Months Ended June 30, 2017 | |
|---|---|--------|---|--------|
| Stated interest expense | \$4 | \$4 | \$7 | \$8 |
| Facility fees | 2 | 2 | 4 | 3 |
| Amortization of debt issuance costs | 1 | 1 | 2 | 2 |
| Total interest and credit facility fees expense | \$7 | \$7 | \$13 | \$13 |
| Cash paid for interest expense | \$3 | \$4 | \$7 | \$8 |
| Average stated interest rate | 3.75 % | 2.92 % | 3.55 % | 2.73 % |
| Average outstanding balance | \$418 | \$597 | \$407 | \$601 |

Revolving Funding Facility

The Company’s consolidated subsidiary, Ares Capital CP Funding LLC (“Ares Capital CP”), is party to a revolving funding facility (as amended, the “Revolving Funding Facility”), which allows Ares Capital CP to borrow up to \$1,000 at any one time outstanding. The Revolving Funding Facility is secured by all of the assets held by, and the membership interest in, Ares Capital CP. The end of the reinvestment period and the stated maturity date for the Revolving Funding Facility are January 3, 2019 and January 3, 2022, respectively.

Amounts available to borrow under the Revolving Funding Facility are subject to a borrowing base that applies different advance rates to different types of assets held by Ares Capital CP. Ares Capital CP is also subject to limitations with respect to the loans securing the Revolving Funding Facility, including restrictions on sector concentrations, loan size, payment frequency and status, collateral interests, loans with fixed rates and loans with

certain investment ratings, as well as restrictions on portfolio company leverage, which may also affect the borrowing base and therefore amounts available to borrow. The Company and Ares Capital CP are also required to comply with various covenants, reporting requirements and other customary requirements for similar facilities. These covenants are subject to important limitations and exceptions that are described in the agreements governing the Revolving Funding Facility. As of June 30, 2018, the Company and Ares Capital CP were in compliance in all material respects with the terms of the Revolving Funding Facility.

As of June 30, 2018, there were no outstanding amounts under the Revolving Funding Facility. As of December 31, 2017, there was \$600 outstanding under the Revolving Funding Facility. Since October 2, 2017, the interest rate charged on the Revolving Funding Facility was based on LIBOR plus 2.15% per annum or a “base rate” (as defined in the agreements governing the Revolving Funding Facility) plus 1.15% per annum. From January 4, 2017 to October 1, 2017, the interest rate charged on the

Revolving Funding Facility was based on LIBOR plus 2.30% per annum or a “base rate” plus 1.30% per annum. Prior to and including January 3, 2017, the interest rate charged on the Revolving Funding Facility was based on an applicable spread ranging from 2.25% to 2.50% over LIBOR or ranging from 1.25% to 1.50% over a “base rate” in each case, determined monthly based on the composition of the borrowing base relative to outstanding borrowings under the Revolving Funding Facility. Ares Capital CP is also required to pay a commitment fee between 0.50% and 1.50% per annum depending on the size of the unused portion of the Revolving Funding Facility. Ares Capital CP is also required to pay a commitment termination premium in an amount equal to 1.00% of any commitment reduction prior to January 3, 2018 and 0.50% for any commitment reduction prior to July 3, 2018.

For the three and six months ended June 30, 2018 and 2017, the components of interest and credit facility fees expense, cash paid for interest expense, average stated interest rates (i.e., rate in effect plus the spread) and average outstanding balances for the Revolving Funding Facility were as follows:

| | For the Three Months Ended June 30, 2018 | | For the Six Months Ended June 30, 2017 | |
|---|---|--------|---|--------|
| Stated interest expense | \$3 | \$5 | \$6 | \$9 |
| Facility fees | 1 | 1 | 3 | 1 |
| Amortization of debt issuance costs | 1 | 1 | 2 | 2 |
| Total interest and credit facility fees expense | \$5 | \$7 | \$11 | \$12 |
| Cash paid for interest expense | \$3 | \$4 | \$7 | \$6 |
| Average stated interest rate | 4.11 % | 3.39 % | 3.97 % | 3.26 % |
| Average outstanding balance | \$293 | \$572 | \$292 | \$569 |

SMBC Funding Facility

The Company’s consolidated subsidiary, Ares Capital JB Funding LLC (“ACJB”), is party to a revolving funding facility (as amended, the “SMBC Funding Facility”) with ACJB, as the borrower, and Sumitomo Mitsui Banking Corporation (“SMBC”), as the administrative agent, collateral agent and lender, that allows ACJB to borrow up to \$400 at any one time outstanding. The SMBC Funding Facility is secured by all of the assets held by ACJB. The end of the reinvestment period and the stated maturity date for the SMBC Funding Facility are September 14, 2018 and September 14, 2023, respectively. The reinvestment period and the stated maturity date are both subject to two one-year extensions by mutual agreement.

Amounts available to borrow under the SMBC Funding Facility are subject to a borrowing base that applies an advance rate to assets held by ACJB. The Company and ACJB are also required to comply with various covenants, reporting requirements and other customary requirements for similar facilities. These covenants are subject to important limitations and exceptions that are described in the documents governing the SMBC Funding Facility. As of June 30, 2018, the Company and ACJB were in compliance in all material respects with the terms of the SMBC Funding Facility.

As of June 30, 2018 there were no outstanding amounts under the SMBC Funding Facility. As of December 31, 2017, there was \$60 outstanding under the SMBC Funding Facility. The interest rate charged on the SMBC Funding Facility is based on an applicable spread of either 1.75% or 2.00% over LIBOR or 0.75% or 1.00% over a “base rate” (as defined in the agreements governing the SMBC Funding Facility), in each case, determined monthly based on the amount of the average borrowings outstanding under the SMBC Funding Facility. As of June 30, 2018, the interest rate in effect was LIBOR plus 2.00%. As of December 31, 2017, the interest rate in effect was LIBOR plus 2.00%. ACJB is required to pay a commitment fee of between 0.35% and 0.875% per annum depending on the size of the unused

portion of the SMBC Funding Facility.

For the three and six months ended June 30, 2018 and 2017, the components of interest and credit facility fees expense, cash paid for interest expense, average stated interest rates (i.e., rate in effect plus the spread) and average outstanding balances for the SMBC Funding Facility were as follows:

102

| | For the Three Months Ended June 30, | | For the Six Months Ended June 30, | |
|---|---|--------|---|--------|
| | 2018 | 2017 | 2018 | 2017 |
| Stated interest expense | \$— | \$1 | \$— | \$1 |
| Facility fees | 1 | — | 1 | — |
| Amortization of debt issuance costs | — | — | 1 | 1 |
| Total interest and credit facility fees expense | \$1 | \$1 | \$2 | \$2 |
| Cash paid for interest expense | \$— | \$1 | \$1 | \$1 |
| Average stated interest rate | 3.94% | 2.81 % | 3.84% | 2.70 % |
| Average outstanding balance | \$16 | \$106 | \$13 | \$113 |

SBA Debentures

In April 2015, the Company's consolidated subsidiary, Ares Venture Finance, L.P. ("AVF LP"), received a license from the Small Business Administration ("SBA") to operate as a Small Business Investment Company ("SBIC") under the provisions of Section 301(c) of the Small Business Investment Act of 1958, as amended.

The license from the SBA allowed AVF LP to obtain leverage by issuing SBA-guaranteed debentures (the "SBA Debentures"), subject to issuance of a capital commitment by the SBA and other customary procedures. Leverage through the SBA Debentures was subject to required capitalization thresholds. The original amount committed to AVF LP by the SBA was \$75. In September 2017, AVF LP fully repaid the \$25 of the aggregate principal amount of the SBA Debentures outstanding at the time. In April 2018, AVF LP surrendered its license to operate as a SBIC and the undrawn SBA Debenture commitments of \$50 were terminated.

For the three and six months ended June 30, 2017, the components of interest expense, cash paid for interest expense, average stated interest rate and average outstanding balances for the SBA Debentures were as follows:

| | For the Three Months Ended June 30, 2017 | For the Six Months Ended June 30, 2017 |
|---|---|---|
| Stated interest expense | \$ — | \$ 1 |
| Amortization of debt issuance costs | — | — |
| Total interest and credit facility fees expense | \$ — | \$ 1 |
| Cash paid for interest expense | \$ — | \$ — |
| Average stated interest rate | 3.48 % | 3.48 % |
| Average outstanding balance | \$ 25 | \$ 25 |

Convertible Unsecured Notes

The Company has issued \$300 aggregate principal amount of unsecured convertible notes that mature on January 15, 2019 (the "2019 Convertible Notes") and \$388 aggregate principal amount of unsecured convertible notes that mature on February 1, 2022 (the "2022 Convertible Notes" and together with the 2019 Convertible Notes, the "Convertible Unsecured Notes"). The Convertible Unsecured Notes mature upon their respective maturity dates unless previously converted or repurchased in accordance with their terms. The Company does not have the right to redeem the Convertible Unsecured Notes prior to maturity. The 2019 Convertible Notes and the 2022 Convertible Notes bear interest at a rate of 4.375% and 3.75%, respectively, per year, payable semi-annually.

In certain circumstances, the Convertible Unsecured Notes will be convertible into cash, shares of the Company's common stock or a combination of cash and shares of its common stock, at the Company's election, at their respective conversion rates (listed below as of June 30, 2018) subject to customary anti-dilution adjustments and the requirements of their respective indenture (the "Convertible Unsecured Notes Indentures"). Prior to the close of business on the business day immediately preceding their respective conversion date (listed below), holders may convert their Convertible Unsecured Notes only under certain circumstances set forth in the Convertible Unsecured Notes Indentures. On or after their respective conversion dates until the close of business on the scheduled trading day immediately preceding their respective maturity date, holders may convert their Convertible Unsecured Notes at any time. In addition, if the Company engages in certain corporate events as described in their respective Convertible Unsecured Notes Indenture, holders of the Convertible Unsecured Notes may require the Company to

repurchase for cash all or part of the Convertible Unsecured Notes at a repurchase price equal to 100% of the principal amount of the Convertible Unsecured Notes to be repurchased, plus accrued and unpaid interest through, but excluding, the required repurchase date.

Certain key terms related to the convertible features for each of the Convertible Unsecured Notes as of June 30, 2018 are listed below.

| | 2019 Convertible Notes | 2022 Convertible Notes | |
|--|------------------------------|------------------------------|---|
| Conversion premium | 15.0 | % 15.0 | % |
| Closing stock price at issuance | \$ 17.53 | \$ 16.86 | |
| Closing stock price date | July 15, 2013 | January 23, 2017 | |
| Conversion price(1) | \$ 19.99 | \$ 19.39 | |
| Conversion rate (shares per one thousand dollar principal amount)(1) | 50.0292 | 51.5756 | |
| Conversion dates | July 15, 2018 | August 1, 2021 | |

(1) Represents conversion price and conversion rate, as applicable, as of June 30, 2018, taking into account certain de minimis adjustments that will be made on the conversion date.

As of June 30, 2018, the principal amounts of each series of the Convertible Unsecured Notes exceeded the value of the underlying shares multiplied by the per share closing price of the Company's common stock.

The Convertible Unsecured Notes Indentures contain certain covenants, including covenants requiring the Company to comply with Section 18(a)(1)(A) as modified by Section 61(a)(1) of the Investment Company Act and to provide financial information to the holders of the Convertible Unsecured Notes under certain circumstances. These covenants are subject to important limitations and exceptions that are described in the Convertible Unsecured Notes Indentures. As of June 30, 2018, the Company was in compliance in all material respects with the terms of the Convertible Unsecured Notes Indentures.

The Convertible Unsecured Notes are accounted for in accordance with ASC 470-20. Upon conversion of any of the other Convertible Unsecured Notes, the Company intends to pay the outstanding principal amount in cash and to the extent that the conversion value exceeds the principal amount, the Company has the option to pay in cash or shares of the Company's common stock (or a combination of cash and shares) in respect of the excess amount, subject to the requirements of the Convertible Unsecured Notes Indentures. The Company has determined that the embedded conversion options in the Convertible Unsecured Notes are not required to be separately accounted for as a derivative under GAAP. In accounting for the Convertible Unsecured Notes, the Company estimated at the time of issuance separate debt and equity components for each of the Convertible Unsecured Notes. An original issue discount equal to the equity components of the Convertible Unsecured Notes was recorded in "capital in excess of par value" in the accompanying consolidated balance sheet. Additionally, the issuance costs associated with the Convertible Unsecured Notes were allocated to the debt and equity components in proportion to the allocation of the proceeds and accounted for as debt issuance costs and equity issuance costs, respectively.

The debt and equity component percentages, the issuance costs and the equity component amounts for each of the Convertible Unsecured Notes are listed below.

| | 2019 Convertible Notes | 2022 Convertible Notes |
|--|---------------------------|------------------------------|
| Debt and equity component percentages, respectively(1) | 99.8% and 0.2% | 96.0% and 4.0% |
| Debt issuance costs(1) | \$ 4 | \$ 9 |
| Equity issuance costs(1) | \$ — | \$ — |
| Equity component, net of issuance costs(2) | \$ 1 | \$ 15 |

(1) At time of issuance.

(2) At time of issuance and as of June 30, 2018.

In addition to the original issue discount equal to the equity component of the 2019 Convertible Notes, the 2019 Convertible Notes were issued at a discount. The Company records interest expense comprised of both stated interest expense as well as accretion of any original issue discount.

As of June 30, 2018, the components of the carrying value of the Convertible Unsecured Notes, the stated interest rate and the effective interest rate were as follows:

| | 2019 Convertible Notes | 2022 Convertible Notes |
|---|------------------------------|------------------------------|
| Principal amount of debt | \$ 300 | \$ 388 |
| Original issue discount, net of accretion | (1) | (12) |
| Debt issuance costs | — | (6) |
| Carrying value of debt | \$ 299 | \$ 370 |
| Stated interest rate | 4.375 % | 3.750 % |
| Effective interest rate(1) | 4.7 % | 4.5 % |

(1) The effective interest rate of the debt component of the Convertible Unsecured Notes is equal to the stated interest rate plus the accretion of original issue discount.

In January 2018, the Company repaid in full the \$270 aggregate principal amount of unsecured convertible notes (the “2018 Convertible Notes”) upon their maturity. The 2018 Convertible Notes bore interest at a rate of 4.75% per year, payable semi-annually.

For the three and six months ended June 30, 2018 and 2017, the components of interest expense and cash paid for interest expense for the Convertible Unsecured Notes, as well as any other convertible unsecured notes outstanding during the periods presented are listed below.

| | For the Three Months Ended June 30, 2018 | | For the Six Months Ended June 30, 2017 | |
|--------------------------------------|---|-------|---|-------|
| Stated interest expense | \$ 7 | \$ 10 | \$ 14 | \$ 21 |
| Amortization of debt issuance costs | 1 | 1 | 1 | 1 |
| Accretion of original issue discount | 1 | 1 | 3 | 3 |
| Total interest expense | \$ 9 | \$ 12 | \$ 18 | \$ 25 |
| Cash paid for interest expense | \$ — | \$ — | \$ 20 | \$ 17 |

Unsecured Notes

2018 Notes

The Company has issued \$750 in aggregate principal amount of unsecured notes that mature on November 30, 2018 (the “2018 Notes”). The 2018 Notes bear interest at a rate of 4.875% per year, payable semi-annually and all principal is due upon maturity. The 2018 Notes may be redeemed in whole or in part at any time at the Company’s option at a redemption price equal to par plus a “make whole” premium, as determined pursuant to the indenture governing the

2018 Notes, and any accrued and unpaid interest. \$600 in aggregate principal amount of the 2018 Notes were issued at a discount to the principal amount and \$150 in aggregate principal amount of the 2018 Notes were issued at a premium to the principal amount.

2020 Notes

The Company has issued \$600 in aggregate principal amount of unsecured notes that mature on January 15, 2020 (the “2020 Notes”). The 2020 Notes bear interest at a rate of 3.875% per year, payable semi-annually and all principal is due upon maturity. The 2020 Notes may be redeemed in whole or in part at any time at the Company’s option at a redemption price equal to par plus a “make whole” premium, if applicable, as determined pursuant to the indenture governing the 2020 Notes, and any

accrued and unpaid interest. \$400 in aggregate principal amount of the 2020 Notes were issued at a discount to the principal amount and \$200 in aggregate principal amount of the 2020 Notes were issued at a premium to the principal amount.

2022 Notes

The Company has issued \$600 in aggregate principal amount of unsecured notes that mature on January 19, 2022 (the “2022 Notes”). The 2022 Notes bear interest at a rate of 3.625% per year, payable semi-annually and all principal is due upon maturity. The 2022 Notes may be redeemed in whole or in part at any time at the Company’s option at a redemption price equal to par plus a “make whole” premium, if applicable, as determined pursuant to the indenture governing the 2022 Notes, and any accrued and unpaid interest. The 2022 Notes were issued at a discount to the principal amount.

2023 Notes

The Company has issued \$750 in aggregate principal amount of unsecured notes that mature on February 10, 2023 (the “2023 Notes”). The 2023 Notes bear interest at a rate of 3.500% per year, payable semi-annually and all principal is due upon maturity. The 2023 Notes may be redeemed in whole or in part at any time at the Company’s option at a redemption price equal to par plus a “make whole” premium, if applicable, as determined pursuant to the indenture governing the 2023 Notes, and any accrued and unpaid interest. The 2023 Notes were issued at a discount to the principal amount.

2025 Notes

The Company has issued \$600 in aggregate principal amount of unsecured notes that mature on March 1, 2025 (the “2025 Notes”). The 2025 Notes bear interest at a rate of 4.250% per year, payable semi-annually and all principal is due upon maturity. The 2025 Notes may be redeemed in whole or in part at any time at the Company’s option at a redemption price equal to par plus a “make whole” premium, if applicable, as determined pursuant to the indenture governing the 2025 Notes, and any accrued and unpaid interest. The 2025 Notes were issued at a discount to the principal amount.

2047 Notes

As part of the acquisition of Allied Capital Corporation (“Allied Capital”) in April 2010 (the “Allied Acquisition”), the Company assumed \$230 aggregate principal amount of unsecured notes due on April 15, 2047 (the “2047 Notes” and together with the 2018 Notes, the 2020 Notes, the 2022 Notes, the 2023 Notes and the 2025 Notes, the “Unsecured Notes”). The 2047 Notes bear interest at a rate of 6.875%, payable quarterly and all principal is due upon maturity. The 2047 Notes may be redeemed in whole or in part at any time or from time to time at the Company’s option, at a par redemption price of \$25.00 per security plus accrued and unpaid interest.

For the three and six months ended June 30, 2018 and 2017, the components of interest expense and cash paid for interest expense for the Unsecured Notes, as well as any other unsecured notes outstanding during the periods presented are listed below.

| | |
|----------|----------|
| For the | For the |
| Three | Six |
| Months | Months |
| Ended | Ended |
| June 30, | June 30, |

| | 2018 | 2017 | 2018 | 2017 |
|-------------------------------------|------|------|------|------|
| Stated interest expense | \$37 | \$27 | \$74 | \$54 |
| Amortization of debt issuance costs | 2 | 1 | 3 | 3 |
| Accretion of purchase discount | — | — | — | — |
| Total interest expense | \$39 | \$28 | \$77 | \$57 |
| Cash paid for interest expense | \$22 | \$27 | \$62 | \$53 |

The Unsecured Notes contain certain covenants, including covenants requiring the Company to comply with Section 18(a)(1)(A) as modified by Section 61(a)(1) of the Investment Company Act and to provide financial information to the holders of such notes under certain circumstances. These covenants are subject to important limitations and exceptions set forth in the indentures governing such notes. As of June 30, 2018, the Company was in compliance in all material respects with the terms of the respective indentures governing each of the Unsecured Notes.

The Convertible Unsecured Notes and the Unsecured Notes are the Company's unsecured senior obligations and rank senior in right of payment to any future indebtedness that is expressly subordinated in right of payment to the Convertible

Unsecured Notes and the Unsecured Notes; equal in right of payment to the Company's existing and future unsecured indebtedness that is not expressly subordinated; effectively junior in right of payment to any of its secured indebtedness (including existing unsecured indebtedness that the Company later secures) to the extent of the value of the assets securing such indebtedness; and structurally junior to all existing and future indebtedness (including trade payables) incurred by the Company's subsidiaries, financing vehicles or similar facilities.

6. DERIVATIVE INSTRUMENTS

The Company enters into forward currency contracts from time to time to help mitigate the impact that an adverse change in foreign exchange rates would have on the value of the Company's investments denominated in foreign currencies. As of June 30, 2018 and December 31, 2017, the counterparty to these forward currency contracts was Bank of Montreal. Net unrealized gains or losses on foreign currency contracts are included in "net unrealized gains (losses) from foreign currency and other transactions" and net realized gains or losses on forward currency contracts are included in "net realized gains (losses) from foreign currency transactions" in the accompanying consolidated statement of operations.

Forward currency contracts and interest rate swaps are considered undesignated derivative instruments.

Certain information related to the Company's foreign currency forward contracts is presented below as of June 30, 2018 and December 31, 2017.

| Description | As of June 30, 2018 | | Gross Amount of Recognized Assets | Gross Amount of Recognized Liabilities | Balance Sheet Location of Net Amounts |
|-----------------------------------|---------------------|------------------|--|---|---|
| | Notional Amount | Maturity Date | | | |
| Foreign currency forward contract | CAD5 | 7/6/2018 | \$ — | \$ — | Other Assets |
| Foreign currency forward contract | CAD30 | 7/13/2018 | — | — | Other Assets |
| Foreign currency forward contract | CAD103 | 8/16/2018 | 2 | — | Other Assets |
| Foreign currency forward contract | CAD26 | 9/21/2018 | — | — | Accounts payable and other liabilities |
| Foreign currency forward contract | € 15 | 7/13/2018 | 1 | — | Other Assets |
| Foreign currency forward contract | € 6 | 8/16/2018 | — | — | Other Assets |
| Foreign currency forward contract | € 24 | 9/25/2018 | — | — | Other Assets |
| Foreign currency forward contract | £ 76 | 8/16/2018 | 3 | — | Other Assets |
| Total | | | \$ 6 | \$ — | |

| As of December 31, 2017 | | | | | | |
|-----------------------------------|-----------------|---------------|-----------------------------------|--|--|--|
| Description | Notional Amount | Maturity Date | Gross Amount of Recognized Assets | Gross Amount of Recognized Liabilities | Balance Sheet Location of Net Amounts | |
| Foreign currency forward contract | CAD4 | 1/4/2018 | \$ | —\$ — | Other Assets | |
| Foreign currency forward contract | CAD10 | 1/16/2018 | — | — | Other Assets | |
| Foreign currency forward contract | CAD103 | 2/16/2018 | — | (1) | Accounts payable and other liabilities | |
| Foreign currency forward contract | € 15 | 1/16/2018 | — | — | Accounts payable and other liabilities | |
| Foreign currency forward contract | € 8 | 2/15/2018 | — | — | Accounts payable and other liabilities | |
| Foreign currency forward contract | € 2 | 3/15/2018 | — | — | Accounts payable and other liabilities | |
| Foreign currency forward contract | £ 68 | 2/15/2018 | — | (2) | Accounts payable and other liabilities | |
| Foreign currency forward contract | £ 9 | 2/16/2018 | — | — | Accounts payable and other liabilities | |
| Total | | | \$ | —\$ (3) | | |

In December 2017, in connection with \$395 of the term loan tranche of the Revolving Credit Facility the Company entered into a three-year interest rate swap agreement to mitigate our exposure to adverse fluctuations in interest rates for a total notional amount of \$395 and a maturity date of January 4, 2021. Under the interest rate swap agreement, the Company pays a fixed interest rate of 2.06% and receives a floating rate based on the prevailing one-month LIBOR. As of June 30, 2018 and December 31, 2017, the one-month LIBOR rate in effect was 2.06% and 1.50%, respectively. For the three and six months ended June 30, 2018, the Company recognized \$0 and \$1, respectively, in realized losses and \$2 and \$6, respectively, in unrealized gains related to this swap agreement. As of June 30, 2018 and December 31, 2017, this swap agreement had a fair value of \$6 and \$(1), respectively, which is included in the “other assets” and “accounts payable and other liabilities”, respectively, in the accompanying consolidated balance sheet. Net realized gains or losses on the interest rate swap are included in “net realized gains (losses) from foreign currency and other transactions.” Net unrealized gains or losses on the interest rate swap are included in “net unrealized gains (losses) from foreign currency and other transactions.”

Certain information related to the Company’s interest rate swap is presented below as of June 30, 2018 and December 31, 2017.

| As of June 30, 2018 | | | | | | | |
|---------------------|-------------------|---|-----------------|---------------|-----------------------------------|--|---------------------------------------|
| Description | Payment Terms | | Notional Amount | Maturity Date | Gross Amount of Recognized Assets | Gross Amount of Recognized Liabilities | Balance Sheet Location of Net Amounts |
| Interest rate swap | Pay Fixed 2.0642% | Receive Floating One-Month LIBOR of 2.06% | \$ 395 | 1/4/2021 | \$ 6 | \$ — | Other assets |
| Total | | | | | \$ 6 | \$ — | |

As of December 31, 2017

| Description | Payment Terms | | Notional Amount | Maturity Date | Gross Amount of Recognized Assets | Gross Amount of Recognized Liabilities | Balance Sheet Location of Net Amounts |
|-----------------------|----------------------|---|--------------------|------------------|---|--|---|
| | | | | | | | |
| Interest rate swap | Pay Fixed 2.0642% | Receive Floating One-Month LIBOR of 1.50% | \$ 395 | 1/4/2021 | \$ — | \$ (1) | Accounts payable and other liabilities |
| Total | | | | | \$ — | \$ (1) | |

108

7. COMMITMENTS AND CONTINGENCIES

The Company has various commitments to fund investments in its portfolio as described below. As of June 30, 2018 and December 31, 2017, the Company had the following commitments to fund various revolving and delayed draw senior secured and subordinated loans, including commitments to fund which are at (or substantially at) the Company's discretion:

| | As of | |
|--|---------------|-------------------|
| | June 30, 2018 | December 31, 2017 |
| Total revolving and delayed draw loan commitments | \$1,422 | \$ 881 |
| Less: drawn commitments | (384) | (201) |
| Total undrawn commitments | 1,038 | 680 |
| Less: commitments substantially at discretion of the Company | (14) | (11) |
| Less: unavailable commitments due to borrowing base or other covenant restrictions | — | — |
| Total net adjusted undrawn revolving and delayed draw loan commitments | \$1,024 | \$ 669 |

Included within the total revolving and delayed draw loan commitments as of June 30, 2018 and December 31, 2017 were delayed draw loan commitments totaling \$348 and \$251, respectively. The Company's commitment to fund delayed draw loans is triggered upon the satisfaction of certain pre-negotiated terms and conditions. Generally, the most significant and uncertain term requires the borrower to satisfy a specific use of proceeds covenant. The use of proceeds covenant typically requires the borrower to use the additional loans for the specific purpose of a permitted acquisition or permitted investment, for example. In addition to the use of proceeds covenant, the borrower is generally required to satisfy additional negotiated covenants (including specified leverage levels).

Also included within the total revolving and delayed draw loan commitments as of June 30, 2018 were commitments to issue up to \$190 in letters of credit through a financial intermediary on behalf of certain portfolio companies. As of June 30, 2018, the Company had \$26 in letters of credit issued and outstanding under these commitments on behalf of portfolio companies. For all these letters of credit issued and outstanding, the Company would be required to make payments to third parties if the portfolio companies were to default on their related payment obligations. Of these letters of credit, \$13 expire in 2018 and \$13 expire in 2019. As of June 30, 2018, the Company recorded a liability of \$5 for certain letters of credit issued and outstanding and none of the other letters of credit issued and outstanding were recorded as a liability on the Company's balance sheet as such other letters of credit are considered in the valuation of the investments in the portfolio company.

The Company also has commitments to co-invest in the SDLP for the Company's portion of the SDLP's commitments to fund delayed draw loans to certain portfolio companies of the SDLP. See Note 4 for more information.

As of June 30, 2018 and December 31, 2017, the Company was party to subscription agreements to fund equity investments in private equity investment partnerships as follows:

| | As of | |
|---|---------------|-------------------|
| | June 30, 2018 | December 31, 2017 |
| Total private equity commitments | \$116 | \$ 111 |
| Less: funded private equity commitments | (70) | (62) |
| Total unfunded private equity commitments | 46 | 49 |
| Less: private equity commitments substantially at discretion of the Company | (46) | (48) |
| Total net adjusted unfunded private equity commitments | \$— | \$ 1 |

In the ordinary course of business, the Company may sell certain of its investments to third party purchasers. In particular, in connection with the sale of certain controlled portfolio company equity investments (as well as certain other sales) the Company has, and may continue to do so in the future, agreed to indemnify such purchasers for future liabilities arising from the investments and the related sale transaction. Such indemnification provisions have given rise to liabilities in the past and may do so in the future.

In addition, in the ordinary course of business, the Company may guarantee certain obligations in connection with its portfolio companies (in particular, certain controlled portfolio companies). Under these guarantee arrangements, payments may

be required to be made to third parties if such guarantees are called upon or if the portfolio companies were to default on their related obligations, as applicable.

8. FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company follows ASC 825-10, which provides companies the option to report selected financial assets and liabilities at fair value. ASC 825-10 also establishes presentation and disclosure requirements designed to facilitate comparisons between companies that choose different measurement attributes for similar types of assets and liabilities and to more easily understand the effect of the company's choice to use fair value on its earnings. ASC 825-10 also requires entities to display the fair value of the selected assets and liabilities on the face of the balance sheet. The Company has not elected the ASC 825-10 option to report selected financial assets and liabilities at fair value. With the exception of the line items entitled "other assets" and "debt," which are reported at amortized cost, all assets and liabilities approximate fair value on the balance sheet. The carrying value of the lines titled "interest receivable," "receivable for open trades," "payable for open trades," "accounts payable and other liabilities," "base management fees payable," "income based fees payable," "capital gains incentive fees payable" and "interest and facility fees payable" approximate fair value due to their short maturity.

The Company also follows ASC 820-10, which expands the application of fair value accounting. ASC 820-10 defines fair value, establishes a framework for measuring fair value in accordance with GAAP and expands disclosure of fair value measurements. ASC 820-10 determines fair value to be the price that would be received for an investment in a current sale, which assumes an orderly transaction between market participants on the measurement date. ASC 820-10 requires the Company to assume that the portfolio investment is sold in its principal market to market participants or, in the absence of a principal market, the most advantageous market, which may be a hypothetical market. Market participants are defined as buyers and sellers in the principal or most advantageous market that are independent, knowledgeable, and willing and able to transact. In accordance with ASC 820-10, the Company has considered its principal market as the market in which the Company exits its portfolio investments with the greatest volume and level of activity. ASC 820-10 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. In accordance with ASC 820-10, these inputs are summarized in the three broad levels listed below:

Level 1—Valuations based on quoted prices in active markets for identical assets or liabilities that the Company has the ability to access.

Level 2—Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3—Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

In addition to using the above inputs in investment valuations, the Company continues to employ the net asset valuation policy approved by the Company's board of directors that is consistent with ASC 820-10 (see Note 2). Consistent with the Company's valuation policy, it evaluates the source of inputs, including any markets in which the Company's investments are trading (or any markets in which securities with similar attributes are trading), in determining fair value. The Company's valuation policy considers the fact that because there is not a readily available market value for most of the investments in the Company's portfolio, the fair value of the investments must typically be determined using unobservable inputs.

The Company's portfolio investments (other than as described below in the following paragraph) are typically valued using two different valuation techniques. The first valuation technique is an analysis of the enterprise value ("EV") of the portfolio company. Enterprise value means the entire value of the portfolio company to a market participant,

including the sum of the values of debt and equity securities used to capitalize the enterprise at a point in time. The primary method for determining EV uses a multiple analysis whereby appropriate multiples are applied to the portfolio company's EBITDA (generally defined as net income before net interest expense, income tax expense, depreciation and amortization). EBITDA multiples are typically determined based upon review of market comparable transactions and publicly traded comparable companies, if any. The Company may also employ other valuation multiples to determine EV, such as revenues or, in the case of certain portfolio companies in the power generation industry, kilowatt capacity. The second method for determining EV uses a discounted cash flow analysis whereby future expected cash flows of the portfolio company are discounted to determine a present value using estimated discount rates (typically a weighted average cost of capital based on costs of debt and equity consistent with current market conditions). The EV analysis is performed to determine the value of equity investments, the value of debt investments in portfolio companies where the Company has control or could gain control through an option or warrant security, and to determine if there is credit impairment for debt investments. If debt investments are credit impaired, an EV analysis may be used to value such debt investments; however, in addition to the methods outlined above, other methods

such as a liquidation or wind-down analysis may be utilized to estimate enterprise value. The second valuation technique is a yield analysis, which is typically performed for non-credit impaired debt investments in portfolio companies where the Company does not own a controlling equity position. To determine fair value using a yield analysis, a current price is imputed for the investment based upon an assessment of the expected market yield for a similarly structured investment with a similar level of risk. In the yield analysis, the Company considers the current contractual interest rate, the maturity and other terms of the investment relative to risk of the company and the specific investment. A key determinant of risk, among other things, is the leverage through the investment relative to the enterprise value of the portfolio company. As debt investments held by the Company are substantially illiquid with no active transaction market, the Company depends on primary market data, including newly funded transactions, as well as secondary market data with respect to high yield debt instruments and syndicated loans, as inputs in determining the appropriate market yield, as applicable.

For other portfolio investments such as investments in the SDLP Certificates, discounted cash flow analysis is the primary technique utilized to determine fair value. Expected future cash flows associated with the investment are discounted to determine a present value using a discount rate that reflects estimated market return requirements.

The following tables summarize the significant unobservable inputs the Company used to value the majority of its investments categorized within Level 3 as of June 30, 2018 and December 31, 2017. The tables are not intended to be all-inclusive, but instead capture the significant unobservable inputs relevant to the Company's determination of fair values.

| Asset Category | As of June 30, 2018 | | Unobservable Input | | | |
|---------------------------------------|---------------------|-------------------------------|--------------------------|-----------------|------------------|---|
| | Fair Value | Primary Valuation Techniques | Input | Estimated Range | Weighted Average | |
| First lien senior secured loans | \$4,626 | Yield analysis | Market yield | 4.8% - 18.7% | 9.0 | % |
| Second lien senior secured loans | 3,449 | Yield analysis | Market yield | 8.0% - 21.7% | 11.5 | % |
| Subordinated certificates of the SDLP | 589 | Discounted cash flow analysis | Discount rate | 11.5% - 12.5% | 12.0 | % |
| Senior subordinated loans | 1,077 | Yield analysis | Market yield | 10.0% - 17.5% | 12.7 | % |
| Collateralized loan obligations | 92 | Discounted cash flow analysis | Discount rate | 3.7% - 15.9% | 9.8 | % |
| | | | Constant prepayment rate | 10.0% - 30.0% | 20.0 | % |
| | | | Constant default rate | 1.0% - 2.5% | 2.0 | % |
| Preferred equity securities | 679 | EV market multiple analysis | EBITDA multiple | 3.0x - 26.8x | 12.7 | x |
| Other equity securities and other | 998 | EV market multiple analysis | EBITDA multiple | 3.0x - 21.0x | 10.5 | x |
| Total investments | \$11,510 | | | | | |

| As of December 31, 2017 | | | | | |
|---------------------------------------|------------|-------------------------------|--------------------------|-----------------|------------------|
| Asset Category | Fair Value | Primary Valuation Techniques | Unobservable Input | Estimated Range | Weighted Average |
| First lien senior secured loans | \$ 5,197 | Yield analysis | Market yield | 4.2% - 19.8% | 8.7 % |
| Second lien senior secured loans | 3,744 | Yield analysis | Market yield | 8.7% - 17.5% | 10.9 % |
| Subordinated certificates of the SDLP | 487 | Discounted cash flow analysis | Discount rate | 11.5% - 12.5% | 12.0 % |
| Senior subordinated loans | 995 | Yield analysis | Market yield | 9.7% - 17.5% | 13.2 % |
| Collateralized loan obligations | 114 | Discounted cash flow analysis | Discount rate | 4.3% - 16.4% | 10.2 % |
| | | | Constant prepayment rate | 18.7% - 27.1% | 21.8 % |
| | | | Constant default rate | 1.8% - 2.6% | 2.3 % |
| Preferred equity securities | 532 | EV market multiple analysis | EBITDA multiple | 3.0x - 19.0x | 11.2x |
| Other equity securities and other | 755 | EV market multiple analysis | EBITDA multiple | 3.5x - 19.0x | 10.4x |
| Total investments | \$ 11,824 | | | | |

Changes in market yields, discount rates or EBITDA multiples, each in isolation, may change the fair value of certain of the Company's investments. Generally, an increase in market yields or discount rates or decrease in EBITDA multiples may result in a decrease in the fair value of certain of the Company's investments.

Due to the inherent uncertainty of determining the fair value of investments that do not have a readily available market value, the fair value of the Company's investments may fluctuate from period to period. Additionally, the fair value of the Company's investments may differ significantly from the values that would have been used had a ready market existed for such investments and may differ materially from the values that the Company may ultimately realize. Further, such investments are generally subject to legal and other restrictions on resale or otherwise are less liquid than publicly traded securities. If the Company was required to liquidate a portfolio investment in a forced or liquidation sale, it could realize significantly less than the value at which the Company has recorded it.

In addition, changes in the market environment and other events that may occur over the life of the investments may cause the gains or losses ultimately realized on these investments to be different than the unrealized gains or losses reflected in the valuations currently assigned.

The following table presents fair value measurements of cash and cash equivalents, investments and derivatives as of June 30, 2018:

| | Fair Value Measurements Using | | | |
|---|-------------------------------|---------|---------|-----------|
| | Total | Level 1 | Level 2 | Level 3 |
| Cash and cash equivalents | \$ 509 | \$ 509 | \$ — | \$ — |
| Investments not measured at net asset value | \$ 11,510 | \$ — | \$ — | \$ 11,510 |
| Investments measured at net asset value (1) | \$ 17 | | | |

| | | | | | |
|-------------------|-----------|------|-------|------|--|
| Total investments | \$ 11,527 | | | | |
| Derivatives | \$ 12 | \$ — | \$ 12 | \$ — | |

(1) Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been categorized in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated balance sheet.

The following table presents fair value measurements of cash and cash equivalents, investments and derivatives as of December 31, 2017:

| | Fair Value Measurements Using | | | |
|---|-------------------------------|---------|---------|----------|
| | Total | Level 1 | Level 2 | Level 3 |
| Cash and cash equivalents | \$316 | \$316 | \$— | \$— |
| Investments not measured at net asset value | \$11,824 | \$— | \$— | \$11,824 |
| Investments measured at net asset value (1) | \$17 | | | |
| Total investments | \$11,841 | | | |
| Derivatives | \$(4) | \$— | \$(4) | \$— |

Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been categorized in the fair value hierarchy. The fair value amounts presented in this table are (1) intended to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated balance sheet.

Transfers between levels, if any, are recognized at the beginning of the quarter in which the transfers occur.

The following table presents changes in investments that use Level 3 inputs as of and for the three and six months ended June 30, 2018:

| | As of and For the Three Months Ended June 30, 2018 |
|---|--|
| Balance as of March 31, 2018 | \$12,182 |
| Net realized gains | 22 |
| Net unrealized gains | 60 |
| Purchases | 1,365 |
| Sales | (862) |
| Redemptions | (1,286) |
| Payment-in-kind interest and dividends | 25 |
| Net accretion of discount on securities | 4 |
| Net transfers in and/or out of Level 3 | — |
| Balance as of June 30, 2018 | \$11,510 |

| | As of and For the Six Months Ended June 30, 2018 |
|---------------------------------|---|
| Balance as of December 31, 2017 | \$11,824 |
| Net realized gains | 22 |
| Net unrealized gains | 155 |

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| | |
|---|----------|
| Purchases | 2,969 |
| Sales | (1,164) |
| Redemptions | (2,352) |
| Payment-in-kind interest and dividends | 49 |
| Net accretion of discount on securities | 7 |
| Net transfers in and/or out of Level 3 | — |
| Balance as of June 30, 2018 | \$11,510 |

As of June 30, 2018, the net unrealized appreciation on the investments that use Level 3 inputs was \$73. For the six months ended June 30, 2018, there were no net transfers out of Level 3.

For the three and six months ended June 30, 2018, the total amount of gains (losses) for the period included in earnings attributable to the change in unrealized gains (losses) relating to the Company's Level 3 assets still held as of June 30,

113

2018, and reported within the net unrealized gains (losses) from investments, foreign currency and other transactions in the Company's consolidated statement of operations was \$41 and \$113, respectively.

The following table presents changes in investments that use Level 3 inputs as of and for the three and six months ended June 30, 2017:

| | As of and For the Three Months Ended June 30, 2017 |
|---|--|
| Balance as of March 31, 2017 | \$ 11,385 |
| Net realized gains | 112 |
| Net unrealized losses | (41) |
| Purchases | 1,888 |
| Sales | (575) |
| Redemptions | (1,312) |
| Payment-in-kind interest and dividends | 17 |
| Net accretion of discount on securities | 2 |
| Net transfers in and/or out of Level 3 | — |
| Balance as of June 30, 2017 | \$ 11,476 |

| | As of and For the Six Months Ended June 30, 2017 |
|--|---|
| Balance as of December 31, 2016 | \$ 8,813 |
| Net realized gains | 125 |
| Net unrealized losses | (23) |
| Investments acquired as part of the American Capital Acquisition | 2,527 |
| Purchases | 2,793 |
| Sales | (993) |
| Redemptions | (1,808) |
| Payment-in-kind interest and dividends | 37 |
| Net accretion of discount on securities | 5 |
| Net transfers in and/or out of Level 3 | — |
| Balance as of June 30, 2017 | \$ 11,476 |

As of June 30, 2017, the net unrealized depreciation on the investments that use Level 3 inputs was \$250. For the six months ended June 30, 2017, the net transfers out of Level 3 were due to privately held equity investments converting to publicly traded stock.

For the three and six months ended June 30, 2017, the total amount of gains (losses) for the period included in earnings attributable to the change in unrealized gains (losses) relating to the Company's Level 3 assets still held as of June 30, 2017, and reported within the net unrealized gains (losses) from investments, foreign currency and other transactions in the Company's consolidated statement of operations were \$61 and \$46, respectively.

Following are the carrying and fair values of the Company's debt obligations as of June 30, 2018 and December 31, 2017. Fair value is estimated by discounting remaining payments using applicable current market rates, which take into account changes in the Company's marketplace credit ratings, or market quotes, if available.

| | As of | | December 31, | |
|--|-------------------|------------|-------------------|------------|
| | June 30, 2018 | | 2017 | |
| | Carrying value(1) | Fair value | Carrying value(1) | Fair value |
| Revolving Credit Facility | \$414 | \$414 | \$395 | \$395 |
| Revolving Funding Facility | — | — | 600 | 600 |
| SMBC Funding Facility | — | — | 60 | 60 |
| 2018 Convertible Notes (principal amount outstanding of \$0 and \$270, respectively) | — | — | 270 | (2)270 |
| 2019 Convertible Notes (principal amount outstanding of \$300) | 299 | (2)302 | 298 | (2)307 |
| 2022 Convertible Notes (principal amount outstanding of \$388) | 370 | (2)392 | 368 | (2)398 |
| 2018 Notes (principal amount outstanding of \$750) | 749 | (3)757 | 748 | (3)767 |
| 2020 Notes (principal amount outstanding of \$600) | 598 | (4)603 | 597 | (4)611 |
| 2022 Notes (principal amount outstanding of \$600) | 594 | (5)586 | 593 | (5)603 |
| 2023 Notes (principal amount outstanding of \$750) | 743 | (6)717 | 743 | (6)740 |
| 2025 Notes (principal amount outstanding of \$600 and \$0, respectively) | 593 | (7)578 | — | — |
| 2047 Notes (principal amount outstanding of \$230) | 182 | (8)230 | 182 | (8)231 |
| | \$4,542(9) | \$4,579 | \$4,854(9) | \$4,982 |

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- (1) The Revolving Credit Facility, the Revolving Funding Facility and the SMBC Funding Facility carrying values are the same as the principal amounts outstanding.
- (2) Represents the aggregate principal amount outstanding of the Convertible Unsecured Notes less unamortized debt issuance costs and the unaccreted discount recorded upon the issuances of such notes.
- (3) Represents the aggregate principal amount outstanding of the 2018 Notes less unamortized debt issuance costs plus the net unamortized premium recorded upon the issuances of the 2018 Notes.
- (4) Represents the aggregate principal amount outstanding of the 2020 Notes less unamortized debt issuance costs and the net unaccreted discount recorded upon the issuances of the 2020 Notes.
- (5) Represents the aggregate principal amount outstanding of the 2022 Notes less unamortized debt issuance costs and the unaccreted discount recorded upon the issuance of the 2022 Notes.
- (6) Represents the aggregate principal amount outstanding of the 2023 Notes less unamortized debt issuance costs and the unaccreted discount recorded upon the issuance of the 2023 Notes.
- (7) Represents the aggregate principal amount outstanding of the 2025 Notes less unamortized debt issuance costs and the unaccreted discount recorded upon the issuance of the 2025 Notes.
- (8) Represents the aggregate principal amount outstanding of the 2047 Notes less the unaccreted purchased discount.
- (9) Total principal amount of debt outstanding totaled \$4,632 and \$4,943 as of June 30, 2018 and December 31, 2017, respectively.

The following table presents fair value measurements of the Company's debt obligations as of June 30, 2018 and December 31, 2017:

| Fair Value Measurements Using | As of | |
|-------------------------------|---------------|-------------------|
| | June 30, 2018 | December 31, 2017 |
| Level 1 | \$230 | \$ 231 |
| Level 2 | 4,349 | 4,751 |
| Total | \$4,579 | \$ 4,982 |

9. STOCKHOLDERS' EQUITY

There were no sales of the Company's equity securities for the six months ended June 30, 2018 and 2017. See Note 11 for information regarding shares of common stock issued or purchased in accordance with the Company's dividend reinvestment plan.

In connection with the American Capital Acquisition, the Company issued 112 shares valued at approximately \$1,839.

Stock Repurchase Program

The Company is authorized under its stock repurchase program to purchase up to \$300 in the aggregate of its outstanding common stock in the open market at certain thresholds below its net asset value per share, in accordance with the guidelines specified in Rule 10b-18 under the Securities Exchange Act of 1934, as amended. The timing, manner, price and amount of any share repurchases will be determined by the Company, in its discretion, based upon the evaluation of economic and market conditions, stock price, applicable legal and regulatory requirements and other factors. The Company cannot assure stockholders that any shares will be repurchased under the program. The expiration date of the stock repurchase program is February 28, 2019. The program may be suspended, extended, modified or discontinued at any time.

As of June 30, 2018, the Company had repurchased a total of 0.5 shares of its common stock in the open market under the stock repurchase program since the program's inception in September 2015, at an average price of \$13.92 per share, including commissions paid, leaving approximately \$293 available for additional repurchases under the program. During the six months ended June 30, 2018 and 2017, the Company did not repurchase any shares of the Company's common stock under the stock repurchase program.

10. EARNINGS PER SHARE

The following information sets forth the computations of basic and diluted net increase in stockholders' equity resulting from operations per share for the three and six months ended June 30, 2018 and 2017:

| | For the Three Months Ended June 30, | | For the Six Months Ended June 30, | |
|---|---|--------|--|--------|
| | 2018 | 2017 | 2018 | 2017 |
| Net increase in stockholders' equity resulting from operations available to common stockholders | \$254 | \$178 | \$496 | \$296 |
| Weighted average shares of common stock outstanding—basic and diluted | 426 | 426 | 426 | 424 |
| Basic and diluted net increase in stockholders' equity resulting from operations per share | \$0.60 | \$0.42 | \$1.16 | \$0.70 |

For the purpose of calculating diluted net increase in stockholders' equity resulting from operations per share, the average closing price of the Company's common stock for the three and six months ended June 30, 2018 was less than

the conversion price for each of the Convertible Unsecured Notes outstanding as of June 30, 2018, as well as any other convertible unsecured notes outstanding during the period. For the three and six months ended June 30, 2017, the average closing price of the Company's common stock was less than the conversion price for each of the Convertible Unsecured Notes outstanding as of June 30, 2017, as well as any other convertible unsecured notes outstanding during the period. Therefore, for all periods presented in the financial statements, the underlying shares for the intrinsic value of the embedded options in the Convertible Unsecured Notes and any other convertible unsecured notes outstanding during the periods presented had no impact on the computation of diluted net increase in stockholders' equity resulting from operations per share.

11. DIVIDENDS AND DISTRIBUTIONS

The following table summarizes the Company's dividends declared and payable during the six months ended June 30, 2018 and 2017:

| Date declared | Record date | Payment date | Per share amount | Total amount |
|---|----------------|----------------|------------------|--------------|
| May 2, 2018 | June 15, 2018 | June 29, 2018 | \$ 0.38 | \$ 162 |
| February 13, 2018 | March 15, 2018 | March 30, 2018 | 0.38 | 162 |
| Total declared and payable for the six months ended June 30, 2018 | | | \$ 0.76 | \$ 324 |
| May 3, 2017 | June 15, 2017 | June 30, 2017 | \$ 0.38 | \$ 162 |
| February 22, 2017 | March 15, 2017 | March 31, 2017 | 0.38 | 162 |
| Total declared and payable for the six months ended June 30, 2017 | | | \$ 0.76 | \$ 324 |

The Company has a dividend reinvestment plan, whereby the Company may buy shares of its common stock in the open market or issue new shares in order to satisfy dividend reinvestment requests. When the Company issues new shares in connection with the dividend reinvestment plan, the issue price is equal to the closing price of its common stock on the dividend payment date. Dividend reinvestment plan activity for the six months ended June 30, 2018 and 2017, was as follows:

| | For the Six Months Ended June 30, | | |
|---|-----------------------------------|---------|-----|
| | 2018 | 2017 | |
| Shares issued | — | 0.4 | |
| Average issue price per share | \$— | \$17.38 | |
| Shares purchased by plan agent to satisfy dividends declared and payable during the period for stockholders | 0.9 | (1)0.6 | (2) |
| Average purchase price per share | \$16.14 | \$16.53 | |

(1) Shares were purchased in April 2018 and July 2018.

(2) Shares were purchased in July 2017.

12. RELATED PARTY TRANSACTIONS

In accordance with the investment advisory and management agreement, the Company bears all costs and expenses of the operation of the Company and reimburses its investment adviser or its affiliates for certain of such costs and expenses paid for by the investment adviser or its affiliates on behalf of the Company. For the three and six months ended June 30, 2018, the Company's investment adviser or its affiliates incurred and the Company reimbursed such expenses totaling \$1 and \$3, respectively. For the three and six months ended June 30, 2017, the Company's investment adviser or its affiliates incurred and the Company reimbursed such expenses totaling \$1 and \$2, respectively. The Company's investment adviser reimbursed the Company approximately \$0.5 for certain rent and utilities incurred by the Company during the first quarter of 2018. In addition, the Company's investment adviser reimbursed the Company approximately \$2.2, \$3.0, \$3.2 and \$2.9 of rent and utilities for the years ended 2017, 2016, 2015 and 2014, respectively, for an aggregate reimbursement to the Company of \$11.8. Beginning April 1, 2018, the Company's investment adviser will bear such rent and utilities expenses.

The Company is party to office leases pursuant to which it is leasing office facilities from third parties. For certain of these office leases, the Company has also entered into separate subleases with Ares Management LLC, the sole member of Ares Capital Management, and IHAM, pursuant to which Ares Management LLC and IHAM sublease office space from the Company. Effective March 31, 2018, Ares Management LLC and IHAM collectively subleased the full amount of these leases. Prior to March 31, 2018, these parties subleased a portion of these leases. For the three and six months ended June 30, 2018, amounts payable to the Company under these subleases totaled \$3 and \$5, respectively. For the three and six months ended June 30, 2017, amounts payable to the Company under these subleases totaled \$2 and \$4, respectively.

Prior to April 1, 2018, Ares Management LLC was a party to separate subleases with the Company, pursuant to which the Company subleased certain office spaces from Ares Management LLC. For the three and six months ended June 30, 2018, amounts payable to Ares Management LLC under these subleases totaled \$0. For the three and six months ended June 30, 2017, amounts payable to Ares Management LLC under these subleases totaled \$0. These subleases are no longer in place.

The Company has also entered into agreements with Ares Management LLC and IHAM, pursuant to which Ares Management LLC and IHAM are entitled to use the Company's proprietary portfolio management software. For the three and six months ended June 30, 2018, amounts payable to the Company under these agreements totaled \$0. For the three and six months ended June 30, 2017, amounts payable to the Company under these agreements totaled \$0.

As part of the American Capital Acquisition, the Company assumed a long term incentive plan liability related to certain employees of a subsidiary of ACAM, which is now a subsidiary of IHAM. The liability is determined based on the fair value of certain investments acquired in the American Capital Acquisition. As of June 30, 2018, the remaining liability amount was estimated to be \$1 and is included within accounts payable and other liabilities in the Company's consolidated balance sheet. This liability is paid on an annual basis based on exited investments in a given calendar year and the value received upon their exit. During the six months ended June 30, 2018, the Company paid \$27 of the liability.

See Notes 3, 4, 6 and 14 for descriptions of other related party transactions.

13. FINANCIAL HIGHLIGHTS

The following is a schedule of financial highlights as of and for the six months ended June 30, 2018 and 2017:

| | As of and For the Six Months Ended June 30, | | |
|---|---|---------|---|
| | 2018 | 2017 | |
| Per Share Data: | | | |
| Net asset value, beginning of period(1) | \$16.65 | \$16.45 | |
| Issuances of common stock (see Note 14) | — | (0.01) | |
| Deemed contribution from Ares Capital Management (See Note 14) | — | 0.12 | |
| Issuances of convertible notes | — | 0.04 | |
| Net investment income for period(2) | 0.72 | 0.51 | |
| Net realized and unrealized gains for period(2) | 0.44 | 0.19 | |
| Net increase in stockholders' equity | 1.16 | 0.85 | |
| Total distributions to stockholders | (0.76) | (0.76) | |
| Net asset value at end of period(1) | \$17.05 | \$16.54 | |
| Per share market value at end of period | \$16.45 | \$16.38 | |
| Total return based on market value(3) | 9.48 | %3.94 | % |
| Total return based on net asset value(4) | 6.99 | %5.51 | % |
| Shares outstanding at end of period | 426 | 426 | |
| Ratio/Supplemental Data: | | | |
| Net assets at end of period | \$7,270 | \$7,051 | |
| Ratio of operating expenses to average net assets, excluding the Fee Waiver(5)(6) | 9.91 | %10.78 | % |
| Ratio of operating expenses to average net assets, net of the Fee Waiver(5)(6) | 9.35 | %10.47 | % |
| Ratio of net investment income to average net assets(5)(7) | 8.58 | %6.79 | % |
| Portfolio turnover rate(5) | 23 | %52 | % |

- (1) The net assets used equals the total stockholders' equity on the consolidated balance sheet.
- (2) Weighted average basic per share data.

For the six months ended June 30, 2018, the total return based on market value equaled the increase of the ending market value at June 30, 2018 of \$16.45 per share from the ending market value at December 31, 2017 of \$15.72 per share plus the declared and payable dividends of \$0.76 per share for the six months ended June 30, 2018, divided by the market value at December 31, 2017. For the six months ended June 30, 2017, the total return based on market value equaled the decrease of the ending market value at June 30, 2017 of \$16.38 per share from the ending market value at December 31, 2016 of \$16.49 per share plus the declared and payable dividends of \$0.76 per share for the six months ended June 30, 2017, divided by the market value at December 31, 2016. The Company's shares fluctuate in value. The Company's performance changes over time and currently may be different than that shown. Past performance is no guarantee of future results.

For the six months ended June 30, 2018, the total return based on net asset value equaled the change in net asset value during the period plus the declared and payable dividends of \$0.76 per share for the six months ended June 30, 2018, divided by the beginning net asset value for the period. For the six months ended June 30, 2017, the total return based on net asset value equaled the change in net asset value during the period plus the declared and payable dividends of \$0.76 per share for the six months ended June 30, 2017, divided by the beginning net asset value for the period. These calculations are adjusted for shares issued in connection with the dividend reinvestment plan, the issuance of common stock in connection with any equity offerings and the equity components of any convertible notes issued during the period. The Company's performance changes over time and currently may be different than that shown. Past performance is no guarantee of future results.

(5) The ratios reflect an annualized amount.

For the six months ended June 30, 2018, the ratio of operating expenses to average net assets consisted of 2.56% of base management fees, 2.70% of income based fees and capital gains incentive fees, net of the Fee Waiver (3.26% of income based fees and capital gains incentive fees, excluding the Fee Waiver), 3.41% of the cost of borrowing and 0.68% of other operating expenses. For the six months ended June 30, 2017, the ratio of operating expenses to average net assets consisted of 2.61% of base management fees, 2.43% of income based fees and capital gains incentive fees, net of Fee Waiver (2.74% of income based fees and capital gains incentive fees, excluding the Fee Waiver), 3.49% of the cost of borrowing and 1.94% of other operating expenses. See Note 3 for more information on the Fee Waiver.

(7) The ratio of net investment income to average net assets excludes income taxes related to realized gains and losses.

14. AMERICAN CAPITAL ACQUISITION

On May 23, 2016, the Company entered into a definitive agreement (the "Merger Agreement") to acquire American Capital. On the Acquisition Date, the Company completed the American Capital Acquisition pursuant to the terms and conditions of the Merger Agreement. Pursuant to the Merger Agreement, American Capital shareholders received total consideration of approximately \$18.06 per share comprised of: (i) \$14.41 per share from the Company consisting of approximately \$6.48 per share of cash (including a make-up dividend in the amount of \$0.07 per share) and 0.483 shares of the Company's common stock for each American Capital share at a value of \$7.93 per American Capital share (based on the closing price per share of the Company's common stock on the Acquisition Date), (ii) \$2.45 per share of cash from American Capital's sale of American Capital Mortgage Management, LLC, and (iii) approximately \$1.20 per share of cash as transaction support provided by Ares Capital Management acting solely on its own behalf. As of the Acquisition Date, the transaction was valued at approximately \$4.2 billion. The total cash and stock consideration paid by the Company was \$3.3 billion. In connection with the stock consideration, the Company issued approximately 112 shares of its common stock to American Capital's then-existing stockholders (including holders of outstanding in-the-money American Capital stock options), thereby resulting in the Company's then-existing stockholders owning approximately 73.7% of the combined company and then-existing American Capital

stockholders owning approximately 26.3% of the combined company. In addition, in connection with the American Capital Acquisition, Ares Capital Management agreed to waive certain income based fees as described in Note 3.

The American Capital Acquisition was accounted for in accordance with the asset acquisition method of accounting as detailed in ASC 805-50, Business Combinations-Related Issues. The fair value of the merger consideration paid by the Company was allocated to the assets acquired and liabilities assumed based on their relative fair values as of the date of acquisition and did not give rise to goodwill. Since the fair value of the net assets acquired exceeded the fair value of the merger consideration paid by the Company, the Company recognized a deemed contribution from Ares Capital Management.

The following table summarizes the allocation of the purchase price to the assets acquired and liabilities assumed as a result of the American Capital Acquisition:

119

| | |
|--|----------|
| Common stock issued by the Company | \$ 1,839 |
| Cash consideration paid by the Company | 1,502 |
| Deemed contribution from Ares Capital Management | 54 |
| Total purchase price | \$3,395 |
| Assets acquired: | |
| Investments(1) | \$2,543 |
| Cash and cash equivalents | 961 |
| Other assets(2) | 117 |
| Total assets acquired | \$3,621 |
| Liabilities assumed(3) | (226) |
| Net assets acquired | \$3,395 |

(1) Investments acquired were recorded at fair value, which is also the Company's initial cost basis.

(2) Other assets acquired in the American Capital Acquisition consisted of the following:

| | |
|----------------------------|-------|
| Receivable for open trades | \$45 |
| Escrows receivable | 41 |
| Interest receivable | 9 |
| Other assets | 22 |
| Total | \$117 |

(3) Liabilities assumed in the American Capital Acquisition consisted of the following:

| | |
|--|-------|
| Severance and other payroll related | \$95 |
| Lease abandonments | 55 |
| Long term incentive plan (see Note 12) | 31 |
| Escrows payable | 25 |
| Other liabilities | 20 |
| Total | \$226 |

During the three and six months ended June 30, 2018, the Company incurred a net expense of \$(1) and \$2, respectively, in professional fees and other costs related to the American Capital Acquisition. During the three and six months ended June 30, 2017, the Company incurred \$12 and \$38, respectively, in net professional fees and other costs related to the American Capital Acquisition, including \$18 in one-time investment banking fees incurred in January 2017 upon the closing of the American Capital Acquisition.

15. LITIGATION

The Company is party to certain lawsuits in the normal course of business. In addition, American Capital and Allied Capital were involved in various legal proceedings that the Company assumed in connection with the American Capital Acquisition and the Allied Acquisition, respectively. Furthermore, third parties may try to seek to impose liability on the Company in connection with the Company's activities or the activities of its portfolio companies. While the outcome of any such legal proceedings cannot at this time be predicted with certainty, the Company does not expect that these legal proceedings will materially affect its business, financial condition or results of operations.

On May 20, 2013, the Company was named as one of several defendants in an action filed in the United States District Court for the Eastern District of Pennsylvania by the bankruptcy trustee of DSI Renal Holdings LLC (“DSI Renal”) and two

120

affiliate companies. On March 17, 2014, the motion by the Company and the other defendants to transfer the case to the United States District Court for the District of Delaware (the “Delaware Court”) was granted. On May 6, 2014, the Delaware Court referred the matter to the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”). The complaint alleges, among other things, that each of the named defendants participated in a purported fraudulent transfer involving the restructuring of a subsidiary of DSI Renal. Among other things, the complaint seeks, jointly and severally from all defendants, (1) damages of approximately \$425, of which the complaint states the Company’s individual share is approximately \$117, and (2) punitive damages. The defendants filed a motion to dismiss all claims on August 5, 2013. On July 20, 2017, the Bankruptcy Court issued an order granting the motion to dismiss certain claims and denying the motion to dismiss certain other claims, including the purported fraudulent transfer claims. The defendants answered the complaint on August 31, 2017. Under the operative scheduling order, discovery will continue until early 2019 with dispositive motions due on April 30, 2019. No trial date has been set. The Company is currently unable to assess with any certainty whether it may have any exposure in this matter. However, the Company believes the plaintiff’s claims are without merit and intends to vigorously defend itself in this matter.

On August 3, 2017, American Capital and one of its former portfolio companies were awarded a judgment plus prejudgment interest by the United States District Court for the District of Maryland (the “District Court”) following a bench trial in a case first filed by one of American Capital’s insurance companies concerning coverage for bodily injury claims against American Capital and/or its former portfolio company. The District Court found that the carrier breached its duty to defend American Capital and its former portfolio company against more than 1,000 bodily injury claims and awarded American Capital damages plus prejudgment interest. American Capital’s carrier filed a notice of appeal to the United States Court of Appeals for the Fourth Circuit; thereafter, American Capital and its former portfolio company filed a notice of cross appeal. The appeal has been fully briefed and oral argument has been scheduled in September 2018. It is currently expected the appeal will be adjudicated in late 2018 at the earliest. American Capital’s recovery, if any, will not be known until such time as the appeal is resolved.

16. SUBSEQUENT EVENTS

The Company’s management has evaluated subsequent events through the date of issuance of the consolidated financial statements included herein. There have been no subsequent events that occurred during such period that would require disclosure in this Form 10-Q or would be required to be recognized in the consolidated financial statements as of and for the six months ended June 30, 2018.

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

The information contained in this section should be read in conjunction with our financial statements and notes thereto appearing elsewhere in this Quarterly Report. Further, the financial information and other data set forth below subsequent to the completion of the American Capital Acquisition (as defined below) on January 3, 2017 reflect the results of the combined company and the financial information and other data prior to the completion of the American Capital Acquisition does not give effect to the American Capital Acquisition, unless otherwise noted. For this reason, period to period comparisons may not be meaningful. In addition, some of the statements in this Quarterly Report (including in the following discussion) constitute forward- looking statements, which relate to future events or the future performance or financial condition of Ares Capital Corporation (the "Company," "Ares Capital," "we," "us," or "our"). The forward-looking statements contained in this report involve a number of risks and uncertainties, including statements concerning:

- our, or our portfolio companies', future business, operations, operating results or prospects;
- the return or impact of current and future investments;
- the impact of a protracted decline in the liquidity of credit markets on our business;
- the impact of fluctuations in interest rates on our business;
- the impact of changes in laws or regulations (including the interpretation thereof), including the Tax Cuts and Jobs Act and the Small Business Credit Availability Act, governing our operations or the operations of our portfolio companies or the operations of our competitors;
- that effective June 21, 2019 (unless we receive earlier stockholder approval), our asset coverage requirement will reduce from 200% to 150%, which may increase the risk of investing with us;
- the valuation of our investments in portfolio companies, particularly those having no liquid trading market;
- our ability to recover unrealized losses;
- market conditions and our ability to access alternative debt markets and additional debt and equity capital and our ability to manage our capital resources effectively;
- our contractual arrangements and relationships with third parties, including parties to our co-investment program;
- the general economy and its impact on the industries in which we invest;
- uncertainty surrounding the financial stability of the United States, Europe and China;
 - the social, geopolitical, financial, trade and legal implications of Brexit;
- Middle East turmoil and the potential for volatility in energy prices and its impact on the industries in which we invest;
- the financial condition of and ability of our current and prospective portfolio companies to achieve their objectives;
- our expected financings and investments;
- our ability to successfully complete and integrate any other acquisitions;
- the outcome and impact of any litigation or other regulatory matters acquired in connection with the American Capital Acquisition (as defined below);
- the adequacy of our cash resources and working capital;
- the timing, form and amount of any dividend distributions;
- the timing of cash flows, if any, from the operations of our portfolio companies; and
- the ability of our investment adviser to locate suitable investments for us and to monitor and administer our investments.

We use words such as "anticipates," "believes," "expects," "intends," "will," "should," "may" and similar expressions to identify forward-looking statements, although not all forward-looking statements include these words. Our actual results and condition could differ materially from those implied or expressed in the forward-looking statements for any reason, including

the factors set forth in “Risk Factors” and elsewhere in our Annual Report on Form 10-K for the fiscal year ended December 31, 2017 and in this Quarterly Report.

We have based the forward-looking statements included in this Quarterly Report on information available to us on the date of this Quarterly Report, and we assume no obligation to update any such forward-looking statements. Although we undertake no obligation to revise or update any forward-looking statements, whether as a result of new information, future events or otherwise, you are advised to consult any additional disclosures that we may make directly to you or through reports that we have filed or in the future may file with the Securities and Exchange Commission (“SEC”), including annual reports on Form 10-K, registration statements on Form N-2, quarterly reports on Form 10-Q and current reports on Form 8-K.

OVERVIEW

We are a specialty finance company that is a closed-end, non-diversified management investment company incorporated in Maryland. We have elected to be regulated as a business development company (“BDC”) under the Investment Company Act of 1940, as amended (together with the rules and regulations promulgated thereunder, the “Investment Company Act”).

We are externally managed by Ares Capital Management LLC (“Ares Capital Management” or our “investment adviser”), a subsidiary of Ares Management L.P. (NYSE: ARES) (“Ares Management”), a publicly traded, leading global alternative asset manager, pursuant to our investment advisory and management agreement. Ares Operations LLC (“Ares Operations” or our “administrator”), a subsidiary of Ares Management, provides certain administrative and other services necessary for us to operate.

Our investment objective is to generate both current income and capital appreciation through debt and equity investments. We invest primarily in first lien senior secured loans (including unitranche loans), second lien senior secured loans and mezzanine debt, which in some cases includes an equity component like warrants.

To a lesser extent, we also make preferred and/or common equity investments, which have generally been non-control equity investments, of less than \$20 million (usually in conjunction with a concurrent debt investment). However, we may increase the size or change the nature of these investments. Also, as a result of the American Capital Acquisition (as defined below), American Capital’s (as defined below) equity investments, including equity investments pursuant to which American Capital controlled a particular portfolio company, became part of our portfolio.

Since our initial public offering (“IPO”) on October 8, 2004 through June 30, 2018, our exited investments resulted in an asset level realized gross internal rate of return to us of approximately 14% (based on original amounts invested, net of syndications, of approximately \$23.1 billion and total proceeds from such exited investments of approximately \$29.3 billion). Internal rate of return is the discount rate that makes the net present value of all cash flows related to a particular investment equal to zero. Internal rate of return is gross of expenses related to investments as these expenses are not allocable to specific investments. Investments are considered to be exited when the original investment objective has been achieved through the receipt of cash and/or non-cash consideration upon the repayment of a 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. Approximately 63% of these exited investments resulted in an asset level realized gross internal rate of return to us of 10% or greater.

Additionally, since the closing of the American Capital Acquisition on January 3, 2017 through June 30, 2018, exited investments acquired in the American Capital Acquisition resulted in an asset level realized gross internal rate of return to us of approximately 21% (based on original amounts invested of approximately \$1.2 billion and total proceeds from such exited investments of approximately \$1.3 billion).

Additionally, since our IPO on October 8, 2004 through June 30, 2018, our realized gains have exceeded our realized losses by approximately \$629 million (excluding a one-time gain on the acquisition of Allied Capital Corporation (“Allied Capital”) and realized gains/losses from the extinguishment of debt and other assets). For this same time period, our average annualized net realized gain rate was approximately 1.0% (excluding a one-time gain on the acquisition of Allied Capital and realized gains/losses from the extinguishment of debt and other assets). Net realized gain/loss rates for a particular period are the amount of net realized gains/losses during such period divided by the average quarterly investments at amortized cost in such period.

Information included herein regarding internal rates of return, realized gains and losses and annualized net realized gain rates are historical results relating to our past performance and are not necessarily indicative of future results, the achievement of which cannot be assured.

As a BDC, we are required to comply with certain regulatory requirements. For instance, we generally have to invest at least 70% of our total assets in “qualifying assets,” including securities and indebtedness of private U.S. companies and certain public U.S. companies, cash, cash equivalents, U.S. government securities and high-quality debt investments that mature in one year or less. We also may invest up to 30% of our portfolio in non-qualifying assets, as permitted by the Investment Company Act. Specifically, as part of this 30% basket, we may invest in entities that are not considered “eligible portfolio companies” (as defined in the Investment Company Act), including companies located outside of the United States, entities that are operating pursuant to certain exceptions under the Investment Company Act, and publicly traded entities whose public equity market capitalization exceeds the levels provided for under the Investment Company Act.

We have elected to be treated as a regulated investment company (“RIC”), under the Internal Revenue Code of 1986, as amended (the “Code”) and operate in a manner so as to qualify for the tax treatment applicable to RICs. To qualify as a RIC, we must, among other things, meet certain source-of-income and asset diversification requirements and timely distribute to our stockholders generally at least 90% of our investment company taxable income, as defined by the Code, for each year. Pursuant to this election, we generally will not have to pay U.S. federal corporate-level taxes on any income that we distribute to our stockholders provided that we satisfy those requirements.

American Capital Acquisition

On May 23, 2016, we entered into a definitive agreement (the “Merger Agreement”) to acquire American Capital, Ltd. (“American Capital”), a Delaware corporation (the “American Capital Acquisition”) in a cash and stock transaction valued at approximately \$4.2 billion. Pursuant to the Merger Agreement, American Capital shareholders received total consideration of approximately \$18.06 per share comprised of: (i) \$14.41 per share from us consisting of approximately \$6.48 per share of cash (including a make-up dividend in the amount of \$0.07 per share) and 0.483 shares of our common stock for each American Capital share at a value of \$7.93 per American Capital share (based on the closing price per share of our common stock on January 3, 2017 (the “Acquisition Date”)), (ii) \$2.45 per share of cash from American Capital’s sale of American Capital Mortgage Management, LLC, and (iii) approximately \$1.20 per share of cash as transaction support provided by Ares Capital Management acting solely on its own behalf. As of the Acquisition Date, the transaction was valued at approximately \$4.2 billion. The total cash and stock consideration paid by us was \$3.3 billion. In connection with the stock consideration, we issued approximately 112 million shares of our common stock to American Capital’s then-existing stockholders (including holders of outstanding in-the-money American Capital stock options), thereby resulting in our then-existing stockholders owning approximately 73.7% of the combined company and then-existing American Capital stockholders owning approximately 26.3% of the combined company. As a result of the American Capital Acquisition, Ares Capital acquired \$3.6 billion of assets, including \$2.5 billion of investments, and assumed \$226 million of liabilities.

In connection with the American Capital Acquisition, Ares Capital Management also agreed to waive, for each of the first ten calendar quarters beginning with the second quarter of 2017, the lesser of (x) \$10 million of income based fees and (y) the amount of income based fees for such quarter, in each case, to the extent earned and payable by us in such quarter pursuant to and as calculated under our investment advisory and management agreement (the “Fee Waiver”). See Notes 3 and 14 to our consolidated financial statements for the three and six months ended June 30, 2018 for additional information regarding the American Capital Acquisition.

PORTFOLIO AND INVESTMENT ACTIVITY

Our investment activity for the three months ended June 30, 2018 and 2017 is presented below.

| | For the Three Months Ended June 30, | | |
|--|---|---------|---|
| (dollar amounts in millions) | 2018 | 2017 | |
| New investment commitments(1): | | | |
| New portfolio companies | \$418 | \$524 | |
| Existing portfolio companies | 1,201 | 1,449 | |
| Total new investment commitments(2) | \$1,619 | \$1,973 | |
| Less: | | | |
| Investment commitments exited(3) | 2,200 | 1,792 | |
| Net investment commitments | \$(581) | \$181 | |
| Principal amount of investments funded: | | | |
| First lien senior secured loans | \$921 | \$1,110 | |
| Second lien senior secured loans | 321 | 469 | |
| Subordinated certificates of the SDLP(4) | 111 | 125 | |
| Senior subordinated loans | 8 | 56 | |
| Preferred equity securities | 4 | 112 | |
| Other equity securities | 11 | 25 | |
| Total | \$1,376 | \$1,897 | |
| Principal amount of investments sold or repaid(5): | | | |
| First lien senior secured loans | \$1,394 | \$1,042 | |
| Second lien senior secured loans | 527 | 482 | |
| Subordinated certificates of the SDLP(4) | 2 | 1 | |
| Senior subordinated loans | 159 | 66 | |
| Collateralized loan obligations | 15 | 44 | |
| Preferred equity securities | 20 | 76 | |
| Other equity securities | 12 | 90 | |
| Total | \$2,129 | \$1,801 | |
| Number of new investment commitments(6) | 46 | 47 | |
| Average new investment commitment amount(6) | \$35 | \$42 | |
| Weighted average term for new investment commitments (in months) | 75 | 81 | |
| Percentage of new investment commitments at floating rates | 99 | % 97 | % |
| Percentage of new investment commitments at fixed rates | — | % 2 | % |
| Weighted average yield of debt and other income producing securities(7): | | | |
| Funded during the period at amortized cost | 9.4 | % 8.6 | % |
| Funded during the period at fair value(8) | 9.4 | % 8.6 | % |
| Exited or repaid during the period at amortized cost | 8.9 | % 8.8 | % |
| Exited or repaid during the period at fair value(8) | 8.9 | % 8.7 | % |

(1) New investment commitments include new agreements to fund revolving loans or delayed draw loans. See “Off Balance Sheet Arrangements” as well as Note 7 to our consolidated financial statements for the three and six months ended June 30, 2018, for more information on our commitments to fund revolving loans or delayed draw loans.

(2)

Includes both funded and unfunded commitments. Of these new investment commitments, we funded \$1.2 billion and \$1.8 billion for the three months ended June 30, 2018 and 2017, respectively.

(3) Includes both funded and unfunded commitments. For the three months ended June 30, 2018 and 2017, investment commitments exited included exits of unfunded commitments of \$149 million and \$48 million, respectively.

(4) See “Senior Direct Lending Program” below and Note 4 to our consolidated financial statements for the three and six months ended June 30, 2018 for more information on the SDLP (as defined below).

(5) For the three months ended June 30, 2018 and 2017, the principal amount of investments sold or repaid included \$179 million and \$210 million, respectively, of investments acquired as part of the American Capital Acquisition.

(6) Number of new investment commitments represents each commitment to a particular portfolio company or a commitment to multiple companies as part of an individual transaction (e.g., the purchase of a portfolio of investments).

(7) “Weighted average yield of debt and other income producing securities” is computed as (a) the annual stated interest rate or yield earned plus the net annual amortization of original issue discount and market discount or premium earned on accruing debt and other income producing securities, divided by (b) the total accruing debt and other income producing securities at amortized cost or at fair value, as applicable.

(8) Represents fair value for investments in the portfolio as of the most recent prior quarter end, if applicable.

As of June 30, 2018 and December 31, 2017, our investments consisted of the following:

| (in millions) | As of | | December 31, | |
|--|----------------|------------|----------------|------------|
| | June 30, 2018 | | 2017 | |
| | Amortized Cost | Fair Value | Amortized Cost | Fair Value |
| First lien senior secured loans | \$4,739 | \$4,626 | \$5,337 | \$5,197 |
| Second lien senior secured loans | 3,618 | 3,449 | 3,885 | 3,744 |
| Subordinated certificates of the SDLP(1) | 589 | 589 | 487 | 487 |
| Senior subordinated loans | 1,059 | 1,077 | 978 | 995 |
| Collateralized loan obligations | 93 | 92 | 115 | 114 |
| Preferred equity securities | 496 | 679 | 485 | 532 |
| Other equity securities | 841 | 1,015 | 618 | 772 |
| Total | \$11,435 | \$11,527 | \$11,905 | \$11,841 |

The proceeds from these certificates were applied to co-investments with Varagon Capital Partners (“Varagon”) and (1) its clients to fund first lien senior secured loans to 20 and 19 different borrowers as of June 30, 2018 and December 31, 2017, respectively.

The weighted average yields at amortized cost and fair value of the following portions of our portfolio as of June 30, 2018 and December 31, 2017 were as follows:

| As of | |
|---------------|-------------------|
| June 30, 2018 | December 31, 2017 |

| | Amortized Cost | | Fair Value | | Amortized Cost | | Fair Value | |
|---|----------------|--|------------|--|----------------|--|------------|--|
| Debt and other income producing securities(1) | 10.4 % | | 10.5 % | | 9.7 % | | 9.8 % | |
| Total portfolio(2) | 9.1 % | | 9.0 % | | 8.7 % | | 8.7 % | |
| First lien senior secured loans(2) | 8.5 % | | 8.7 % | | 7.9 % | | 8.1 % | |
| Second lien senior secured loans(2) | 10.3 % | | 10.8 % | | 9.7 % | | 10.0 % | |
| Subordinated certificates of the SDLP(2)(3) | 15.0 % | | 15.0 % | | 14.5 % | | 14.5 % | |
| Senior subordinated loans(2) | 13.4 % | | 13.1 % | | 13.0 % | | 12.8 % | |
| Collateralized loan obligations | 9.6 % | | 9.8 % | | 9.7 % | | 9.7 % | |
| Income producing equity securities(2) | 13.3 % | | 13.3 % | | 13.0 % | | 13.0 % | |

(1) “Weighted average yield of debt and other income producing securities” is computed as (a) the annual stated interest rate or yield earned plus the net annual amortization of original issue discount and market discount or premium earned on accruing debt and other income producing securities, divided by (b) the total accruing debt and other income producing securities at amortized cost or at fair value as applicable. The weighted average yield of debt and other income producing securities that were acquired as part of the American Capital Acquisition and held as of June 30, 2018 was 11.7% and 11.5% at amortized cost and fair value, respectively.

(2) “Weighted average yields” are computed as (a) the annual stated interest rate or yield earned plus the net annual amortization of original issue discount and market discount or premium earned on the relevant accruing debt and other income producing securities, divided by (b) the total relevant investments at amortized cost or at fair value as applicable. The weighted average yield on total investments that were acquired as part of the American Capital Acquisition and held as of June 30, 2018 was 9.5% and 7.2% at amortized cost and fair value, respectively.

(3) The proceeds from these certificates were applied to co-investments with Varagon and its clients to fund first lien senior secured loans.

Ares Capital Management, our investment adviser, employs an investment rating system to categorize our investments. In addition to various risk management and monitoring tools, our investment adviser grades the credit risk of all investments on a scale of 1 to 4 no less frequently than quarterly. This system is intended primarily to reflect the underlying risk of a portfolio investment relative to our initial cost basis in respect of such portfolio investment (i.e., at the time of origination or acquisition), although it may also take into account under certain circumstances the performance of the portfolio company’s business, the collateral coverage of the investment and other relevant factors. Under this system, investments with a grade of 4 involve the least amount of risk to our initial cost basis. The trends and risk factors for this investment since origination or acquisition are generally favorable, which may include the performance of the portfolio company or a potential exit. Investments graded 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. All investments or acquired investments in new portfolio companies are initially assessed a grade of 3. Investments graded 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. An investment grade of 1 indicates that the risk to our ability to recoup the initial cost basis of such investment has substantially increased since origination or acquisition, and the portfolio company likely has materially declining performance. For debt investments with an investment grade of 1, most or all of the debt covenants are out of compliance and payments are substantially delinquent. For investments graded 1, it is anticipated that we will not recoup our initial cost basis and may realize a substantial loss of our initial cost basis upon exit. For investments graded 1 or 2, our investment adviser enhances its level of scrutiny over the monitoring of such portfolio company. The grade of a portfolio investment may be reduced or increased over time.

Set forth below is the grade distribution of our portfolio companies as of June 30, 2018 and December 31, 2017:

| (dollar amounts in millions) | As of June 30, 2018 | | | | December 31, 2017 | | | |
|------------------------------|------------------------|-----|---------------------|-----|-------------------|-----|---------------------|-----|
| | Fair Value | % | Number of Companies | % | Fair Value | % | Number of Companies | % |
| Grade 1 | \$153 | 1.3 | % 20 | 5.8 | % \$72 | 0.6 | % 16 | 5.1 |

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| | | | | | | | | | | | | |
|---------|----------|--------|---|-----|--------|---|----------|--------|---|-----|--------|---|
| Grade 2 | 416 | 3.6 | % | 11 | 3.2 | % | 343 | 2.9 | % | 14 | 4.5 | % |
| Grade 3 | 9,059 | 78.6 | % | 300 | 86.7 | % | 10,099 | 85.3 | % | 268 | 85.3 | % |
| Grade 4 | 1,899 | 16.5 | % | 15 | 4.3 | % | 1,327 | 11.2 | % | 16 | 5.1 | % |
| Total | \$11,527 | 100.0% | | 346 | 100.0% | | \$11,841 | 100.0% | | 314 | 100.0% | |

As of June 30, 2018 and December 31, 2017, the weighted average grade of the investments in our portfolio at fair value was 3.1 and 3.1, respectively.

As of June 30, 2018, investments on non-accrual status represented 2.7% and 0.8% of the total investments at amortized cost and at fair value, respectively. As of December 31, 2017, investments on non-accrual status represented 3.1% and 1.4% of the total investments at amortized cost and at fair value, respectively.

Co-Investment Programs

Senior Direct Lending Program

We have established a joint venture with Varagon to make certain first lien senior secured loans, including certain stretch senior and unitranche loans, primarily to U.S. middle-market companies. Varagon was formed in 2013 as a lending platform by American International Group, Inc. and other partners. The joint venture is called the Senior Direct Lending Program LLC (d/b/a the “Senior Direct Lending Program” or the “SDLP”). In July 2016, we and Varagon and its clients completed the initial funding of the SDLP. The SDLP may generally commit and hold individual loans of up to \$300 million. The SDLP is capitalized as transactions are completed and all portfolio decisions and generally all other decisions in respect of the SDLP must be approved by an investment committee of the SDLP consisting of representatives of ours and Varagon (with approval from a representative of each required).

We provide capital to the SDLP in the form of subordinated certificates (the “SDLP Certificates”), and Varagon and its clients provide capital to the SDLP in the form of senior notes, intermediate funding notes and SDLP Certificates. As of June 30, 2018, we and a client of Varagon owned 87.5% and 12.5%, respectively, of the outstanding SDLP Certificates.

As of June 30, 2018 and December 31, 2017, we and Varagon and its clients had agreed to make capital available to the SDLP of \$6.4 billion and \$2.9 billion, respectively, in the aggregate, of which \$1,444 million and \$591 million, respectively, is to be made available from us. This capital will only be committed to the SDLP upon approval of transactions by the investment committee of the SDLP. Below is a summary of the funded capital and unfunded capital commitments of the SDLP.

| (in millions) | As of | |
|--|---------------|-------------------|
| | June 30, 2018 | December 31, 2017 |
| Total capital funded to the SDLP(1) | \$2,928 | \$ 2,319 |
| Total capital funded to the SDLP by the Company(1) | \$589 | \$ 487 |
| Total unfunded capital commitments to the SDLP(2) | \$115 | \$ 92 |
| Total unfunded capital commitments to the SDLP by the Company(2) | \$24 | \$ 19 |

(1) At principal amount.

(2) These commitments have been approved by the investment committee of the SDLP and will be funded as the transactions are completed.

The SDLP Certificates pay a coupon of the London Interbank Offered Rate (“LIBOR”) plus 8.0% and also entitle the holders thereof to receive a portion of the excess cash flow from the loan portfolio, after expenses, which may result in a return to the holders of the SDLP Certificates that is greater than the stated coupon. The SDLP Certificates are junior in right of payment to the senior notes and intermediate funding notes.

The amortized cost and fair value of our SDLP Certificates held by us were \$589 million and \$589 million, respectively, as of June 30, 2018 and \$487 million and \$487 million, respectively, as of December 31, 2017. Our yield

on our investment in the SDLP at amortized cost and fair value was 15.0% and 15.0%, respectively, as of June 30, 2018 and 14.5% and 14.5%, respectively, as of December 31, 2017. For the three and six months ended June 30, 2018, we earned interest income of \$20 million and \$39 million, respectively, from our investment in the SDLP Certificates. For the three and six months ended June 30, 2017, we earned interest income of \$11 million and \$21 million, respectively, from our investment in the SDLP Certificates. We are also entitled to certain fees in connection with the SDLP. For the three and six months ended June 30, 2018, in connection with the SDLP, we earned capital structuring service and other fees totaling \$5 million and \$8 million, respectively. For the three and six months ended June 30, 2017, in connection with the SDLP, we earned capital structuring service and other fees totaling \$5 million and \$6 million, respectively.

As of June 30, 2018 and December 31, 2017, the portfolio was comprised of all first lien senior secured loans primarily to U.S. middle-market companies and were in industries similar to the companies in our portfolio. As of June 30, 2018 and

December 31, 2017, none of the loans were on non-accrual status. Below is a summary of the SDLP's portfolio as of June 30, 2018 and December 31, 2017:

| (dollar amounts in millions) | As of | |
|--|------------------|----------------------|
| | June 30, 2018 | December 31, 2017 |
| Total first lien senior secured loans(1) | \$2,760 | \$2,316 |
| Weighted average yield on first lien senior secured loans(2) | 8.2 % | 7.6 % |
| Largest loan to a single borrower(1) | \$249 | \$200 |
| Total of five largest loans to borrowers(1) | \$1,087 | \$947 |
| Number of borrowers in the SDLP | 20 | 19 |
| Commitments to fund delayed draw loans (3) | \$115 | \$92 |

(1) At principal amount.

(2) Computed as (a) the annual stated interest rate on accruing first lien senior secured loans, divided by (b) total first lien senior secured loans at principal amount.

(3) As discussed above, these commitments have been approved by the investment committee of the SDLP.

Senior Secured Loan Program

We and General Electric Capital Corporation and GE Global Sponsor Finance LLC (collectively, "GE") had previously co-invested in first lien senior secured loans of middle market companies through an unconsolidated Delaware limited liability company, the Senior Secured Loan Fund LLC (d/b/a the "Senior Secured Loan Program" or the "SSLP"). The SSLP was capitalized as transactions were completed. All portfolio decisions and generally all other decisions in respect of the SSLP were approved by an investment committee of the SSLP consisting of representatives of ours and GE (with approval from a representative of each required). We provided capital to the SSLP in the form of the SSLP Certificates. GE provided capital to the SSLP in the form of senior notes and SSLP Certificates.

As of June 30, 2017, our investment in the SSLP Certificates at amortized cost and fair value was \$1.9 billion and \$1.9 billion, respectively, and our yield on our investment in the SSLP Certificates at amortized cost and fair value was 5.8% and 5.8%, respectively. As of June 30, 2017, the SSLP had \$1.2 billion in cash and GE's senior notes outstanding totaled \$601 million. In July 2017, the SSLP made its monthly waterfall distribution from this cash, which fully repaid the outstanding principal amount of the senior notes of the SSLP with the remaining amounts distributed to the holders of the SSLP Certificates. From this distribution, we received \$474 million in respect of our SSLP Certificates. After this distribution, the amortized cost of our SSLP Certificates was \$1.5 billion.

In addition, in July 2017, we and GE agreed to an effective termination of the SSLP whereby on July 26, 2017, we purchased the remaining \$1.6 billion in aggregate principal amount of first lien senior secured loans outstanding at par plus accrued and unpaid interest and fees from the SSLP (the "SSLP Loan Sale") and assumed the SSLP's remaining unfunded loan commitments totaling \$50 million. Upon completion of the SSLP Loan Sale, the SSLP made a liquidation distribution to the holders of the SSLP Certificates (the "SSLP Liquidation Distribution"), of which we received \$1.5 billion. In connection with the SSLP Liquidation Distribution, we recognized an \$18 million realized loss. After completion of the transactions described above, the operations of the SSLP were effectively terminated pursuant to the terms of the documents governing the SSLP and the SSLP no longer has an obligation to fund existing commitments and other amounts in respect of its former portfolio companies.

For the three and six months ended June 30, 2017, we earned interest income of \$29 million and \$63 million, respectively, from our investment in the SSLP Certificates. We were also entitled to certain fees in connection with the SSLP. For the three and six months ended June 30, 2017, in connection with the SSLP, we earned capital structuring service, sourcing and other fees totaling \$3 million and \$5 million, respectively, from our investment in the SSLP Certificates.

RESULTS OF OPERATIONS

For the three and six months ended June 30, 2018 and 2017

Operating results for the three and six months ended June 30, 2018 and 2017 were as follows:

| | For the Three Months Ended June 30, | | For the Six Months Ended June 30, | |
|---|---|-------|--|-------|
| (in millions) | 2018 | 2017 | 2018 | 2017 |
| Total investment income | \$333 | \$284 | \$650 | \$559 |
| Total expenses, net of waiver of income based fees | 165 | 153 | 333 | 332 |
| Net investment income before income taxes | 168 | 131 | 317 | 227 |
| Income tax expense, including excise tax | 6 | 7 | 11 | 9 |
| Net investment income | 162 | 124 | 306 | 218 |
| Net realized gains on investments and foreign currency transactions | 27 | 110 | 15 | 112 |
| Net unrealized gains (losses) on investments, foreign currency and other transactions | 65 | (52) | 175 | (30) |
| Realized losses on extinguishment of debt | — | (4) | — | (4) |
| Net increase in stockholders' equity resulting from operations | \$254 | \$178 | \$496 | \$296 |

Net income can vary substantially from period to period due to various factors, including acquisitions, the level of new investment commitments, the recognition of realized gains and losses and unrealized appreciation and depreciation. As a result, comparisons of net increase in stockholders' equity resulting from operations may not be meaningful.

Investment Income

| | For the Three Months Ended June 30, | | For the Six Months Ended June 30, | |
|----------------------------------|---|-------|--|-------|
| (in millions) | 2018 | 2017 | 2018 | 2017 |
| Interest income from investments | \$262 | \$231 | \$516 | \$462 |
| Capital structuring service fees | 25 | 29 | 54 | 41 |
| Dividend income | 24 | 16 | 46 | 40 |
| Other income | 22 | 8 | 34 | 16 |
| Total investment income | \$333 | \$284 | \$650 | \$559 |

The increase in interest income from investments for the three months ended June 30, 2018 from the comparable period in 2017 was primarily due to an increase in the average size of our portfolio and an increase in the weighted average yield of our portfolio. The size of our portfolio increased from an average of \$11.7 billion at amortized cost for the three months ended June 30, 2017 to an average of \$11.8 billion at amortized cost for the comparable period in 2018. The weighted average yield of our portfolio increased from 8.0% for the three months ended June 30, 2017 to 9.1% for the comparable period in 2018. The increase in the weighted average yield was primarily due to an increase in LIBOR during the period. The decrease in capital structuring service fees for the three months ended June 30, 2018 from the comparable period in 2017 was primarily due to the decrease in new investment commitments, which decreased from \$2.0 billion for the three months ended June 30, 2017 to \$1.6 billion for the comparable period in

2018. Dividend income for the three months ended June 30, 2018 and 2017 included dividends received from Ivy Hill Asset Management, L.P. ("IHAM") totaling \$15 million and \$10 million, respectively. Also during the three months ended June 30, 2018, we received \$2 million in other non-recurring dividends from non-income producing equity securities compared to \$3 million for the comparable period in 2017. Dividend income for the three months ended June 30, 2018 included other recurring dividends of \$7 million compared to \$4 million for the comparable period in 2017.

The increase in interest income from investments for the six months ended June 30, 2018 from the comparable period in 2017 was primarily due to an increase in the size of our portfolio and an increase in the weighted average yield of our

portfolio. The size of our portfolio increased from an average of \$11.6 billion at amortized cost for the six months ended June 30, 2017 to an average of \$11.9 billion at amortized cost for the comparable period in 2018. The weighted average yield of our portfolio increased from 8.1% for the six months ended June 30, 2017 to 9.0% for the comparable period in 2018, primarily due to an increase in LIBOR during the period. The increase in capital structuring service fees for the six months ended June 30, 2018 from the comparable period in 2017 was due to the increase in new investment commitments (excluding investments acquired as a result of the American Capital Acquisition), which increased from \$2.8 billion for the six months ended June 30, 2017 to \$3.4 billion for the comparable period in 2018, as well as the increase in the weighted average capital structuring service fees received on new investment commitments, which increased from 1.4% for the six months ended June 30, 2017 to 1.6% for the comparable period in 2018. Dividend income for the six months ended June 30, 2018 and 2017 included dividends received from IHAM totaling \$28 million and \$20 million, respectively. Also during the six months ended June 30, 2018, we received \$5 million in other non-recurring dividends from non-income producing equity securities compared to \$15 million for the comparable period in 2017.

Operating Expenses

| | For the Three Months Ended June 30, | | For the Six Months Ended June 30, | |
|---|-------------------------------------|-------|-----------------------------------|-------|
| (in millions) | 2018 | 2017 | 2018 | 2017 |
| Interest and credit facility fees | \$61 | \$55 | \$121 | \$110 |
| Base management fees | 45 | 44 | 91 | 83 |
| Income based fees | 40 | 30 | 78 | 62 |
| Capital gains incentive fees | 18 | 10 | 38 | 26 |
| Administrative fees | 4 | 3 | 7 | 6 |
| Net professional fees and other costs related to the American Capital Acquisition | (1) | 12 | 2 | 38 |
| Other general and administrative | 8 | 9 | 16 | 17 |
| Total operating expenses | 175 | 163 | 353 | 342 |
| Waiver of income based fees | (10) | (10) | (20) | (10) |
| Total expenses, net of waiver of income based fees | \$165 | \$153 | \$333 | \$332 |

Interest and credit facility fees for the three and six months ended June 30, 2018 and 2017, were comprised of the following:

| | For the Three Months Ended June 30, | | For the Six Months Ended June 30, | |
|--|-------------------------------------|------|-----------------------------------|-------|
| (in millions) | 2018 | 2017 | 2018 | 2017 |
| Stated interest expense | \$51 | \$47 | \$101 | \$94 |
| Facility fees | 4 | 3 | 8 | 4 |
| Amortization of debt issuance costs | 5 | 4 | 9 | 9 |
| Net accretion of discount on notes payable | 1 | 1 | 3 | 3 |
| Total interest and credit facility fees | \$61 | \$55 | \$121 | \$110 |

Stated interest expense for the three months ended June 30, 2018 increased from the comparable period in 2017 primarily due to the increase in the average principal amount of debt outstanding. For the three months ended June 30, 2018, our average principal debt outstanding increased to \$4.9 billion as compared to \$4.6 billion for the comparable period in 2017. The weighted average stated interest rate on our outstanding debt was 4.1% for the three months ended

June 30, 2018 as compared to 4.1% for the comparable period in 2017. Facility fees for the three months ended June 30, 2018 increased from the comparable period in 2017 primarily due to the lower utilization of our revolving facilities resulting in higher unused commitment fees.

Stated interest expense for the six months ended June 30, 2018 increased from the comparable period in 2017 primarily due to the increase in the average principal amount of debt outstanding. For the six months ended June 30, 2018, our average principal debt outstanding increased to \$4.9 billion as compared to \$4.6 billion for the comparable period in 2017. The weighted average stated interest rate on our outstanding debt was 4.1% for the six months ended June 30, 2018 as compared to

4.1% for the comparable period in 2017. Facility fees for the six months ended June 30, 2018 increased from the comparable period in 2017 primarily due to the lower utilization of our revolving facilities resulting in higher unused commitment fees.

The increase in base management fees for the three and six months ended June 30, 2018 from the comparable periods in 2017 was primarily due to the increase in the average size of our portfolio for the three and six months ended June 30, 2018 as compared to the three and six months ended June 30, 2017. The increase in income based fees for the three months ended June 30, 2018 from the comparable period in 2017 was primarily due to the pre-incentive fee net investment income, as defined in the investment advisory and management agreement, for the three and six months ended June 30, 2018 being higher than in the comparable period in 2017. The three and six months ended June 30, 2018 reflects the Fee Waiver of \$10 million and \$20 million, respectively. The three and six months ended June 30, 2017 also reflects the Fee Waiver of \$10 million and \$10 million, respectively.

For the three and six months ended June 30, 2018, the capital gains incentive fees calculated in accordance with GAAP was \$18 million and \$38 million, respectively. For the three and six months ended June 30, 2017, the capital gains incentive fees calculated in accordance with GAAP was \$10 million and \$26 million, respectively. The capital gains incentive fee expense accrual for the three and six months ended June 30, 2017 included an \$11 million accrual related to the American Capital Acquisition as a result of the fair value of the net assets acquired exceeding the fair value of the merger consideration paid by us. The capital gains incentive fee accrued under GAAP includes an accrual related to unrealized capital appreciation, whereas the capital gains incentive fee actually payable under our investment advisory and management agreement does not. There can be no assurance that such unrealized capital appreciation will be realized in the future. The accrual for any capital gains incentive fee under GAAP in a given period may result in an additional expense if such cumulative amount is greater than in the prior period or a reduction of previously recorded expense if such cumulative amount is less than in the prior period. If such cumulative amount is negative, then there is no accrual. As of June 30, 2018, the total capital gains incentive fee accrual calculated in accordance with GAAP was \$117 million. As of June 30, 2018, there was no capital gains incentive fee actually payable under our investment advisory and management agreement. See Note 3 to our consolidated financial statements for the three and six months ended June 30, 2018, for more information on the base management fees, income based fees and capital gains incentive fees.

Administrative fees represent fees paid to Ares Operations for our allocable portion of overhead and other expenses incurred by Ares Operations in performing its obligations under the administration agreement, including our allocable portion of the compensation, rent and other expenses of certain of our executive officers and their respective staffs. Administrative fees incurred related specifically to the American Capital Acquisition are included in net professional fees and other costs related to the American Capital Acquisition as discussed below.

For the three and six months ended June 30, 2018 and 2017, we incurred a net expense of \$(1) million and \$2 million, respectively, in professional fees and other costs related to the American Capital Acquisition. For the three and six months ended June 30, 2017, we incurred \$12 million and \$38 million, respectively, in net professional fees and other costs related to the American Capital Acquisition. For the six months ended June 30, 2017, these costs included \$18 million in one-time investment banking fees incurred upon the closing of the American Capital Acquisition.

Other general and administrative expenses includes, among other costs, professional fees, insurance, fees and expenses related to evaluating and making investments in portfolio companies, including the costs associated with meeting with and marketing to financial sponsors and independent directors' fees.

Income Tax Expense, Including Excise Tax

We have elected to be treated as a RIC under the Code and operate in a manner so as to qualify for the tax treatment applicable to RICs. To qualify as a RIC, we must generally (among other requirements) timely distribute to our stockholders at least 90% of our investment company taxable income, as defined by the Code, for each year. In order to maintain our RIC status, we have made and intend to continue to make the requisite distributions to our stockholders which will generally relieve us from U.S. federal corporate-level income taxes.

Depending on the level of taxable income earned in a tax year, we may choose to carry forward such taxable income in excess of current year dividend distributions from such current year taxable income into the next tax year and pay a 4% excise tax on such income, as required. If we determine that our estimated current year taxable income will be in excess of estimated dividend distributions for the current year from such income, we accrue excise tax on estimated excess taxable income as such taxable income is earned. For the three and six months ended June 30, 2018, we recorded a net expense of \$3 million and \$7 million for U.S. federal excise tax, respectively. For the three and six months ended June 30, 2017, we recorded a net expense of \$4 million and \$7 million for U.S. federal excise tax, respectively.

Certain of our consolidated subsidiaries are subject to U.S. federal and state income taxes. For the three and six months ended June 30, 2018, we recorded a net tax expense of approximately \$3 million and \$4 million for these subsidiaries, respectively. For the three and six months ended June 30, 2017, we recorded a net tax expense of approximately \$3 million and \$2 million for these subsidiaries, respectively. The income tax expense for our taxable consolidated subsidiaries will vary depending on the level of realized gains from the exits of investments held by such taxable subsidiaries during the respective periods.

Net Realized Gains/Losses

The net realized gains from the sales, repayments or exits of investments during the three and six months ended June 30, 2018 and 2017 were comprised of the following:

| | For the Three Months Ended June 30, | | For the Six Months Ended June 30, | |
|--|---|------------|--------------------------------------|------------|
| (in millions) | 2018 | 2017 | 2018 | 2017 |
| Sales, repayments or exits of investments ⁽¹⁾ | \$2,142 | (1)\$1,900 | (2)\$3,510 | (1)\$2,800 |
| Net realized gains on investments: | | | | |
| Gross realized gains | 31 | \$150 | 42 | 164 |
| Gross realized losses | (9) | (38) | (20) | (39) |
| Total net realized gains on investments | \$22 | (3)\$112 | (4)\$22 | (3)\$125 |

(1) Includes \$447 million of investments sold to IHAM and certain vehicles managed by IHAM during the three and six months ended June 30, 2018. A net realized loss of \$0 million was recorded on these transactions with IHAM during the three and six months ended June 30, 2018. See Note 4 to our consolidated financial statements for the three and six months ended June 30, 2018 for more detail on IHAM and its managed vehicles.

(2) Includes \$8 million and \$29 million of investments sold to IHAM and certain vehicles managed by IHAM during the three and six months ended June 30, 2017, respectively. No realized gains or losses were recorded on these transactions with IHAM during the three months ended June 30, 2017. A net realized loss of \$0 million was recorded on these transactions with IHAM during six months ended June 30, 2017.

(3) Includes approximately \$5 million and \$12 million, respectively, of net realized gains on investments acquired as part of the American Capital Acquisition for the three and six months ended June 30, 2018.

(4) Includes approximately \$21 million and \$23 million, respectively, of net realized gains on investments acquired as part of the American Capital Acquisition for the three and six months ended June 30, 2017.

The net realized gains (losses) on investments during the three months ended June 30, 2018 consisted of the following:

| (in millions) | Net Realized Gains (Losses) |
|---------------------------|--------------------------------------|
| Portfolio Company | |
| TDG Group Holding Company | \$ 8 |
| PowerPlan, Inc. | 7 |
| CFW Co-Invest, L.P. | 3 |

| | |
|------------------------|-------|
| AwarePoint Corporation | (4) |
| Other, net | 8 |
| Total | \$ 22 |

During the three months ended June 30, 2018, we recognized net realized gains on foreign currency transactions of \$5 million.

The net realized gains (losses) on investments during the three months ended June 30, 2017 consisted of the following:

133

| (in millions) | Net Realized Gains (Losses) |
|--|--------------------------------------|
| Portfolio Company | \$ 34 |
| 10th Street, LLC | 24 |
| Community Education Centers, Inc. | 16 |
| TA THI Parent, Inc. | 13 |
| NECCO Realty Investments LLC | 11 |
| GHX Ultimate Parent Corporation | 10 |
| Wilcon Holdings LLC | 8 |
| Project Alpha Intermediate Holding, Inc. and Qlik Parent, Inc. | 6 |
| CIBT Investment Holdings, LLC | 6 |
| Market Track Holdings, LLC | 5 |
| Hard 8 Games, LLC | (21) |
| Competitor Group, Inc. | (13) |
| The Greeley Company, Inc. and HCP Acquisition Holdings, LLC | 13 |
| Other, net | \$ 112 |
| Total | |

During the three months ended June 30, 2017, we recognized net realized losses on foreign currency transactions of \$2 million.

During the three months ended June 30, 2017, we redeemed the entire \$183 million in aggregate principal amount outstanding of the unsecured notes that were scheduled to mature on October 1, 2022 (the "October 2022 Notes") in accordance with the terms of the indenture governing the October 2022 Notes. The October 2022 Notes were redeemed at par plus accrued and unpaid interest for a total redemption price of approximately \$185 million, which resulted in a realized loss on the extinguishment of debt of \$4 million.

The net realized gains (losses) on investments during the six months ended June 30, 2018 consisted of the following:

| (in millions) | Net Realized Gains (Losses) |
|---------------------------|--------------------------------------|
| Portfolio Company | \$ 8 |
| TDG Group Holding Company | 7 |
| PowerPlan, Inc. | 4 |
| CFW Co-Invest, L.P. | (4) |
| AwarePoint Corporation | (9) |
| EcoMotors, Inc. | 16 |
| Other, net | \$ 22 |
| Total, net | |

During the six months ended June 30, 2018, we also recognized net realized gains on foreign currency transactions of \$7 million.

The net realized gains (losses) on investments during the six months ended June 30, 2017 consisted of the following:

| (in millions) Portfolio Company | Net Realized Gains (Losses) |
|--|--------------------------------------|
| 10th Street, LLC | \$ 34 |
| Community Education Centers, Inc. | 24 |
| TA THI Parent, Inc. | 16 |
| Netsmart Technologies, Inc. | 13 |
| GHX Ultimate Parent Corporation | 11 |
| Wilcon Holdings LLC | 10 |
| Project Alpha Intermediate Holding, Inc. and Qlik Parent, Inc. | 8 |
| S Toys Holdings LLC (fka The Step2 Company, LLC) | 7 |
| CIBT Investment Holdings, LLC | 6 |
| Market Track Holdings, LLC | 6 |
| Hard 8 Games, LLC | 5 |
| Competitor Group, Inc. | (21) |
| The Greeley Company, Inc. and HCP Acquisition Holdings, LLC | (13) |
| Other, net | 19 |
| Total, net | \$ 125 |

During the six months ended June 30, 2017, we also recognized net realized losses on foreign currency transactions of \$13 million.

Net Unrealized Gains/Losses

We value our portfolio investments quarterly and the changes in value are recorded as unrealized gains or losses in our consolidated statement of operations. Net unrealized gains and losses for our portfolio for the three and six months ended June 30, 2018 and 2017, were comprised of the following:

| (in millions) | For the Three Months Ended June 30, | | For the Six Months Ended June 30, | |
|--|--|---------|--|---------|
| | 2018 | 2017 | 2018 | 2017 |
| Unrealized appreciation | \$161 | \$151 | \$281 | \$196 |
| Unrealized depreciation | (107) | (119) | (165) | (172) |
| Net unrealized depreciation (appreciation) reversed related to net realized gains or losses(1) | 6 | (76) | 40 | (50) |
| Total net unrealized gains (losses) | \$60 | \$(44) | \$156 | \$(26) |

(1) The net unrealized (appreciation) depreciation reversed related to net realized gains or losses represents the unrealized appreciation or depreciation recorded on the related asset at the end of the prior period.

The changes in net unrealized appreciation and depreciation on investments during the three months ended June 30, 2018 consisted of the following:

| (in millions) | Net Unrealized | |
|----------------------------------|--------------------------------|----|
| Portfolio Company | Appreciation (Depreciation) | |
| Alcami Holdings, LLC | \$ | 70 |
| Rug Doctor, LLC | | 9 |
| Varsity Brands Holding Co., Inc. | | 6 |
| CCS Intermediate Holdings, LLC | | 5 |
| Soil Safe, Inc. | | 5 |
| PERC Holdings 1 LLC | | 5 |
| OTG Management, LLC | | 4 |
| GHX Ultimate Parent Corporation | | 4 |
| American Academy Holdings, LLC | | 3 |
| Accruent, LLC | | 3 |
| FPI Holding Corporation | (3 |) |
| Patterson Medical Supply, Inc. | (3 |) |
| CFW Co-Invest, L.P. | (3 |) |
| SCM Insurance Services Inc. | (4 |) |
| Shock Doctor, Inc. | (4 |) |
| Miles 33 (Finance) Limited | (4 |) |
| ADF Capital, Inc. | (5 |) |
| SHO Holding I Corporation | (5 |) |
| Ivy Hill Asset Management, L.P. | (7 |) |
| New Trident Holdcorp, Inc. | (10 |) |
| Indra Holdings Corp. | (13 |) |
| Other, net | | 1 |
| Total | \$ | 54 |

During the three months ended June 30, 2018, we recognized net unrealized gains on foreign currency and other transactions of \$5 million.

The changes in net unrealized appreciation and depreciation on investments during the three months ended June 30, 2017 consisted of the following:

| (in millions) | Net Unrealized | |
|---|----------------|---|
| Portfolio | Appreciation | |
| Company | (Depreciation) | |
| Bellotto Holdings Limited | \$ 49 | |
| Alcami Holdings, LLC | 18 | |
| Ciena Capital LLC | 10 | |
| EDS Group Miles 33 (Finance) Limited | 9 | |
| Columbo MidCo Limited | 7 | |
| Imaging Business Machines, L.L.C. CCS | 6 | |
| Intermediate Holdings, LLC | (3 |) |
| Javlin Three LLC | (3 |) |
| Indra Holdings Corp. | (3 |) |
| Green Energy Partners | (5 |) |
| Rug Doctor, LLC | (5 |) |
| Urgent Cares of America Holdings I, LLC | (6 |) |
| Infilaw Holding, LLC | (7 |) |
| ADF Capital, Inc. | (8 |) |
| New Trident Holdcorp, Inc. | (9 |) |
| Soil Safe, Inc. | (10 |) |
| Other, net | (14 |) |
| Total | \$ 32 | |

During the three months ended June 30, 2017, we also recognized net unrealized losses on foreign currency and other transactions of \$8 million.

The changes in net unrealized appreciation and depreciation during the six months ended June 30, 2018 consisted of the following:

| (in millions) | Net Unrealized | |
|--------------------------------------|--------------------------------|-----|
| Portfolio Company | Appreciation (Depreciation) | |
| Alcami Holdings, LLC | \$ | 157 |
| CCS Intermediate Holdings, LLC | | 18 |
| Varsity Brands Holding Co., Inc. | | 10 |
| Rug Doctor, LLC | | 9 |
| Ivy Hill Asset Management, L.P. | | 6 |
| Accruent, LLC | | 6 |
| PERC Holdings 1 LLC | | 5 |
| Visual Edge Technology, Inc. | | 4 |
| Cent CLO 2014-22 Limited | | 4 |
| Acrisure, LLC | | 3 |
| American Academy Holdings, LLC | | 3 |
| Imaging Business Machines, L.L.C. | | 3 |
| PIH Corporation | | 3 |
| GHX Ultimate Parent Corporation | | 3 |
| American Residential Services L.L.C. | (3 |) |
| CFW Co-Invest, L.P. | (3 |) |
| Patterson Medical Supply, Inc. | (4 |) |
| SHO Holding I Corporation | (4 |) |
| ADF Capital, Inc. | (4 |) |
| Panda Temple Power, LLC | (5 |) |
| Miles 33 (Finance) Limited | (5 |) |
| NECCO Holdings, Inc. | (6 |) |
| SCM Insurance Services Inc. | (6 |) |
| Columbo Midco Limited | (6 |) |
| Eckler Industries, Inc. | (7 |) |
| Instituto de Banca y Comercio, Inc. | (10 |) |
| New Trident Holdcorp, Inc. | (12 |) |
| Singer Sewing Company | (15 |) |
| Indra Holdings Corp. | (22 |) |
| Other, net | (6 |) |
| Total | \$ | 116 |

During the six months ended June 30, 2018, we also recognized net unrealized gains on foreign currency and other transactions of \$19 million.

The changes in net unrealized appreciation and depreciation during the six months ended June 30, 2017 consisted of the following:

| (in millions) | Net Unrealized |
|---|--------------------------------|
| Portfolio Company | Appreciation (Depreciation) |
| Bellotto Holdings Limited | \$ 54 |
| Alcami Holdings, LLC | 18 |
| EDS Group | 10 |
| Ciena Capital LLC | 9 |
| Columbo Midco Limited | 7 |
| Imaging Business Machines, L.L.C. | 7 |
| Miles 33 (Finance) Limited | 7 |
| Senior Secured Loan Fund LLC | 6 |
| PIH Corporation | 5 |
| PERC Holdings 1 LLC | 5 |
| American Seafoods Investors LLC | 3 |
| Javlin Three LLC | (3) |
| Panda Temple Power, LLC | (4) |
| Cent CLO 22 Limited | (4) |
| Cadence Aerospace, LLC | (4) |
| NMSC Holdings, Inc. | (4) |
| Joule Unlimited Technologies, Inc. | (4) |
| Indra Holdings Corp. | (5) |
| Rug Doctor, LLC | (5) |
| Urgent Cares of America Holdings I, LLC | (6) |
| Green Energy Partners | (7) |
| EcoMotors, Inc. | (8) |
| Soil Safe, Inc. | (10) |
| New Trident Holdcorp, Inc. | (12) |
| Infilaw Holding, LLC | (13) |
| ADF Capital, Inc. | (17) |
| Other, net | (1) |
| Total | \$ 24 |

During the six months ended June 30, 2017, we also recognized net unrealized losses on foreign currency and other transactions of \$4 million.

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

Our liquidity and capital resources are generated primarily from the net proceeds of public offerings of equity and debt securities, advances from the Revolving Credit Facility, the Revolving Funding Facility and the SMBC Funding Facility (each as defined below and together, the “Facilities”), net proceeds from the issuance of other securities, including unsecured notes, as well as cash flows from operations.

As of June 30, 2018, we had \$509 million in cash and cash equivalents and \$4.6 billion in total aggregate principal amount of debt outstanding (\$4.5 billion at carrying value). Subject to leverage, borrowing base and other restrictions, we had approximately \$3.1 billion available for additional borrowings under the Facilities as of June 30, 2018.

We may from time to time seek to retire or repurchase our common stock through cash purchases, as well as retire, cancel or purchase our outstanding debt through cash purchases and/or exchanges, in open market purchases, privately negotiated transactions or otherwise. Such purchases or exchanges, if any, will depend on prevailing market

conditions, our liquidity requirements, contractual and regulatory restrictions and other factors. The amounts involved may be material. In addition, we may from time to time enter into additional debt facilities, increase the size of existing facilities or issue additional debt securities, including unsecured debt and/or debt securities convertible into common stock. Any such incurrence or

issuance would be subject to prevailing market conditions, our liquidity requirements, contractual and regulatory restrictions and other factors. In accordance with the Investment Company Act, we are currently allowed to borrow amounts such that our asset coverage, calculated pursuant to the Investment Company Act, is at least 200% after such borrowings. On June 21, 2018, our board of directors, including a “required majority” (as such term is defined in Section 57(o) of the Investment Company Act) of our board of directors, approved the application of the modified asset coverage requirement set forth in Section 61(a)(2) of the Investment Company Act, as amended by the Small Business Credit Availability Act. As a result, effective on June 21, 2019 (unless we receive earlier stockholder approval), our asset coverage requirement applicable to senior securities will be reduced to 150%. As of June 30, 2018, the aggregate principal amount outstanding of the senior securities issued by us was \$4.6 billion. As of June 30, 2018, our asset coverage was 255%.

Equity Capital Activities

As of June 30, 2018 and December 31, 2017, our total equity market capitalization was \$7.0 billion and \$6.7 billion, respectively. There were no sales of our equity securities during the six months ended June 30, 2018 and 2017.

On the Acquisition Date, in connection with the American Capital Acquisition, we issued 112 million shares valued at approximately \$16.42 per share.

We are authorized under our stock repurchase program to purchase up to \$300 in the aggregate of our outstanding common stock in the open market at certain thresholds below our net asset value per share, in accordance with the guidelines specified in Rule 10b-18 under the Securities Exchange Act of 1934, as amended. The timing, manner, price and amount of any share repurchases will be determined by us, in our discretion, based upon the evaluation of economic and market conditions, stock price, applicable legal and regulatory requirements and other factors. We cannot assure stockholders that any shares will be repurchased under the program. The expiration date of the stock repurchase program is February 28, 2019. The program may be suspended, extended, modified or discontinued at any time.

As of June 30, 2018, we had repurchased a total of 0.5 million shares of our common stock in the open market under the stock repurchase program since its inception in September 2015, at an average price of \$13.92 per share, including commissions paid, leaving approximately \$293 million available for additional repurchases under the program. During the six months ended June 30, 2018, we did not repurchase any shares of our common stock under the stock repurchase program.

Debt Capital Activities

Our debt obligations consisted of the following as of June 30, 2018 and December 31, 2017:

| (in millions) | As of June 30, 2018 | | | December 31, 2017 | | |
|----------------------------|---|---------------------|-------------------|---|---------------------|-------------------|
| | Total Aggregate Principal Amount Available/ Outstanding(1) | Principal Amount | Carrying Value | Total Aggregate Principal Amount Available/ Outstanding(1) | Principal Amount | Carrying Value |
| Revolving Credit Facility | \$2,133(2) | \$ 414 | \$ 414 | \$2,108(2) | \$ 395 | \$ 395 |
| Revolving Funding Facility | 1,000 | — | — | 1,000 | 600 | 600 |
| SMBC Funding Facility | 400 | — | — | 400 | 60 | 60 |
| SBA Debentures | — | — | — | (3) 50 | — | — |
| 2018 Convertible Notes | — | — | — | (4) 270 | 270 | 270 (5) |
| 2019 Convertible Notes | 300 | 300 | 299 | (5) 300 | 300 | 298 (5) |
| 2022 Convertible Notes | 388 | 388 | 370 | (5) 388 | 388 | 368 (5) |
| 2018 Notes | 750 | 750 | 749 | (6) 750 | 750 | 748 (6) |
| 2020 Notes | 600 | 600 | 598 | (7) 600 | 600 | 597 (7) |
| 2022 Notes | 600 | 600 | 594 | (8) 600 | 600 | 593 (8) |
| 2023 Notes | 750 | 750 | 743 | (9) 750 | 750 | 743 (9) |
| 2025 Notes | 600 | 600 | 593 | (10)— | — | — |
| 2047 Notes | 230 | 230 | 182 | (11)230 | 230 | 182 (11) |
| Total | \$7,751 | \$ 4,632 | \$ 4,542 | \$7,446 | \$ 4,943 | \$ 4,854 |

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

(2) Provides for a feature that allows us, under certain circumstances, to increase the size of the Revolving Credit Facility (as defined below) to a maximum of \$3.1 billion.

(3) See below for more information on the termination of the undrawn SBA Debenture (as defined below) commitments.

(4) See below for more information on the repayment of the 2018 Convertible Notes (as defined below) at maturity.

(5) Represents the aggregate principal amount outstanding of the Convertible Unsecured Notes (as defined below). As of June 30, 2018, the total unamortized debt issuance costs and the unaccreted discount for the 2019 Convertible Notes and the 2022 Convertible Notes (each as defined below) were \$1 million and \$18 million, respectively. As of December 31, 2017, the total unamortized debt issuance costs and the unaccreted discount for the 2018 Convertible Notes, the 2019 Convertible Notes and the 2022 Convertible Notes were \$0 million, \$2 million and \$20 million, respectively.

(6) Represents the aggregate principal amount outstanding of the 2018 Notes (as defined below) less unamortized debt issuance costs and plus the net unamortized premium that was recorded upon the issuances of the 2018 Notes. As of June 30, 2018 and December 31, 2017, the total unamortized debt issuance costs less the net unamortized premium were \$1 million and \$2 million, respectively.

(7) Represents the aggregate principal amount outstanding of the 2020 Notes (as defined below) less unamortized debt issuance costs and the net unaccreted discount recorded upon the issuances of the 2020 Notes. As of June 30, 2018

and December 31, 2017, the total unamortized debt issuance costs and the net unaccreted discount were \$2 million and \$3 million, respectively.

(8) Represents the aggregate principal amount outstanding of the 2022 Notes (as defined below) less unamortized debt issuance costs and the net unaccreted discount recorded upon the issuances of the 2022 Notes. As of June 30, 2018 and December 31, 2017, the total unamortized debt issuance costs and the net unaccreted discount were \$6 million and \$7 million, respectively.

Represents the aggregate principal amount outstanding of the 2023 Notes (as defined below), less unamortized debt issuance costs and the unaccreted discount recorded upon the issuance of the 2023 Notes. As of June 30, 2018 and (9) December 31, 2017, the total unamortized debt issuance costs and the unaccreted discount was \$7 million and \$7 million, respectively.

Represents the aggregate principal amount outstanding of the 2025 Notes (as defined below), less unamortized (10) debt issuance costs and the unaccreted discount recorded upon the issuance of the 2025 Notes. As of June 30, 2018, the total unamortized debt issuance costs and the unaccreted discount was \$7 million.

Represents the aggregate principal amount outstanding of the 2047 Notes (as defined below) less the unaccreted (11) purchased discount recorded as part of the acquisition of Allied Capital in April 2010 (the “Allied Acquisition”). As of June 30, 2018 and December 31, 2017, the total unaccreted purchased discount was \$48 million and \$48 million, respectively.

The weighted average stated interest rate and weighted average maturity, both on aggregate principal amount outstanding, of all our debt outstanding as of June 30, 2018 were 4.2% and 4.5 years, respectively, and as of December 31, 2017 were 4.1% and 4.3 years, respectively.

The ratio of total principal amount of debt outstanding to stockholders’ equity as of June 30, 2018 was 0.64:1.00 compared to 0.70:1.00 as of December 31, 2017.

Revolving Credit Facility

We are party to a senior secured revolving credit facility (as amended and restated, the “Revolving Credit Facility”), that allows us to borrow up to \$2.1 billion at any one time outstanding. The Revolving Credit Facility consists of a \$414 million term loan tranche with a stated maturity date of March 30, 2023 and a \$1.7 billion revolving tranche. For \$1.6 billion of the revolving tranche, the end of the revolving period and the stated maturity date are March 30, 2022 and March 30, 2023, respectively. For \$50 million of the revolving tranche, the end of the revolving period and the stated maturity date are January 4, 2021 and January 4, 2022, respectively. For the remaining \$45 million of the revolving tranche, the end of the revolving period and the stated maturity date are May 4, 2019 and May 4, 2020, respectively. The Revolving Credit Facility also provides for a feature that allows us, under certain circumstances, to increase the overall size of the Revolving Credit Facility to a maximum of \$3.1 billion. The interest rate charged on the Revolving Credit Facility is based on an applicable spread of either 1.75% or 1.875% over LIBOR or 0.75% or 1.00% over an “alternate base rate” (as defined in the agreements governing the Revolving Credit Facility), in each case, determined monthly based on the total amount of the borrowing base relative to the total commitments of the Revolving Credit Facility and other debt, if any, secured by the same collateral as the Revolving Credit Facility. As of June 30, 2018, the interest rate in effect was LIBOR plus 1.75%. We are also required to pay a letter of credit fee of either 2.00% or 2.25% per annum on letters of credit issued, determined monthly based on the total amount of the borrowing base relative to the total commitments of the Revolving Credit Facility and other debt, if any, secured by the same collateral as the Revolving Credit Facility. Additionally, we are required to pay a commitment fee of 0.375% per annum on any unused portion of the Revolving Credit Facility. As of June 30, 2018, there was \$414 million outstanding under the Revolving Credit Facility and we were in compliance in all material respects with the terms of the Revolving Credit Facility.

Revolving Funding Facility

Our consolidated subsidiary, Ares Capital CP Funding LLC (“Ares Capital CP”) is party to a revolving funding facility (as amended, the “Revolving Funding Facility”), that allows Ares Capital CP to borrow up to \$1 billion at any one time outstanding. The Revolving Funding Facility is secured by all of the assets held by, and the membership interest in,

Ares Capital CP. The end of the reinvestment period and the stated maturity date for the Revolving Funding Facility are January 3, 2019 and January 3, 2022, respectively. As of June 30, 2018, the interest rate charged on the Revolving Funding Facility was based on LIBOR plus 2.15% per annum or a “base rate” (as defined in the agreements governing the Revolving Funding Facility) plus 1.15% per annum. Ares Capital CP is also required to pay a commitment fee of between 0.50% and 1.50% per annum depending on the size of the unused portion of the Revolving Funding Facility. As of June 30, 2018, there were no outstanding amounts under the Revolving Funding Facility and we and Ares Capital CP were in compliance in all material respects with the terms of the Revolving Funding Facility.

SMBC Funding Facility

Our consolidated subsidiary, Ares Capital JB Funding LLC (“ACJB”), is party to a revolving funding facility (as amended, the “SMBC Funding Facility”), that allows ACJB to borrow up to \$400 million at any one time outstanding. The

SMBC Funding Facility is secured by all of the assets held by ACJB. As of June 30, 2018, the end of the reinvestment period and the stated maturity date for the SMBC Funding Facility were September 14, 2018 and September 14, 2023, respectively. The reinvestment period and the stated maturity date are both subject to two one-year extensions by mutual agreement. The interest rate charged on the SMBC Funding Facility is based on an applicable spread of either 1.75% or 2.00% over LIBOR or 0.75% or 1.00% over a “base rate” (as defined in the agreements governing the SMBC Funding Facility), in each case, determined monthly based on the amount of the average borrowings outstanding under the SMBC Funding Facility. As of June 30, 2018, the interest rate in effect was LIBOR plus 2.00%. Additionally, ACJB is required to pay a commitment fee of between 0.35% and 0.875% per annum depending on the size of the unused portion of the SMBC Funding Facility. As of June 30, 2018, there were no outstanding amounts under the SMBC Funding Facility and we and ACJB were in compliance in all material respects with the terms of the SMBC Funding Facility.

SBA Debentures

In April 2015, our consolidated subsidiary, Ares Venture Finance, L.P. (“AVF LP”), received a license from the SBA to operate as a Small Business Investment Company (“SBIC”) under the provisions of Section 301(c) of the Small Business Investment Act of 1958, as amended.

The license from the SBA allowed AVF LP to obtain leverage by issuing SBA Debentures, subject to issuance of a capital commitment by the SBA and other customary procedures. Leverage through the SBA Debentures was subject to required capitalization thresholds. The original amount committed to AVF LP by the SBA was \$75 million. In September 2017, AVF LP fully repaid the \$25 million of the aggregate principal amount of the SBA Debentures outstanding at the time. In April 2018, our consolidated subsidiary, AVF LP, surrendered its license to operate as a SBIC and the undrawn SBA Debenture commitments of \$50 million were terminated.

Convertible Unsecured Notes

We have issued \$300 million aggregate principal amount of unsecured convertible notes that mature on January 15, 2019 (the “2019 Convertible Notes”) and the \$388 million aggregate principal amount of unsecured convertible notes that mature on February 1, 2022 (the “2022 Convertible Notes” and together with the 2019 Convertible Notes, the “Convertible Unsecured Notes”). The Convertible Unsecured Notes mature upon their respective maturity dates unless previously converted or repurchased in accordance with their terms. We do not have the right to redeem the Convertible Unsecured Notes prior to maturity. The 2019 Convertible Notes and the 2022 Convertible Notes bear interest at a rate of 4.375% and 3.75%, respectively, per year, payable semi-annually.

Certain key terms related to the convertible features for each of the Convertible Unsecured Notes as of June 30, 2018 are listed below.

| | 2019 Convertible Notes | 2022 Convertible Notes | |
|--|------------------------------|------------------------------|---|
| Conversion premium | 15.0 | % 15.0 | % |
| Closing stock price at issuance | \$ 17.53 | \$ 16.86 | |
| Closing stock price date | July 15, 2013 | January 23, 2017 | |
| Conversion price(1) | \$ 19.99 | \$ 19.39 | |
| Conversion rate (shares per one thousand dollar principal amount)(1) | 50.0292 | 51.5756 | |
| Conversion dates | July 15, 2018 | August 1, 2021 | |

- (1) Represents conversion price and conversion rate, as applicable, as of June 30, 2018, taking into account certain de minimis adjustments that will be made on the conversion date.

In certain circumstances, the Convertible Unsecured Notes will be convertible into cash, shares of our common stock or a combination of cash and shares of our common stock, at our election, at their respective conversion rates (listed below as of June 30, 2018) subject to customary anti-dilution adjustments and the requirements of their respective indenture (the “Convertible Unsecured Notes Indentures”). Prior to the close of business on the business day immediately preceding their respective conversion date (listed above), holders may convert their Convertible Unsecured Notes only under certain circumstances set forth in the respective Convertible Unsecured Notes Indenture. On or after their respective conversion dates until the close of business on the scheduled trading day immediately preceding their respective maturity date, holders may

convert their Convertible Unsecured Notes at any time. In addition, if we engage in certain corporate events as described in their respective Convertible Unsecured Notes Indenture, holders of the Convertible Unsecured Notes may require us to repurchase for cash all or part of the Convertible Unsecured Notes at a repurchase price equal to 100% of the principal amount of the Convertible Unsecured Notes to be repurchased, plus accrued and unpaid interest through, but excluding, the required repurchase date.

In January 2018, we repaid in full the \$270 million aggregate principal amount of unsecured convertible notes due in January 2018 (the “2018 Convertible Notes”) at par upon their maturity. The 2018 Convertible Notes bore interest at a rate of 4.75% per year, payable semi-annually.

Unsecured Notes

2018 Notes

We have issued \$750 million in aggregate principal amount of unsecured notes, which bear interest at a rate of 4.875% per year and mature on November 30, 2018 (the “2018 Notes”). The 2018 Notes require payment of interest semi-annually, and all principal is due upon maturity. These notes are redeemable in whole or in part at any time at our option at a redemption price equal to par plus a “make whole” premium, as determined pursuant to the indenture governing the 2018 Notes, and any accrued and unpaid interest.

2020 Notes

We have issued \$600 million in aggregate principal amount of unsecured notes, which bear interest at a rate of 3.875% per year and mature on January 15, 2020 (the “2020 Notes”). The 2020 Notes require payment of interest semi-annually, and all principal is due upon maturity. These notes are redeemable in whole or in part at any time at our option at a redemption price equal to par plus a “make whole” premium, if applicable, as determined pursuant to the indenture governing the 2020 Notes, and any accrued and unpaid interest.

2022 Notes

We have issued \$600 million in aggregate principal amount of unsecured notes, which bear interest at a rate of 3.625% per year and mature on January 19, 2022 (the “2022 Notes”). The 2022 Notes require payment of interest semi-annually, and all principal is due upon maturity. These notes are redeemable in whole or in part at any time at our option at a redemption price equal to par plus a “make whole” premium, if applicable, as determined pursuant to the indenture governing the 2022 Notes, and any accrued and unpaid interest.

2023 Notes

We have issued \$750 million in aggregate principal amount of unsecured notes that mature on February 10, 2023 (the “2023 Notes”). The 2023 Notes bear interest at a rate of 3.500% per year, payable semi-annually and all principal is due upon maturity. The 2023 Notes may be redeemed in whole or in part at any time at our option at a redemption price equal to par plus a “make whole” premium, if applicable, as determined pursuant to the indenture governing the 2023 Notes, and any accrued and unpaid interest.

2025 Notes

We have issued \$600 million in aggregate principal amount of unsecured notes that mature on March 1, 2025 (the “2025 Notes”). The 2025 Notes bear interest at a rate of 4.250% per year, payable semi-annually and all principal is due upon maturity. The 2025 Notes may be redeemed in whole or in part at any time at our option at a redemption price

equal to par plus a “make whole” premium, if applicable, as determined pursuant to the indenture governing the 2025 Notes, and any accrued and unpaid interest.

2047 Notes

As part of the Allied Acquisition, we assumed \$230 million aggregate principal amount of unsecured notes which bear interest at a rate of 6.875% and mature on April 15, 2047 (the “2047 Notes” and together with the 2018 Notes, the 2020 Notes, the 2022 Notes, the 2023 Notes and the 2025 Notes, the “Unsecured Notes”). The 2047 Notes require payment of interest quarterly, and all principal is due upon maturity. These notes are redeemable in whole or in part at any time or from time to time at our option, at a par redemption price of \$25.00 per security plus accrued and unpaid interest.

As of June 30, 2018, we were in compliance in all material respects with the terms of the Convertible Unsecured Notes Indentures and the indentures governing the Unsecured Notes.

The Convertible Unsecured Notes and the Unsecured Notes are our senior unsecured obligations and rank senior in right of payment to any future indebtedness that is expressly subordinated in right of payment to the Convertible Unsecured Notes and the Unsecured Notes; equal in right of payment to our existing and future unsecured indebtedness that is not expressly subordinated; effectively junior in right of payment to any of our secured indebtedness (including existing unsecured indebtedness that we later secure) to the extent of the value of the assets securing such indebtedness; and structurally junior to all existing and future indebtedness (including trade payables) incurred by our subsidiaries, financing vehicles or similar facilities.

See Note 5 to our consolidated financial statements for the three and six months ended June 30, 2018 for more information on our debt obligations.

OFF BALANCE SHEET ARRANGEMENTS

We have various commitments to fund investments in our portfolio, as described below.

As of June 30, 2018 and December 31, 2017, we had the following commitments to fund various revolving and delayed draw senior secured and subordinated loans, including commitments to fund which are at (or substantially at) our discretion:

| (in millions) | As of | |
|--|---------------|-------------------|
| | June 30, 2018 | December 31, 2017 |
| Total revolving and delayed draw loan commitments | \$1,422 | \$ 881 |
| Less: drawn commitments | (384) | (201) |
| Total undrawn commitments | 1,038 | 680 |
| Less: commitments substantially at our discretion | (14) | (11) |
| Less: unavailable commitments due to borrowing base or other covenant restrictions | — | — |
| Total net adjusted undrawn revolving and delayed draw loan commitments | \$1,024 | \$ 669 |

Included within the total revolving and delayed draw loan commitments as of June 30, 2018 and December 31, 2017 were delayed draw loan commitments totaling \$348 million and \$251 million, respectively. Our commitment to fund delayed draw loans is triggered upon the satisfaction of certain pre-negotiated terms and conditions. Generally, the most significant and uncertain term requires the borrower to satisfy a specific use of proceeds covenant. The use of proceeds covenant typically requires the borrower to use the additional loans for the specific purpose of a permitted acquisition or permitted investment, for example. In addition to the use of proceeds covenant, the borrower is generally required to satisfy additional negotiated covenants (including specified leverage levels).

Also included within the total revolving and delayed draw loan commitments as of June 30, 2018 were commitments to issue up to \$190 million in letters of credit through a financial intermediary on behalf of certain portfolio companies. As of June 30, 2018, we had \$26 million in letters of credit issued and outstanding under these commitments on behalf of the portfolio companies. For all these letters of credit issued and outstanding, we would be required to make payments to third parties if the portfolio companies were to default on their related payment obligations. Of these letters of credit, \$13 million expire in 2018 and \$13 million expires in 2019. As of June 30, 2018, we recorded a liability of \$5 million for certain letters of credit issued and outstanding and none of the other letters of credit issued and outstanding were recorded as a liability on our balance sheet as such other letters of credit

are considered in the valuation of the investments in the portfolio company.

We also have commitments to co-invest in the SDLP for our portion of the SDLP's commitments to fund delayed draw loans to certain portfolio companies of the SDLP. See "Senior Direct Lending Program" above and Note 4 to our consolidated financial statements for the three and six months ended June 30, 2018 for more information.

As of June 30, 2018 and December 31, 2017, we were party to subscription agreements to fund equity investments in private equity investment partnerships as follows:

| (in millions) | As of | |
|---|---------------|-------------------|
| | June 30, 2018 | December 31, 2017 |
| Total private equity commitments | \$116 | \$ 111 |
| Less: funded private equity commitments | (70) | (62) |
| Total unfunded private equity commitments | 46 | 49 |
| Less: private equity commitments substantially our discretion | (46) | (48) |
| Total net adjusted unfunded private equity commitments | \$— | \$ 1 |

In the ordinary course of business, we may sell certain of our investments to third party purchasers. In particular, in connection with the sale of certain controlled portfolio company equity investments (as well as certain other sales), we have, and may continue to do so in the future, agreed to indemnify such purchasers for future liabilities arising from the investments and the related sale transaction. Such indemnification provisions have given rise to liabilities in the past and may do so in the future.

In addition, in the ordinary course of business, we may guarantee certain obligations in connection with our portfolio companies (in particular, certain controlled portfolio companies). Under these guarantee arrangements, payments may be required to be made to third parties if such guarantees are called upon or if the portfolio companies were to default on their related obligations, as applicable.

RECENT DEVELOPMENTS

From July 1, 2018 through July 25, 2018, we made new investment commitments of approximately \$895 million, of which \$794 million were funded. Of these new commitments, 70% were in first lien senior secured loans, 25% were in second lien senior secured loans and 5% were in other equity securities. Of the approximately \$895 million of new investment commitments, 95% were floating rate and 5% were non-interest bearing. The weighted average yield of debt and other income producing securities funded during the period at amortized cost was 7.5%. We may seek to sell all or a portion of these new investment commitments, although there can be no assurance that we will be able to do so.

From July 1, 2018 through July 25, 2018, we exited approximately \$629 million of investment commitments, including \$291 million of investment commitments acquired in the American Capital Acquisition. Of the total investment commitments, 62% were first lien senior secured loans, 25% were senior subordinated loans, 11% were second lien senior secured loans and 2% were investments in the SDLP Certificates. Of the approximately \$629 million of exited investment commitments, 75% were floating rate, and 25% were fixed rate. The weighted average yield of debt and other income producing securities exited or repaid during the period at amortized cost was 9.5% and the weighted average yield on total investments exited or repaid during the period at amortized cost was 9.5%. On the approximately \$629 million of investment commitments exited from July 1, 2018 through July 25, 2018, we recognized total net realized gains of approximately \$326 million.

In addition, as of July 25, 2018, we had an investment backlog and pipeline of approximately \$710 million and \$660 million, respectively. 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 have 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 have 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, we may sell all or a portion of these investments and certain of these investments may result in the repayment of existing investments. We cannot assure you that we will make any of these investments or that we will sell all or any portion of these investments.

CRITICAL ACCOUNTING POLICIES

See Note 2 to our consolidated financial statements for the three and six months ended June 30, 2018, which describes our critical accounting policies.

Recent Accounting Pronouncements

In February 2016, the Financial Accounting Standards Board issued Accounting Standards Update (“ASU”) No. 2016-02, Leases (Topic 842). The guidance in this ASU supersedes the leasing guidance in Leases (Topic 840). Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the balance sheet for those leases previously classified as operating leases. The guidance requires the use of a modified retrospective transition approach, which includes a number of optional practical expedients that entities may elect to apply. The amendments in ASU No. 2016-02 are effective for annual reporting periods beginning after December 15, 2018, including interim periods within that reporting period, with early adoption permitted. While we are currently evaluating the impact of ASU No. 2016-02, we expect an increase to the consolidated balance sheets for the lease assets and associated lease liabilities for our lease agreements previously accounted for as operating leases.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We are subject to financial market risks, including changes in interest rates and the valuations of our investment portfolio.

Interest Rate Risk

Interest rate sensitivity refers to the change in our earnings that may result from changes in the level of interest rates. Because we fund a portion of our investments with borrowings, our net investment income is affected by the difference between the rate at which we invest and the rate at which we borrow. As a result, there can be no assurance that a significant change in market interest rates will not have a material adverse effect on our net investment income.

As of June 30, 2018, 78% of the investments at fair value in our portfolio bore interest at variable rates, 8% bore interest at fixed rates, 13% were non-interest earning and 1% were on non-accrual status. Additionally, for the variable rate investments, 99% of these investments contained interest rate floors (representing 78% of total investments at fair value). Also, as of June 30, 2018, all the loans made through the SDLP contained interest rate floors. The Facilities all bear interest at variable rates with no interest rate floors, while the Unsecured Notes and the Convertible Unsecured Notes bear interest at fixed rates.

We regularly measure our exposure to interest rate risk. We assess interest rate risk and manage our interest rate exposure on an ongoing basis by comparing our interest rate sensitive assets to our interest rate sensitive liabilities. Based on that review, we determine whether or not any hedging transactions are necessary to mitigate exposure to changes in interest rates.

In December 2017, in connection with \$395 of the million term loan tranche of our Revolving Credit Facility, we entered into a three-year interest rate swap agreement for a total notional amount of \$395 million. Under the interest rate swap agreement, we pay a fixed interest rate of 2.06% and receive a floating rate based on the prevailing one-month LIBOR. See Note 5 to our consolidated financial statements for the three and six months ended June 30, 2018 for more information on the Revolving Credit Facility and see Note 6 to our consolidated financial statements for the three and six months ended June 30, 2018 for more information on the interest rate swap.

Based on our June 30, 2018, balance sheet, the following table shows the annual impact on net income of base rate changes in interest rates (considering interest rate floors for variable rate instruments) assuming no changes in our

investment and borrowing structure and reflecting the effect of our interest rate swap agreement discussed in the paragraph above:

147

| (in millions) | Interest | Interest | Net |
|-----------------------|----------|------------|-----------|
| Basis Point Change | Income | Expense(1) | Income(2) |
| Up 300 basis points | \$ 267 | \$ 1 | \$ 266 |
| Up 200 basis points | \$ 178 | \$ — | \$ 178 |
| Up 100 basis points | \$ 88 | \$ — | \$ 88 |
| Down 100 basis points | \$ (87) | \$ — | \$ (87) |
| Down 200 basis points | \$ (97) | \$ — | \$ (97) |
| Down 300 basis points | \$ (92) | \$ — | \$ (92) |

(1) Includes the impact of the interest rate swap (discussed above) as a result of changes in interest rates.

(2) Excludes the impact of income based fees. See Note 3 to our consolidated financial statements for the three and six months ended June 30, 2018 for more information on the income based fees.

The above sensitivity analysis does not include our CLO equity investments. CLO equity investments are levered structures that are collateralized primarily with first lien floating rate loans that may have LIBOR floors and are levered primarily with floating rate debt that does not have a LIBOR floor. The residual cash flows available to the equity holders of the CLOs will decline as interest rates increase until interest rates surpass the LIBOR floors on the floating rate loans. However, the revenue recognized on our CLO equity investments is calculated using the effective interest method which incorporates a forward LIBOR curve in the projected cash flows. Any change to interest rates that is not in-line with the forward LIBOR curve used in the projections, in either the timing or magnitude of the change, will cause actual distributions to differ from the current projections and will impact the related revenue recognized from these investments.

Based on our December 31, 2017, balance sheet, the following table shows the annual impact on net income of base rate changes in interest rates (considering interest rate floors for variable rate instruments) assuming no changes in our investment and borrowing structure:

| (in millions) | Interest | Interest | Net |
|-----------------------|----------|------------|-----------|
| Basis Point Change | Income | Expense(1) | Income(2) |
| Up 300 basis points | \$ 289 | \$ 20 | \$ 269 |
| Up 200 basis points | \$ 192 | \$ 13 | \$ 179 |
| Up 100 basis points | \$ 96 | \$ 7 | \$ 89 |
| Down 100 basis points | \$ (44) | \$ (7) | \$ (37) |
| Down 200 basis points | \$ (37) | \$ (10) | \$ (27) |
| Down 300 basis points | \$ (38) | \$ (10) | \$ (28) |

(1) Includes the impact of the interest rate swap (discussed above) as a result of changes in interest rates.

(2) Excludes the impact of income based fees. See Note 3 to our consolidated financial statements for the three and six months ended June 30, 2018 for more information on the income based fees.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures (as that term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) that are designed to ensure that information required to be disclosed in our reports under the Exchange

Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosures. Any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. Our management, with the participation of our principal executive officer and principal financial officer, has evaluated the effectiveness of the design and operation of our disclosure controls and procedures as of June 30, 2018. Based upon that

evaluation and subject to the foregoing, our principal executive officer and principal financial officer concluded that, as of June 30, 2018, the design and operation of our disclosure controls and procedures were effective to accomplish their objectives at the reasonable assurance level.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting (as defined in Rule 13a-15(f) and 15d-15(f) under the Exchange Act) during the quarter ended June 30, 2018 that have materially affected, or that are reasonably likely to materially affect, our internal control over financial reporting.

PART II — OTHER INFORMATION

Item 1. Legal Proceedings

For a description of our legal proceedings, see Note 15 to our consolidated financial statements for the three and six months ended June 30, 2018.

Item 1A. Risk Factors.

In addition to the other information set forth in this report, you should carefully consider the risk factors discussed below and the risk factors described in Part I, “Item 1A. Risk Factors” in our Annual Report on Form 10-K for the fiscal year ended December 31, 2017 and those set forth under the caption “Risk Factors” in our Registration Statement on Form N-2, filed on March 6, 2018 (the “N-2”), which could materially affect our business, financial condition and/or operating results. The risks described in our Annual Report on Form 10-K for the fiscal year ended December 31, 2017, in the N-2 and discussed below are not the only risks facing us. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially and adversely affect our business, financial condition and/or operating results.

Effective on June 21, 2019 (unless we receive earlier stockholder approval), our asset coverage requirement will reduce from 200% to 150%, which may increase the risk of investing with us.

On June 21, 2018, our board of directors, including a “required majority” (as such term is defined in Section 57(o) of the Investment Company Act) of our board of directors, approved the application of the modified asset coverage requirements set forth in Section 61(a)(2) of the Investment Company Act, as amended by the Small Business Credit Availability Act. As a result, effective on June 21, 2019 (unless we receive earlier stockholder approval), our asset coverage requirement applicable to senior securities will be reduced from 200% to 150%, and the risks associated with an investment in us may increase.

Changes to United States tariff and import/export regulations may have a negative effect on our portfolio companies and, in turn, harm us.

There has been ongoing discussion and commentary regarding potential significant changes to United States trade policies, treaties and tariffs. The current administration, along with Congress, has created significant uncertainty about the future relationship between the United States and other countries with respect to the trade policies, treaties and tariffs. These developments, or the perception that any of them could occur, may have a material adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global trade and, in particular, trade between the impacted nations and the United States. Any of these factors could depress economic activity and restrict our portfolio companies’ access to suppliers or customers and have a material adverse effect on their business, financial condition and results of operations, which in turn would negatively impact us.

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

Dividend Reinvestment Plan

We did not sell any equity securities during the period covered in this report that were not registered under the Securities Act of 1933.

During the six months ended June 30, 2018, as a part of our dividend reinvestment plan for our common stockholders, we purchased 951,350 shares of our common stock for an average price per share of \$15.87 in the open market in order to satisfy the reinvestment portion of our dividends. The following chart outlines such purchases of our common stock during the six months ended June 30, 2018.

| Period | Total Number of Shares Purchased | Average Price Paid Per Share | Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs | Maximum (or Approximate Dollar Value) of Shares that May Yet Be Purchased Under the Plans or Programs |
|--|---|---------------------------------------|--|---|
| January 1, 2018 through January 31, 2018 | 468,352 | \$ 15.84 | — | \$ — |
| February 1, 2018 through February 28, 2018 | — | — | — | — |
| March 1, 2018 through March 31, 2018 | — | — | — | — |
| April 1, 2018 through April 30, 2018 | 482,998 | 15.90 | — | — |
| May 1, 2018 through May 31, 2018 | — | — | — | — |
| June 1, 2018 through June 30, 2018 | — | — | — | — |
| Total | 951,350 | \$ 15.87 | — | \$ — |

Stock Repurchase Program

In September 2015, our board of directors approved a stock repurchase program authorizing us to purchase up to \$100 million in the aggregate of our outstanding common stock in the open market at certain thresholds below our net asset value per share, in accordance with the guidelines specified in Rule 10b-18 under the Securities Exchange Act of 1934, as amended. The timing, manner, price and amount of any share repurchases will be determined by us, in our discretion, based upon the evaluation of economic and market conditions, stock price, applicable legal and regulatory requirements and other factors. In February 2017, our board of directors authorized an amendment to our stock repurchase program to increase the total authorization under the program from \$100 million to \$300 million. In February 2018, our board of directors authorized an amendment to our \$300 million stock repurchase program to extend the expiration date of the program from February 28, 2018 to February 28, 2019. Under the stock repurchase program, we may purchase up to \$300 million in the aggregate of our outstanding common stock in the open market at a price per share that meets certain thresholds below our net asset value per share, in accordance with the guidelines specified in Rule 10b-18 of the Exchange Act. The program does not require us to repurchase any specific number of shares and we cannot assure stockholders that any shares will be repurchased under the program. The program may be suspended, extended, modified or discontinued at any time. As of June 30, 2018, we had repurchased a total of 0.5 million shares of our common stock in the open market under the stock repurchase program since the program's inception in September 2015, at an average price of \$13.92 per share, including commissions paid, leaving approximately \$293 million available for additional repurchases under the program.

Repurchases of our common stock under our stock repurchase program for the periods below were as follows:

| (dollars in thousands, except share and per share data) | Total Number of Shares Purchased | Average Price Paid Per Share (1) | Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs | Maximum (or Approximate Dollar Value) of Shares that May Yet Be Purchased Under the Plans or Programs |
|---|---|--|--|---|
| Period | | | | |

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| | | | | | |
|--|---|----|---|----|---|
| January 1, 2018 through January 31, 2018 | — | \$ | — | \$ | — |
| February 1, 2018 through February 28, 2018 | — | — | — | — | — |
| March 1, 2018 through March 31, 2018 | — | — | — | — | — |
| April 1, 2018 through April 30, 2018 | — | — | — | — | — |
| May 1, 2018 through May 31, 2018 | — | — | — | — | — |
| June 1, 2018 through June 30, 2018 | — | — | — | — | — |
| Total | — | \$ | — | \$ | — |

(1) Amount includes commissions paid.

Item 3. Defaults Upon Senior Securities.

Not applicable.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information.

None.

Item 6. Exhibits.

EXHIBIT INDEX

| Exhibit Number | Description |
|-------------------|--|
| <u>3.1</u> | Articles of Amendment and Restatement, as amended(1) |
| <u>3.2</u> | Second Amended and Restated Bylaws, as amended(2) |
| <u>31.1</u> | Certification by Chief Executive Officer pursuant to Exchange Act Rule 13a-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002* |
| <u>31.2</u> | Certification by Chief Financial Officer pursuant to Exchange Act Rule 13a-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002* |
| <u>32.1</u> | Certification by Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002* |

*Filed herewith

(1) Incorporated by reference to Exhibit 3.1 to the Company's Form 10-K (File No. 814-00663) for the year ended December 31, 2016, filed on February 22, 2017.

(2) Incorporated by reference to Exhibit 3.2 to the Company's Form 10-Q (File No. 814-00663) for the quarter ended June 30, 2010, filed on August 5, 2010.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ARES CAPITAL
CORPORATION

Date: August 1, 2018 By/s/ R. KIPP DEVEER
R. Kipp deVeer
Chief Executive Officer

Date: August 1, 2018 By/s/ PENNI F. ROLL
Penni F. Roll
Chief Financial Officer

Date: August 1, 2018 By/s/ SCOTT C. LEM
Scott C. Lem
Chief Accounting Officer,
Vice President and Treasurer