APOLLO INVESTMENT CORP
Form 497
March 03, 2015
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File No. 333-189817

PROSPECTUS SUPPLEMENT

To the Prospectus dated September 12, 2014

$350,000,000

5.250% Notes due 2025

We are offering $350,000,000 in aggregate principal amount of our 5.250% Notes due 2025, which we refer to in this prospectus supplement as the Notes. The Notes will mature on March 3, 2025. We will pay interest on the Notes on March 3 and September 3 of each year, beginning September 3, 2015. We may redeem the Notes in whole or in part at any time, or from time to time, at the redemption prices discussed under the caption Description of Notes Optional Redemption in this prospectus supplement. In addition, holders of the Notes can require us to repurchase some or all of the Notes at a purchase price equal to 100% of their principal amount, plus accrued and unpaid interest to, but not including, the repurchase date upon the occurrence of a Change of Control Repurchase Event (as defined herein). The Notes will be issued in minimum denominations of $2,000 and integral multiples of $1,000 in excess thereof. A registration statement relating to these securities has been filed with and declared effective by the Securities and Exchange Commission, or the SEC. This prospectus supplement and the accompanying prospectus are not an offer to sell these securities and are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted. We may offer other debt securities from time to time other than the Notes under our Registration Statement or in private placements.

The Notes will be our direct unsecured obligations and rank pari passu with all outstanding and future unsecured unsubordinated indebtedness issued by Apollo Investment Corporation.

Apollo Investment Corporation is an externally managed closed-end, non-diversified management investment company that has elected to be treated as a business development company, or BDC, under the Investment Company Act of 1940, or 1940 Act. Our primary investment objective is to generate current income and capital appreciation. We invest primarily in various forms of debt investments, including secured and unsecured debt, loan investments and/or equity in private middle- market companies. We may also invest in the securities of public companies and structured products and other investments such as collateralized loan obligations and credit-linked notes.

Investing in our Notes involves risks that are described in the Risk Factors sections beginning on page S-9 of this prospectus supplement and page 8 of the accompanying prospectus.

	Per Note	Total
Public offering price (1)	99.043%	$ 346,650,500
Underwriting discounts	0.857%	$ 3,000,000
Proceeds, before expenses, to Apollo Investment Corporation (2)	98.186%	$ 343,650,500

(1) The public offering price set forth above does not include accrued interest, if any. Interest on the Notes will accrue from March 3, 2015 and must be paid by the purchaser if the Notes are delivered after March 3, 2015.

(2) Before deducting expenses payable by us related to this offering, estimated at $300,000. The underwriters have agreed to reimburse certain of our expenses. See Underwriting.

THE NOTES ARE NOT DEPOSITS OR OTHER OBLIGATIONS OF A BANK AND ARE NOT INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENT AGENCY.

Delivery of the Notes in book-entry form only through the facilities of The Depository Trust Company will be made on or about March 3, 2015.

This prospectus supplement and the accompanying prospectus contain important information you should know before investing in our Notes. Please read it before you invest and keep it for future reference. We file annual, quarterly and current reports, proxy statements and other information about us with the SEC. This information is available free of charge by contacting us at 9 West 57th Street, New York, New York 10019, or by calling us at (212) 515-3450. The SEC maintains a website at *www.sec.gov* where such information is available without charge upon written or oral request. Our Internet website address is *www.apolloic.com.* Information contained on our website is not incorporated by reference into this prospectus supplement or the accompanying prospectus.

We invest in securities that have been rated below investment grade by independent rating agencies or that would be rated below investment grade if they were rated. These securities, which are often referred to as junk, have predominantly speculative characteristics with respect to the issuer s capacity to pay interest and repay principal. They may also be difficult to value and illiquid.

Neither the SEC nor any state securities commission, nor any other regulatory body, has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

Joint Book-Running Managers

Barclays **Citigroup**
J.P. Morgan **SunTrust Robinson Humphrey**

BMO Capital Markets **Credit Suisse** **Deutsche Bank Securities** **UBS Investment Bank**

Co-Managers

Apollo Global Securities **Natixis**

The date of this prospectus supplement is March 2, 2015

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You should rely only on the information contained in this prospectus supplement and the accompanying prospectus. We have not, and the underwriters have not, authorized anyone to provide you with additional information, or information different from that contained in this prospectus supplement and the accompanying prospectus. If anyone provides you with different or additional information, you should not rely on it. We are not, and the underwriters are not, offering to sell, and seeking offers to buy, securities in any jurisdictions where offers and sales are not permitted. The information contained in this prospectus supplement and the accompanying prospectus is accurate only as of the date of this prospectus supplement or such prospectus, respectively. Our business, financial condition, results of operations and prospects may have changed since then.

PROSPECTUS SUPPLEMENT

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PROSPECTUS

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SPECIFIC TERMS OF THE NOTES AND THE OFFERING

This prospectus supplement sets forth certain terms of the Notes that we are offering pursuant to this prospectus supplement and the accompanying prospectus that is attached to the back of this prospectus supplement. This section outlines the specific legal and financial terms of the Notes. You should read this section together with the description of the Notes under the heading Description of Notes in this prospectus supplement and the more general description of the Notes in the accompanying prospectus under the heading Description of Our Debt Securities before investing in the Notes. Capitalized terms used in this prospectus supplement and not otherwise defined shall have the meanings ascribed to them in the accompanying prospectus or in the indenture governing, or the supplemental indenture establishing, the terms of the Notes (collectively, the indenture and the supplemental indenture are referred to as the indenture).

Issuer	Apollo Investment Corporation
Title of securities	5.250% Notes due 2025
Initial aggregate principal amount being offered	$350,000,000
Initial public offering price	99.043% of the aggregate principal amount of Notes.
Type of Note	Fixed rate note
Interest rate	5.250% per year
Day count basis	360-day year of twelve 30-day months
Original issue date	March 3, 2015
Stated maturity date	March 3, 2025
Date interest starts accruing	March 3, 2015
Interest payment dates	Each March 3 and September 3, commencing September 3, 2015. If an interest payment date falls on a non-business day, the applicable interest payment will be made on the next business day and no additional interest will accrue as a result of such delayed payment.
Interest periods	The initial interest period will be the period from and including March 3, 2015, to, but excluding, the initial interest payment date, and the subsequent interest periods will be the periods from and including an interest payment date to, but excluding, the next interest payment date or the stated maturity date, as the case may be.

Regular record dates for interest	February 16 and August 16.
Specified currency	U.S. Dollars

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Place of payment	New York City
Ranking of Notes	The Notes will be our general, unsecured obligations and will rank:

pari passu with all of our existing and future senior, unsecured indebtedness (including, but not limited to, our $200 million aggregate principal amount of 5.75% Convertible Senior Notes due 2016, or the Convertible Notes, our $150 million aggregate principal amount of 5.25% Notes due 2024, or the 2024 Notes, our $150 million aggregate principal amount of 6.625% Senior Notes due 2042, or the 2042 Notes, and our $150 million aggregate principal amount of 6.875% Senior Notes due 2043, or the 2043 Notes);

senior in right of payment to any of our subordinated indebtedness; and

effectively subordinated to our existing and future secured indebtedness (including, but not limited to, as of February 23, 2015, approximately $832 million aggregate principal amount of our indebtedness under our $1.71 billion senior secured, multi-currency, revolving credit facility, or the Senior Secured Facility (including $25 million related to standby letters of credit issued and outstanding), our $225 million aggregate principal amount of 6.25% Senior Secured Notes due 2015, or the 2015 Notes, our $29 million aggregate principal amount of 5.875% Senior Secured Notes due 2016, or the 2016 Notes, and our $16 million aggregate principal amount of 6.25% Senior Secured Notes due 2018, or the 2018 Notes, and collectively with our 2015 Notes and 2016 Notes, the Senior Secured Notes) to the extent of the value of the assets securing such indebtedness and structurally subordinated to any existing and future liabilities and other indebtedness of our subsidiaries.

As of February 23, 2015, we and our subsidiaries had approximately $1,751 million of senior indebtedness outstanding, $1,102 million of which was secured indebtedness and $649 million of which was unsecured indebtedness.

Denominations	We will issue the Notes in denominations of $2,000 and integral multiples of $1,000 in excess thereof.
Business day	Each Monday, Tuesday, Wednesday, Thursday and Friday that is not a day on which banking institutions in New York City are authorized or required by law or executive order to close.
Optional redemption	We may redeem some or all of the Notes at any time, or from time to time, at a redemption price equal to the greater of (1) 100% of the principal amount of the Notes to be redeemed

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	or (2) the sum of the present values of the remaining scheduled payments of principal and interest (exclusive of accrued and unpaid interest to the date of redemption) on the Notes to be redeemed, discounted to the redemption date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) using the applicable Treasury Rate plus 50 basis points, plus, in each case, accrued and unpaid interest to, but excluding, the redemption date.

You may be prevented from exchanging or transferring the Notes when they are subject to redemption. In case any Notes are to be redeemed in part only, the redemption notice will provide that, upon surrender of such Note, you will receive, without a charge, a new Note or Notes of authorized denominations representing the principal amount of your remaining unredeemed Notes.

	Any exercise of our option to redeem the Notes will be done in compliance with the 1940 Act, to the extent applicable.
	If we redeem only some of the Notes, the trustee will determine the method for selection of the particular Notes to be redeemed, in accordance with the 1940 Act to the extent applicable. Unless we default in payment of the redemption price, on and after the date of redemption, interest will cease to accrue on the Notes called for redemption.
Sinking fund	The Notes will not be subject to any sinking fund.
Offer to purchase upon a Change of Control Repurchase Event	If a Change of Control Repurchase Event occurs prior to maturity, holders will have the right, at their option, to require us to repurchase for cash some or all of the Notes at a repurchase price equal to 100% of the principal amount of the Notes being repurchased, plus accrued and unpaid interest to, but not including, the repurchase date.
Defeasance	The Notes are subject to legal and covenant defeasance by us.
Form of Notes	The Notes will be represented by global securities that will be deposited and registered in the name of The Depository Trust Company (DTC) or its nominee. This means that, except in limited circumstances, you will not receive certificates for the Notes. Beneficial interests in the Notes will be represented through book-entry accounts of financial institutions acting on behalf of beneficial owners as direct and indirect participants in DTC. Investors may elect to hold interests in the Notes through either DTC, if they are a participant, or indirectly through organizations which are participants in DTC.
Trustee, Paying Agent, Registrar and Transfer Agent	U.S. Bank National Association.

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Events of default	If an event of default on the Notes occurs, the principal amount of the Notes, plus accrued and unpaid interest, may be declared immediately due and payable, subject to certain conditions set forth in the indenture. These amounts automatically become due and payable in the case of certain types of bankruptcy or insolvency events of default involving us.
Other covenants	In addition to the covenants described in the prospectus attached to this prospectus supplement, the following covenants shall apply to the Notes:
	We agree that for the period of time during which the Notes are outstanding, we will not violate Section 18(a)(1)(A) as modified by Section 61(a)(1) of the 1940 Act or any successor provisions.
	If, at any time, we are not subject to the reporting requirements of Sections 13 or 15(d) of the Securities Exchange Act of 1934, as amended, or the Exchange Act, to file any periodic reports with the SEC, we agree to furnish to holders of the Notes and the trustee, for the period of time during which the Notes are outstanding, our audited annual consolidated financial statements, within 90 days of our fiscal year end, and unaudited interim consolidated financial statements, within 45 days of our fiscal quarter end (other than our fourth fiscal quarter). All such financial statements will be prepared, in all material respects, in accordance with applicable United States generally accepted accounting principles.
No established trading market	The Notes are a new issue of securities with no established trading market. The Notes will not be listed on any securities exchange or quoted on any automated dealer quotation system. Although certain of the underwriters have informed us that they intend to make a market in the Notes, they are not obligated to do so, and may discontinue any such market making at any time without notice. Accordingly, we cannot assure you that an active and liquid market for the Notes will develop or be maintained.
Global clearance and settlement procedures	Interests in the Notes will trade in DTC s Same Day Funds Settlement System, and any permitted secondary market trading activity in such Notes will, therefore, be required by DTC to be settled in immediately available funds. None of the Company, the trustee or the paying agent will have any responsibility for the performance by DTC or its participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

Governing law	The Notes and the indenture will be governed by, and construed in accordance with, the laws of the State of New York.

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BUSINESS

This summary highlights some of the information in this prospectus supplement. It is not complete and may not contain all of the information that you may want to consider. You should read carefully the more detailed information set forth under Risk Factors in this prospectus supplement and in the accompanying prospectus and the other information included in this prospectus supplement and the accompanying prospectus. In this prospectus supplement and the accompanying prospectus, except where the context suggests otherwise, the terms we, us, our, and Apollo Investment refer to Apollo Investment Corporation; AIM or investment adviser refers to Apollo Investment Management, L.P.; Apollo Administration or AIA refers to Apollo Investment Administration, LLC; and Apollo refers to the affiliated companies of Apollo Investment Management, L.P.

Apollo Investment

Apollo Investment Corporation, a Maryland corporation organized on February 2, 2004, is a closed-end, externally managed, non-diversified management investment company that has elected to be treated as a business development company (BDC) under the Investment Company Act of 1940 (the 1940 Act). In addition, for tax purposes we have elected to be treated as a regulated investment company (RIC) under the Internal Revenue Code of 1986, as amended (the Code).

Our investment objective is to generate current income and capital appreciation. We invest primarily in various forms of debt investments, including secured and unsecured debt, loan investments and/or equity in private U.S. middle-market companies. We may also invest in the securities of public companies and structured products and other investments such as collateralized loan obligations and credit-linked notes.

Our portfolio is comprised primarily of investments in debt, including secured and unsecured debt of private U.S. middle-market companies that, in the case of senior secured loans, generally are not broadly syndicated and whose aggregate tranche size is typically less than $250 million. Our portfolio also includes equity interests such as common stock, preferred stock, warrants or options. In this prospectus, we use the term middle-market to refer to companies with annual revenues between $50 million and $2 billion. While our investment objective is to generate current income and capital appreciation through investments in U.S. secured and unsecured loans, other debt securities and equity, we may also invest a portion of the portfolio in other investment opportunities, including foreign securities and structured products. Most of the debt instruments we invest in are unrated or rated below investment grade, which is often an indication of size, credit worthiness and speculative nature relative to the capacity of the borrower to pay interest and principal. Generally, if Apollo Investment s unrated investments were rated, they would be rated below investment grade. These securities, which are often referred to as junk or high yield, have predominantly speculative characteristics with respect to the issuer s capacity to pay interest and repay principal. They may also be difficult to value and illiquid. See Risk Factors Risks Related to Our Investments in the accompanying prospectus.

AIM is our investment adviser and an affiliate of Apollo Global Management, LLC and its consolidated subsidiaries (AGM). AGM and other affiliates manage other funds that may have investment mandates that are similar, in whole or in part, with ours. AIM and its affiliates may determine that an investment is appropriate both for us and for one or more of those other funds. In such event, depending on the availability of such investment and other appropriate factors, AIM may determine that we should invest on a side-by-side basis with one or more other funds. We make all such investments subject to compliance with applicable regulations and interpretations, and our allocation procedures. In certain circumstances, negotiated co-investments may be made only if we receive an order from the SEC permitting us to do so. There can be no assurance that any such order will be obtained.

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During the three months ended December 31, 2014, we invested $609 million across 13 new and 13 existing portfolio companies, through a combination of primary and secondary market purchases. This compares to investing $630 million in 21 new and 22 existing portfolio companies for the three months ended December 31, 2013. Investments sold or repaid during the three months ended December 31, 2014 totaled $699 million versus $544 million for the three months ended December 31, 2013. The weighted average yields on our secured debt portfolio, unsecured debt portfolio, and total debt portfolio as of December 31, 2014 at our current cost basis were 11.0%, 11.1%, and 11.1%, respectively, exclusive of securities on non-accrual status. The weighted average yields on our secured debt portfolio, unsecured debt portfolio, and total debt portfolio as of March 31, 2014 at the current cost basis were 10.8%, 11.5%, and 11.1%, respectively, exclusive of securities on non-accrual status.

Our targeted investment size typically ranges between $20 million and $250 million, although this investment size may vary as the size of our available capital base changes. At December 31, 2014, our portfolio consisted of 109 portfolio companies (which reflects counting investments in operating and holding companies within the same corporate structure as one portfolio company) and was invested 61% in secured debt, 15% in unsecured debt, 10% in structured products and other, and 14% in common equity, preferred equity and warrants measured at fair value versus 111 portfolio companies invested 56% in secured debt, 27% in unsecured debt, 6% in structured products and other, and 11% in common equity, preferred equity and warrants measured at fair value at March 31, 2014.

Since the initial public offering of Apollo Investment in April 2004, and through December 31, 2014, invested capital totaled $15.0 billion in 342 portfolio companies. Over the same period, Apollo Investment completed transactions with more than 100 different financial sponsors. A financial sponsor is a term commonly used to refer to private equity investment firms, particularly those private equity firms that engage in leveraged buyout transactions.

At December 31, 2014, 48% or $1.4 billion of our income-bearing investment portfolio was fixed rate debt and 52% or $1.5 billion was floating rate debt, measured at fair value. On a cost basis, 50% or $1.5 billion of our income-bearing investment portfolio was fixed rate debt and 50% or $1.5 billion was floating rate debt. At March 31, 2014, 58% or $1.7 billion of our income-bearing investment portfolio was fixed rate debt and 42% or $1.3 billion was floating rate debt at fair value. On a cost basis, 58% or $1.7 billion of our income-bearing investment portfolio was fixed rate debt and 42% or $1.2 billion was floating rate debt.

About Apollo Investment Management

AIM, our investment adviser, is led by John J. Hannan, James C. Zelter and Edward Goldthorpe. Potential investment opportunities are generally approved by an investment committee composed of senior personnel across AGM, including Mr. Zelter and Mr. Goldthorpe. The composition of the investment committee and its approval process for our investments may change from time to time. AIM draws upon AGM s more than 20 year history and benefits from the broader firm s significant capital markets, trading and research expertise developed through investments in many core sectors in over 200 companies since inception.

About Apollo Investment Administration

In addition to furnishing us with office facilities, equipment, and clerical, bookkeeping and record keeping services, AIA, an affiliate of AGM, also oversees our financial records as well as prepares our reports to stockholders and reports filed with the SEC. AIA also performs the calculation and publication of our net asset value, the payment of our expenses and oversees the performance of

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various third-party service providers and the preparation and filing of our tax returns. Furthermore, AIA provides on our behalf managerial assistance to those portfolio companies to which we are required to provide such assistance.

Our Corporate Information

Our administrative and principal executive offices are located at 730 Fifth Avenue, New York, NY 10019 and 9 West 57th Street, New York, NY, 10019, respectively. Our common stock is quoted on the NASDAQ Global Select Market under the symbol AINV. Our Internet website address is www.apolloic.com. Information contained on our website is not incorporated by reference into this prospectus supplement or the accompanying prospectus and you should not consider information contained on our website to be part of this prospectus supplement or the accompanying prospectus.

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RISK FACTORS

Your investment in the Notes will involve certain risks. You should carefully consider the risks described below and all of the information contained in this prospectus supplement and the accompanying prospectus before deciding whether to purchase any Notes. The risks and uncertainties described below are not the only risks and uncertainties we face. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our business operations. If any of the following risks actually occur, our business, financial condition and results of operations would suffer. The risks discussed below also include forward-looking statements and our actual results may differ substantially from those discussed in these forward-looking statements. See the section entitled Forward-Looking Statements included elsewhere in this prospectus supplement and the accompanying prospectus. You should, in consultation with your own financial and legal advisors, carefully consider the following discussion of risks before deciding whether an investment in the Notes is suitable for you.

Our amount of debt outstanding may increase as a result of this offering. Our current indebtedness could adversely affect our business, financial condition and results of operations and our ability to meet our payment obligations under the Notes and our other debt.

As of February 23, 2015, we and our subsidiaries had approximately $1,751 million of senior indebtedness outstanding, $1,102 million of which was secured indebtedness and $649 million of which was unsecured indebtedness.

The use of debt could have significant consequences on our future operations, including:

- making it more difficult for us to meet our payment and other obligations under the Notes and our other outstanding debt;

- resulting in an event of default if we fail to comply with the financial and other restrictive covenants contained in our debt agreements, which event of default could result in substantially all of our debt becoming immediately due and payable;

- reducing the availability of our cash flow to fund investments, acquisitions and other general corporate purposes, and limiting our ability to obtain additional financing for these purposes;

- subjecting us to the risk of increased sensitivity to interest rate increases on our indebtedness with variable interest rates, including borrowings under our Senior Secured Facility; and

- limiting our flexibility in planning for, or reacting to, and increasing our vulnerability to, changes in our business, the industry in which we operate and the general economy.

Any of the above-listed factors could have an adverse effect on our business, financial condition and results of operations and our ability to meet our payment obligations under the Notes and our other debt.

Our ability to meet our payment and other obligations under our debt instruments depends on our ability to generate significant cash flow in the future. This, to some extent, is subject to general economic, financial, competitive, legislative and regulatory factors as well as other factors that are beyond our control. We cannot assure you that our business will generate cash flow from operations, or that future borrowings will be available to us under our Senior Secured Facility or otherwise, in an amount sufficient to enable us to meet our payment obligations under the Notes and our other debt and to fund other liquidity needs. If we are not able to generate sufficient cash flow to service our debt obligations, we may need to refinance or restructure our debt, including the Notes, sell assets, reduce

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or delay capital investments, or seek to raise additional capital. If we are unable to implement one or more of these alternatives, we may not be able to meet our payment obligations under the Notes and our other debt.

A downgrade, suspension or withdrawal of the rating assigned by a rating agency to us or the Notes, if any, could cause the liquidity or market value of the Notes to decline significantly.

Our credit ratings are an assessment by rating agencies of our ability to pay our debts when due. Consequently, real or anticipated changes in our credit ratings will generally affect the market value of the Notes. These credit ratings may not reflect the potential impact of risks relating to the structure or marketing of the Notes. Credit ratings are not a recommendation to buy, sell or hold any security, and may be revised or withdrawn at any time by the issuing organization in its sole discretion. Neither we nor any underwriter undertakes any obligation to maintain the ratings or to advise holders of Notes of any changes in ratings.

The Notes will be rated by Standard & Poor s Ratings Services, or S&P, and Fitch Ratings, or Fitch. There can be no assurance that their respective ratings will remain for any given period of time or that such ratings will not be lowered or withdrawn entirely by S&P or Fitch if in either of their respective judgments future circumstances relating to the basis of the rating, such as adverse changes in our company, so warrant.

The Notes will be effectively subordinated to any existing and future secured indebtedness and structurally subordinated to existing and future liabilities and other indebtedness of our subsidiaries, and are due after certain of our outstanding notes.

The Notes will be our general, unsecured obligations and will rank equal in right of payment with all of our existing and future senior, unsecured indebtedness (including, but not limited to, our $200 million aggregate principal amount of Convertible Notes, our $150 million aggregate principal amount of 2024 Notes, our $150 million aggregate principal amount of 2042 Notes and our $150 million aggregate principal amount of 2043 Notes, and senior in right of payment to any of our subordinated indebtedness. As a result, the Notes will be effectively subordinated to our existing and future secured indebtedness (including, but not limited to, as of February 23, 2015, approximately $832 million aggregate principal amount of our indebtedness under our $1.71 billion Senior Secured Facility (including $25 million related to standby letters of credit issued and outstanding), our $225 million aggregate principal amount of 2015 Notes, our $29 million aggregate principal amount of 2016 Notes, and our $16 million aggregate principal amount of 2018 Notes to the extent of the value of the assets securing such indebtedness and structurally subordinated to any existing and future liabilities and other indebtedness of our subsidiaries. These liabilities may include indebtedness, trade payables, guarantees, lease obligations and letter of credit obligations. The Notes do not restrict us or our subsidiaries from incurring indebtedness, including senior secured indebtedness in the future, nor do they limit the amount of indebtedness we can issue that is equal in right of payment to the Notes. As of February 23, 2015, we and our subsidiaries had approximately $1,751 million of senior indebtedness outstanding, $1,102 million of which was secured indebtedness and $649 million of which was unsecured indebtedness.

Each of the Convertible Notes, the 2024 Notes and the Senior Secured Notes are due prior to the Notes. We do not currently know whether we will be able to replace any of these notes, or if we do, whether we will be able to do so on terms that are as favorable as such notes. In the event that we are not able to replace these notes at the time of their respective maturities, this could have a material adverse effect on our liquidity and ability to fund new investments, our ability to make distributions to our stockholders, our ability to repay the Notes and our ability to qualify as a regulated investment company.

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The indenture under which the Notes will be issued will contain limited protection for holders of the Notes.

The indenture under which the Notes will be issued will offer limited protection to holders of the Notes. The terms of the indenture and the Notes do not restrict our or any of our subsidiaries ability to engage in, or otherwise be a party to, a variety of corporate transactions, circumstances or events that could have an adverse impact on your investment in the Notes. In particular, the terms of the indenture and the Notes will not place any restrictions on our or our subsidiaries ability to:

- issue securities or otherwise incur additional indebtedness or other obligations, including (1) any indebtedness or other obligations that would be equal in right of payment to the Notes, (2) any indebtedness or other obligations that would be secured and therefore rank effectively senior in right of payment to the Notes to the extent of the values of the assets securing such debt, (3) indebtedness of ours that is guaranteed by one or more of our subsidiaries and which therefore is structurally senior to the Notes and (4) securities, indebtedness or obligations issued or incurred by our subsidiaries that would be senior to our equity interests in our subsidiaries and therefore rank structurally senior to the Notes with respect to the assets of our subsidiaries, in each case other than an incurrence of indebtedness or other obligation that would cause a violation of Section 18(a)(1)(A) as modified by Section 61(a)(1) of the 1940 Act or any successor provisions;
- pay dividends on, or purchase or redeem or make any payments in respect of, capital stock or other securities ranking junior in right of payment to the Notes;
- sell assets (other than certain limited restrictions on our ability to consolidate, merge or sell all or substantially all of our assets);
- enter into transactions with affiliates;
- create liens (including liens on the shares of our subsidiaries) or enter into sale and leaseback transactions;
- make investments; or
- create restrictions on the payment of dividends or other amounts to us from our subsidiaries.

Furthermore, the terms of the indenture and the Notes do not protect holders of the Notes in the event that we experience changes (including significant adverse changes) in our financial condition, results of operations or credit ratings, as they do not require that we or our subsidiaries adhere to any financial tests or ratios or specified levels of net worth, revenues, income, cash flow, or liquidity.

Our ability to recapitalize, incur additional debt and take a number of other actions that are not limited by the terms of the Notes may have important consequences for you as a holder of the Notes, including making it more difficult for us to satisfy our obligations with respect to the Notes or negatively affecting the trading value of the Notes.

Certain of our current debt instruments include more protections for their holders than the indenture and the Notes. See in the accompanying prospectus Risk Factors Risks Relating to Our Business and Structure We currently use borrowed funds to make investments and are exposed to the typical risks associated with leverage. In addition, other debt we issue or incur in the future could contain more protections for its holders than the indenture and the Notes, including additional covenants and events of default. The issuance or incurrence of any such debt with incremental protections could affect the market for and trading levels and prices of the Notes.

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We may not be able to repurchase the Notes upon a Change of Control Repurchase Event.

Upon a Change of Control Repurchase Event, holders of the Notes may require us to repurchase for cash some or all of the Notes at a repurchase price equal to 100% of the aggregate principal amount of the Notes being repurchased, plus accrued and unpaid interest to, but not including, the repurchase date. The source of funds for that purchase of Notes will be our available cash or cash generated from our operations or other potential sources, including funds provided by a purchaser in a change of control transaction, borrowings, sales of assets or sales of equity. We cannot assure you that sufficient funds from such sources will be available at the time of any Change of Control Repurchase Event to make required repurchases of Notes tendered. The terms of our Senior Secured Facility provide that certain change of control events will constitute an event of default thereunder entitling the lenders to accelerate any indebtedness outstanding under the Senior Secured Facility at that time and to terminate the Senior Secured Facility. In addition, the indentures governing our Senior Secured Notes contain similar provisions that would require us to offer to purchase the Senior Secured Notes upon the occurrence of a change of control. Our and our subsidiaries future debt instruments may contain similar restrictions and provisions. If the holders of the Notes exercise their right to require us to repurchase Notes upon a Change of Control Repurchase Event, the financial effect of this repurchase could cause a default under our and our subsidiaries future debt instruments, even if the Change of Control Repurchase Event itself would not cause a default. It is possible that we will not have sufficient funds at the time of the Change of Control Repurchase Event to make the required repurchase of the Notes and/or our other debt. See Description of Notes Offer to Repurchase Upon a Change of Control Repurchase Event.

We may be subject to certain corporate-level taxes which could adversely affect our cash flow and consequently adversely affect our ability to make payments on the Notes.

We may be subject to certain corporate-level taxes regardless of whether we continue to qualify as a RIC. Additionally, should we fail to qualify as a RIC, we would be subject to corporate-level taxes on all of our taxable income. The imposition of corporate-level taxes could adversely affect our cash flow and consequently adversely affect our ability to make payments on the Notes.

There is currently no public market for the Notes, and an active trading market may not develop for the Notes. The failure of a market to develop for the Notes could adversely affect the liquidity and value of your Notes.

The Notes are a new issue of securities, and there is no existing market for the Notes. We do not intend to apply for listing of the Notes on any securities exchange or for quotation of the Notes on any automated dealer quotation system. We have been advised by the underwriters that following the completion of the offering, the underwriters currently intend to make a market in the Notes. However, the underwriters are not obligated to do so and any market-making activities with respect to the Notes may be discontinued by them at any time without notice. In addition, any market-making activity will be subject to limits imposed by law. A market may not develop for the Notes, and there can be no assurance as to the liquidity of any market that may develop for the Notes. If an active, liquid market does not develop for the Notes, the market price and liquidity of the Notes may be adversely affected. If any of the Notes are traded after their initial issuance, they may trade at a discount from their initial discounted offering price. The liquidity of the trading market, if any, and future trading prices of the Notes will depend on many factors, including, among other things, prevailing interest rates, our operating results, financial performance and prospects, the market for similar securities and the overall securities market, and may be adversely affected by unfavorable changes in these factors.

The optional redemption provision may materially adversely affect your return on the Notes.

The Notes are redeemable in whole or in part upon certain conditions at any time or from time to time at our option. We may choose to redeem the Notes at times when prevailing interest rates are lower than the interest rate paid on the Notes. In this circumstance, you may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as the Notes being redeemed.

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USE OF PROCEEDS

We estimate that the net proceeds from this offering will be approximately $343.651 million after deducting estimated underwriting discounts and commissions and expense reimbursements.

We expect to use the net proceeds from the sale of the Notes to repay a portion of the indebtedness owed under our Senior Secured Facility.

We intend to use any net proceeds from this offering that are not applied as described above for general corporate purposes, which includes investing in portfolio companies in accordance with our investment objective.

At February 23, 2015, we had approximately $832 million outstanding under our Senior Secured Facility, including $25 million related to standby letters of credit issued and outstanding. The remaining capacity under the Senior Secured Facility was $438 million at February 23, 2015. On September 13, 2013, we amended and restated the Senior Secured Facility. The amended and restated Senior Secured Facility extends the lenders commitments totaling $1.25 billion through August 2017, and allows us to seek additional commitments from new and existing lenders in the future, up to an aggregate facility size not to exceed $1.71 billion. On April 16, 2014, we obtained an additional commitment from a new lender, increasing the size of the Senior Secured Facility to $1.27 billion. The Senior Secured Facility is secured by substantially all of the assets in our portfolio, including cash and cash equivalents. The final maturity date of the Senior Secured Facility is August 31, 2018. Commencing September 30, 2017, we are required to repay, in twelve consecutive monthly installments of equal size, the outstanding amount under the Senior Secured Facility as of August 31, 2017. Pricing for Alternate Base Rate (ABR) borrowings is 100 basis points over the greater of (i) the applicable Prime Rate, (ii) the Federal Funds Effective Rate plus 1/2 of 1% and (iii) the one-month LIBO Rate plus 1%, and pricing for eurocurrency borrowings is 200 basis points over the Adjusted LIBO Rate. Terms used in the foregoing sentence have the meanings set forth in the Senior Secured Facility.

Certain affiliates of the underwriters are lenders under the Senior Secured Facility and as a result will receive the net proceeds of this offering to the extent such proceeds are used to repay indebtedness owed under the Senior Secured Facility.

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SELECTED FINANCIAL DATA

The Statement of Operations, Per Share data and Balance Sheet data for the fiscal years ended March 31, 2014, 2013, 2012, 2011 and 2010 are derived from our financial statements, which have been audited by PricewaterhouseCoopers LLP, our independent registered public accounting firm. Quarterly financial information is derived from unaudited financial data, but in the opinion of management, reflects all adjustments (consisting only of normal recurring adjustments) that are necessary to present fairly the results of such interim periods. Interim results for the nine months ended December 31, 2014 are not necessarily indicative of the results that may be expected for the fiscal year ending March 31, 2015.

This selected financial data should be read in conjunction with our financial statements and related notes thereto and Management s Discussion and Analysis of Financial Condition and Results of Operations included elsewhere in this prospectus supplement and the accompanying prospectus. All amounts are in thousands except per share data and as otherwise indicated.

	For the Nine Months Ended December 31, (unaudited)		For the Year Ended March 31,				
Statement of Operations Data:	**2014**	**2013**	**2014**	**2013**	**2012**	**2011**	**2010**
Total Investment Income	$ 331,516	$ 284,941	$ 381,346	$ 331,994	$ 357,584	$ 358,779	$ 340,238
Net Expenses (including excise taxes)	$ 155,614	$ 133,305	$ 180,098	$ 164,634	$ 184,842	$ 167,607	$ 140,828
Net Investment Income	$ 175,902	$ 151,636	$ 201,248	$ 167,360	$ 172,742	$ 191,172	$ 199,410
Net Realized and Unrealized Gains (Losses)	$ (88,750)	$ 49,331	$ 69,624	$ (62,889)	$ (259,006)	$ (10,760)	$ 63,880
Net Increase (Decrease) in Net Assets Resulting from Operations	$ 87,152	$ 200,967	$ 270,872	$ 104,471	$ (86,264)	$ 180,412	$ 263,290
Per Share Data:							
Net Asset Value	$ 8.43	$ 8.57	$ 8.67	$ 8.27	$ 8.55	$ 10.03	$ 10.06
Net Investment Income	$ 0.75	$ 0.69	$ 0.91	$ 0.83	$ 0.88	$ 0.99	$ 1.26
Net Earnings (Loss)	$ 0.36	$ 0.90	$ 1.21	$ 0.51	$ (0.44)	$ 0.93	$ 1.65
Net Earnings (Loss) (Diluted)	$ 0.36	$ 0.88	$ 1.18	$ 0.51	$ (0.44)	$ 0.93	$ 1.65
Distributions Declared	$ 0.60	$ 0.60	$ 0.80	$ 0.80	$ 1.04	$ 1.12	$ 1.10
Balance Sheet Data:							
Total Assets	$ 3,701,174	$ 3,379,700	$ 3,641,951	$ 2,944,312	$ 2,775,263	$ 3,148,813	$ 3,465,116
Borrowings Outstanding	$ 1,588,653	$ 1,261,292	$ 1,372,261	$ 1,156,067	$ 1,009,337	$ 1,053,443	$ 1,060,616
Total Net Assets	$ 1,996,691	$ 1,925,339	$ 2,051,611	$ 1,677,389	$ 1,685,231	$ 1,961,031	$ 1,772,806
Other Data:							
Total Return (1)	(4.00)%	9.00%	9.4%	28.2%	(32.4)%	5.1%	313.0%
Number of Portfolio Companies at Period End	109	101	111	81	62	69	67
Total Portfolio Investments for the Period	$ 1,839,380	$ 1,830,368	$ 2,816,149	$ 1,537,366	$ 1,480,508	$ 1,085,601	$ 716,425
Investment Sales and Prepayments for the Period	$ 1,737,803	$ 1,575,542	$ 2,322,189	$ 1,337,431	$ 1,634,520	$ 977,493	$ 451,687
Weighted Average Yield on Debt Portfolio at Period End	11.1%	11.4%	11.1%	11.9%	11.9%	11.6%	11.8%
Weighted Average Shares Outstanding at Period End (Basic) (2)	236,741	220,848	222,800	202,875	196,584	193,192	159,369
Weighted Average Shares Outstanding at Period End (Diluted) (2)	251,289	235,396	237,348	217,423	211,132	195,823	159,369

(1) Total return is based on the change in market price per share and takes into account dividends and distributions, if any, reinvested in accordance with our dividend reinvestment plan.

(2) In applying the if-converted method, conversion is not assumed for purposes of computing diluted earnings per share if the effect would be anti-dilutive. For the nine months ended December 31, 2014, anti-dilution would total $0.01. For the fiscal years ended March 31, 2013 and March 31, 2012, anti-dilution would total $0.02 and $0.08, respectively.

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CAPITALIZATION

The following table sets forth our cash and capitalization as of December 31, 2014 (1) on an actual basis and (2) on an as adjusted basis to reflect the effects of the offering of the Notes and the application of net proceeds from this offering as described under Use of Proceeds. You should read this table together with Use of Proceeds and Management s Discussion and Analysis of Financial Condition and Results of Operations and our financial statements and notes thereto set forth in this prospectus supplement, as well as Management s Discussion and Analysis of Financial Condition and Results of Operations and our financial statements and notes thereto included in the accompanying prospectus. The adjusted information is illustrative only; our capitalization following the completion of this offering is subject to adjustment based on the actual offering of the Notes, which will be determined at pricing.

All amounts in thousands, except per share data

	As of December 31, 2014	
	Actual (unaudited)	**As Adjusted for this Offering (unaudited)**
Cash	$ 27,670	$ 27,670
Debt		
Borrowings under senior secured facility (1)	669,777	326,126
Senior Secured Notes	270,000	270,000
2024 Notes	148,876	148,876
2042 Notes	150,000	150,000
2043 Notes	150,000	150,000
Convertible Notes	200,000	200,000
Notes offered hereby		346,651
Stockholders Equity		
Common stock, par value $0.001 per share; 400,000,000 shares authorized, 236,741,351 shares issued and outstanding	237	237
Capital in excess of par value	3,221,803	3,221,803
Distributable earnings (2)	(1,225,349)	(1,225,349)
Total stockholders equity	1,996,691	1,996,691
Total capitalization	$ 3,585,344	$ 3,588,344

(1) As described under Use of Proceeds, we expect to use the net proceeds from this offering to repay a portion of the borrowings outstanding under our Senior Secured Facility.

(2) Includes cumulative net investment income or loss, cumulative amounts of gains and losses realized from investment and foreign currency transactions and net unrealized appreciation or depreciation of investments and foreign currencies, and distributions paid to stockholders other than tax return of capital distributions. Distributable earnings is not intended to represent amounts we may or will distribute to our stockholders.

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FORWARD-LOOKING STATEMENTS

Some of the statements in this prospectus supplement and the accompanying prospectus constitute forward-looking statements, which relate to future events or our future performance or financial condition. The forward-looking statements contained in this prospectus supplement and the accompanying prospectus involve risks and uncertainties, including statements as to:

- our future operating results;
- our business prospects and the prospects of our portfolio companies;
- the impact of investments that we expect to make;
- our contractual arrangements and relationships with third parties;
- the dependence of our future success on the general economy and its impact on the industries in which we invest;
- the ability of our portfolio companies to achieve their objectives;
- our expected financings and investments;
- the adequacy of our cash resources and working capital; and
- the timing of cash flows, if any, from the operations of our portfolio companies.

We generally use words such as anticipates, believes, expects, intends and similar expressions to identify forward-looking statements. Our actu results could differ materially from those projected in the forward-looking statements for any reason, including the factors set forth in Risk Factors and elsewhere in this prospectus supplement and accompanying prospectus.

We have based the forward-looking statements included in this prospectus supplement and accompanying prospectus on information available to us on the date of this prospectus supplement and accompanying prospectus. Although we undertake no obligation to revise or update any forward-looking statements, whether as a result of new information, future events or otherwise, we have a general obligation to update to reflect material changes in our disclosures and you are advised to consult any additional disclosures that we may make directly to you or through reports that we in the future may file with the SEC, including annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K.

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MANAGEMENT S DISCUSSION AND ANALYSIS OF

FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following analysis of our financial condition and results of operations should be read in conjunction with our financial statements and the notes thereto and other financial information appearing elsewhere in this prospectus supplement and the accompanying prospectus.

OVERVIEW

Apollo Investment was incorporated under the Maryland General Corporation Law in February 2004. We have elected to be treated as a BDC under the 1940 Act. As such, 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 of private or thinly traded public U.S. companies, cash equivalents, U.S. government securities and high-quality debt investments that mature in one year or less. In addition, for federal income tax purposes we have elected to be treated as a RIC under Subchapter M of the Code. Pursuant to this election and assuming we qualify as a RIC, we generally do not have to pay corporate-level federal income taxes on any income we distribute to our stockholders. Apollo Investment commenced operations on April 8, 2004 upon completion of its initial public offering that raised $870 million in net proceeds from selling 62 million shares of its common stock at a price of $15.00 per share. Since then, and through December 31, 2014, we have raised approximately $2.21 billion in net proceeds from additional offerings of common stock.

Investments

Our level of investment activity can and does vary substantially from period to period depending on many factors, including the amount of debt and equity capital available to middle-market companies, the level of merger and acquisition activity for such companies, the general economic environment, and the competitive environment for the types of investments we make. As a business development company, we must not acquire any assets other than qualifying assets specified in the 1940 Act unless, at the time the acquisition is made, at least 70% of our total assets are qualifying assets (with certain limited exceptions).

Revenue

We generate revenue primarily in the form of interest and dividend income from the securities we hold and capital gains, if any, on investment securities that we may acquire in portfolio companies. Our debt investments, whether in the form of mezzanine or senior secured loans, generally have a stated term of five to ten years and bear interest at a fixed rate or a floating rate usually determined on the basis of a benchmark: LIBOR, Euro Interbank Offered Rate (EURIBOR), British pound sterling LIBOR (GBP LIBOR), or the prime rate. Interest on debt securities is generally payable quarterly or semiannually and while U.S. subordinated debt and corporate notes typically accrue interest at fixed rates, some of our investments may include zero coupon and/or step-up bonds that accrue income on a constant yield to call or maturity basis. In addition, some of our investments provide for payment-in-kind (PIK) interest or dividends. Such amounts of accrued PIK interest or dividends are added to the cost of the investment on the respective capitalization dates and generally become due at maturity of the investment or upon the investment being called by the issuer. We may also generate revenue in the form of commitment, origination, structuring fees, fees for providing managerial assistance and, if applicable, consulting fees, etc.

Expenses

For all investment professionals of the investment adviser and their staff, when and to the extent engaged in providing investment advisory and management services to us, the compensation

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and routine overhead expenses of that personnel which is allocable to those services are provided and paid for by AIM. We bear all other costs and expenses of our operations and transactions, including those relating to:

- investment advisory and management fees;
- expenses incurred by AIM payable to third parties, including agents, consultants or other advisors, in monitoring our financial and legal affairs and in monitoring our investments and performing due diligence on our prospective portfolio companies;
- calculation of our net asset value (including the cost and expenses of any independent valuation firm);
- direct costs and expenses of administration, including independent registered public accounting and legal costs;
- costs of preparing and filing reports or other documents with the SEC;
- interest payable on debt, if any, incurred to finance our investments;
- offerings of our common stock and other securities;
- registration and listing fees;
- fees payable to third parties, including agents, consultants or other advisors, relating to, or associated with, evaluating and making investments;
- transfer agent and custodial fees;
- taxes;
- independent directors fees and expenses;
- marketing and distribution-related expenses;
- the costs of any reports, proxy statements or other notices to stockholders, including printing and postage costs;
- our allocable portion of the fidelity bond, directors and officers/errors and omissions liability insurance, and any other insurance premiums;

- organizational costs; and

- all other expenses incurred by us or AIA in connection with administering our business, such as our allocable portion of overhead under the administration agreement between the Company and AIA (the Administration Agreement), including rent and our allocable portion of the cost of our chief financial officer, chief compliance officer, and their respective staffs.

We expect our general and administrative operating expenses related to our ongoing operations to increase moderately in dollar terms. During periods of asset growth, we generally expect our general and administrative operating expenses to decline as a percentage of our total assets and increase during periods of asset declines. Incentive fees, interest expense and costs relating to future offerings of securities, among others, may also increase or reduce overall operating expenses based on portfolio performance, interest rate benchmarks, and offerings of our securities relative to comparative periods, among other factors.

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Portfolio and Investment Activity

Our portfolio and investment activity during the three months ended December 31, 2014 and 2013 is as follows:

(amounts in millions)	Three Months Ended December 31, 2014	Three Months Ended December 31, 2013
Investment made in portfolio companies (1)	$ 609	$ 630
Investments sold	(444)	(293)
Net activity before repaid investments	165	337
Investments repaid	(255)	(251)
Net investment activity	$ (90)	$ 86
Portfolio companies, at beginning of period	113	93
Number of new portfolio companies	13	21
Number of exited companies	(17)	(13)
Portfolio companies, at end of period	109	101
Number of investments in existing portfolio companies	13	22

(1) Investments were primarily made through a combination of primary and secondary debt investments.

Our portfolio composition and weighted average yields at December 31, 2014 and at March 31, 2014 are as follows:

	December 31, 2014	March 31, 2014
Portfolio composition, measured at fair value:		
Secured debt	61%	56%
Unsecured debt	15%	27%
Structured products and other (1)	10%	6%
Common equity, preferred equity and warrants	14%	11%
Weighted average yields, at current cost basis, exclusive of securities on non-accrual status (2):		
Secured debt portfolio	11.0%	10.8%
Unsecured debt portfolio	11.1%	11.5%
Total debt portfolio	11.1%	11.1%
Income-bearing investment portfolio composition, measured at fair value:		
Fixed rate amount	$ 1.4 billion	$ 1.7 billion
Floating rate amount	$ 1.5 billion	$ 1.3 billion
Fixed rate %	48%	58%
Floating rate %	52%	42%
Income-bearing investment portfolio composition, measured at cost:		
Fixed rate amount	$ 1.5 billion	$ 1.7 billion
Floating rate amount	$ 1.5 billion	$ 1.2 billion
Fixed rate %	50%	58%
Floating rate %	50%	42%

(1) Structured products and other such as collateralized loan obligations (CLOs) and credit-linked notes (CLNs) are typically a form of securitization in which the cash flows from a portfolio of loans are pooled and passed on to different classes of debt and residual interest in order of seniority.

(2) An investor s yield may be lower than the portfolio yield due to sales loads and other expenses.

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Since the initial public offering of Apollo Investment in April 2004 and through December 31, 2014, invested capital totaled $15.0 billion in 342 portfolio companies. Over the same period, Apollo Investment completed transactions with more than 100 different financial sponsors.

CRITICAL ACCOUNTING POLICIES

Our discussion and analysis of our financial condition and results of operations are based upon our financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America, or GAAP. The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses. Changes in the economic environment, financial markets, and any other parameters used in determining such estimates could cause actual results to differ materially. In addition to the discussion below, our critical accounting policies are further described in the notes to the financial statements included herein.

Fair Value Measurements

The Company follows guidance in Accounting Standards Codification (ASC) 820, *Fair Value Measurement,* where fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements are determined within a framework that establishes a three-tier hierarchy which maximizes the use of observable market data and minimizes the use of unobservable inputs to establish a classification of fair value measurements for disclosure purposes. Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk, such as the risk inherent in a particular valuation technique used to measure fair value using a pricing model and/or the risk inherent in the inputs for the valuation technique. Inputs may be observable or unobservable. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Company. Unobservable inputs reflect the Company s own assumptions about the assumptions market participants would use in pricing the asset or liability based on the information available. The inputs or methodology used for valuing assets or liabilities may not be an indication of the risks associated with investing in those assets or liabilities. Under procedures established by our board of directors, we value investments, including certain secured debt, unsecured debt, and other debt securities with maturities greater than 60 days, for which market quotations are readily available at such market quotations (unless they are deemed not to represent fair value). We attempt to obtain market quotations from at least two brokers or dealers (if available, otherwise from a principal market maker or a primary market dealer or other independent pricing service). We utilize mid-market pricing as a practical expedient for fair value unless a different point within the range is more representative. If and when market quotations are deemed not to represent fair value, we typically utilize independent third party valuation firms to assist us in determining fair value. Accordingly, such investments go through our multi-step valuation process as described below. In each case, our independent valuation firms consider observable market inputs together with significant unobservable inputs in arriving at their valuation recommendations for such investments. Debt investments with remaining maturities of 60 days or less may each be valued at cost with interest accrued or discount amortized to the date of maturity, unless such valuation, in the judgment of our investment adviser, does not represent fair value. In this case, such investments shall be valued at fair value as determined in good faith by or under the direction of our board of directors, using market quotations where available. Investments that are not publicly traded or whose market quotations are not readily available are valued at fair value as determined in good faith by or under the direction of our board of directors. Such determination of fair values may involve subjective judgments and estimates.

With respect to investments for which market quotations are not readily available or when such market quotations are deemed not to represent fair value, our board of directors has approved a multi-step valuation process each quarter, as described below:

(1) our quarterly valuation process begins with each portfolio company or investment being initially valued by the investment professionals of our investment adviser who is responsible for the portfolio investment;

(2) preliminary valuation conclusions are then documented and discussed with senior management of our investment adviser;

(3) independent valuation firms are engaged by our board of directors to conduct independent appraisals by reviewing our investment adviser s preliminary valuations and then making their own independent assessment;

(4) the audit committee of the board of directors reviews the preliminary valuation of our investment adviser and the valuation prepared by the independent valuation firm and responds to the valuation recommendation of the independent valuation firm to reflect any comments; and

(5) the board of directors discusses valuations and determines in good faith the fair value of each investment in our portfolio based on the input of our investment adviser, the applicable independent valuation firm, third party pricing services, and the audit committee.

Investments in all asset classes are valued utilizing a market approach, an income approach, or both approaches, as appropriate. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities (including a business). The income approach uses valuation techniques to convert future amounts (for example, cash flows or earnings) to a single present amount (discounted). The measurement is based on the value indicated by current market expectations about those future amounts. In following these approaches, the types of factors that we may take into account in fair value pricing our investments include, as relevant: available current market data, including relevant and applicable market trading and transaction comparables, applicable market yields and multiples, security covenants, seniority of investment in the investee company s capital structure, call protection provisions, information rights, the nature and realizable value of any collateral, the portfolio company s ability to make payments, its earnings and discounted cash flows, the markets in which the portfolio company does business, comparisons of financial ratios of peer companies that are public, M&A comparables, our principal market (as the reporting entity), and enterprise values, among other factors. When readily available, broker quotations and/or quotations provided by pricing services are considered in the valuation process of independent valuation firms. As of December 31, 2014, there was no change to the Company s valuation techniques and related inputs considered in the valuation process.

ASC 820 classifies the inputs used to measure these fair values into the following hierarchy:

Level 1: Quoted prices in active markets for identical assets or liabilities, accessible by the Company at the measurement date.

Level 2: Quoted prices for similar assets or liabilities in active markets, or quoted prices for identical or similar assets or liabilities in markets that are not active, or other observable inputs other than quoted prices.

Level 3: Unobservable inputs for the asset or liability.

In all cases, the level in the fair value hierarchy within which the fair value measurement in its entirety falls has been determined based on the lowest level of input that is significant to the fair value measurement. Our assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to each investment. Of the Company s investments at December 31, 2014, $2.9 billion or 81% of the Company s investments were classified as Level 3.

The high proportion of Level 3 investments relative to our total investments is directly related to our investment philosophy and target portfolio, which consists primarily of long-term secured debt, as well as unsecured and mezzanine positions of private middle-market companies. A fundamental difference exists between our investments and those of comparable publicly traded fixed income investments, namely high yield bonds, and this difference affects the valuation of our private investments relative to comparable publicly traded instruments.

Senior secured loans, or senior loans, are higher in the capital structure than high yield bonds, and are typically secured by assets of the borrowing company. This improves their recovery prospects in the event of default and affords senior loans a structural advantage over high yield bonds. The Company s investments are also privately negotiated and contain covenant protections that limit the issuer to take actions that could harm us as a creditor. High yield bonds typically do not contain such covenants.

Given the structural advantages of capital seniority and covenant protection, the valuation of our private debt portfolio is driven more by investment specific credit factors than movements in the broader debt capital markets. Each security is evaluated individually and as indicated above, we value our private investments based upon a multi-step valuation process, including valuation recommendations from independent valuation firms.

Investment Income Recognition

The Company records interest and dividend income, adjusted for amortization of premium and accretion of discount, on an accrual basis. Some of our loans and other investments, including certain preferred equity investments, may have contractual PIK interest or dividends. PIK interest and dividends computed at the contractual rate are accrued into income and reflected as receivable up to the capitalization date. PIK investments offer issuers the option at each payment date of making payments in cash or in additional securities. When additional securities are received, they typically have the same terms, including maturity dates and interest rates as the original securities issued. On these payment dates, the Company capitalizes the accrued interest or dividends receivable (reflecting such amounts as the basis in the additional securities received). PIK generally becomes due at maturity of the investment or upon the investment being called by the issuer. At the point the Company believes PIK is not expected to be realized, the PIK investment will be placed on non-accrual status. When a PIK investment is placed on non-accrual status, the accrued, uncapitalized interest or dividends are reversed from the related receivable through interest or dividend income, respectively. The Company does not reverse previously capitalized PIK interest or dividends. Upon capitalization, PIK is subject to the fair value estimates associated with their related investments. PIK investments on non-accrual status are restored to accrual status if the Company believes that PIK is expected to be realized.

Investments that are expected to pay regularly scheduled interest and/or dividends in cash are generally placed on non-accrual status when principal or interest/dividend cash payments are past due 30 days or more and/or when it is no longer probable that principal or interest/dividend cash payments will be collected. Such non-accrual investments are restored to accrual status if past due principal and interest or dividends are paid in cash, and in management s judgment, are likely to continue timely

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payment of their remaining interest or dividend obligations. Interest or dividend cash payments received on non-accrual designated investments may be recognized as income or applied to principal depending upon management s judgment.

Loan origination fees, original issue discount, and market discounts are capitalized and amortized into income using the interest method or straight-line, as applicable. Upon the prepayment of a loan, any unamortized loan origination fees are recorded as interest income. We record prepayment premiums on loans and other investments as interest income when we receive such amounts. Other income generally includes administrative fee, bridge fees, and structuring fees, which are recorded when earned.

The Company records as dividend income the accretable yield from its beneficial interests in structured products such as CLOs based upon a number of cash flow assumptions that are subject to uncertainties and contingencies. Such assumptions include the rate and timing of principal and interest receipts (which may be subject to prepayments and defaults) of the underlying pools of assets. These assumptions are updated on at least a quarterly basis to reflect changes related to a particular security, actual historical data, and market changes. A structured product investment typically has an underlying pool of assets. Payments on structured product investments are payable solely from the cash flows from such assets. As such any unforeseen event in these underlying pools of assets might impact the expected recovery and future accrual of income.

Expenses

Expenses include management fees, performance-based incentive fees, insurance expenses, administrative service fees, legal fees, directors fees, audit and tax service expenses, and other general and administrative expenses. Expenses are recognized on an accrual basis.

Net Realized Gains or Losses and Net Change in Unrealized Gain (Loss)

We measure realized gains or losses by the difference between the net proceeds from the repayment or sale and the amortized cost basis of the investment, without regard to unrealized appreciation or depreciation previously recognized, but considering unamortized upfront fees and prepayment penalties. Net change in unrealized gain (loss) reflects the net change in portfolio investment values during the reporting period, including the reversal of previously recorded unrealized gains or losses.

Within the context of these critical accounting policies, we are not currently aware of any reasonably likely events or circumstances that would result in materially different amounts being reported.

Recent Accounting Pronouncements

See note 2 within the Notes to the Financial Statements included herein.

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RESULTS OF OPERATIONS

Operating results for the three and nine months ended December 31, 2014 and 2013 were as follows:

(in thousands)	Three Months Ended December 31, 2014	Three Months Ended December 31, 2013	Nine Months Ended December 31, 2014	Nine Months Ended December 31, 2013
Investment income				
Interest	$ 98,088	$ 83,115	$ 298,933	$ 250,211
Dividends	7,342	8,050	21,231	24,568
Other	4,596	3,396	11,352	10,162
Total investment income	$ 110,026	$ 94,561	$ 331,516	$ 284,941
Expenses				
Base management fees and performance-based incentive fees, net of amounts waived	$ (28,230)	$ (24,026)	$ (84,885)	$ (72,833)
Interest and other debt expenses, net of expense reimbursements	(20,294)	(17,345)	(58,101)	(50,653)
Administrative services expenses, net of expense reimbursements	(1,826)	(1,410)	(4,709)	(3,616)
Other general and administrative expenses	(3,014)	(2,097)	(7,919)	(6,203)
Net expenses	(53,364)	(44,878)	(155,614)	(133,305)
Net investment income	$ 56,662	$ 49,683	$ 175,902	$ 151,636
Realized and unrealized gain (loss) on investments, cash equivalents, derivatives and foreign currencies				
Net realized gain (loss)	$ (1,430)	$ 3,667	$ (3,169)	$ (109,541)
Net change in unrealized gain (loss)	(74,684)	52,388	(85,581)	158,872
Net realized and unrealized gain (loss) from investments, cash equivalents, derivatives and foreign currencies	(76,114)	56,055	(88,750)	49,331
Net increase (decrease) in net assets resulting from operations	$ (19,452)	$ 105,738	$ 87,152	$ 200,967
Net investment income per share on per average share basis	$ 0.24	$ 0.22	$ 0.75	$ 0.69
Earnings (Loss) per share basic	$ (0.09)	$ 0.47	$ 0.36	$ 0.90
Earnings (Loss) per share diluted	$ (0.09)	$ 0.45	$ 0.36	$ 0.88

Total Investment Income

For the three months ended December 31, 2014 as compared to the three months ended December 31, 2013

The increase in total investment income for the three months ended December 31, 2014 compared to the three months ended December 31, 2013 was primarily due to the increase in interest income. Interest income increased due to an increase in the investment portfolio size, which increased to an average cost of $3.63 billion for the three months ended December 31, 2014 from an average cost of $3.13 billion for the three months ended December 31, 2013. The increase in total investment income was also due to an increase in prepayment fees and an acceleration of original issue discount

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on repaid investments, which totaled approximately $9.3 million for the three months ended December 31, 2014 as compared to $2.5 million three months ended December 31, 2013. The increase was partially offset by a decrease in yield on debt investments (11.1% as of December 31, 2014 and 11.4% as of December 31, 2013) during the period. Dividend income decreased slightly as there was a special dividend payment from Explorer Coinvest, LLC (Booz Allen) during the three months ended December 31, 2013. Other income, which primarily includes structuring fees, during the three months ended December 31, 2014 was higher due to increased investment activity.

For the nine months ended December 31, 2014 as compared to the nine months ended December 31, 2013

The increase in total investment income for the nine months ended December 31, 2014 compared to the nine months ended December 31, 2013 was primarily due to the increase in interest income. Interest income increased due to an increase in the investment portfolio size, which increased to an average cost of $3.52 billion for the nine months ended December 31, 2014 from an average cost of $3.10 billion for the nine months ended December 31, 2013. The increase in investment income was also due to an increase in prepayment fees and an acceleration of original issue discount on repaid investments, which totaled approximately $37.3 million for the nine months ended December 31, 2014 as compared to $19.4 million three months ended December 31, 2013. The increase in interest income was partially offset by a decrease in yield on debt investments (11.1% as of December 31, 2014 and 11.4% as of December 31, 2013) during the period. Dividend income decreased as there was a special dividend payment from RC Coinvestment, LLC during the nine months ended December 31, 2013. Other income during the nine months ended December 31, 2014 was higher due to increased structuring fees on investments.

Net Expenses

For the three months ended December 31, 2014 as compared to three months ended December 31, 2013

The increase in expenses for the three months ended December 31, 2014 compared to the three months ended December 31, 2013 was primarily driven by an increase of $2.9 million in interest and other debt related expenses and an increase of $4.2 million in management and performance-based incentive fees (net of amounts waived). Management and performance-based incentive fees increased primarily due to the increase in the size and net investment income earned on the portfolio. Interest and other debt related costs were higher due to a higher average debt balance, which increased to $1.64 billion during the three months ended December 31, 2014 from $1.25 billion during the three months ended December 31, 2013. The total annualized cost of debt for the period declined to 4.90% from 5.50% for the three months ended December 31, 2013 as a result of the utilization of our Senior Secured Credit Facility.

For the nine months ended December 31, 2014 as compared to the nine months ended December 31, 2013

The increase in expenses for the nine months ended December 31, 2014 compared to the nine months ended December 31, 2013 was primarily driven by an increase of $7.4 million in interest and other debt related expenses and an increase of $12.1 million in management and performance-based incentive fees (net of amounts waived). Management and performance-based incentive fees increased due to the increase in the size and net investment income earned on the portfolio. Interest and other debt related costs were higher due to a higher average debt balance, which increased to $1.58 billion during the nine months ended December 31, 2014 from $1.19 billion during the nine months ended December 31, 2013. The total annualized cost of debt for the period declined to 4.88% from 5.62% for the nine months ended December 31, 2013 primarily as a result of the utilization of our Senior Secured Credit Facility and the September 2013 credit facility amendment which resulted in a decrease in pricing by 25 basis points.

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Net Realized Gain (Loss)

For the three months ended December 31, 2014 as compared to three months ended December 31, 2013

Net realized losses for the three months ended December 31, 2014 were $1.4 million and comprised of $17.3 million of gross realized losses and $15.9 million of gross realized gains. Significant realized gains (losses) for the three months ended December 31, 2014 are summarized below:

(in millions)		**Net Realized Gain (Loss)**
First Data Corp.	$	5.6
RC Coinvestment, LLC		5.0
Walter Energy, Inc.		(7.8)
inVentiv Health, Inc.		(5.6)
Other (net)		1.4
Total, net	$	(1.4)

Net realized gains for the three months ended December 31, 2013 were $3.7 million and comprised of $20.0 million of gross realized gains and $16.3 million of gross realized losses. Significant realized gains (losses) for the three months ended December 31, 2013 are summarized below:

(in millions)		**Net Realized Gain (Loss)**
Penton Business Media Holdings, LLC	$	10.1
Garden Fresh Restaurant Corp.		(5.4)
IPC Systems, Inc.		(5.3)
Altegrity, Inc.		(2.3)
Other (net)		6.6
Total, net	$	3.7

For the nine months ended December 31, 2014 as compared to the nine months ended December 31, 2013

Net realized losses for the nine months ended December 31, 2014 were $3.2 million and comprised of $41.0 million of gross realized losses and $37.8 million of gross realized gains. Significant realized gains (losses) for the nine months ended December 31, 2014 are summarized below:

(in millions)		**Net Realized Gain (Loss)**
Aventine Renewable Energy Holdings, Inc.	$	11.6
First Data Corp.		7.5
Altegrity, Inc.		(17.7)
inVentiv Health, Inc.		(9.4)
Walter Energy, Inc.		(8.6)
Other (net)		13.4
Total, net	$	(3.2)

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Net realized losses for the nine months ended December 31, 2013 were $109.5 million and comprised of $155.5 million of gross realized losses and $46.0 million of gross realized gains. Significant realized gains (losses) for the nine months ended December 31, 2013 are summarized below:

(in millions)	Net Realized Gain (Loss)
Penton Business Media Holdings, LLC	$ 11.5
Ceridian Corp.	4.9
ATI Acquisition Company	(54.4)
Cengage Learning Acquisitions	(44.6)
Texas Competitive Electric Holdings (TXU)	(13.5)
Altegrity, Inc.	(7.2)
Other (net)	(6.2)
Total, net	$ (109.5)

The realized losses incurred upon the exit of these investments reversed out previously reported unrealized losses.

Net Change in Unrealized Gain (Loss)

For the three months ended December 31, 2014 as compared to three months ended December 31, 2013

For the three months ended December 31, 2014, the net change in unrealized losses were $74.7 million and comprised of $125.8 million of gross unrealized losses and $51.1 million of gross unrealized gains. Significant change in unrealized gains (losses) for the three months ended December 31, 2014 are summarized below:

(in millions)	Net Change in Unrealized Gain/(Loss)
Generation Brands Holdings, Inc. (Quality Homes)	$ 10.9
Playpower Holdings, Inc.	7.0
inVentiv Health, Inc.	5.7
Venoco, Inc. (Denver Parent)	(24.6)
Magnetation, LLC	(12.4)
PetroBakken Energy Ltd.	(10.7)
Molycorp, Inc.	(6.8)
First Data Corp.	(6.2)
Delta Educational Systems, Inc. (Gryphon Colleges Corp.)	(6.1)
Ranpak Corp.	(5.2)
Other (net)	(26.3)
Total, net	$ (74.7)

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For the three months ended December 31, 2013 the net change in unrealized gains were $52.4 million and comprised of $88.6 million of gross unrealized gains and $36.2 million of gross unrealized losses. Significant change in unrealized gains (losses) for the three months ended December 31, 2013 are summarized below:

(in millions)		Net Change in Unrealized Gain/(Loss)
inVentiv Health, Inc.	$	14.1
Avaya, Inc.		6.4
First Data Corp.		4.7
IPC Systems, Inc.		4.6
Gryphon Colleges Corp. (Delta Educational Systems, Inc.)		4.5
Garden Fresh Restaurant Corp.		4.1
Magnetation, LLC		3.9
Generation Brands Holdings, Inc.		2.7
PetroBakken Energy Ltd.		2.7
Wind Acquisition Holdings		2.4
BCA Osprey II Limited (British Car Auctions)		2.0
Penton Business Media Holdings, LLC		(10.1)
Other (net)		10.4
Total, net	$	52.4

For the nine months ended December 31, 2014 as compared to the nine months ended December 31, 2013

For the nine months ended December 31, 2014, the net change in unrealized losses were $85.6 million and comprised of $214.1 million of gross unrealized losses and $128.5 million of gross unrealized gains. Significant change in unrealized gains (losses) for the nine months ended December 31, 2014 are summarized below:

(in millions)		Net Change in Unrealized Gain/(Loss)
Generation Brands Holdings, Inc. (Quality Homes)	$	23.1
Playpower Holdings, Inc.		20.7
Venoco, Inc. (Denver Parent)		(30.2)
Molycorp, Inc.		(21.7)
LVI Group Investments, LLC		(16.3)
Magnetation LLC		(15.3)
Walter Energy Inc.		(12.6)
PetroBakken Energy Ltd.		(12.4)
First Data Corp.		(11.2)
Other (net)		(9.7)
Total, net	$	(85.6)

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For the nine months ended December 31, 2013, the net change in unrealized gains were $158.9 million and comprised of $251.1 million of gross unrealized gains and $92.2 million of gross unrealized losses. Significant change in unrealized gains (losses) for the nine months ended December 31, 2013 are summarized below:

(in millions)	Net Change in Unrealized Gain/(Loss)
ATI Acquisition Company	$ 53.9
Cengage Learning Acquisitions Inc.	44.3
Garden Fresh Restaurant Corp.	13.1
Texas Competitive Electric Holdings (TXU)	12.0
Playpower Holdings, Inc.	9.3
BCA Osprey II Limited (British Car Auctions)	8.9
Generation Brands Holdings, Inc. (Quality Homes)	8.6
Altegrity, Inc.	7.3
Penton Business Media Holdings, LLC	(12.3)
Allied Nevada Gold Corp.	(5.1)
Other (net)	18.9
Total, net	$ 158.9

LIQUIDITY AND CAPITAL RESOURCES

The Company s liquidity and capital resources are generated and generally available through periodic follow-on equity and debt offerings, our Senior Secured Facility, our senior secured notes, our senior unsecured notes, investments in special purpose entities in which we hold and finance particular investments on a non-recourse basis, as well as from cash flows from operations, investment sales of liquid assets and repayments of senior and subordinated loans, and income earned from investments.

Debt

At December 31, 2014, the Company had $669.8 million in borrowings outstanding on its Senior Secured Facility and $575.0 million of unused capacity. As of December 31, 2014, aggregate lender commitments under the Senior Secured Facility totaled $1.27 billion. The Senior Secured Facility allows the Company to seek additional commitments in the future up to an aggregate facility size not to exceed $1.71 billion. See note 9 and note 10 within the Notes to Financial Statements for information on the Company s debt and public offerings.

The Company s debt maturities by period are summarized below.

	Payments due by Period as of December 31, 2014 (in millions)				
	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
Senior Secured Facility (1)	$ 670	$	$	$ 670	$
Senior Secured Notes	$ 225	$ 225	$	$	$
Senior Secured Notes (Series A)	$ 29	$	$ 29	$	$
Senior Secured Notes (Series B)	$ 16	$	$	$ 16	$
2042 Notes	$ 150	$	$	$	$ 150
2043 Notes	$ 150	$	$	$	$ 150
2024 Notes	$ 149	$	$	$	$ 149
Convertible Notes	$ 200	$	$ 200	$	$

(1) At December 31, 2014, there was $25.2 million of letters of credit issued under the Senior Secured Facility that are not recorded as liabilities on the Company s Statement of Assets and Liabilities, and the Company had $575.0 million of unused capacity under its Senior

Secured Facility.

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PIK Interest and Dividends

The Company also has investments in its portfolio that contain PIK provisions. PIK investments offer issuers the option at each payment date of making payments in cash or in additional securities. When additional securities are received, they typically have the same terms, including maturity dates and interest rates, as the original securities issued. On these payment dates, the Company capitalizes the accrued interest or dividends receivable (reflecting such amounts as the basis in the additional securities received). PIK generally becomes due at maturity of the investment or upon the investment being called by the issuer. In order to maintain the Company s status as a RIC, this non-cash source of income must be paid out to stockholders annually in the form of dividends, even though the Company has not yet collected the cash. For the three and nine months ended December 31, 2014, PIK income totaled $8.6 million and $24.9 million, on total investment income of $110.0 million and $331.5 million. See note 5 within the Notes to the Financial Statements included herein for more information on the Company s PIK interest and dividends.

Cash Equivalents

We deem certain U.S. Treasury bills, repurchase agreements and other high-quality, short-term debt securities as cash equivalents. (See note 2 within the Notes to the Financial Statements included herein.) At the end of each fiscal quarter, we consider taking proactive steps utilizing cash equivalents with the objective of enhancing our investment flexibility during the following quarter, pursuant to Section 55 of the 1940 Act. More specifically, we may purchase U.S. Treasury bills from time-to-time on the last business day of the quarter and typically close out that position on the following business day, settling the sale transaction on a net cash basis with the purchase, subsequent to quarter end. Apollo Investment may also utilize repurchase agreements or other balance sheet transactions, including drawing down on our Senior Secured Facility, as we deem appropriate. The amount of these transactions or such drawn cash for this purpose is excluded from total assets for purposes of computing the asset base upon which the management fee is determined. There were no cash equivalents held as of December 31, 2014.

Related Party Transactions

See note 3 within the Notes to the Financial Statements included herein for information on the Company s related party transactions.

Commitments and Contingencies

See note 11 within the Notes to the Financial Statements included herein for information on the Company s commitments and contingencies.

Dividends

Dividends paid to stockholders for the three and nine months ended December 31, 2014 totaled $47.3 million or $0.20 per share and $142.0 million or $0.60 per share, respectively. Dividends paid to stockholders for the three and nine months ended December 31, 2013 totaled $44.9 million or $0.20 per share and $134.8 million or $0.60 per share, respectively. Tax characteristics of all dividends will be reported to stockholders on Form 1099 after the end of the calendar year. Our quarterly dividends, if any, will be determined by our Board of Directors.

We have elected to be taxed as a RIC under Subchapter M of the Code. To maintain our RIC status, we must distribute at least 90% of our ordinary income and realized net short-term capital gains in excess of realized net long-term capital losses, if any, out of the assets legally available for

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distribution. In addition, although we currently intend to distribute realized net capital gains (*i.e.*, net long-term capital gains in excess of net short-term capital losses), if any, at least annually, out of the assets legally available for such distributions, we may in the future decide to retain such capital gains for investment.

We maintain an opt out dividend reinvestment plan for our common stockholders. As a result, if we declare a dividend, then stockholders cash dividends will be automatically reinvested in additional shares of our common stock, unless they specifically opt out of the dividend reinvestment plan so as to receive cash dividends.

We may not be able to achieve operating results that will allow us to make distributions at a specific level or to increase the amount of these distributions from time to time. In addition, due to the asset coverage test applicable to us as a business development company, we may in the future be limited in our ability to make distributions. Also, our Senior Secured Facility may limit our ability to declare dividends if we default under certain provisions or fail to satisfy certain other conditions. If we do not distribute a certain percentage of our income annually, we may suffer adverse tax consequences, including possible loss of the tax benefits available to us as a regulated investment company. In addition, in accordance with U.S. generally accepted accounting principles and tax regulations, we include in income certain amounts that we have not yet received in cash, such as contractual payment-in-kind interest, which represents contractual interest added to the loan balance that becomes due at the end of the loan term, or the accrual of original issue or market discount. Since we may recognize income before or without receiving cash representing such income, we may not be able to meet the requirement to distribute at least 90% of our investment company taxable income to obtain tax benefits as a regulated investment company.

With respect to the dividends to stockholders, income from origination, structuring, closing, commitment, and other upfront fees associated with investments in portfolio companies is treated as taxable income and accordingly, is generally distributed to stockholders.

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QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are subject to financial market risks, including changes in interest rates. During the nine months ended December 31, 2014, many of the loans in our portfolio had floating interest rates. These loans are usually based on floating LIBOR and typically have durations of one to six months after which they reset to current market interest rates. The Senior Secured Facility is also based on floating LIBOR rates.

The following table shows the approximate annual impact on net investment income of base rate changes in interest rates (considering interest rate floors for variable rate instruments) to our loan portfolio and outstanding debt as of December 31, 2014, assuming no changes in our investment and borrowing structure:

(in thousands except per share data)

Basis Point Change	Net Investment Income	Net Investment Income per Share
Up 400 basis points	$ 14,493	$ 0.061
Up 300 basis points	$ 8,072	$ 0.034
Up 200 basis points	$ 2,045	$ 0.009
Up 100 basis points	$ (2,701)	$ (0.011)

We may hedge against interest rate fluctuations from time-to-time by using standard hedging instruments such as futures, options and forward contracts subject to the requirements of the 1940 Act and applicable commodities laws. While hedging activities may insulate us against adverse changes in interest rates, they may also limit our ability to participate in the benefits of lower interest rates with respect to our portfolio of investments.

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SENIOR SECURITIES

Information about our senior securities is shown in the following table as of each year ended March 31 since Apollo Investment commenced operations, unless otherwise noted. The indicates information which the SEC expressly does not require to be disclosed for certain types of senior securities. The report of our independent registered public accounting firm covering the total amount of senior securities outstanding as of March 31, 2014, 2013, 2012, 2011, 2010, 2009, 2008, 2007 and 2006 is attached as an exhibit to the registration statement of which this prospectus is a part.

Class and Year	Total Amount Outstanding (1)	Asset Coverage Per Unit (2)	Involuntary Liquidating Preference Per Unit (3)	Estimated Market Value
Senior Secured Facility				
Fiscal 2015 (through December 31, 2014)	$ 669,777	$ 951		$ 665,599(4)
Fiscal 2014	602,261	1,095		602,983(4)
Fiscal 2013	536,067	1,137		551,097
Fiscal 2012	539,337	1,427		N/A
Fiscal 2011	628,443	1,707		N/A
Fiscal 2010	1,060,616	2,671		N/A
Fiscal 2009	1,057,601	2,320		N/A
Fiscal 2008	1,639,122	2,158		N/A
Fiscal 2007	492,312	4,757		N/A
Fiscal 2006	323,852	4,798		N/A
Fiscal 2005				N/A
Senior Secured Notes				
Fiscal 2015 (through December 31, 2014)	$ 270,000	$ 384		$ 274,777(4)
Fiscal 2014	270,000	491		280,067(4)
Fiscal 2013	270,000	572		282,173
Fiscal 2012	270,000	714		N/A
Fiscal 2011	225,000	611		N/A
Fiscal 2010				N/A
Fiscal 2009				N/A
Fiscal 2008				N/A
Fiscal 2007				N/A
Fiscal 2006				N/A
Fiscal 2005				N/A
2042 Notes				
Fiscal 2015 (through December 31, 2014)	$ 150,000	$ 213		$ 151,140(5)
Fiscal 2014	150,000	273		145,680(5)
Fiscal 2013	150,000	318		148,920
Fiscal 2012				N/A
Fiscal 2011				N/A
Fiscal 2010				N/A
Fiscal 2009				N/A
Fiscal 2008				N/A
Fiscal 2007				N/A
Fiscal 2006				N/A
Fiscal 2005				N/A

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Class and Year	Total Amount Outstanding (1)	Asset Coverage Per Unit (2)	Involuntary Liquidating Preference Per Unit (3)	Estimated Market Value
2043 Notes				
Fiscal 2015 (through December 31, 2014)	$ 150,000	$ 213		$ 150,240(5)
Fiscal 2014	150,000	273		142,500(5)(6)
Fiscal 2013				N/A
Fiscal 2012				N/A
Fiscal 2011				N/A
Fiscal 2010				N/A
Fiscal 2009				N/A
Fiscal 2008				N/A
Fiscal 2007				N/A
Fiscal 2006				N/A
Fiscal 2005				N/A
2024 Notes				
Fiscal 2015 (through December 31, 2014)	$ 148,876	$ 213		$ 151,470(4)
Fiscal 2014				N/A
Fiscal 2013				N/A
Fiscal 2012				N/A
Fiscal 2011				N/A
Fiscal 2010				N/A
Fiscal 2009				N/A
Fiscal 2008				N/A
Fiscal 2007				N/A
Fiscal 2006				N/A
Fiscal 2005				N/A
Convertible Notes				
Fiscal 2015 (through December 31, 2014)	$ 200,000	$ 284		$ 207,910(5)
Fiscal 2014	200,000	364		212,734(5)
Fiscal 2013	200,000	424		212,000
Fiscal 2012	200,000	529		N/A
Fiscal 2011	200,000	544		N/A
Fiscal 2010				N/A
Fiscal 2009				N/A
Fiscal 2008				N/A
Fiscal 2007				N/A
Fiscal 2006				N/A
Fiscal 2005				N/A
Total Debt Securities				
Fiscal 2015 (through December 31, 2014)	$ 1,588,653	$ 2,258	$	$ 1,601,136
Fiscal 2014	1,372,261	2,496		1,383,964
Fiscal 2013	1,156,067	2,451		1,194,190
Fiscal 2012	1,009,337	2,670		N/A
Fiscal 2011	1,053,443	2,862		N/A
Fiscal 2010	1,060,616	2,671		N/A
Fiscal 2009	1,057,601	2,320		N/A
Fiscal 2008	1,639,122	2,158		N/A
Fiscal 2007	492,312	4,757		N/A
Fiscal 2006	323,852	4,798		N/A
Fiscal 2005				N/A

N/A - Not applicable

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(1) Total amount of each class of senior securities outstanding at the end of the period presented.

(2) The asset coverage ratio for a class of senior securities representing indebtedness is calculated as our consolidated total assets, less all liabilities and indebtedness not represented by senior securities, divided by senior securities representing indebtedness. This asset coverage ratio is multiplied by one thousand to determine the Asset Coverage Per Unit. In order to determine the specific Asset Coverage Per Unit for each class of debt, the total Asset Coverage Per Unit was divided based on the amount outstanding at the end of the period for each.

(3) The amount to which such class of senior security would be entitled upon the involuntary liquidation of the issuer in preference to any security junior to it.

(4) The fair value of these debt obligations are categorized as Level 3 under ASC 820 as of December 31, 2014 and March 31, 2014. The valuation is based on a yield analysis and discount rate commensurate with the market yields for similar types of debt.

(5) The fair value of these debt obligations are categorized as Level 1 under ASC 820 as of December 31, 2014 and March 31, 2014. The valuation is based on quoted prices of identical liabilities in active markets.

(6) The amount was updated to $142,500 from $128,250 to reflect the correct fair value.

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RATIO OF EARNINGS TO FIXED CHARGES

For the nine months ended December 31, 2014 and the years ended March 31, 2014, 2013, 2012, 2011 and 2010, the ratios of earnings to fixed charges of the Company, computed as set forth below, were as follows:

	For the Nine Months Ended December 31, 2014	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013	For the Year Ended March 31, 2012	For the Year Ended March 31, 2011	For the Year Ended March 31, 2010
Earnings to Fixed Charges (1)	2.50	4.95	2.80	(2)	4.76	11.81

For purposes of computing the ratios of earnings to fixed charges, earnings represent net increase in net assets resulting from operations plus (or minus) income tax expense including excise tax expense plus fixed charges. Fixed charges include interest and senior secured facility fees expense and amortization of debt issuance costs.

(1) Earnings include the net change in unrealized appreciation or depreciation. Net change in unrealized appreciation or depreciation can vary substantially from year to year. Excluding the net change in unrealized appreciation or depreciation, the earnings to fixed charges ratio would be 2.38 for the year ended March 31, 2014, 2.59 for the year ended March 31, 2013, 1.82 for the year ended March 31, 2011 and 3.52 for the year ended March 31, 2010. Excluding the net change in unrealized appreciation or depreciation, the ratio coverage for the years ended March 31, 2012 and March 31, 2010, was less than one-to-one. The Company would have needed to generate additional earnings of $168,701 and $272,399 (in thousands) to achieve a coverage of one-to-one in 2012 and 2010, respectively. Excluding the net change in unrealized appreciation or depreciation in the calculation of earnings to fixed charges ratio is a non-GAAP measure.

(2) Due to the Company s loss for the year ended March 31, 2012, the ratio coverage was less than one-to-one. The Company would have needed to generate additional earnings of $86,264 (in thousands) to achieve a coverage of one-to-one for the year ended March 31, 2012.

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DESCRIPTION OF NOTES

The following description of the particular terms of the 5.250% Notes due 2025 supplements and, to the extent inconsistent with, replaces the description of the general terms and provisions of the debt securities set forth in the accompanying prospectus.

We will issue the Notes under a base indenture, dated as of October 9, 2012, between us and U.S. Bank National Association, as trustee (the trustee), as supplemented by a separate supplemental indenture, to be dated as of the settlement date for the Notes. As used in this section, all references to the indenture mean the base indenture as supplemented by the supplemental indenture. The terms of the Notes include those expressly set forth in the indenture and those made part of the indenture by reference to the Trust Indenture Act of 1939, as amended.

The following description is a summary of the material provisions of the Notes and the indenture and does not purport to be complete. This summary is subject to and is qualified by reference to all the provisions of the Notes and the indenture, including the definitions of certain terms used in the indenture. We urge you to read these documents because they, and not this description, define your rights as a holder of the Notes.

For purposes of this description, references to we, our and us refer only to Apollo Investment Corporation and not to any of its current or future subsidiaries and references to subsidiaries refer only to our consolidated subsidiaries and exclude any investments held by Apollo Investment Corporation in the ordinary course of business which are not, under United States generally accepted accounting principles (GAAP), consolidated on the financial statements of Apollo Investment Corporation and its subsidiaries.

General

The Notes:

- will be our general unsecured obligations;
- will initially be issued in an aggregate principal amount of $350,000,000;
- will mature on March 3, 2025, unless earlier redeemed or repurchased, as discussed below;
- will bear cash interest from March 3, 2015, at an annual rate of 5.250%, payable semi-annually on March 3 and September 3 of each year, beginning on September 3, 2015;
- will be subject to redemption at our option as described under Optional Redemption;
- will be subject to repurchase by us at the option of the holders following a Change of Control Repurchase Event (as defined below under Offer to Repurchase Upon a Change of Control Repurchase Event), at a repurchase price equal to 100% of the principal amount of the Notes to be repurchased, plus accrued and unpaid interest to, but excluding, the date of repurchase;
- will be issued in denominations of $2,000 and integral multiples of $1,000 thereof; and
- will be represented by one or more registered Notes in global form, but in certain limited circumstances may be represented by Notes in definitive form. See Registration and Settlement.

The indenture does not limit the amount of debt that may be issued by us or our subsidiaries under the indenture or otherwise. The indenture does not contain any financial covenants and does not restrict us from paying dividends or distributions or issuing or repurchasing our other securities. Other

than restrictions described under Offer to Repurchase Upon a Change of Control Repurchase Event and Merger, Consolidation or Sale of Assets below, the indenture does not contain any covenants or other provisions designed to afford holders of the Notes protection in the event of a highly leveraged transaction involving us or in the event of a decline in our credit rating as the result of a takeover, recapitalization, highly leveraged transaction or similar restructuring involving us that could adversely affect such holders.

We may, without the consent of the holders, issue additional Notes under the indenture with the same terms as the Notes offered hereby in an unlimited aggregate principal amount; *provided* that, if such additional Notes are not fungible with the Notes offered hereby (or any other tranche of additional Notes) for U.S. federal income tax purposes, then such additional Notes will have different CUSIP numbers from the Notes offered hereby (and any such other tranche of additional Notes).

We do not intend to list the Notes on any securities exchange or any automated dealer quotation system.

Payments on the Notes; Paying Agent and Registrar; Transfer and Exchange

We will pay the principal of, and interest on, the Notes in global form registered in the name of or held by DTC or its nominee in immediately available funds to DTC or its nominee, as the case may be, as the registered holder of such global note.

Payment of principal of (and premium, if any) and any such interest on the Notes will be made at the corporate trust office of the trustee in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts; *provided*, *however*, that at our option payment of interest may be made by check mailed to the address of the person entitled thereto as such address shall appear in the security register.

A holder of the Notes may transfer or exchange Notes at the office of the security registrar in accordance with the indenture. The security registrar and the trustee may require a holder, among other things, to furnish appropriate endorsements and transfer documents. No service charge will be imposed by us, the trustee or the security registrar for any registration of transfer or exchange of Notes, but we may require a holder to pay a sum sufficient to cover any transfer tax or other similar governmental charge required by law or permitted by the indenture.

The registered holder of a Note will be treated as its owner for all purposes.

Interest

The Notes will bear cash interest at a rate of 5.250% per year until maturity. Interest on the Notes will accrue from March 3, 2015 or from the most recent date on which interest has been paid or duly provided for. Interest will be payable semi-annually in arrears on March 3 and September 3 of each year, beginning on September 3, 2015.

Interest will be paid to the person in whose name a Note is registered at the close of business on February 16 or August 16, as the case may be, immediately preceding the relevant interest payment date. Interest on the Notes will be computed on the basis of a 360-day year composed of twelve 30-day months.

If any interest payment date, the maturity date or any earlier required repurchase date upon a Change of Control Repurchase Event (defined below) of a Note falls on a day that is not a business day, the required payment will be made on the next succeeding business day and no interest on such payment will accrue in respect of the delay. The term business day means, with respect to any Note, each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in New York City are authorized or obligated by law or executive order to close.

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Ranking

The Notes will be our general, unsecured obligations and will rank:

- *pari passu* with all of our existing and future senior, unsecured indebtedness (including, but not limited to, our $200 million aggregate principal amount of 5.75% Convertible Senior Notes due 2016, or the Convertible Notes, our $150 million aggregate principal amount of 5.25% Notes due 2024, or the 2024 Notes, our $150 million aggregate principal amount of 6.625% Senior Notes due 2042, or the 2042 Notes, and our $150 million aggregate principal amount of 6.875% Senior Notes due 2043, or the 2043 Notes);

- senior in right of payment to any of our subordinated indebtedness; and

- effectively subordinated to our existing and future secured indebtedness (including, but not limited to, as of December 31, 2014, approximately $670 million aggregate principal amount of our indebtedness under our $1.71 billion senior secured, multi-currency, revolving credit facility, or the Senior Secured Facility, our $225 million aggregate principal amount of 6.25% Senior Secured Notes due 2015, or the 2015 Notes, our $29 million in aggregate principal amount of 5.875% Senior Secured Notes due 2016, or the 2016 Notes, and our $16 million in aggregate principal amount of 6.25% Senior Secured Notes due 2018, or the 2018 Notes, and collectively with our 2015 Notes and 2016 Notes, the Senior Secured Notes) to the extent of the value of the assets securing such indebtedness and structurally subordinated to any existing and future liabilities and other indebtedness of our subsidiaries.

As of December 31, 2014, we and our subsidiaries had approximately $1,589 million of senior indebtedness outstanding, $939.8 million of which was secured indebtedness and $648.9 million of which was unsecured indebtedness.

Optional Redemption

We may redeem some or all of the Notes at any time, or from time to time. If we choose to redeem any Notes prior to maturity, we will pay a redemption price equal to the greater of the following amounts, plus, in each case, accrued and unpaid interest to, but excluding, the redemption date:

- 100% of the principal amount of the Notes to be redeemed, or

- the sum of the present values of the remaining scheduled payments of principal and interest (exclusive of accrued and unpaid interest to the date of redemption) on the Notes to be redeemed, discounted to the redemption date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) using the applicable Treasury Rate (as defined below) plus 50 basis points.

If we choose to redeem any Notes, we will deliver a notice of redemption to holders of the Notes not less than 30 nor more than 60 days before the redemption date. If we are redeeming less than all of the Notes, the particular Notes to be redeemed will be selected in accordance with the applicable procedures of the trustee and, so long as the Notes are registered to DTC or its nominee, DTC; *provided, however*, that no such partial redemption shall reduce the portion of the principal amount of a Note not redeemed to less than $2,000. Unless we default in payment of the redemption price, on and after the redemption date, interest will cease to accrue on the Notes or portions of the Notes called for redemption.

For purposes of calculating the redemption price in connection with the redemption of the Notes, on any redemption date, the following terms have the meanings set forth below:

Treasury Rate means, with respect to any redemption date, the rate per annum equal to the semi-annual equivalent yield-to-maturity of the Comparable Treasury Issue (computed as of the third business day immediately preceding the date of redemption), assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date. The redemption price and the Treasury Rate will be determined by us.

Comparable Treasury Issue means the United States Treasury security selected by the Reference Treasury Dealer as having a maturity comparable to the remaining term of the Notes to be redeemed that would be utilized, at the time of selection and in accordance with customary financing practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the Notes being redeemed.

Comparable Treasury Price means (1) the average of the remaining Reference Treasury Dealer Quotations for the redemption date, after excluding the highest and lowest Reference Treasury Dealer Quotations, or (2) if the Quotation Agent obtains fewer than four such reference treasury dealer quotations, the average of all such quotations.

Quotation Agent means a Reference Treasury Dealer selected by us.

Reference Treasury Dealer means each of (1) Barclays Capital Inc. and (2) Citigroup Global Markets Inc., or their respective affiliates which are primary U.S. government securities dealers and their respective successors; *provided*, *however*, that if any of the foregoing or their affiliates shall cease to be a primary U.S. government securities dealer in the United States (a Primary Treasury Dealer), we shall select another Primary Treasury Dealer.

Reference Treasury Dealer Quotations means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Quotation Agent, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Quotation Agent by such Reference Treasury Dealer at 3:30 p.m. New York City time on the third business day preceding such redemption date.

All determinations made by any Reference Treasury Dealer, including the Quotation Agent, with respect to determining the redemption price will be final and binding absent manifest error.

Offer to Repurchase Upon a Change of Control Repurchase Event

If a Change of Control Repurchase Event occurs, unless we have exercised our right to redeem the Notes in full, we will make an offer to each holder of Notes to repurchase all or any part (in minimum denominations of $2,000 and integral multiples of $1,000 principal amount) of that holder s Notes at a repurchase price in cash equal to 100% of the aggregate principal amount of Notes repurchased plus any accrued and unpaid interest on the Notes repurchased to, but not including, the date of purchase. Within 30 days following any Change of Control Repurchase Event or, at our option, prior to any Change of Control, but after the public announcement of the Change of Control, we will mail a notice to each holder describing the transaction or transactions that constitute or may constitute the Change of Control Repurchase Event and offering to repurchase Notes on the payment date specified in the notice, which date will be no earlier than 30 days and no later than 60 days from the date such notice is mailed. The notice shall, if mailed prior to the date of consummation of the Change of Control, state that the offer to purchase is conditioned on the Change of Control Repurchase Event occurring on or prior to the payment date specified in the notice. We will comply with the requirements

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of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the repurchase of the Notes as a result of a Change of Control Repurchase Event. To the extent that the provisions of any securities laws or regulations conflict with the Change of Control Repurchase Event provisions of the Notes, we will comply with the applicable securities laws and regulations and will not be deemed to have breached our obligations under the Change of Control Repurchase Event provisions of the Notes by virtue of such conflict.

On the Change of Control Repurchase Event payment date, subject to extension if necessary to comply with the provisions of the 1940 Act and the rules and regulations promulgated thereunder, we will, to the extent lawful:

(1) accept for payment all Notes or portions of Notes properly tendered pursuant to our offer;

(2) deposit with the paying agent an amount equal to the aggregate purchase price in respect of all Notes or portions of Notes properly tendered; and

(3) deliver or cause to be delivered to the trustee the Notes properly accepted, together with an officers certificate stating the aggregate principal amount of Notes being purchased by us.

The paying agent will promptly remit to each holder of Notes properly tendered the purchase price for the Notes, and the trustee will promptly authenticate and mail (or cause to be transferred by book-entry) to each holder a new Note equal in principal amount to any unpurchased portion of any Notes surrendered; *provided* that each new Note will be in a minimum principal amount of $2,000 or an integral multiple of $1,000 in excess thereof.

We will not be required to make an offer to repurchase the Notes upon a Change of Control Repurchase Event if a third party makes an offer in the manner, at the times and otherwise in compliance with the requirements for an offer made by us and such third party purchases all Notes properly tendered and not withdrawn under its offer.

The source of funds that will be required to repurchase Notes in the event of a Change of Control Repurchase Event will be our available cash or cash generated from our operations or other potential sources, including funds provided by a purchaser in the Change of Control transaction, borrowings, sales of assets or sales of equity. We cannot assure you that sufficient funds from such sources will be available at the time of any Change of Control Repurchase Event to make required repurchases of Notes tendered. The terms of our Senior Secured Facility provide that certain change of control events will constitute an event of default thereunder entitling the lenders to accelerate any indebtedness outstanding under the Senior Secured Facility at that time and to terminate the Senior Secured Facility. See Management s Discussion and Analysis of Financial Condition and Results of Operations Liquidity and Capital Resources in the accompanying prospectus for a general discussion of our indebtedness. In addition, the indentures governing our Senior Secured Notes contain similar provisions that would require us to offer to purchase the Senior Secured Notes upon the occurrence of a change of control. Our and our subsidiaries future debt instruments may contain similar restrictions and provisions. If the holders of the Notes exercise their right to require us to repurchase Notes upon a Change of Control Repurchase Event, the financial effect of this repurchase could cause a default under our and our subsidiaries future debt instruments, even if the Change of Control Repurchase Event itself would not cause a default. It is possible that we will not have sufficient funds at the time of the Change of Control Repurchase Event to make the required repurchase of the Notes and/or our other debt. See Risk Factors We may not be able to repurchase the Notes upon a Change of Control Repurchase Event in this prospectus supplement.

The definition of Change of Control includes a phrase relating to the direct or indirect sale, transfer, conveyance or other disposition of all or substantially all of our properties or assets and those of our subsidiaries taken as a whole. Although there is a limited body of case law interpreting the phrase substantially all, there is no precise, established definition of the phrase under applicable law. Accordingly, the ability of a holder of Notes to require us to repurchase the Notes as a result of a sale, transfer, conveyance or other disposition of less than all of our assets and the assets of our subsidiaries taken as a whole to another person or group may be uncertain.

For purposes of the Notes:

Below Investment Grade Rating Event means the Notes are downgraded below Investment Grade by both Rating Agencies on any date from the date of the public notice of an arrangement that results in a Change of Control until the end of the 60-day period following public notice of the occurrence of a Change of Control (which period shall be extended so long as the rating of the Notes is under publicly announced consideration for possible downgrade by either of the Rating Agencies); *provided* that a Below Investment Grade Rating Event otherwise arising by virtue of a particular reduction in rating shall not be deemed to have occurred in respect of a particular Change of Control (and thus shall not be deemed a Below Investment Grade Rating Event for purposes of the definition of Change of Control Repurchase Event hereunder) if the Rating Agencies making the reduction in rating to which this definition would otherwise apply do not announce or publicly confirm or inform the trustee in writing that the reduction was the result, in whole or in part, of any event or circumstance comprised of or arising as a result of, or in respect of, the applicable Change of Control (whether or not the applicable Change of Control shall have occurred at the time of the Below Investment Grade Rating Event).

Change of Control means the occurrence of any of the following:

(1) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation) in one or a series of related transactions, of all or substantially all of the assets of Apollo Investment Corporation and its Controlled Subsidiaries taken as a whole to any person or group (as those terms are used in Section 13(d)(3) of the Exchange Act), other than to any Permitted Holders; *provided* that, for the avoidance of doubt, a pledge of assets pursuant to any secured debt instrument of Apollo Investment Corporation or its Controlled Subsidiaries shall not be deemed to be any such sale, lease, transfer, conveyance or disposition;

(2) the consummation of any transaction (including, without limitation, any merger or consolidation) the result of which is that any person or group (as those terms are used in Section 13(d)(3) of the Exchange Act) (other than any Permitted Holders) becomes the beneficial owner (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of more than 50% of the outstanding Voting Stock of Apollo Investment Corporation, measured by voting power rather than number of shares; or

(3) the approval by Apollo Investment Corporation s stockholders of any plan or proposal relating to the liquidation or dissolution of Apollo Investment Corporation.

Change of Control Repurchase Event means the occurrence of a Change of Control and a Below Investment Grade Rating Event.

Controlled Subsidiary means any subsidiary of Apollo Investment Corporation, 50% or more of the outstanding equity interests of which are owned by Apollo Investment Corporation and its direct

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or indirect subsidiaries and of which Apollo Investment Corporation possesses, directly or indirectly, the power to direct or cause the direction of the management or policies, whether through the ownership of voting equity interests, by agreement or otherwise.

Fitch means Fitch, Inc., also known as Fitch Ratings, or any successor thereto.

Investment Grade means a rating of BBB- or better by Fitch (or its equivalent under any successor rating categories of Fitch) and BBB- or better by S&P (or its equivalent under any successor rating categories of S&P) (or, in each case, if such Rating Agency ceases to rate the Notes for reasons outside of our control, the equivalent investment grade credit rating from any Rating Agency selected by us as a replacement Rating Agency).

Permitted Holders means (i) us, (ii) one or more of our Controlled Subsidiaries and (iii) Apollo Investment Management, L.P. or any affiliate of Apollo Investment Management, L.P. that is organized under the laws of a jurisdiction located in the United States of America and in the business of managing or advising clients.

Rating Agency means:

(1) each of Fitch and S&P; and

(2) if either of Fitch or S&P ceases to rate the Notes or fails to make a rating of the Notes publicly available for reasons outside of our control, a nationally recognized statistical rating organization as defined in Section (3)(a)(62) of the Exchange Act selected by us as a replacement agency for Fitch or S&P, or both, as the case may be.

S&P means Standard & Poor s Ratings Services, a division of McGraw-Hill, Inc., or any successor thereto.

Voting Stock as applied to stock of any person, means shares, interests, participations or other equivalents in the equity interest (however designated) in such person having ordinary voting power for the election of a majority of the directors (or the equivalent) of such person, other than shares, interests, participations or other equivalents having such power only by reason of the occurrence of a contingency.

Covenants

In addition to the covenants described in the base indenture, unless otherwise noted, the following covenants shall apply to the Notes. To the extent of any conflict or inconsistency between the base indenture and the following covenants, the following covenants shall govern:

Merger, Consolidation or Sale of Assets

Under the terms of the indenture, we are generally permitted to consolidate or merge with another entity. We are also permitted to sell all or substantially all of our assets to another entity. However, we may not take any of these actions unless all the following conditions are met:

- where we merge out of existence or sell our assets, the resulting entity must agree to be legally responsible for our obligations under the Notes;

- the merger or sale of assets must not cause a default on the Notes and we must not already be in default (unless the merger or sale would cure the default). For purposes of

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this no-default test, a default would include an Event of Default that has occurred and has not been cured, as described under Events of Default below. A default for this purpose would also include any event that would be an Event of Default if the requirements for giving us a notice of default or our default having to exist for a specific period of time were disregarded;

under the indenture, no merger or sale of assets may be made if as a result any of our property or assets or any property or assets of one of our subsidiaries, if any, would become subject to any mortgage, lien or other encumbrance unless either (i) the mortgage, lien or other encumbrance could be created pursuant to the limitation on liens covenant in the base indenture (see Limitation on Liens below) without equally and ratably securing the indenture securities subject to the lien covenant or (ii) the indenture securities subject to the lien covenant are secured equally and ratably with or prior to the Notes by the mortgage, lien or other encumbrance; and

we must deliver certain certificates and documents to the trustee.

Although there is a limited body of case law interpreting the phrase substantially all, there is no precise established definition of the phrase under applicable law. Accordingly, in certain circumstances there may be a degree of uncertainty as to whether a particular transaction would involve all or substantially all of the properties or assets of a person. As a result, it may be unclear as to whether the merger, consolidation or sale of assets covenant would apply to a particular transaction as described above absent a decision by a court of competent jurisdiction. Although these types of transactions are permitted under the indenture, certain of the foregoing transactions could constitute a Change of Control that results in a Change of Control Repurchase Event permitting each holder to require us to repurchase the Notes of such holder as described above.

An assumption by any person of obligations under the Notes and the indenture might be deemed for U.S. federal income tax purposes to be an exchange of the Notes for new Notes by the holders thereof, resulting in recognition of gain or loss for such purposes and possibly other adverse tax consequences to the holders. Holders should consult their own tax advisors regarding the tax consequences of such an assumption.

Limitation on Liens

We covenant in the base indenture that neither we nor any of our subsidiaries, if any, will pledge or subject to any lien any of our or their property or assets unless the indenture securities are secured by this pledge or lien equally and ratably with other indebtedness thereby secured. This covenant excludes liens created to secure obligations for the purchase price of physical property, liens of a subsidiary securing indebtedness owed to us, liens existing on property acquired upon exercise of rights arising out of defaults on receivables acquired in the ordinary course of business, sales of receivables accounted for as secured indebtedness in accordance with GAAP, certain liens not related to the borrowing of money and other liens not securing borrowed money aggregating less than $500,000. Under the terms of the fourth supplemental indenture, this limitation on liens covenant contained in the base indenture will not apply to the Notes.

Other Covenants

We agree that for the period of time during which the Notes are outstanding, we will not violate Section 18(a)(1)(A) as modified by Section 61(a)(1) of the 1940 Act or any successor provisions.

If, at any time, we are not subject to the reporting requirements of Sections 13 or 15(d) of the Exchange Act to file any periodic reports with the SEC, we agree to furnish to holders

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of the Notes and the trustee, for the period of time during which the Notes are outstanding, our audited annual consolidated financial statements, within 90 days of our fiscal year end, and unaudited interim consolidated financial statements, within 45 days of our fiscal quarter end (other than our fourth fiscal quarter). All such financial statements will be prepared, in all material respects, in accordance with GAAP, as applicable.

Events of Default

Each of the following is an event of default:

(1) default in the payment of any interest upon any Note when due and payable and the default continues for a period of 30 days;

(2) default in the payment of the principal of (or premium, if any, on) any Note when it becomes due and payable at its maturity including upon any redemption date or required repurchase date;

(3) our failure for 60 consecutive days after written notice from the trustee or the holders of at least 25% in principal amount of the Notes then outstanding has been received to comply with any of our other agreements contained in the Notes or indenture;

(4) default by us or any of our significant subsidiaries, as defined in Article 1, Rule 1-02 of Regulation S-X under the Exchange Act (but excluding any subsidiary which is (a) a non-recourse or limited recourse subsidiary, (b) a bankruptcy remote special purpose vehicle or (c) is not consolidated with Apollo Investment Corporation for purposes of GAAP), with respect to any mortgage, agreement or other instrument under which there may be outstanding, or by which there may be secured or evidenced, any indebtedness for money borrowed in excess of $50 million in the aggregate of us and/or any such subsidiary, whether such indebtedness now exists or shall hereafter be created (i) resulting in such indebtedness becoming or being declared due and payable or (ii) constituting a failure to pay the principal or interest of any such debt when due and payable at its stated maturity, upon required repurchase, upon declaration of acceleration or otherwise, unless, in either case, such indebtedness is discharged, or such acceleration is rescinded, stayed or annulled, within a period of 30 calendar days after written notice of such failure is given to us by the trustee or to us and the trustee by the holders of at least 25% in aggregate principal amount of the Notes then outstanding;

(5) pursuant to Section 18(a)(1)(c)(ii) and Section 61 of the Investment Company Act, on the last business day of each of 24 consecutive calendar months, any class of securities shall have an asset coverage (as such term is used in the Investment Company Act) of less than 100%; or

(6) certain events of bankruptcy, insolvency, or reorganization involving us occur and remain undischarged or unstayed for a period of 60 days.

If an event of default occurs and is continuing, then and in every such case (other than an event of default specified in item (6) above) the trustee or the holders of at least 25% in principal amount of the outstanding Notes may declare the entire principal amount of Notes to be due and immediately payable, by a notice in writing to us (and to the trustee if given by the holders), and upon any such declaration such principal or specified portion thereof shall become immediately due and payable. Notwithstanding the foregoing, in the case of the events of bankruptcy, insolvency or reorganization described in item (6) above, 100% of the principal of and accrued and unpaid interest on the Notes will automatically become due and payable.

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At any time after a declaration of acceleration with respect to the Notes has been made and before a judgment or decree for payment of the money due has been obtained by the trustee, the holders of a majority in principal amount of the outstanding Notes, by written notice to us and the trustee, may rescind and annul such declaration and its consequences if: (i) we have paid or deposited with the trustee a sum sufficient to pay (A) all overdue installments of interest, if any, on all outstanding Notes, (B) the principal of (and premium, if any, on) all outstanding Notes that have become due otherwise than by such declaration of acceleration and interest thereon at the rate or rates borne by or provided for in such Notes, (C) to the extent that payment of such interest is lawful, interest upon overdue installments of interest at the rate or rates borne by or provided for in such Notes, and (D) all sums paid or advanced by the trustee and the reasonably agreed upon compensation, expenses, disbursements and advances of the trustee, its agents and counsel, and (ii) all events of default with respect to the Notes, other than the nonpayment of the principal of (or premium, if any, on) or interest on such Notes that have become due solely by such declaration of acceleration, have been cured or waived. No such rescission will affect any subsequent default or impair any right consequent thereon.

No holder of Notes will have any right to institute any proceeding, judicial or otherwise, with respect to the indenture, or for the appointment of a receiver or trustee, or for any other remedy under the indenture, unless:

(i) such holder has previously given written notice to the trustee of a continuing event of default with respect to the Notes;

(ii) the holders of not less than 25% in principal amount of the outstanding Notes shall have made written request to the trustee to institute proceedings in respect of such event of default;

(iii) such holder or holders have offered to the trustee reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request;

(iv) the trustee for 60 days after its receipt of such notice, request and offer of indemnity has failed to institute any such proceeding; and

(v) no direction inconsistent with such written request has been given to the trustee during such 60-day period by the holders of a majority in principal amount of the outstanding Notes.

Notwithstanding any other provision in the indenture, the holder of any Note shall have the right, which is absolute and unconditional, to receive payment of the principal of (and premium, if any, on) and interest, if any, on such Note on the stated maturity or maturity expressed in such Note (or, in the case of redemption, on the redemption date or, in the case of repayment at the option of the holders, on the repayment date) and to institute suit for the enforcement of any such payment, and such rights shall not be impaired without the consent of such holder.

The trustee shall be under no obligation to exercise any of the rights or powers vested in it by the indenture at the request or direction of any of the holders of the Notes unless such holders shall have offered to the trustee reasonable security or indemnity against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction. Subject to the foregoing, the holders of a majority in principal amount of the outstanding Notes shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the trustee or exercising any trust or power conferred on the trustee with respect to the Notes, *provided* that (i) such direction shall not be in conflict with any rule of law or with this indenture, (ii) the trustee may take any other action deemed proper by the trustee that is not inconsistent with such direction and (iii) the trustee need not take any action that it determines in good faith may involve it in personal liability or be unjustly prejudicial to the holders of Notes not consenting.

The holders of not less than a majority in principal amount of the outstanding Notes may on behalf of the holders of all of the Notes waive any past default under the indenture with respect to the Notes and its consequences, except a default (i) in the payment of (or premium, if any, on) or interest, if any, on any Note, or (ii) in respect of a covenant or provision of the indenture which cannot be modified or amended without the consent of the holder of each outstanding Note affected. Upon any such waiver, such default shall cease to exist, and any event of default arising therefrom shall be deemed to have been cured, for every purpose, but no such waiver shall extend to any subsequent or other default or event of default or impair any right consequent thereto.

We are required to deliver to the trustee, within 120 days after the end of each fiscal year, an officers certificate stating to the knowledge of the signers whether we are in default in the performance of any of the terms, provisions or conditions of the indenture.

Within 90 days after the occurrence of any default under the indenture with respect to the Notes, the trustee shall transmit notice of such default known to the trustee, unless such default shall have been cured or waived; *provided*, *however*, that, except in the case of a default in the payment of the principal of (or premium, if any, on) or interest, if any, on any Note, the trustee shall be protected in withholding such notice if and so long as the board of directors, the executive committee or a trust committee of directors of the trustee in good faith determines that withholding of such notice is in the interest of the holders of the Notes.

Satisfaction and Discharge; Defeasance

We may satisfy and discharge our obligations under the indenture by delivering to the security registrar for cancellation all outstanding Notes or by depositing with the trustee or delivering to the holders, as applicable, after the Notes have become due and payable, or otherwise, moneys sufficient to pay all of the outstanding Notes and paying all other sums payable under the indenture by us. Such discharge is subject to terms contained in the indenture.

In addition, the Notes are subject to defeasance and covenant defeasance, in each case, in accordance with the terms of the indenture.

Trustee

U.S. Bank National Association is the trustee, security registrar and paying agent. U.S. Bank National Association, in each of its capacities, including without limitation as trustee, security registrar and paying agent, assumes no responsibility for the accuracy or completeness of the information concerning us or our affiliates or any other party contained in this document or the related documents or for any failure by us or any other party to disclose events that may have occurred and may affect the significance or accuracy of such information, or for any information provided to it by us, including but not limited to settlement amounts and any other information.

We may maintain banking relationships in the ordinary course of business with the trustee and its affiliates.

Governing Law

The indenture provides that it and the Notes shall be governed by and construed in accordance with the laws of the State of New York without regard to principles of conflicts of laws.

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SUPPLEMENT TO CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS

The following summary of certain U.S. federal income tax considerations supplements the discussion set forth under the heading Certain U.S. Federal Income Tax Considerations in the accompanying prospectus and is subject to the qualifications and assumptions set forth therein.

The following is a general summary of certain U.S. federal income tax considerations relating to the purchase, ownership and disposition of the Notes. This discussion is based upon the Code, Treasury Regulations and judicial decisions and administrative interpretations thereof, all as of the date hereof and all of which are subject to change or differing interpretations, possibly with retroactive effect. No ruling from the Internal Revenue Service (the IRS) has been sought regarding any matter discussed herein. No assurance can be given that the IRS would not assert, or that a court would not sustain, a position contrary to any of the tax aspects set forth below.

This discussion applies only to a holder of Notes that acquires the Notes for cash pursuant to this offering at the initial offering price and who holds the Notes as a capital asset (generally, property held for investment) under the Code. This discussion does not address any U.S. federal estate or gift tax consequences or any state, local or non-U.S. tax consequences. In addition, this discussion does not address all aspects of U.S. federal income taxation that may be applicable to investors in light of their particular circumstances, or to investors subject to special treatment under U.S. federal income tax law, including, but not limited to:

- banks, insurance companies or other financial institutions;
- persons subject to the alternative minimum tax;
- cooperatives;
- tax-exempt organizations;
- dealers in securities;
- traders in securities that elect a mark-to-market method of accounting;
- U.S. Noteholders (as defined below) whose functional currency is not the U.S. dollar;
- U.S. expatriates;
- foreign persons or entities (except to the extent set forth below);
- persons deemed to sell the Notes under the constructive sale provisions of the Code; or
- persons that hold the Notes as part of a straddle, hedge, conversion transaction or other integrated investment.

If a partnership (including any entity or arrangement treated as a partnership for U.S. federal income tax purposes) owns Notes, the tax treatment of a partner in the partnership will depend upon the status of the partner and the activities of the partnership. Partners in a partnership that owns Notes should consult their tax advisors as to the particular U.S. federal income tax consequences applicable to them.

We encourage investors to consult their tax advisors regarding the specific consequences of an investment in our Notes, including tax reporting requirements, the applicability of U.S. federal, state, local and non-U.S. tax laws, eligibility for the benefits of any applicable tax treaty and the effect of any possible changes in the tax laws.

Consequences to U.S. Noteholders

The following is a general summary of certain U.S. federal income tax consequences that will apply to you if you are a U.S. Noteholder. Certain U.S. federal income tax consequences to non-U.S. Noteholders are described under Consequences to Non-U.S. Noteholders below. For purposes of this summary, the term U.S. Noteholder means a beneficial owner of a Note that is, for U.S. federal income tax purposes (i) an individual who is a citizen or resident of the U.S., (ii) a corporation, or other entity treated as a corporation for U.S. federal income tax purposes, that is created or organized under the laws of the U.S., any of the States or the District of Columbia, (iii) an estate the income of which is subject to U.S. federal income taxation regardless of its source, or (iv) a trust (A) if a court within the U.S. is able to exercise primary supervision over its administration and one or more U.S. persons have the authority to control all substantial decisions of such trust, or (B) that has made a valid election to be treated as a U.S. person for U.S. federal income tax purposes.

Stated interest on the Notes

A U.S. Noteholder generally will be required to recognize stated interest as ordinary income at the time it is paid or accrued on the Notes in accordance with its regular method of accounting for U.S. federal income tax purposes. The Notes are not being issued with original issue discount for U.S. federal income tax purposes.

Sale, exchange, redemption or other taxable disposition of the Notes

Upon the sale, exchange, redemption or other taxable disposition of a Note, a U.S. Noteholder generally will recognize capital gain or loss in an amount equal to the difference between (1) the sum of cash plus the fair market value of all other property received on such disposition (except to the extent such cash or property is attributable to accrued but unpaid interest, which, to the extent not previously included in income, generally will be taxable as ordinary income) and (2) its adjusted tax basis in the Note. A U.S. Noteholder s adjusted tax basis in a Note generally will equal the price the U.S. Noteholder paid for the Note. Such capital gain or loss will be long-term capital gain or loss if, at the time of such taxable disposition, the U.S. Noteholder has held the Note for more than one year. The deductibility of capital losses is subject to limitations.

Medicare Tax

Certain U.S. Noteholders who are individuals, estates or trusts and whose income exceeds certain thresholds will be required to pay a 3.8% Medicare tax on all or a portion of their net investment income, which includes interest on the Notes and capital gains from the sale or other disposition of the Notes.

Consequences to Non-U.S. Noteholders

The following is a general summary of certain U.S. federal income tax consequences that will apply to you if you are a non-U.S. Noteholder. A beneficial owner of a Note that is not a partnership or other pass through entity for U.S. federal income tax purposes or a U.S. Noteholder is referred to herein as a non-U.S. Noteholder.

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Stated interest on the Notes

Stated interest paid or accrued to a non-U.S. Noteholder will generally not be subject to U.S. federal income or withholding tax if the interest is not effectively connected with its conduct of a trade or business within the U.S., and the non-U.S. Noteholder:

- does not own, actually or constructively, 10% or more of the total combined voting power of all classes of our stock entitled to vote;
- is not a controlled foreign corporation with respect to which we are, directly or indirectly, a related person;
- is not a bank whose receipt of interest on the Notes is described in section 881(c)(3)(A) of the Code; and
- provides its name and address, and certifies, under penalties of perjury, that it is not a U.S. person (on a properly executed IRS Form W-8BEN or W-8BEN-E or other applicable form), or holds its Notes through certain foreign intermediaries and satisfies the certification requirements of applicable Treasury Regulations.

If a non-U.S. Noteholder does not qualify for an exemption under these rules, interest income from the Notes may be subject to withholding tax at the rate of 30% (or lower applicable treaty rate). Stated interest that is effectively connected with a non-U.S. Noteholder s conduct of a U.S. trade or business (and, if required by an applicable income tax treaty, is attributable to a United States permanent establishment), however, would not be subject to a 30% withholding tax so long as the non-U.S. Noteholder provides the applicable withholding agent an adequate certification (currently on IRS Form W-8ECI); such payments of interest generally would be subject to U.S. federal income tax on a net basis at the rates applicable to U.S. persons generally. In addition, if a non-U.S. Noteholder is a foreign corporation and the stated interest is effectively connected with its conduct of a U.S. trade or business (and, if required by an applicable income tax treaty, is attributable to a United States permanent establishment), it may also be subject to a 30% (or lower applicable treaty rate) branch profits tax on its effectively connected earnings and profits for the taxable year, subject to adjustments. To claim the benefit of a tax treaty, a non-U.S. Noteholder must provide a properly executed IRS Form W-8BEN or W-8BEN-E (or other applicable form) to the applicable withholding agent before the payment of stated interest and may be required to obtain a U.S. taxpayer identification number and provide documentary evidence issued by foreign governmental authorities to prove residence in the foreign country.

Sale, exchange, redemption or other taxable disposition of the Notes

Any gain recognized by a non-U.S. Noteholder on the sale, exchange, redemption or other taxable disposition of the Notes (except with respect to accrued and unpaid interest, which would be taxed as described under Consequences to Non-U.S. Noteholders Stated interest on the Notes above) generally will not be subject to U.S. federal income tax unless:

- the non-U.S. Noteholder s gain is effectively connected with its conduct of a U.S. trade or business (and, if required by an applicable income tax treaty, is attributable to a United States permanent establishment); or
- the non-U.S. Noteholder is a nonresident alien individual present in the U.S. for 183 or more days in the taxable year within which the sale, exchange, redemption or other disposition takes place and certain other requirements are met.

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If a non-U.S. Noteholder is a holder described in the first bullet point above, the net gain derived from the sale, exchange, redemption or other taxable disposition of its Notes generally will be subject to U.S. federal income tax on a net basis at the rates applicable to U.S. persons generally. In addition, if such non-U.S. Noteholder is a foreign corporation, it may also be subject to a 30% (or lower applicable treaty rate) branch profits tax on its effectively connected earnings and profits for the taxable year, subject to adjustments. If a non-U.S. Noteholder is a holder described in the second bullet point above, it will be subject to a flat 30% U.S. federal income tax on the gain derived from the sale, exchange, redemption or other taxable disposition of its Notes, which may be offset by U.S. source capital losses, even though it is not considered a resident of the United States.

Non-U.S. Noteholders should consult any applicable income tax treaties that may provide for different rules. In addition, non-U.S. Noteholders are urged to consult their tax advisors regarding the tax consequences of the purchase, ownership and disposition of the Notes.

Foreign Account Tax Compliance Act

Withholding at a rate of 30% will be generally required on interest paid in respect of, and after December 31, 2016, on gross proceeds from the sale of, Notes held by or through certain foreign financial institutions (including investment funds), unless such institution enters into an agreement with the Secretary of the Treasury to report, on an annual basis, certain information with respect to shares in, and accounts maintained by, the institution to the extent such shares or accounts are held by certain United States persons or by certain non-U.S. entities that are wholly or partially owned by United States persons, and to withhold on certain payments. Accordingly, the entity through which Notes are held will affect the determination of whether such withholding is required. Similarly, interest paid in respect of, and after December 31, 2016, gross proceeds from the sale of, Notes held by an investor that is a non-financial non-U.S. entity will be subject to withholding at a rate of 30%, unless such entity either (i) certifies to the applicable withholding agent that such entity does not have any substantial United States owners or (ii) provides certain information regarding the entity s substantial United States owners, which the applicable withholding agent will in turn provide to the Secretary of the Treasury. An intergovernmental agreement between the United States and an applicable foreign country, or future Treasury regulations or other guidance, may modify these requirements. Non-U.S. Noteholders are encouraged to consult with their tax advisers regarding the possible implications of these requirements on their investment in the Notes.

Information Reporting and Backup Withholding

U.S. Noteholders

Payments of principal and interest on, or the proceeds of the sale or other disposition of, a Note are generally subject to information reporting unless the U.S. Noteholder is an exempt recipient (such as a corporation). Such payments may also be subject to U.S. federal backup withholding tax at the applicable rate if the recipient of such payment fails to supply a taxpayer identification number, certified under penalties of perjury, as well as certain other information or otherwise fails to establish an exemption from backup withholding. Any amounts withheld under the backup withholding rules will be allowed as a refund or credit against that U.S. Noteholder s U.S. federal income tax liability provided the required information is timely furnished to the IRS.

Non-U.S. Noteholders

A non-U.S. Noteholder may be required to comply with certain certification procedures to establish that the holder is not a United States person (as defined under the Code) in order to avoid backup withholding tax with respect to our payment of principal and interest on, or the proceeds of the sale or other disposition of, a Note. Any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against that non-U.S. Noteholder s U.S. federal income tax liability provided the required information is timely furnished to the IRS. In certain circumstances, the name and address of the beneficial owner and the amount of interest paid on a Note, as well as the amount, if any, of tax withheld, may be reported to the IRS. Copies of these information returns may also be made available under the provisions of a specific treaty or agreement to the tax authorities of the country in which the non-U.S. Noteholder resides.

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REGISTRATION AND SETTLEMENT

The Depository Trust Company

The Notes will be issued in book-entry only form. This means that we will not issue certificates for the Notes, except in the limited case described below. Instead, we will issue the global note in registered form. The global note will be held through DTC and will be registered in the name of Cede & Co., as nominee of DTC.

Accordingly, Cede & Co. will be the holder of record of the Notes. The Notes represented by the global note evidences a beneficial interest in the global note.

Beneficial interest in the global note will be shown on, and transfers are effected through, records maintained by DTC or its participants. In order to own a beneficial interest in the Notes, you must be an institution that has an account with DTC or have a direct or indirect account with such an institution. Transfers of ownership interests in the Notes will be accomplished by making entries in DTC participants books acting on behalf of beneficial owners.

So long as DTC or its nominee is the registered holder of the global note, DTC or its nominee, as the case may be, will be the sole holder and owner of the Notes represented thereby for all purposes, including payment of principal and interest, under the indenture. Except as otherwise provided below, you will not be entitled to receive physical delivery of certificated notes and will not be considered the holder of the Notes for any purpose under the indenture. Accordingly, you must rely on the procedures of DTC and the procedures of the DTC participant through which you own your Note in order to exercise any rights of a holder of a Note under the indenture. The laws of some jurisdictions require that certain purchasers of notes take physical delivery of such notes in certificated form. Those limits and laws may impair the ability to transfer beneficial interests in the Notes.

The global note representing the Notes will be exchangeable for certificated notes of like tenor and terms and of differing authorized denominations in a like aggregate principal amount, only if (1) DTC notifies us that it is unwilling or unable to continue as depositary for the global note or we become aware that DTC has ceased to be a clearing agency registered under the Exchange Act and, in any such case we fail to appoint a successor to DTC within 60 calendar days, (2) we, in our sole discretion, determine that the global note shall be exchangeable for certificated notes or (3) an event of default has occurred and is continuing with respect to the Notes under the indenture. Upon any such exchange, the certificated notes shall be registered in the names of the beneficial owners of the global note representing the Notes.

The following is based on information furnished by DTC:

DTC will act as securities depositary for the Notes. The Notes will be issued as fully-registered notes registered in the name of Cede & Co. (DTC s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered global note will be issued for all of the principal amount of the Notes.

DTC is a limited-purpose trust company organized under the New York Banking Law, a banking organization within the meaning of the New York Banking Law, a member of the Federal Reserve System, a clearing corporation within the meaning of the New York Uniform Commercial Code, and a clearing agency registered pursuant to the provisions of Section 17A of the Exchange Act. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues and money market instruments from over 100 countries that DTC s direct participants deposit with DTC.

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DTC also facilitates the post-trade settlement among direct participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between direct participants accounts. This eliminates the need for physical movement of securities certificates. Direct participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (DTCC). DTCC, in turn, is owned by a number of direct participants of DTC and members of the National Securities Clearing Corporation, Government Securities Clearing Corporation, MBS Clearing Corporation, and Emerging Markets Clearing Corporation, as well as by The New York Stock Exchange, Inc., the American Stock Exchange LLC, and the Financial Industry Regulatory Authority, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a direct participant, either directly or indirectly. The DTC rules applicable to its participants are on file with the SEC. More information about DTC can be found at www.dtcc.com.

Purchases of the Notes under the DTC system must be made by or through direct participants, which will receive a credit for the Notes on DTC s records. The beneficial interest of each actual purchaser of the Notes is in turn to be recorded on the direct and indirect participants records. Beneficial owners will not receive written confirmation from DTC of their purchase. Beneficial owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the direct or indirect participant through which the beneficial owner entered into the transaction. Transfers of beneficial interests in the Notes are to be accomplished by entries made on the books of direct and indirect participants acting on behalf of beneficial owners. Beneficial owners will not receive certificates representing their beneficial interests in the Notes, except in the event that use of the book-entry system for the Notes is discontinued.

To facilitate subsequent transfers, all Notes deposited by direct participants with DTC will be registered in the name of DTC s partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of the Notes with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual beneficial owners of the Notes; DTC s records reflect only the identity of the direct participants to whose accounts such Notes will be credited, which may or may not be the beneficial owners. The direct and indirect participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to direct participants, by direct participants to indirect participants, and by direct participants and indirect participants to beneficial owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial owners of the Notes may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Notes, such as redemption, tenders, defaults, and proposed amendments to the security documents. For example, beneficial owners of the Notes may wish to ascertain that the nominee holding the Notes for their benefit has agreed to obtain and transmit notices to beneficial owners. In the alternative, beneficial owners may wish to provide their names and addresses to the registrar of the Notes and request that copies of the notices be provided to them directly. Any such request may or may not be successful.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Notes unless authorized by a direct participant in accordance with DTC s procedures. Under its usual procedures, DTC mails an Omnibus Proxy to us as soon as possible after the regular record date. The Omnibus Proxy assigns Cede & Co. s consenting or voting rights to those direct participants to whose accounts the notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

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We will pay principal and or interest payments on the Notes in same-day funds directly to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC s practice is to credit direct participants accounts on the applicable payment date in accordance with their respective holdings shown on DTC s records upon DTC s receipt of funds and corresponding detail information. Payments by participants to beneficial owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in street name, and will be the responsibility of these participants and not of DTC or any other party, subject to any statutory or regulatory requirements that may be in effect from time to time. Payment of principal and interest to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC, is our responsibility, disbursement of such payments to direct participants is the responsibility of DTC, and disbursement of such payments to the beneficial owners is the responsibility of the direct or indirect participant.

We will send any redemption notices to DTC. If less than all of the Notes are being redeemed, DTC s practice is to determine by lot the amount of the interest of each direct participant in such issue to be redeemed.

A beneficial owner, or its authorized representative, shall give notice to elect to have its Notes repaid by us, through its direct or indirect participant, to the trustee, and shall effect delivery of such Notes by causing the direct participant to transfer that participant s interest in the global note representing the Notes, on DTC s records, to the trustee. The requirement for physical delivery of the Notes in connection with a demand for repayment will be deemed satisfied when the ownership rights in the global note representing the Notes are transferred by the direct participants on DTC s records.

DTC may discontinue providing its services as securities depository for the Notes at any time by giving us reasonable notice. Under such circumstances, if a successor securities depositary is not obtained, we will print and deliver certificated notes. We may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depositary). In that event, we will print and deliver certificated notes.

The information in this section concerning DTC and DTC s system has been obtained from sources that we believe to be reliable, but neither we, the underwriters nor any agent takes any responsibility for its accuracy.

Registration, Transfer and Payment of Certificated Notes

If we ever issue notes in certificated form, those notes may be presented for registration, transfer and payment at the office of the registrar or at the office of any transfer agent designated and maintained by us. We have originally designated U.S. Bank National Association to act in those capacities for the Notes. The registrar or transfer agent will make the transfer or registration only if it is satisfied with the documents of title and identity of the person making the request. There will not be a service charge for any exchange or registration of transfer of the Notes, but we may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with the exchange. At any time, we may change transfer agents or approve a change in the location through which any transfer agent acts. We also may designate additional transfer agents for any notes at any time.

We will not be required to: (1) issue, exchange or register the transfer of any Note to be redeemed for a period of 15 days after the selection of the Notes to be redeemed; (2) exchange or register the transfer of any Note that was selected, called or is being called for redemption, except the unredeemed portion of any Note being redeemed in part; or (3) exchange or register the transfer of any Note as to which an election for repayment by the holder has been made, except the unrepaid portion of any Note being repaid in part.

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We will pay principal of and interest on any certificated notes at the offices of the paying agents we may designate from time to time. Generally, we will pay interest on a note by check on any interest payment date other than at stated maturity or upon earlier redemption or repayment to the person in whose name the note is registered at the close of business on the regular record date for that payment. We will pay principal and interest at stated maturity or upon earlier redemption or repayment in same-day funds against presentation and surrender of the applicable notes.

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UNDERWRITING

Barclays Capital Inc. and Citigroup Global Markets Inc. are acting as representatives of each of the underwriters named below. Subject to the terms and conditions set forth in a firm commitment underwriting agreement among us and the underwriters, we have agreed to sell to the underwriters, and each of the underwriters has agreed, severally and not jointly, to purchase from us, the principal amount of Notes set forth opposite its name below.

Underwriter	Principal Amount of Notes
Barclays Capital Inc.	$ 87,500,000
Citigroup Global Markets Inc.	87,500,000
J.P. Morgan Securities LLC	35,000,000
SunTrust Robinson Humphrey, Inc.	35,000,000
BMO Capital Markets Corp.	17,500,000
Credit Suisse Securities (USA) LLC	17,500,000
Deutsche Bank Securities Inc.	17,500,000
UBS Securities LLC	17,500,000
Apollo Global Securities, LLC	17,500,000
Natixis Securities Americas LLC	17,500,000
Total	$ 350,000,000

Subject to the terms and conditions set forth in the underwriting agreement, the underwriters have agreed, severally and not jointly, to purchase all of the Notes sold under the underwriting agreement if any of these Notes are purchased. If an underwriter defaults, the underwriting agreement provides that the purchase commitments of the nondefaulting underwriters may be increased or the underwriting agreement may be terminated.

We, AIM and AIA have agreed to indemnify the underwriters and their controlling persons against certain liabilities in connection with this offering, including liabilities under the Securities Act, or to contribute to payments the underwriters may be required to make in respect of those liabilities.

The underwriters are offering the Notes, subject to prior sale, when, as and if issued to and accepted by them, subject to approval of legal matters by their counsel, including the validity of the Notes, and other conditions contained in the underwriting agreement, such as there being no material change in our business or the financial markets and the receipt by the underwriters of customary closing documents. The underwriters reserve the right to withdraw, cancel or modify offers to the public and to reject orders in whole or in part.

Commissions and Expenses

The following table shows the total underwriting discounts and commissions that we are to pay to the underwriters in connection with this offering.

	Per Note	Total
Public offering price	99.043%	$ 346,650,500
Underwriting discounts (sales load)	0.857%	$ 3,000,000
Proceeds, before expenses, to us	98.186%	$ 343,650,500

The representatives have advised us that the underwriters propose initially to offer the Notes to the public at the public offering price set forth on the cover page of this prospectus supplement and to certain dealers at such price less a concession not in excess of 0.514% of the principal amount of the Notes. Any underwriter may allow, and any such dealer may reallow, a concession not in excess of 0.300% of the principal amount of the Notes to certain other dealers. After the initial offering, the public offering price, concession or any other term of the offering may be changed.

The expenses of the offering, not including the underwriting discount, are estimated at $300,000. The underwriters have agreed to reimburse certain of these expenses up to $300,000.

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Settlement

We expect that delivery of the Notes will be made to investors on or about March 3, 2015, which will be the fifth business day following the date of this prospectus supplement (such settlement cycle being referred to as T+5). Under Rule 15c6-1 under the Exchange Act, trades in the secondary market are generally required to settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade Notes prior to the delivery of the Notes hereunder will be required, by virtue of the fact that the Notes initially will settle in T+5, to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement. Purchasers of the Notes who wish to trade the Notes prior to their date of delivery hereunder should consult their own advisors.

No Sales of Similar Securities

We, AIM and AIA have agreed that for a period of 30 days after the date of this prospectus supplement we will not, without first obtaining the prior written consent of the representatives, directly or indirectly, offer, sell, contract to sell, pledge or otherwise dispose of, any debt securities issued or guaranteed by us, except for the Notes sold to the underwriters pursuant to the underwriting agreement and any increase in borrowings under our senior secured facility.

Short Positions and Price Stabilization

In connection with the offering, the underwriters may purchase and sell the Notes in the open market. These transactions may include short sales and purchases on the open market to cover positions created by short sales. Short sales involve the sale by the underwriters of a greater principal amount of Notes than they are required to purchase in the offering. The underwriters must close out any short position by purchasing Notes in the open market. A short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the Notes in the open market after pricing that could adversely affect investors who purchase in the offering.

Similar to other purchase transactions, the underwriters purchases to cover the syndicate short sales may have the effect of raising or maintaining the market price of the Notes or preventing or retarding a decline in the market price of the Notes. As a result, the price of the Notes may be higher than the price that might otherwise exist in the open market.

Neither we nor any of the underwriters make any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of the Notes. In addition, neither we nor any of the underwriters make any representation that the representatives will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

Other Relationships

The underwriters and certain of their affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. The underwriters and certain of their affiliates have, from time to time, performed, and may in the future perform, various commercial and investment banking and financial advisory services for us and our affiliates, for which they received or may in the future receive customary fees and expenses.

In addition, in the ordinary course of their various business activities, the underwriters and certain of their affiliates may make or hold a broad array of investments and actively trade debt and

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equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of ours or our affiliates. If any of the underwriters or their affiliates has a lending relationship with us, certain of those underwriters or their affiliates routinely hedge, and certain other of those underwriters or their affiliates may hedge, their credit exposure to us consistent with their customary risk management policies. Typically, these underwriters and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities or the securities of our affiliates, including potentially the Notes offered hereby. Any such credit default swaps or short positions could adversely affect future trading prices of the Notes offered hereby. The underwriters and certain of their affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

We expect to use the net proceeds of this offering to repay a portion of the indebtedness owed under our Senior Secured Facility. See Use of Proceeds. Certain affiliates of the underwriters are lenders under the Senior Secured Facility and as a result will receive the net proceeds of this offering to the extent such proceeds are used to repay indebtedness owed under our Senior Secured Facility. Amounts repaid under our Senior Secured Facility will remain available for future borrowings.

SunTrust Robinson Humphrey, Inc., an underwriter in this offering, acts as a sales manager for our at-the-market program through which we can sell up to 16 million shares of our common stock from time to time.

Apollo Global Securities, LLC, an underwriter in this offering, is an affiliate of the issuer.

The principal business address of Barclays Capital Inc. is 745 Seventh Avenue, New York, New York 10019. The principal business address of Citigroup Global Markets Inc. is 388 Greenwich Street, New York, New York 10013.

Selling Restrictions

This prospectus supplement and the accompanying prospectus do not constitute an offer to sell to, or a solicitation of an offer to buy from, anyone in any country or jurisdiction (i) in which such an offer or solicitation is not authorized, (ii) in which any person making such offer or solicitation is not qualified to do so or (iii) in which any such offer or solicitation would otherwise be unlawful. No action has been taken that would, or is intended to, permit a public offer of the Notes or possession or distribution of this prospectus supplement and the accompanying prospectus or any other offering or publicity material relating to the notes in any country or jurisdiction (other than the United States) where any such action for that purpose is required. Accordingly, each underwriter has undertaken that it will not, directly or indirectly, offer or sell any Notes or have in its possession, distribute or publish any prospectus, form of application, advertisement or other document or information in any country or jurisdiction except under circumstances that will, to the best of its knowledge and belief, result in compliance with any applicable laws and regulations and all offers and sales of Notes by it will be made on the same terms.

United Kingdom

This prospectus supplement and the accompanying prospectus have only been communicated or caused to have been communicated and will only be communicated or caused to be communicated as an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act of 2000 (the FSMA)) as received in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to us. All applicable provisions of the FSMA will be complied with in respect to anything done in relation to the Notes in, from or otherwise involving the United Kingdom.

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Hong Kong

The Notes may not be offered or sold by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap.32, Laws of Hong Kong), or (ii) to professional investors within the meaning of the Securities and Futures Ordinance (Cap.571, Laws of Hong Kong) and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a prospectus within the meaning of the Companies Ordinance (Cap.32, Laws of Hong Kong), and no advertisement, invitation or document relating to the Notes may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to notes which are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

Japan

The Notes offered in this prospectus supplement and the accompanying prospectus have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (the Financial Instruments and Exchange Law) and each underwriter has agreed that it will not offer or sell any securities, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Law and any other applicable laws, regulations and ministerial guidelines of Japan.

Singapore

This prospectus supplement and the accompanying prospectus have not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus supplement and the accompanying prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes may not be circulated or distributed, nor may the Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the SFA), (ii) to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 by a relevant person which is: (a) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries rights and interest in that trust shall not be transferable for six months after that corporation or that trust has acquired the Notes under Section 275 except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA; (2) where no consideration is given for the transfer; or (3) by operation of law.

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TRUSTEE, PAYING AGENT, REGISTRAR AND TRANSFER AGENT

U.S. Bank National Association will act as the trustee, paying agent, registrar and transfer agent. The principal business address of U.S. Bank National Association is 100 Wall Street, Suite 1600, New York, NY 10005.

LEGAL MATTERS

Certain legal matters regarding the securities offered by this prospectus supplement and the accompanying prospectus will be passed upon for Apollo Investment by Skadden, Arps, Slate, Meagher & Flom LLP, New York, NY, and Venable LLP, Baltimore, MD. Certain legal matters will be passed upon for the underwriters by Simpson Thacher & Bartlett LLP, New York, NY, who may rely as to certain matters of Maryland law upon the opinion of Venable LLP.

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The financial statements as of March 31, 2014 and 2013 and for each of the three years in the period ended March 31, 2014, and management s assessment of the effectiveness of internal control over financial reporting (which is included in Management s Report on Internal Control over Financial Reporting) as of March 31, 2014, included in the accompanying prospectus have been so included in reliance on the report of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

With respect to the unaudited financial information of Apollo Investment Corporation as of December 31, 2014 and for the three and nine months ended December 31, 2014 and 2013, included in this prospectus supplement, PricewaterhouseCoopers LLP reported that they have applied limited procedures in accordance with professional standards for a review of such financial information. However, their separate report dated February 5, 2015 appearing herein, states that they did not audit and they do not express an opinion on that unaudited financial information. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied. PricewaterhouseCoopers LLP is not subject to the liability provisions of Section 11 of the Securities Act of 1933 for their report on the unaudited financial information because such report is not a report or a part of the registration statement prepared or certified by PricewaterhouseCoopers LLP within the meaning of Sections 7 and 11 of the Securities Act of 1933.

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Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of Apollo Investment Corporation:

We have reviewed the accompanying statement of assets and liabilities of Apollo Investment Corporation (the Company), including the schedule of investments, as of December 31, 2014, and the related statement of operations for the three and nine month periods ended December 31, 2014 and December 31, 2013, the statement of cash flows for the nine month periods ended December 31, 2014 and December 31, 2013 and the statement of changes in net assets for the nine month period ended December 31, 2014. These interim financial statements are the responsibility of the Company s management.

We conducted our review in accordance with the standards of the Public Company Accounting Oversight Board (United States). A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States), the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying interim financial statements for them to be in conformity with accounting principles generally accepted in the United States of America.

We previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the statement of assets and liabilities, including the schedule of investments, as of March 31, 2014, and the related statements of operations, of changes in net assets and of cash flows for the year then ended (not presented herein), and in our report dated May 20, 2014, we expressed an unqualified opinion on those financial statements. In our opinion, the information set forth in the accompanying statement of assets and liabilities, including the schedule of investments, as of March 31, 2014, and the related statement of changes in net assets for the year then ended, is fairly stated in all material respects in relation to the statement of assets and liabilities from which it has been derived.

/s/ PricewaterhouseCoopers LLP

New York, New York

February 5, 2015

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APOLLO INVESTMENT CORPORATION

STATEMENTS OF ASSETS AND LIABILITIES (unaudited)

(in thousands, except per share amounts)

	December 31, 2014	March 31, 2014
Assets		
Non-controlled/non-affiliated investments, at fair value (cost $2,683,906 and $2,714,971, respectively)	$ 2,568,832	$ 2,751,896
Non-controlled/affiliated investments, at fair value (cost $189,673 and $153,721, respectively)	198,739	144,628
Controlled investments, at fair value (cost $715,993 and $590,060, respectively)	746,444	582,147
Total investments (cost $3,589,572 and $3,458,752, respectively)	3,514,015	3,478,671
Cash	11,661	13,413
Foreign currency (cost $16,151 and $1,305, respectively)	16,009	1,323
Receivable for investments sold	94,965	72,918
Interest receivable	30,013	40,106
Dividends receivable	3,667	3,627
Deferred financing costs	27,066	31,601
Prepaid expenses and other assets	3,778	292
Total assets	$ 3,701,174	$ 3,641,951
Liabilities		
Debt (see note 6 & 9)	$ 1,588,653	$ 1,372,261
Payable for investments purchased	8,212	119,577
Dividends payable	47,348	47,348
Management and performance-based incentive fees payable (see note 3)	37,525	31,108
Interest payable	15,937	14,318
Accrued administrative expenses	2,232	1,915
Other liabilities and accrued expenses	4,576	3,813
Total liabilities	$ 1,704,483	$ 1,590,340
Net Assets		
Common stock, par value $.001 per share, 400,000,000 and 400,000,000 common shares authorized, respectively, 236,741,351 and 236,741,351 issued and outstanding, respectively	$ 237	$ 237
Paid-in capital in excess of par (see note 2)	3,221,803	3,221,829
Over-distributed net investment income (see note 2)	(20,137)	(53,995)
Accumulated net realized loss (see note 2)	(1,136,574)	(1,133,405)
Net unrealized gain (loss)	(68,638)	16,945
Net assets	$ 1,996,691	$ 2,051,611
Total liabilities and net assets	$ 3,701,174	$ 3,641,951
Net asset value per share	$ 8.43	$ 8.67

See notes to financial statements.

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APOLLO INVESTMENT CORPORATION

STATEMENTS OF OPERATIONS (unaudited)

(in thousands, except per share amounts)

	Three Months Ended December 31, 2014	Three Months Ended December 31, 2013	Nine Months Ended December 31, 2014	Nine Months Ended December 31, 2013
INVESTMENT INCOME:				
From non-controlled/non-affiliated investments:				
Interest	$ 87,606	$ 76,347	$ 266,300	$ 231,136
Dividends	991	1,172	3,106	5,866
Other income	4,533	2,983	10,827	9,675
From non-controlled/affiliated investments:				
Interest	283	1,001	3,210	2,730
Dividends	4,236	5,964	12,310	15,528
From controlled investments:				
Interest	10,199	5,767	29,423	16,345
Dividends	2,115	914	5,815	3,174
Other income	63	413	525	487
Total investment income	$ 110,026	$ 94,561	$ 331,516	$ 284,941
EXPENSES:				
Management fees (see note 3)	$ 18,755	$ 15,932	$ 55,744	$ 46,044
Performance-based incentive fees (see note 3)	13,215	11,469	41,075	35,464
Interest and other debt expenses	20,315	17,366	58,163	50,682
Administrative services expense	1,863	1,410	4,821	3,616
Other general and administrative expenses	3,014	2,097	7,919	6,203
Total expenses	$ 57,162	$ 48,274	$ 167,722	$ 142,009
Management and performance-based incentive fees waived (see note 3)	$ (3,740)	$ (3,375)	$ (11,934)	$ (8,675)
Expense reimbursements (see note 3)	(58)	(21)	(174)	(29)
Net expenses	$ 53,364	$ 44,878	$ 155,614	$ 133,305
Net investment income	$ 56,662	$ 49,683	$ 175,902	$ 151,636
REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS, CASH EQUIVALENTS, FOREIGN CURRENCIES AND DERIVATIVES:				
Net realized gain (loss):				
Investments and cash equivalents				
Non-controlled/non-affiliated investments	$ (2,355)	$ 2,516	$ (14,244)	$ (119,902)
Non-controlled/affiliated investments	(169)	321	11,357	321
Controlled investments	(57)	1,368	(57)	(970)
Net realized gain (loss) from investments and cash equivalents	$ (2,581)	$ 4,205	$ (2,944)	$ (120,551)

See notes to financial statements.

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APOLLO INVESTMENT CORPORATION

STATEMENTS OF OPERATIONS (unaudited) (continued)

(in thousands, except per share amounts)

	Three Months Ended December 31, 2014	Three Months Ended December 31, 2013	Nine Months Ended December 31, 2014	Nine Months Ended December 31, 2013
Foreign currencies				
Non-controlled/non-affiliated investments	$ (13)	$ 13	$ 374	$ (87)
Non-controlled/affiliated investments				
Controlled investments	134	6	134	42
Foreign debt	1,030	(557)	(733)	2,514
Net realized gain (loss) from foreign currencies	$ 1,151	$ (538)	$ (225)	$ 2,469
Derivatives				8,541
Net realized gain (loss)	$ (1,430)	$ 3,667	$ (3,169)	$ (109,541)
Net change in unrealized gain (loss):				
Investments and cash equivalents				
Non-controlled/non-affiliated investments	$ (100,749)	$ 50,084	$ (149,322)	$ 150,228
Non-controlled/affiliated investments	4,939	3,424	15,592	(1,897)
Controlled investments	18,068	887	38,364	23,669
Net change in unrealized gain (loss) from investments and cash equivalents	$ (77,742)	$ 54,395	$ (95,366)	$ 172,000
Foreign currencies				
Non-controlled/non-affiliated investments	$ (234)	$ 58	$ (747)	$ 593
Non-controlled/affiliated investments				
Controlled investments		(12)		9
Foreign debt	3,292	(2,053)	10,532	(13,730)
Net change in unrealized gain (loss) from foreign currencies	$ 3,058	$ (2,007)	$ 9,785	$ (13,128)
Net change in unrealized gain (loss)	$ (74,684)	$ 52,388	$ (85,581)	$ 158,872
Net realized and unrealized gain (loss) from investments, cash equivalents, foreign currencies and derivatives	(76,114)	56,055	(88,750)	49,331
NET (DECREASE) INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	$ (19,452)	$ 105,738	$ 87,152	$ 200,967
EARNINGS (Loss) PER SHARE BASIC (see note 4)	$ (0.09)	$ 0.47	$ 0.36	$ 0.90
EARNINGS (Loss) PER SHARE DILUTED (see note 4)	$ (0.09)	$ 0.45	$ 0.36	$ 0.88

See notes to financial statements.

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APOLLO INVESTMENT CORPORATION

STATEMENTS OF CHANGES IN NET ASSETS (unaudited)

(in thousands, except shares)

	Nine Months Ended December 31, 2014	Year ended March 31, 2014
Increase (decrease) in net assets from operations:		
Net investment income	$ 175,902	$ 201,248
Net realized loss	(3,169)	(106,507)
Net change in unrealized gain (loss)	(85,581)	176,131
Net increase in net assets resulting from operations	87,152	270,872
Dividends and distributions to stockholders (see note 2):		
Distribution of income	(142,045)	(182,193)
Return of capital		
Total dividends and distributions to stockholders	(142,045)	(182,193)
Capital share transactions:		
Net proceeds from shares sold		286,553
Less offering costs	(27)	(1,010)
Reinvestment of dividends		
Net increase (decrease) in net assets from capital share transactions	(27)	285,543
Total increase (decrease) in net assets:	(54,920)	374,222
Net assets at beginning of period	2,051,611	1,677,389
Net assets at end of period	$ 1,996,691	$ 2,051,611
Capital share activity		
Shares sold		33,850,000
Shares issued from reinvestment of dividends		
Net capital share activity		33,850,000

See notes to financial statements.

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APOLLO INVESTMENT CORPORATION

STATEMENTS OF CASH FLOWS (unaudited)

(in thousands)

	Nine months ended December 31, 2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net increase in net assets resulting from operations	$ 87,152	$ 200,967
Adjustments to reconcile net increase (decrease):		
PIK interest and dividends capitalized (see note 5)	(24,155)	(21,008)
Net amortization on investments	(7,860)	(5,833)
Accretion of original issue discount on 2024 Note	1	
Amortization of deferred financing costs	4,966	5,497
(Increase) decrease from foreign currency transactions	(1,035)	2,975
Net change in unrealized (gain) loss on investments, cash equivalents, foreign currencies and derivatives	85,581	(158,872)
Net realized loss on investments, cash equivalents, and foreign currencies	3,169	109,541
Changes in operating assets and liabilities:		
Purchase of investments	(1,839,380)	(1,830,368)
Proceeds from derivatives		4,156
Proceeds from the disposition of derivatives		4,385
Proceeds from disposition of investments	1,737,803	1,575,542
Increase in receivables for investments sold	(22,047)	(93,887)
Decrease in interest receivable	10,093	11,364
Increase in dividends receivable	(40)	(4,145)
Increase in prepaid expenses and other assets	(3,486)	(677)
Increase (decrease) in payable for investments purchased	(111,365)	73,113
Increase in management and performance-based incentive fees payable	6,417	2,835
Increase in interest payable	1,619	2,138
Increase (decrease) in accrued administrative expenses	317	(904)
Increase in other liabilities and accrued expenses	763	661
Net cash (used in) provided by operating activities	$ (71,487)	$ (122,520)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net proceeds from the issuance of common stock	$	$ 182,273
Offering costs for the issuance of common stock	(27)	(445)
Dividends paid in cash	(142,045)	(130,475)
Proceeds from debt	2,423,577	1,609,313
Repayments of debt	(2,196,492)	(1,517,840)
Deferred financing costs paid	(432)	(11,678)
Net cash provided by (used in) financing activities	$ 84,581	$ 131,148
NET INCREASE IN CASH AND CASH EQUIVALENTS	$ 13,094	$ 8,628
Effect of exchange rates on cash balances	(160)	22
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	$ 14,736	$ 6,197
CASH AND CASH EQUIVALENTS, END OF PERIOD	$ 27,670	$ 14,847

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:

Cash interest paid during the period	$	50,064	$	41,006
PIK income (see note 5)	$	24,889	$	21,447

See notes to financial statements.

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APOLLO INVESTMENT CORPORATION

SCHEDULE OF INVESTMENTS (unaudited)

December 31, 2014

(in thousands)

INVESTMENTS IN NON-CONTROLLED/NON-AFFILIATED INVESTMENTS 128.7% (18)	Interest Rate	Maturity Date	Industry		Par Amount(12)	Cost	Fair Value (1)
CORPORATE DEBT 116.3%							
SECURED DEBT 90.0%							
1st Lien Secured Debt 40.4%							
Alion Science & Technology Corporation	11.00% (L+1000, 1.00% Floor)	8/16/19	Aerospace and Defense	$	32,083	$ 31,074	$ 31,442
Archroma (17)	9.50% (L+825, 1.25% Floor)	10/1/18	Chemicals		45,230	44,796	44,891
Aventine Renewable Energy Holdings, Inc.	15.00% PIK or 10.50% Cash	9/22/17	Chemicals		15,742	18,244	15,663
Aveta, Inc.	9.75% (L+825, 1.50% Floor)	12/12/17	Healthcare		54,959	53,886	53,311
Caza Petroleum, Inc.	12.00% (L+1000, 2.00% Floor)	5/23/17	Oil and Gas		45,000	43,892	43,762
Compuware Holdings, LLC (16)	6.25% (L+525, 1.00% Floor)	12/15/21	Business Services		2,903	2,758	2,756
Compuware Holdings, LLC (16)	6.25% (L+525, 1.00% Floor)	12/15/19	Business Services		1,398	1,370	1,369
Deep Gulf Energy II, LLC	11.50% (11.50% or L+1000, 1.50% Floor)	3/31/17	Oil and Gas		25,000	25,000	24,437
Delta Educational Systems, Inc.	16.00% (8.00% Cash / 8.00% PIK)	12/11/16	Education		5,774	5,774	5,774
Dodge Data & Analytics LLC	9.75% (L+875, 1.00% Floor)	10/31/19	Printing and Publishing		60,500	59,322	58,836
Extraction Oil & Gas Holdings, LLC	11.00% and 10.00%	5/29/19	Oil and Gas		52,633	51,899	51,843
GenCorp, Inc. (17)	9.50% (L+850, 1.00% Floor)	4/18/22	Aerospace and Defense		44,500	44,500	44,500
Great Bear Petroleum Operating, LLC	12.000%	10/1/17	Oil and Gas		5,064	5,064	5,064
Hunt Companies, Inc. (11)	9.625%	3/1/21	Buildings and Real Estate		41,008	40,542	41,828
M&G Chemicals, S.A. (17)	9.139% (L+900, 0.139% Floor)	3/28/16	Chemicals		5,000	5,000	5,000
Magnetation, LLC (11)	11.000%	5/15/18	Mining		38,454	39,976	26,629
Maxus Capital Carbon SPE I, LLC (Skyonic Corp.)	13.000%	9/18/19	Chemicals		76,123	76,123	76,123
Molycorp, Inc. (17)	10.000%	6/1/20	Diversified Natural Resources, Precious Metals and Minerals		50,424	50,017	28,363
My Alarm Center, LLC (16)	8.50% (L+750, 1.00% Floor)	1/9/18	Business Services		42,614	42,614	42,614
My Alarm Center, LLC (16)	8.50% (L+750, 1.00% Floor)	1/9/18	Business Services		11,000	11,000	11,000
Osage Exploration & Development, Inc. (11)(17)	13.00% (L+1100, 2.00% Floor)	4/27/16	Oil and Gas		25,000	24,688	24,063
Panda Temple Power, LLC	11.50% (L+1000, 1.50% Floor)	7/17/18	Energy		25,500	25,155	25,755
Pelican Energy, LLC (17)	10.00% (7.00% Cash /3.00% PIK)	12/31/18	Oil and Gas		26,541	25,607	26,541
SCM Insurance Services, Inc. (17)	9.250%	8/22/19	Business Services	CAD	30,000	27,125	25,642

Spotted Hawk Development, LLC	13.00% (12.00% Cash / 1.00% PIK)	9/12/16	Oil and Gas	80,698	79,558	78,681

See notes to financial statements.

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APOLLO INVESTMENT CORPORATION

SCHEDULE OF INVESTMENTS (unaudited) (continued)

December 31, 2014

(in thousands)

INVESTMENTS IN NON-CONTROLLED/NON-AFFILIATED INVESTMENTS 128.7% (18)	Interest Rate	Maturity Date	Industry	Par Amount(12)	Cost	Fair Value (1)
1st Lien Secured Debt 40.4% (continued)						
Sunrun Solar Owner IX, LLC	9.079%	12/31/24	Energy	$ 3,476	$ 3,332	$ 3,330
UniTek Global Services Inc.	9.50% (L+850, 1.00% Floor) Funded, 0.50% Unfunded	1/21/15	Telecommunications	8,256	8,256	8,256
Total 1st Lien Secured Debt excluding Revolvers and Letters of Credit					**$ 846,572**	**$ 807,473**
Funded and Unfunded Revolver Obligations 3.9%						
Avaya, Inc., (Revolver) (16)	5.00% (L+175 Funded) / 2.910% (L+275 Funded)	10/26/16	Telecommunications	$ 18,392	$ 18,392	$ 16,828
Avaya, Inc., (Unfunded Revolver) (8)(16)	0.500% Unfunded	10/26/16	Telecommunications	18,392	(3,680)	(1,563)
BMC Software, Inc., (Unfunded Revolver) (8)	L+400 Funded, 0.50% Unfunded	9/10/18	Business Services	20,760	(1,994)	(1,868)
CIT Group, Inc., (Unfunded Revolver) (8)(17)	0.625% Unfunded	1/27/17	Financial Services	25,000	(336)	(1,000)
Confie Seguros Holding II Co., (Revolver) (16)	6.75% (P+350, 3.25% Floor) Funded	12/10/18	Insurance	1,050	1,050	955
Confie Seguros Holding II Co., (Unfunded Revolver) (8)(16)	0.500% Unfunded	12/10/18	Insurance	2,784	(363)	(251)
Laureate Education Inc., (Revolver) (16)(17)	5.00% (L+375, 1.25% Floor) Funded	6/16/16	Education	28,764	28,764	26,175
Laureate Education, Inc., (Unfunded Revolver) (8)(16)(17)	0.625% Unfunded	6/16/16	Education	23	(2,494)	(2)
Salix Pharmaceuticals, Ltd., (Unfunded Revolver) (8)(16)(17)	L+300 Funded, 0.50% Unfunded	1/2/19	Healthcare	24,867	(1,618)	(497)
Tibco Software Inc., (Unfunded Revolver) (8)	L+400 / L+300 Funded, 0.50% Unfunded	12/5/19	Business Services	6,000	(59)	(30)
Transfirst Holdings, Inc., (Unfunded Revolver) (8)(16)	L+450 Funded, 0.50% Unfunded	11/12/19	Financial Services	2,940	(15)	(29)
UniTek Global Services, Inc., (Unfunded Revolver)	L+850 Funded, 0.50% Unfunded	1/21/15	Telecommunications	5,000		
UniTek Global Services, Inc., (Revolver)	10.25% (L+925, 1.00% Floor) Funded	4/15/16	Telecommunications	38,731	38,731	38,731
Walter Energy, Inc., (Unfunded Revolver) (8)(16)(17)	L+550 Funded, 0.625% Unfunded	10/1/17	Mining	275	(169)	(48)
Total Funded and Unfunded Revolver Obligations					**$ 76,209**	**$ 77,401**
Letters of Credit (0.0)%						
Confie Seguros Holding II Co., Letter of Credit (8)(16)	4.500%	10/27/14	Insurance	$ 600	$	$ (54)
Confie Seguros Holding II Co., Letter of Credit (8)(16)	4.500%	1/13/15	Insurance	66		(6)

See notes to financial statements.

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APOLLO INVESTMENT CORPORATION

SCHEDULE OF INVESTMENTS (unaudited) (continued)

December 31, 2014

(in thousands)

INVESTMENTS IN NON-CONTROLLED/NON-AFFILIATED INVESTMENTS 128.7% (18)	Interest Rate	Maturity Date	Industry	Par Amount (12)	Cost	Fair Value (1)
Letters of Credit (0.0)% (continued)						
Laureate Education Inc., Letter of Credit (8)(17)	3.750%	6/16/16	Education	$ 93	$	$ (8)
Salix Pharmaceuticals, Ltd., Letter of Credit (16)(17)	3.000%	2/10/15	Healthcare	8		
Salix Pharmaceuticals, Ltd., Letter of Credit (8)(16)(17)	3.000%	2/10/15	Healthcare	125		(3)
Transfirst Holdings, Inc., Letter of Credit (8)(16)	L+450	11/12/19	Financial Services	60		(1)
UniTek Global Services Inc., Letter of Credit	9.000%	1/21/15	Telecommunications	17,946		
UniTek Global Services Inc., Letter of Credit	9.000%	1/21/15	Telecommunications	1,850		
Walter Energy, Inc., Letter of Credit (8)(9)(16)(17)	5.500%	9/18/14-7/4/15	Mining	86		(15)
Walter Energy, Inc., Letter of Credit (8)(9)(16)(17)	5.500%	11/28/15-8/31/15	Mining	CAD 192		(29)
Total Letters of Credit					**$**	**$ (116)**
Total 1st Lien Secured Debt					**$ 922,781**	**$ 884,758**
2nd Lien Secured Debt 45.7%						
Access Information	9.75% (L+875, 1.00% Floor)	10/17/22	Business Services	$ 25,600	$ 24,070	$ 24,192
Active Network, Inc.	9.50% (L+850, 1.00% Floor)	11/15/21	Business Services	19,672	19,584	19,181
American Energy - Utica, LLC (10)	11.00% (L+950, 1.50% Floor)	9/30/18	Oil and Gas	6,828	6,770	6,247
Appriss Holdings, Inc.	9.25% (L+825, 1.00% Floor)	5/21/21	Business Services	25,000	24,630	25,000
Aptean, Inc.	8.50% (L+750, 1.00% Floor)	2/26/21	Business Services	10,322	10,181	9,883
Armor Holdings, Inc. (American Stock Transfer and Trust Company)	10.25% (L+900, 1.25% Floor)	12/26/20	Financial Services	8,000	7,863	7,880
Asurion Corporation	8.50% (L+750, 1.00% Floor)	3/3/21	Insurance	62,400	61,529	62,166
Confie Seguros Holding II Co.	10.25% (L+900, 1.25% Floor)	5/8/19	Insurance	33,844	33,610	33,760
Consolidated Precision Products Corp.	8.75% (L+775, 1.00% Floor)	4/30/21	Aerospace and Defense	1,940	1,931	1,853
Deltek, Inc.	10.00% (L+875, 1.25% Floor)	10/10/19	Business Services	17,273	17,118	17,403
Elements Behavioral Health, Inc.	9.25% (L+825, 1.00% Floor)	2/11/20	Healthcare	9,500	9,416	9,441
Garden Fresh Restaurant Corp. (16)	14.50% (L+1300 PIK, 1.50% Floor)	1/1/19	Restaurants	38,448	36,504	34,219
Garden Fresh Restaurant Corp. (16)	7.25% (L+575 PIK, 1.50% Floor)	1/1/19	Restaurants	8,090	6,279	5,501
GCA Services Group, Inc.	9.25% (L+800, 1.25% Floor)	11/1/20	Diversified Service	22,838	22,930	22,609
Grocery Outlet, Inc.	9.25% (L+825, 1.00% Floor)	10/21/22	Grocery	30,000	29,555	29,663
GTCR Valor Companies, Inc.	9.50% (L+850, 1.00% Floor)	11/30/21	Business Services	35,000	34,657	33,950

See notes to financial statements.

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APOLLO INVESTMENT CORPORATION

SCHEDULE OF INVESTMENTS (unaudited) (continued)

December 31, 2014

(in thousands)

INVESTMENTS IN NON-CONTROLLED/ NON-AFFILIATED INVESTMENTS 128.7% (18)	Interest Rate	Maturity Date	Industry	Par Amount(12)	Cost	Fair Value (1)
2nd Lien Secured Debt 45.7% (continued)						
Institutional Shareholder Services, Inc.	8.50% (L+750, 1.00% Floor)	4/30/22	Financial Services	$ 6,640	$ 6,577	$ 6,540
Kronos, Inc.	9.75% (L+850, 1.25% Floor)	4/30/20	Business Services	51,123	50,727	52,082
Miller Energy Resources, Inc. (17)	12.75% (L+975, 3.00% Floor)	2/3/18	Oil and Gas	87,500	86,076	85,750
MSC Software Corp. (17)	8.50% (L+750, 1.00% Floor)	5/28/21	Business Services	18,448	18,275	18,079
Novolex Holdings, Inc.	9.75% (L+875, 1.00% Floor)	6/5/22	Packing	40,000	39,005	39,200
Pabst Brewing Company	10.50 (P+725, 3.25% Floor) / 9.25 (L+825, 1.00% Floor)	11/14/22	Consumer Products	32,000	31,601	31,600
Premier Trailer Leasing, Inc.	10.00% (L+900, 1.00% Floor)	9/24/20	Financial Services	52,000	50,996	50,960
RegionalCare Hospital Partners, Inc.	10.50% (L+950, 1.00% Floor)	10/23/19	Healthcare	4,000	3,796	3,990
River Cree Enterprises LP (11)(17)	11.000%	1/20/21	Hotels, Motels, Inns and Gaming	CAD 33,000	31,111	30,307
SiTV, Inc. (11)	10.375%	7/1/19	Cable Television	$ 2,219		