

**Ares Capital Corporation**  
Letter to Stockholders on the  
Company's Distribution  
March 31, 2020

Ares Capital Corporation (the “**Company**”) (CUSIP Number: 04010L103) announced that its Board of Directors has declared a first quarter dividend of \$0.40 per share paid on March 31, 2020 to stockholders of record as of March 16, 2020.

During the quarter, the Company generated qualified interest income (“**QII**”) that may be exempt from U.S. withholding tax when distributed to non-U.S. stockholders. The Company is a regulated investment company (“**RIC**”) and is permitted to designate the portion of distributions that represent interest-related dividends (commonly referred as QII) and short-term capital gains as exempt from U.S. withholding tax when paid to non-U.S. stockholders in accordance with the Internal Revenue Code of 1986, as amended (“**IRC**”).

- **Ordinary Income Dividends:** These dividends are from the Company's ordinary net investment income and net short-term capital gains, if any. Amounts designated as QII and short-term capital gain, if any, are eligible for exemption from U.S. withholding tax pursuant to IRC §871(k).
- **Capital Gain Distributions:** Capital gain distributions arise from net long-term capital gains recognized by the Company. These capital gain distributions, if any, generally qualify for exemption from U.S. withholding tax pursuant to Treas. Reg. 1.1441-3(c)(2). All capital gains are determined by how long the Company held the investment and the type of investment.

The information is an estimated based on the Company's year-to-date activity. The tax status of distributions for a tax year depends on the Company's total amount of taxable income for the year, therefore, the tax status cannot be confirmed until after the end of the tax year. Accordingly, the Company's distributions for the tax year may be recharacterized later based upon subsequent events. As applicable, the Company reports the actual tax character of its distributions for U.S. federal income tax purposes annually to stockholders on Internal Revenue Service Form 1099-DIV issued after the end of the year. The Company's 2020 Form 10-K will also include information regarding the actual components and tax treatment of all the Company's distributions for the fiscal year 2020. Because each stockholder's tax status is unique, stockholders should consult their tax advisor regarding this distribution notice.

Distributions that were reinvested through the Company's Dividend Reinvestment Plan are treated, for U.S. federal income tax purposes, as if they had been received in cash and taxed accordingly. Therefore, non-U.S. stockholders who participated in the Dividend Reinvestment Plan should also refer to the table below for appropriate tax treatment of the dividends paid on March 31, 2020.

## DETAILS OF DISTRIBUTION PAID ON MARCH 31, 2020

Payable Date	Total Paid Per Share	Ordinary Income Dividends	U.S. Dividends <sup>1</sup>	Interest-related Dividends <sup>2</sup>	Short-Term Capital Gains	Capital Gain Distributions
3/31/2020	\$0.40	\$0.40	\$0.04	\$0.36	\$0.00	\$0.00

This tax status letter is not intended to constitute tax, legal, investment, or other professional advice. This is general information and should not be relied upon for tax advice purposes. Stockholders should consult their tax advisor for tax guidance pertinent to specific facts and circumstances.

If you have questions about the tax status of your distributions, please contact the Company's Investor Relations Department directly at (888) 818-5298.

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<sup>1</sup> This income is subject to U.S. withholding tax under IRC §1441.

<sup>2</sup> This income is eligible for the interest-related dividends (commonly referred as QII) exemption from U.S. withholding tax pursuant to IRC §871(k).