BALLOU ROGER H
Form 4
December 03, 2018

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
BALLOU ROGER H

(Last) (First) (Middle)

C/O RCM TECHNOLOGIES, INC., 2500 MCCLELLAN AVENUE, SUITE 350

(Street)

PENNSAUKEN, NJ 08109

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
RCM TECHNOLOGIES INC [RCMT]

3. Date of Earliest Transaction (Month/Day/Year)
11/29/2018

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

__X__ Director _____ 10% Owner
_____ Officer (give title below) _____ Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	11/29/2018		P		200	A	$ 4.005 (1)	54,778	D	
Common Stock	11/30/2018		P		700	A	$ 4.1057 (2)	55,478	D	
Common Stock	12/03/2018		P		800	A	$ 4.0575 (3)	56,278	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(*e.g.*, puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene Owne Follo Repo Trans (Instr
								Date Exercisable	Expiration Date	Title	Amount or Number of Shares		
				Code	V	(A)	(D)						

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BALLOU ROGER H C/O RCM TECHNOLOGIES, INC. 2500 MCCLELLAN AVENUE, SUITE 350 PENNSAUKEN, NJ 08109	X			

Signatures

Roger H. Ballou by Kevin D. Miller PoA	12/03/2018
**Signature of Reporting Person	Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Represents the weighted average of a range of purchase prices from $4.00 to $4.01. The reporting person undertakes to provide to the staff of the Securities and Exchange Commission, the Company or any stockholder of the Company, upon request, full information regarding the number of shares sold at each separate price.

(2) Represents the weighted average of a range of purchase prices from $4.09 to $4.13. The reporting person undertakes to provide to the staff of the Securities and Exchange Commission, the Company or any stockholder of the Company, upon request, full information regarding the number of shares sold at each separate price.

(3) Represents the weighted average of a range of purchase prices from $4.00 to $4.09. The reporting person undertakes to provide to the staff of the Securities and Exchange Commission, the Company or any stockholder of the Company, upon request, full information regarding the number of shares sold at each separate price.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
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Jamestown CLO I LTD, Class D L+550, 11/5/24 ¢

Diversified

Investment Vehicle

3,800 3,373 3,537

Jamestown CLO I LTD, Class C L+400, 11/5/24 ¢

Diversified

Investment Vehicle

1,120 1,024 1,109

Kirkwood Fund II LLC, Common Interest ¢

Diversified

Investment Vehicle

41,067 43,144

MCF CLO I LLC, Membership Interests ¢

Diversified

Investment Vehicle

38,918 38,918 38,918

MCF CLO I LLC, Class E Notes L+575, 4/20/23 ¢

Diversified

Investment Vehicle

13,000 12,278 12,273

Slater Mill Loan Fund LTD, Preference Shares ¢

Diversified

Investment Vehicle

8,375 7,119 6,951

TOTAL STRUCTURED PRODUCTS AND OTHER

$124,006 $125,674

Common Equity/Interests 0.1%

Aventine Renewable Energy Holdings, Inc. **

Chemicals 262,036 $4,684 $2,347

Total Common Equity/Interests

$4,684 $2,347

Explanation of Responses:

TOTAL EQUITY

$4,684 $2,347

Total Investments in Non-Controlled/ Affiliated Investments

$148,547 $141,569

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APOLLO INVESTMENT CORPORATION

SCHEDULE OF INVESTMENTS (continued)

March 31, 2013

(in thousands)

	Industry	Par Amount *	Cost	Fair Value (1)
INVESTMENTS IN CONTROLLED INVESTMENTS 18.5% (5)				
CORPORATE DEBT 9.2%				
SECURED DEBT 6.7%				
1st Lien Secured Debt 6.1%				
Merx Aviation Finance Holdings, LLC, 12.00%, 1/9/21	Aviation	$ 92,000	$ 92,000	$ 92,000
Merx Aviation Finance Holdings, LLC, 12.00%, 2/1/21	Aviation	5,303	5,303	5,303
Merx Aviation Finance Holdings, LLC, 12.00% 3/28/21	Aviation	4,684	4,684	4,684
Total 1st Lien Secured Debt			**$ 101,987**	**$ 101,987**
2nd Lien Secured Debt 0.6%				
LVI Services, Inc., 12.50%, 3/6/2018	Environmental Services	$ 10,000	$ 9,815	$ 10,000
Total 2nd Lien Secured Debt			**$ 9,815**	**$ 10,000**
TOTAL SECURED DEBT			**$ 111,802**	**$ 111,987**
UNSECURED DEBT 2.5%				
Playpower Holdings Inc., 14.00% PIK, 12/15/15	Leisure	19,064	$ 25,285	$ 24,173
Playpower, Inc., 12.50% PIK, 12/31/15	Leisure	£ 12,310	18,838	18,458
TOTAL UNSECURED DEBT			**$ 44,123**	**$ 42,631**
TOTAL CORPORATE DEBT			**$ 155,925**	**$ 154,618**
STRUCTURED PRODUCTS AND OTHER 3.0%				
AIC Credit Opportunity Fund LLC (6)	Diversified Investment Vehicle		$ 48,102	$ 50,696
TOTAL STRUCTURED PRODUCTS AND OTHER			**$ 48,102**	**$ 50,696**
EQUITY 6.3%				
Common Equity/Interests 6.3%		**Shares**		
Generation Brands Holdings, Inc. (Quality Home Brands) **	Home and Office Furnishings and	9,007		$ 432

	Durable Consumer Products			
Generation Brands Holdings, Inc. Series H (Quality Home Brands) **	Home and Office Furnishings and Durable Consumer Products	7,500	$ 2,297	360
Generation Brands Holdings, Inc. Series 2L (Quality Home Brands) **	Home and Office Furnishings and Durable Consumer Products	36,700	11,242	1,760
LVI Parent Corp. (LVI Services, Inc.) **	Environmental & Facilities Services	14,981	16,096	30,575
Merx Aviation Finance Holdings, LLC **	Aviation		33,820	33,820
Playpower Holdings Inc. **	Leisure	1,000	77,722	38,157
Total Common Equity/Interests			**$ 141,177**	**$ 105,104**
TOTAL EQUITY			**$ 141,177**	**$ 105,104**
Total Investments in Controlled Investments			**$ 345,204**	**$ 310,418**
Total Investments 169.9%(7,8)			**$ 3,019,301**	**$ 2,850,399**
Liabilities in Excess of Other Assets (69.9%)				**(1,173,010)**
Net Assets 100.0%				**$ 1,677,389**

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APOLLO INVESTMENT CORPORATION

SCHEDULE OF INVESTMENTS (continued)

March 31, 2013

(in thousands)

(1) Fair value is determined in good faith by or under the direction of the Board of Directors of the Company (see Note 2).

(2) GS Prysmian Co-Invest L.P. and Fidji Luxco (BC) S.C.A. are EUR denominated investments.

(3) The Company is the sole Limited Partner in GS Prysmian Co-Invest L.P.

(4) Denotes investments in which we are an Affiliated Person , as defined in the 1940 Act, due to owning or holding the power to vote 5% or more of the outstanding voting securities of the investment but not controlling the company. Fair value as of March 31, 2012 and March 31, 2013 along with transactions during the fiscal year ended March 31, 2013 in these Affiliated investments are as follows:

Name of Issue	Fair Value at March 31, 2012	Gross Additions (Cost)	Gross Reductions (Cost) ¡	Change in Unrealized Gain (Loss)	Fair Value at March 31, 2013	Net Realized Gain (Loss)	Interest/Dividend/ Other Income
Aventine Renewable Energy Holdings, Inc., 12.00%, 9/24/16	N/A	$ 3,850		$ 16	$ 3,866		$ 250
Aventine Renewable Energy Holdings, Inc., 10.50% Cash or PIK, 9/24/17	N/A	16,396	(390)	(6,324)	9,682		514
Aventine Renewable Energy Holdings, Inc. Common Stock**	N/A	4,684		(2,337)	2,347		15
Highbridge Loan, Ltd., Preference Shares **	N/A	6,174			6,174		
Jamestown CLO I LTD, Subordinated Notes, 11/5/24	N/A	14,053		(485)	13,568		34
Jamestown CLO I LTD, Class D L+550, 11/5/24	N/A	3,373		164	3,537		101
Jamestown CLO I LTD, Class C L+400, 11/5/24	N/A	1,024		85	1,109		23
Kirkwood Fund II LLC, Common Interest	N/A	41,067		2,077	43,144		
MCF CLO I LLC, Membership Interests	N/A	40,385	(1,467)		38,918		5,895
MCF CLO I LLC, Class E Notes L+575, 4/20/23	N/A	12,278		(5)	12,273		84
Slater Mill Loan Fund LTD, Preference Shares	N/A	7,370	(251)	(168)	6,951		929

N/A	$ 150,654	$ (2,108)	$ (6,977)	$ 141,569	$	$ 7,845

Gross additions includes increases in the cost basis of investments resulting from new portfolio investments, PIK interest or dividends, the accretion of discounts, the exchange of one or more existing securities for one or more new securities and the movement of an existing portfolio company into this category from a different category.

¡ Gross reductions include decreases in the cost basis of investments resulting from principal collections related to investment repayments or sales, the amortization of premiums, the exchange of one or more existing securities for one or more new securities and the movement of an existing portfolio company out of this category into a different category.

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APOLLO INVESTMENT CORPORATION

SCHEDULE OF INVESTMENTS (continued)

March 31, 2013

(in thousands)

As of March 31, 2013, the Company has a 11%, 32%, 31%, 98%, 97%, and 26% equity ownership interest in Aventine Renewable Energy Holdings, Inc., Highbridge Loan, Ltd, Jamestown CLO I Ltd, Kirkwood Fund II LLC, MCF CLO I LLC, and Slater Mill Loan Fund LP, respectively. Investments that the Company owns greater than 25% of the equity and are shown in Non-Control/Affiliate have governing documents that preclude the Company from controlling management of the entity and therefore the Company disclaims that the entity is a controlled affiliate.

(5) Denotes investments in which we are deemed to exercise a controlling influence over the management or policies of a company, as defined in the 1940 Act, due to beneficially owning, either directly or through one or more controlled companies, more than 25% of the outstanding voting securities of the investment. Fair value as of March 31, 2012 and March 31, 2013 along with transactions during the fiscal year ended March 31, 2013 in these Controlled investments are as follows:

Name of Issue	Fair Value at March 31, 2012	Gross Additions (Cost)	Gross Reductions (Cost) ¡	Change in Unrealized Gain (Loss)	Fair Value at March 31, 2013	Net Realized Gain (Loss)	Interest/Dividend/ Other Income
AIC Credit Opportunity Fund LLC Common Equity	$ 56,034	$ 576	$ (15,503)	$ 9,589	$ 50,696	$ 2,961	$ 7,423
Generation Brands Holdings, Inc. (Quality Home Brands) Common Equity	130			302	432		
Generation Brands Holdings, Inc. (Quality Home Brands) Series H Common Equity	1,300			(940)	360		
Generation Brands Holdings, Inc. (Quality Home Brands) Series 2L Common Equity	7,793			(6,033)	1,760		
Grand Prix Holdings, LLC. Series A Preferred Interests, 12.00% PIK	N/A	N/A	N/A	N/A		51	N/A
LVI Services, Inc.,12.50%, 3/6/18	N/A	9,815		185	10,000		916
LVI Parent Corp. Common Equity	21,504			9,071	30,575		
Merx Aviation Finance Holdings, LLC, 12.00%, 1/9/21	N/A	92,000			92,000		2,480
Merx Aviation Finance Holdings, LLC, 12.00%, 2/1/21	N/A	5,303			5,303		103
Merx Aviation Finance Holdings, LLC, 12.00% 3/28/21	N/A	4,684			4,684		6
Merx Aviation Finance Holdings, LLC Equity Interest	N/A	33,820			33,820		
Playpower Holdings, Inc., 14.00% PIK	21,576	3,156		(559)	24,173	(150)	3,154
Playpower, Inc., 12.50% PIK	16,960	2,471		(973)	18,458	(189)	2,469
Playpower Holdings Inc. Common Equity	61,111			(22,954)	38,157		

	$	186,408	$	151,825	$	(15,503)	$	(12,312)	$	310,418	$	2,673	$	16,551

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APOLLO INVESTMENT CORPORATION

SCHEDULE OF INVESTMENTS (continued)

March 31, 2013

(in thousands)

Gross additions includes increases in the cost basis of investments resulting from new portfolio investments, PIK interest or dividends, the accretion of discounts the exchange of one or more existing securities for one or more new securities and the movement of an existing portfolio company into this category from a different category.

¡ Gross reductions include decreases in the cost basis of investments resulting from principal collections related to investment repayments or sales, the amortization of premiums, the exchange of one or more existing securities for one or more new securities and the movement of an existing portfolio company out of this category into a different category.

As of March 31, 2013, the Company has a 100%, 32%, 32%, 100%, and 100%, equity ownership interest in AIC Credit Opportunity Fund LLC, Generation Brands Holdings, Inc., LVI Parent Corp., Merx Aviation Financing Holdings LLC, and Playpower Holdings Inc., respectively.

(6) See Note 6.

(7) Aggregate gross unrealized gain for federal income tax purposes is $127,303; aggregate gross unrealized loss for federal income tax purposes is $396,790. Net unrealized loss is $269,487 based on a tax cost of $3,119,886.

(8) Substantially all securities are pledged as collateral to our multicurrency revolving credit facility (the Facility). As such these securities are not available as collateral to our general creditors.

¿ These securities are exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions that are exempt from registration, normally to qualified institutional buyers.

* Denominated in USD unless otherwise noted, Euro ( ), British Pound (£), and Canadian Dollar (CAD).

** Non-income producing security

*** Non-accrual status (see Note 2d)

Denotes debt securities where the Company owns multiple tranches of the same broad asset type but whose security characteristics differ. Such differences may include level of subordination, call protection and pricing, and differing interest rate characteristics, among other factors. Such factors are usually considered in the determination of fair values.

Investments that the Company has determined are not qualifying assets under Section 55(a) of the 1940 Act. Under the 1940 Act, we may not acquire any non-qualifying asset unless, at the time such acquisition is made, qualifying assets represent at least 70% of our total assets. The status of these assets under the 1940 Act are subject to change. The Company monitors the status of these assets on an ongoing basis.

× Denotes a when issued security that settled after March 31, 2013.

¢ Denotes investments where the governing documents of the entity preclude the Company from controlling management of the entity and accordingly the Company disclaims that the entity is a controlled affiliate.

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APOLLO INVESTMENT CORPORATION

SCHEDULE OF INVESTMENTS (continued)

March 31, 2013

(in thousands)

Industry Classification	**Percentage of Total Investments (at fair value) as of March 31, 2013**
Business Services	12.1%
Diversified Service	11.1%
Healthcare	10.2%
Financial Services	7.0%
Diversified Investment Vehicle	6.5%
Packaging	5.1%
Aviation	4.8%
Transportation	4.6%
Oil & Gas	4.4%
Education	3.7%
Distribution	3.3%
Environmental Services	3.3%
Leisure	2.8%
Broadcasting & Entertainment	2.8%
Insurance	2.1%
Telecommunications	1.9%
Grocery	1.9%
Printing & Publishing	1.6%
Energy	1.5%
Manufacturing	1.4%
Chemicals	1.4%
Restaurants	1.3%
Utilities	1.3%
Containers, Packaging and Glass	1.1%
Homebuilding	0.7%
Consumer Products	0.6%
Hotels, Motels, Inns, ad Gaming	0.5%
Media	0.5%
Electronics	0.2%
Diversified Natural Resources, Precious Metals and Minerals	0.2%
Home and Office Furnishings and Durable Consumer Products	0.1%
Total Investments	100.0%

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APOLLO INVESTMENT CORPORATION

NOTES TO FINANCIAL STATEMENTS

(in thousands except share and per share amounts)

Note 1. Organization

Apollo Investment Corporation (Apollo Investment , the Company , AIC , we , us , or our), a Maryland corporation organized on February 2 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 loans, 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 (CLOs and CLNs , respectively). Our portfolio is comprised primarily of investments in debt, including secured and unsecured debt of private 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.

Apollo Investment commenced operations on April 8, 2004 receiving net proceeds of $870,000 from its initial public offering by selling 62 million shares of common stock at a price of $15.00 per share. Since then, and through March 31, 2014, we have raised approximately $2,210,099 in net proceeds from additional offerings of common stock.

Note 2. Significant Accounting Policies

The following is a summary of the significant accounting and reporting policies used in preparing the financial statements.

Basis of Presentation

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP). In accordance with Regulation S-X, the Company generally will not consolidate its interest in any company other than in investment company subsidiaries and controlled operating companies substantially all of whose business consists of providing services to the Company. Consequently, the Company has not consolidated special purpose entities through which the special purpose entity acquired and holds investments subject to financing with third parties. At March 31, 2014, the Company did not have any subsidiaries or controlled operating companies that were consolidated (see additional information within note 6).

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reported periods. Changes in the economic environment, financial markets and any other parameters used in determining these estimates could cause actual results to differ materially.

Reclassifications

Certain industries were reclassified on the Schedule of Investments for March 31, 2013 to conform to the current period s presentation. Certain amounts have been reclassified on the Statement of Operations and the Statement of Assets and Liabilities to conform to the current period presentation. For the fiscal year ended

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March 31, 2013, approximately i) $779 of investment income previously classified from non-controlled/non-affiliated was reclassified to investment income from non-controlled/affiliated investments, ii) $(2,578) of investment income previously classified as investment income from controlled investments was reclassified to investment income from non-controlled/non-affiliated investments, iii) $7,066 of investment income previously classified as investment income from controlled investments was reclassified to investment income from non-controlled/affiliated investments, and iv) $236 of investment income previously classified as investment income from non-controlled/affiliated investments was reclassified to investment income from controlled investments.

Cash and Cash Equivalents

The Company defines cash equivalents as securities that are readily convertible into known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. Generally, only securities with a maturity of three months or less from the date of purchase would qualify, with limited exceptions. The Company deems that certain U.S. Treasury bills, repurchase agreements and other high-quality, short-term debt securities would qualify as cash equivalents.

Fair Value Measurements

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 third party valuation firms consider observable market inputs together with significant unobservable inputs in arriving at their valuation recommendations for such Level 3 categorized assets. Debt investments with remaining maturities of 60 days or less shall 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 which case such investments shall be valued at fair value as determined in good faith by or under the direction of our board of directors. 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 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, 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 as an input in the valuation process. For the fiscal year ended March 31, 2014, there has been no change to the Company s valuation techniques and related inputs considered in the valuation process.

Accounting Standards Codification (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.

Realized Gains and Losses

Security transactions are accounted for on the trade date. Realized gains or losses on investments are calculated by using the specific identification method. Securities that have been called by the issuer are recorded at the call price on the call effective date.

Interest and Dividend 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 payment-in-kind (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.

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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. For the fiscal year ended March 31, 2014, PIK income totaled $28,974 on total investment income of $381,346. 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. Structuring and other lending related fees are recorded as other income when earned. 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 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.

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 pool 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.

Dividends to Common Stockholders

Dividends and distributions to common stockholders are recorded as of the record date. The amount to be paid out as a dividend is determined by the board of directors each quarter. Net realized capital gains, if any, are generally distributed or deemed distributed at least annually.

Income Taxes

The Company intends to comply with the applicable provisions of the Code pertaining to regulated investment companies to make distributions of taxable income sufficient to relieve it of substantially all Federal income taxes. The Company, at its discretion, may carry forward taxable income in excess of calendar year distributions and pay a 4% excise tax on this income. The Company will accrue excise tax on estimated excess taxable income, if any, as required.

Foreign Currency

The accounting records of the Company are maintained in U.S. dollars. All assets and liabilities denominated in foreign currencies are translated into U.S. dollars based on the rate of exchange of such currencies against U.S. dollars on the date of valuation. The Company s investments in foreign securities may involve certain risks, including without limitation: foreign exchange restrictions, expropriation, taxation or other political, social or economic risks, all of which could affect the market and/or credit risk of the investment. In addition, changes in the relationship of foreign currencies to the U.S. dollar can significantly affect the value of these investments and therefore the earnings of the Company.

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Equity Offering Expenses

The Company records expenses related to shelf filings and applicable offering costs as deferred financing costs in the Statement of Assets and Liabilities. To the extent such expenses relate to equity offerings, these expenses are charged as a reduction of capital upon utilization, in accordance with ASC 946-20-25.

Debt Issuance Costs

The Company records origination and other expenses related to its debt obligations as deferred financing costs in the Statement of Assets and Liabilities. These expenses are deferred and amortized using the straight-line method over the stated life of the obligation which approximates the effective yield method.

Derivative Instruments

The Company may enter into forward exchange contracts in order to hedge against foreign currency risk. These contracts are marked-to-market by recognizing the difference between the contract exchange rate and the current market rate as unrealized gain or loss. Realized gains or losses are recognized when contracts are settled.

The Company may make investments in derivative instruments. The derivative instruments are fair valued with changes to the fair value reflected in net unrealized gain/loss during the reporting period and recorded within realized gain/loss upon exit and settlement of the contract. The accrual of periodic interest settlements is recorded in net unrealized gain/loss and subsequently recorded as net realized gain or loss on the interest settlement date.

Recent Accounting Pronouncements

In December 2011, the Financial Accounting Standards Board (FASB) issued guidance to enhance disclosures about financial instruments and derivative instruments that are either (1) offset or (2) subject to an enforceable master netting arrangement or similar agreement, irrespective of whether they are offset. Under the guidance, an entity is required to disclose quantitative information relating to recognized assets and liabilities that are offset or subject to an enforceable master netting arrangement or similar agreement, including the gross amounts of those recognized assets and liabilities, the amounts offset to determine the net amount presented in the statement of financial position, and the net amount presented in the statement of financial position. With respect to amounts subject to an enforceable master netting arrangement or similar agreement which are not offset, disclosure is required of the amounts related to recognized financial instruments and other derivative instruments, the amount related to financial collateral (including cash collateral), and the overall net amount after considering amounts that have not been offset. The guidance is effective for annual reporting periods beginning on or after January 1, 2013 and interim periods within those annual periods and retrospective application is required. As the amendments are limited to disclosure only, the adoption of this guidance did not have a material impact on the financial statements of the Company.

In January 2013, the FASB issued guidance to clarify the scope of disclosures about offsetting assets and liabilities. The amendments clarify that the scope of guidance issued in December 2011 to enhance disclosures around financial instruments and derivative instruments that are either (1) offset, or (2) subject to a master netting arrangement or similar agreement, irrespective of whether they are offset, applies to derivatives, including bifurcated embedded derivatives, repurchase agreements and reverse repurchase agreements, and securities borrowing and securities lending transactions that are either offset or subject to an enforceable master netting arrangement or similar agreement. The amendments are effective for interim and annual periods beginning on or after January 1, 2013. As the amendments are limited to disclosure only, the adoption of this guidance did not have a material impact on the financial statements of the Company.

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In June 2013, the FASB issued guidance to change the assessment of whether an entity is an investment company by developing a new two-tiered approach that requires an entity to possess certain fundamental characteristics while allowing judgment in assessing certain typical characteristics. The fundamental characteristics that an investment company is required to have include the following: (1) it obtains funds from one or more investors and provides the investor(s) with investment management services; (2) it commits to its investor(s) that its business purpose and only substantive activities are investing the funds solely for returns from capital appreciation, investment income or both; and (3) it does not obtain returns or benefits from an investee or its affiliates that are not normally attributable to ownership interests. The typical characteristics of an investment company that an entity should consider before concluding whether it is an investment company include the following: (1) it has more than one investment; (2) it has more than one investor; (3) it has investors that are not related parties of the parent or the investment manager; (4) it has ownership interests in the form of equity or partnership interests; and (5) it manages substantially all of its investments on a fair value basis. The new approach requires an entity to assess all of the characteristics of an investment company and consider its purpose and design to determine whether it is an investment company. The guidance includes disclosure requirements about an entity s status as an investment company and financial support provided or contractually required to be provided by an investment company to its investees. The guidance is effective for interim and annual reporting periods in fiscal years beginning after December 15, 2013. Earlier application is prohibited. The Company is in the process of evaluating the impact that this guidance will have but does not believe that this guidance will have a material impact on its financial statements.

Note 3. Agreements

The Company has an Investment Advisory and Management Agreement (the Investment Advisory Agreement) with Apollo Investment Management, L.P. (the Investment Adviser or AIM), under which the Investment Adviser, subject to the overall supervision of our board of directors, manages the day-to-day operations of, and provides investment advisory services to the Company. For providing these services, the Investment Adviser receives a fee from the Company, consisting of two components a base management fee and a performance-based incentive fee. The base management fee is determined by taking the average value of our gross assets, net of the average of any payable for cash equivalents at the end of the two most recently completed calendar quarters calculated at an annual rate of 2.00%. The incentive fee has two parts, as follows: one part is calculated and payable quarterly in arrears based on our pre-incentive fee net investment income for the immediately preceding calendar quarter. For this purpose, pre-incentive fee net investment income means interest income, dividend income and any other income including any other fees (other than fees for providing managerial assistance), such as commitment, origination, structuring, diligence and consulting fees or other fees that we receive from portfolio companies accrued during the calendar quarter, minus our operating expenses for the quarter (including the base management fee, any expenses payable under an administration agreement (the Administration Agreement) between the Company and Apollo Investment Administration, LLC (the Administrator), and any interest expense and dividends paid on any issued and outstanding preferred stock, but excluding the incentive fee). Pre-incentive fee net investment income does not include any realized capital gains computed net of all realized capital losses and unrealized capital depreciation. Pre-incentive fee net investment income, expressed as a rate of return on the value of our net assets at the end of the immediately preceding calendar quarter, is compared to the rate of 1.75% per quarter (7% annualized). For the time period between April 2, 2012 and March 31, 2015, AIM has agreed to voluntarily waive the management and incentive fee on the incremental common shares issued on April 2, 2012 and May 20, 2013.

The Company pays the Investment Adviser an incentive fee with respect to our pre-incentive fee net investment income in each calendar quarter as follows: (1) no incentive fee in any calendar quarter in which our pre-incentive fee net investment income does not exceed 1.75%, which we commonly refer to as the performance threshold; (2) 100% of our pre-incentive fee net investment income with respect to that portion of such pre-incentive fee net investment income, if any, that exceeds 1.75% but does not exceed 2.1875% in any calendar quarter; and (3) 20% of the amount of our pre-incentive fee net investment income, if any, that exceeds 2.1875% in any calendar quarter. These calculations are appropriately prorated for any period of less than three months.

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The effect of the fee calculation described above is that if pre-incentive fee net investment income is equal to or exceeds 2.1875%, the Investment Adviser will receive a fee of 20% of our pre-incentive fee net investment income for the quarter.

The second part of the incentive fee is determined and payable in arrears as of the end of each calendar year (or upon termination of the Investment Advisory Agreement, as of the termination date) and will equal 20% of our cumulative realized capital gains less cumulative realized capital losses, unrealized capital loss (unrealized loss on a gross investment-by-investment basis at the end of each calendar year) and all capital gains upon which prior performance-based capital gains incentive fee payments were previously made to the Investment Adviser. For accounting purposes only, we are required under GAAP to accrue a theoretical capital gains incentive fee based upon net realized capital gains and unrealized capital gain and loss on investments held at the end of each period.

The accrual of this theoretical capital gains incentive fee assumes all unrealized capital gain and loss is realized in order to reflect a theoretical capital gains incentive fee that would be payable to the Investment Adviser at each measurement date. There was no accrual for the fiscal years ended March 31, 2014, 2013 and 2012. It should be noted that a fee so calculated and accrued would not be payable under the Investment Advisers Act of 1940 (Advisers Act) or the Investment Advisory Agreement, and would not be paid based upon such computation of capital gains incentive fees in subsequent periods. Amounts actually paid to the Investment Adviser will be consistent with the Advisers Act and formula reflected in the Investment Advisory Agreement which specifically excludes consideration of unrealized capital gain.

For the time period between April 1, 2013 and March 31, 2015, AIM will not be paid the portion of the performance-based incentive fee that is attributable to deferred interest, such as PIK, until the Company receives such interest in cash. The accrual of incentive fees shall be reversed if such interest is reversed in connection with any write off or similar treatment of the investment. Upon payment of the deferred incentive fee, AIM will also receive interest on the deferred interest at an annual rate of 3.25% for the period between the date in which the incentive fee is earned and the date of payment.

For the fiscal years ended March 31, 2014, 2013 and 2012, the Company recognized $62,819, $55,717 and $60,321, respectively, of base management fees and $46,924, $41,144 and $39,651, respectively, of performance-based incentive fees. For the fiscal years ended March 31, 2014, 2013 and 2012, total management fees waived were $6,960, $1,602 , and $0. For the fiscal years ended March 31, 2014, 2013 and 2012, total incentive fees waived were $5,132, $1,183, and $0. The fees for the fiscal year ended March 31, 2012 reflect a reduction due to a prior payment of an unearned portion of the fees to the Investment Adviser of $2,783.

The amount of the deferred incentive fees on PIK income for the fiscal years ended March 31, 2014, 2013 and 2012, are $3,898, $3,935, and $0, respectively. The unpaid deferred fee balance included in management and performance-based incentive fee payable line of the Statement of Assets and Liabilities at March 31, 2014, 2013 and 2012 is $6,936, $3,935, and $0, respectively.

The Company has also entered into an Administration Agreement with the Administrator under which the Administrator provides administrative services for the Company. For providing these services, facilities and personnel, the Company reimburses the Administrator for the allocable portion of overhead and other expenses incurred by the Administrator and requested to be reimbursed in performing its obligations under the Administration Agreement, including rent and the Company s allocable portion of its chief financial officer and chief compliance officer and their respective staffs. The Administrator will also provide, on our behalf, managerial assistance to those portfolio companies to which the Company is required to provide such assistance. For the fiscal years ended March 31, 2014, 2013 and 2012 the Company recognized expenses under the Administration Agreement of $5,600, $4,389 and $5,387, respectively.

The Company has also entered into an expense reimbursement agreement with a subsidiary of a portfolio company that will reimburse the Company for reasonable out-of-pocket expenses incurred, including

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any interest, fees or other amounts incurred by the Company in connection with letters of credit issued on its behalf. For the fiscal years ended March 31, 2014, 2013 and 2012, the Company recognized expenses that were reimbursed under the expense reimbursement agreement of $49, $0, and $0 respectively.

Note 4. Net Asset Value Per Share

At March 31, 2014, the Company s net assets and net asset value per share were $2,051,611 and $8.67, respectively. This compares to net assets and net asset value per share at March 31, 2013 of $1,677,389 and $8.27, respectively.

Note 5. Earnings (Loss) Per Share

The following table sets forth the computation of basic and diluted earnings (loss) per share, pursuant to ASC 260-10, for the fiscal years ended March 31, 2014, 2013 and 2012, respectively:

	Year Ended March 31,		
	2014	**2013**	**2012**
Earnings per share basic			
Numerator for increase (decrease) in net assets per share:	$ 270,872	$ 104,471	$ (86,264)
Denominator for basic weighted average shares:	222,800,255	202,875,329	196,583,804
Basic earnings (loss) per share:	$ 1.21	$ 0.51	$ (0.44)
Earnings per share diluted*			
Numerator for increase (decrease) in net assets per share:	$ 270,872	$ 104,471	$ (86,264)
Adjustment for interest on convertible notes and for incentive fees, net	10,138	10,308	10,302
Numerator for increase (decrease) in net assets per share, as adjusted	$ 281,010	$ 114,779	$ (75,962)
Denominator for weighted average shares, as adjusted for dilutive effect of convertible notes:	237,348,355	217,423,429	211,131,904
Diluted earnings (loss) per share:	$ 1.18	$ 0.51	$ (0.44)

* In applying the if-converted method, conversion is not assumed for purposes of computing diluted EPS if the effect would be anti-dilutive. For the fiscal year ended March 31, 2014, there was no anti-dilution. For the fiscal years ended March 31, 2013 and March 31, 2012, anti-dilution would total $0.02 and $0.08, respectively.

Note 6. Investments

AIC Credit Opportunity Fund LLC We owned all of the common member interests in AIC Credit Opportunity Fund LLC (AIC Holdco). AIC Holdco was formed for the purpose of holding various financed investments. AIC Holdco wholly owned three special purpose entities, each of which in 2008 acquired directly or indirectly an investment in a particular security from an unaffiliated entity that provided leverage for the investment as part of the sale. During the year ended March 31, 2014, three special purpose entities along with AIC Holdco, were dissolved. Each of these transactions is described in more detail below together with summary financial information.

In the first of these investments, in June 2008 we invested through AIC Holdco $39,500 in AIC (FDC) Holdings LLC (Apollo FDC). Apollo FDC used the proceeds to purchase a Junior Profit-Participating Note due 2013 in principal amount of $39,500 (the Junior Note) issued by Apollo I Trust (the Trust). The Trust also issued a Senior Floating Rate Note due 2013 (the Senior Note) to an unaffiliated third party in principal amount of $39,500 paying interest at the London Interbank Offered Rate (LIBOR) plus 1.50%, increasing over time to LIBOR plus 2.0%. The Trust used the aggregate $79,000 proceeds to acquire $100,000 face value of a

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senior subordinated loan of First Data Corporation (the FDC Loan) due 2016. The FDC Loan pays interest at 11.25% per year. The Junior Note of the Trust owned by Apollo FDC pays to Apollo FDC all of the interest and other proceeds received by the Trust on the FDC Loan after satisfying the Trust s obligations on the Senior Note. The holder of the Senior Note has no recourse to Apollo FDC, AIC Holdco or us with respect to any interest on, or principal of, the Senior Note. However, if the value of the FDC Loan held by the Trust declines sufficiently, the investment would be unwound unless Apollo FDC posts additional collateral for the benefit of the Senior Note. During the year ended March 31, 2014, we unwound the transaction by investing $20,386 into the Trust which then repaid the Senior Note. Subsequent to the repayment of the Senior Note, $10,993 of face value of the FDC Loan was prepaid by First Data Corporation resulting in a distribution of $11,556 to the Company. The remaining FDC Loan, which consisted of $41,862 of face value, was transferred to the Company at an accreted cost of $38,728 with a fair value of $40,397 on the transfer date and the Trust was closed.

In the second of these investments, in June 2008 we invested through AIC Holdco $11,375 in AIC (TXU) Holdings LLC (Apollo TXU). Apollo TXU acquired exposure to $50,000 notional amount of a LIBOR plus 3.5% senior secured delayed draw term loan of Texas Competitive Electric Holdings (TXU) due 2014 through a non-recourse total return swap (the TRS) with an unaffiliated third party expiring on October 10, 2013. Pursuant to such delayed draw term loan, Apollo TXU pays an unaffiliated third-party interest at LIBOR plus 1.5% and generally receives all proceeds due under the delayed draw term loan of TXU (the TXU Term Loan). Like Apollo FDC, Apollo TXU is entitled to 100% of any realized appreciation in the TXU Term Loan and, since the TRS is a non-recourse arrangement, Apollo TXU is exposed only up to the amount of its investment in the TRS, plus any additional margin we decide to post, if any, during the term of the financing. The TRS does not constitute a senior security or a borrowing of Apollo TXU. In connection with the amendment and extension of the TXU Term Loan in April 2011, for which Apollo TXU received a consent fee along with an increase in the rate of the TXU Term Loan to LIBOR plus 4.5%, Apollo TXU extended its TRS to 2016 at a rate of LIBOR plus 2.0%. During the year ended March 31, 2014, Apollo TXU terminated the entire TRS resulting in a realized loss of $10,314. The excess collateral posted was returned to Apollo TXU.

In the third of these investments, in September 2008 we invested through AIC Holdco $10,022 in AIC (Boots) Holdings, LLC (Apollo Boots). Apollo Boots acquired 23,383 and £12,465 principal amount of senior term loans of AB Acquisitions Topco 2 Limited, a holding company for the Alliance Boots group of companies (the Boots Term Loans), out of the proceeds of our investment and a multicurrency $40,876 equivalent non-recourse loan to Apollo Boots (the Acquisition Loan) by an unaffiliated third party that was scheduled to mature in September 2013 and paid interest at LIBOR plus 1.25% or, in certain cases, the higher of the Federal Funds Rate plus 0.50% or the lender s prime-rate. The Boots Term Loans paid interest at the rate of LIBOR plus 3% per year and are scheduled to mature in June 2015. During the fiscal year ended March 31, 2013, Apollo Boots sold the entire position of the Boots Term Loans in the amount of 23,383 and £12,465 of principal.

We do not consolidate AIC Holdco or its wholly owned subsidiaries and accordingly only the value of our investment in AIC Holdco was included on our statement of assets and liabilities. Our investment in AIC Holdco was valued in accordance with our normal valuation procedures and was based on the values of the underlying assets held by each special purpose entities net of associated liabilities.

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Below is summarized financial information for AIC Holdco for the fiscal years ended March 31, 2014 and March 31, 2013.

	March 31, 2014	March 31, 2013
Assets		
Cash	$	$ 10
Apollo FDC (1)		32,981
Apollo TXU (2)		26,641
Other Assets		2,702
Total Assets	$	$ 62,334
Liabilities		
Apollo FDC (3)	$	$
Apollo TXU (4)		8,936
Other Liabilities		2,702
Total Liabilities	$	$ 11,638
Net Assets		
Apollo FDC	$	$ 32,981
Apollo TXU		17,705
Other		10
Total Net Assets	$	$ 50,696

	Fiscal Year End March 31, 2014	Fiscal Year End March 31, 2013
Net Operating Income (Loss)		
Apollo FDC (5)	$ 1,559	$ 5,388
Apollo TXU (5)	692	1,237
Apollo Boots (5)	8	745
Other	4	(5)
Total Operating Income	$ 2,263	$ 7,365
Net Realized Gain (Loss)		
Apollo FDC	$ 9,634	$
Apollo TXU	(10,314)	
Apollo Boots		659
Total Net Realized Gain (Loss)	$ (680)	$ 659
Net Change in Unrealized Gain (Loss)		
Apollo FDC	$ (11,509)	$ 5,034
Apollo TXU	8,936	7,110
Apollo Boots		(244)
Total Net Change in Unrealized Gain (Loss)	$ (2,573)	$ 11,900
Net Income (Loss) (6)		

Apollo FDC	$ (316)	$ 10,422
Apollo TXU	(686)	8,347
Apollo Boots	8	1,160
Other	4	(5)
Total Net Income (Loss)	$ (990)	$ 19,924

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(1) Represents fair value of the Junior Note held by Apollo FDC with a cost of $21,472 as of March 31, 2013. The Junior Note was repaid by transferring the proceeds from the partial prepayment by First Data Corporation and by transferring the residual FDC Note to the Company during the year ended March 31, 2014 at accreted cost.

(2) Represents fair value of collateral posted in relation to the TRS held by Apollo TXU with a cost of $26,641 at March 31, 2013.

(3) Apollo FDC s interest was subject to the Senior Note of a separate entity of $20,283 at March 31, 2013; however, Apollo FDC had no liability for such senior note. The Senior Note was repaid during the year ended March 31, 2104.

(4) Represents liability on the TRS held by Apollo TXU.

(5) In the case of Apollo FDC, net operating income consists of interest income on the Junior Note less interest paid on the senior note together with immaterial administrative expenses. In the case of Apollo TXU, net operating income consists of net payments from the swap counterparty of Apollo TXU s obligation to pay interest and its right to receive the proceeds in respect of the reference asset, together with immaterial administrative expenses. In the case of AIC Boots, net operating income consists of interest income on the Boots Term Loans, less interest payments on the Acquisition Loan together with immaterial administrative expenses. There are no management or incentive fees.

(6) Net income is the sum of operating income, realized gain (loss) and net change in unrealized gain (loss).

Merx Aviation Finance Holdings II, LLC The Company has considered the status of Merx Aviation Finance Holdings II, LLC and has determined that it is a significant subsidiary for the fiscal year ended March 31, 2014 under SEC Regulation S-X Rule 4-08(g). As such, the summarized consolidated financial information of Merx Aviation Finance Holdings II, LLC and its subsidiaries is shown below:

	March 31, 2014	March 31, 2013
Total assets	$ 429,561	$ 137,566
Total liabilities	(297,926)	(107,951)
Member s equity	$ 131,635	$ 29,615

	Fiscal Year End March 31, 2014	Fiscal Year End March 31, 2013
Total revenue	$ 26,136	$ 3,733
Total expenses	(28,874)	(7,934)
Net income (loss) before taxes	(2,738)	(4,201)
Net income (loss) after taxes	(2,742)	(4,205)

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Fair Value Measurement and Disclosures

At March 31, 2014, our investments, measured at fair value, were categorized as follows in the fair value hierarchy for ASC 820 purposes:

			Fair Value Measurement at Reporting Date Using:		
Description	**Cost**	**Fair Value**	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
Secured Debt	$ 1,919,871	$ 1,949,107	$	$ 1,013,424	$ 935,683
Unsecured Debt	912,453	941,728		526,649	415,079
Structured Products and Other	204,864	208,901			208,901
Preferred Equity	115,020	93,062			93,062
Common Equity/Interests	297,532	274,699			274,699
Warrants	9,012	11,174			11,174
Total Investments	$ 3,458,752	$ 3,478,671	$	$ 1,540,073	$ 1,938,598

At March 31, 2013, our investments that were measured at fair value were categorized as follows in the fair value hierarchy for ASC 820 purposes:

			Fair Value Measurement at Reporting Date Using:		
Description	**Cost**	**Fair Value**	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
Secured Debt	$ 1,339,680	$ 1,266,004	$	$ 625,195	$ 640,809
Unsecured Debt	1,256,697	1,214,997		583,950	631,047
Structured Products and Other	179,475	185,995			185,995
Preferred Equity	40,221	11,550			11,550
Common Equity/Interests	200,518	162,580			162,580
Warrants	2,710	9,273			9,273
Total Investments	$ 3,019,301	$ 2,850,399	$	$ 1,209,145	$ 1,641,254

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The following chart shows the components of change in our investments categorized as Level 3, for the fiscal year ended March 31, 2014.

	Fair Value Measurements Using Significant Unobservable Inputs (Level 3)*						
	Secured Debt (2)	**Unsecured Debt**	**Structured Products and Other**	**Preferred Equity**	**Common Equity/ Interests**	**Warrants**	**Total**
Beginning Balance, March 31, 2013	$ 640,809	$ 631,047	$ 185,995	$ 11,550	$ 162,580	$ 9,273	$ 1,641,254
Total realized gains (losses) included in earnings	(33,309)	(47,284)	2,460		10,875	1,808	(65,450)
Total change in unrealized gain (loss) included in earnings	38,694	59,747	(2,483)	6,714	15,107	(4,401)	113,378
Net amortization on investments	4,314	11,951	347				16,612
Purchases, including capitalized PIK	777,913	121,825	140,150	74,798	109,035	6,369	1,230,090
Sales	(564,064)	(307,094)	(89,332)		(22,898)	(1,875)	(985,263)
Transfers out of Level 3 (1)	(111,550)	(55,113)	(38,728)				(205,391)
Transfers into Level 3 (1)	182,876		10,492				193,368
Ending Balance, March 31, 2014	$ 935,683	$ 415,079	$ 208,901	$ 93,062	$ 274,699	$ 11,174	$ 1,938,598
The amount of total gains or losses for the period included in earnings attributable to the change in unrealized gain (loss) relating to our Level 3 assets still held at the reporting date and reported within the net change in unrealized gain (loss) on investments in our Statement of Operations.	$ 3,318	$ 10,341	$ 4,210	$ 6,713	$ 24,017	$ (2,898)	$ 45,701

(1) Transfers represent (a) a transfer of $10,492 out of Secured Debt into Structured Products due to the change in the nature of the investment and (b) transfers in and out of Level 3 due to changes in the quantity and quality of information obtained to support the fair value of each investment as assessed by the Adviser. Transfers are assumed to have occurred at the end of the period. There were no transfers between Level 1 and Level 2 fair value measurements during the period shown.

(2) Includes unfunded revolver obligations and letters of credit measured at fair value of $(8,449).

* Pursuant to fair value measurement and disclosure guidance, the Company currently categorizes investments by class as shown above.

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The following chart shows the components of change in our investments categorized as Level 3, for the fiscal year ended March 31, 2013.

	Fair Value Measurements Using Significant Unobservable Inputs (Level 3)*						
	Secured Debt	**Unsecured Debt**	**Structured Products and Other**	**Preferred Equity**	**Common Equity/ Interests**	**Warrants**	**Total**
Beginning Balance, March 31, 2012	$ 864,485	$ 1,520,152	$ 63,725	$ 34,648	$ 184,341	$ 9,729	$ 2,677,080
Total realized gains or losses included in earnings	(29,936)	(11,464)	2,965		(42,639)	5,384	(75,690)
Total change in unrealized gain (loss) included in earnings	(22,131)	33,668	12,923	(25,366)	7,575	(1,067)	5,602
Net amortization on investments	9,981	15,183	318	97			25,579
Purchases, including capitalized PIK	904,198	487,830	126,249	2,171	33,958	852	1,555,258
Sales	(455,910)	(830,372)	(20,185)		(25,338)	(5,625)	(1,337,430)
Transfer (1)	(629,878)	(583,950)			4,683		(1,209,145)
Ending Balance, March 31, 2013	$ 640,809	$ 631,047	$ 185,995	$ 11,550	$ 162,580	$ 9,273	$ 1,641,254
The amount of total gains or losses for the period included in earnings attributable to the change in unrealized gain (loss) relating to our Level 3 assets still held at the reporting date and reported within the net change in unrealized gain (loss) on investments in our Statement of Operations	$ (12,056)	$ (6,231)	$ (2,569)	$ (25,366)	$ (29,995)	$ 2,427	$ (73,790)

(1) Transfers represent (a) a transfer of $4,683 out of Secured Debt into Common Equity/Interests due to the restructuring of a portfolio company which altered the securities held by the Company and (b) transfers between level 3 and level 2. Transfers are assumed to have occurred at the end of the period. The measurement was reclassified within the fair value hierarchy due to significant inputs that were previously unobservable which became observable given transactions that were observed around the measurement date. There were no transfers between Level 1 and Level 2 fair value measurements during the period shown.

* Pursuant to fair value measurement and disclosure guidance, the Company currently categorizes investments by class as shown above.

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The following tables summarizes the significant unobservable inputs the Company used to value the majority of its investments categorized within Level 3 as of March 31, 2014. In addition to the techniques and inputs noted in the table below, according to our valuation policy we may also use other valuation techniques and methodologies when determining our fair value measurements. The below table is not intended to be all-inclusive, but rather provides information on the significant unobservable inputs as they relate to the Company s determination of fair values.

		Quantitative Information about Level 3 Fair Value Measurements		
	Fair Value as of March 31, 2014	Valuation Techniques/ Methodologies	Unobservable Input	Range (Weighted Average)
Secured Debt	$ 714,999	Yield Analysis	Discount Rate	8.2% - 27.3% (13.2%)
	26,370	Recent Transactions	Recent Transactions	n/a
Unsecured Debt	395,630	Yield Analysis	Discount Rate	9.3% - 45.0% (11.7%)
Structured Products and Other	30,158	Yield Analysis	Discount Rate	11.6% - 15.0% (12.3%)
	146,970	Discounted Cash Flow	Discount Rate	10.0% - 15.5% (13.9%)
	1,097	Recent Transactions	Recent Transactions	n/a
Preferred Equity	70,442	Market Comparable Approach	Comparable Multiple	2.0x - 10.0x (7.1x)
	22,620	Yield Analysis	Discount Rate	12.3% - 12.3% (12.3%)
Common Equity/Interests	125,509	Market Comparable Approach	Comparable Multiple	2.0x - 12.0x (8.1x)
	17	Net Asset Value	Underlying Assets/ Liabilities	n/a
	142,117	Yield Analysis	Discount Rate	13.1% - 30.0% (13.2%)
	6,958	Other	Illiquidity/ Restrictive discount	7.0% - 7.0% (7.0%)
Warrants	2,304	Market Comparable Approach	Comparable Multiple	5.3x - 6.0x (6.0x)
	1,398	Other	Illiquidity/ Restrictive discount	20.0% - 20.0%(20.0%)
	5,069	Recent Transactions	Recent Transactions	n/a

n/a Not applicable

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	Fiscal Year Ended March 31, 2013	Quantitative Information about Level 3 Fair Value Measurements Valuation Techniques/ Methodologies	Unobservable Input	Range (Weighted Average)
Secured Debt	$ 32,952	Market Comparable Approach	Comparable Multiple	6.0x - 6.0x (6.0x)
	422,766	Yield Analysis	Discount Rate	8.0% - 18.0% (12.1%)
Unsecured Debt	504,263	Yield Analysis	Discount Rate	10.1% - 25.0% (13.8%)
Structured Products and Other	43,144	Discounted Cash Flow	Discount Rate	13.0% - 13.0% (13.0%)
	6,174	Recent Transactions	Recent Transactions	n/a
	50,697	Net Asset Value	Underlying Assets/ Liabilities	n/a
Preferred Equity	11,550	Market Comparable Approach	Comparable Multiple	4.3x - 10.4x (6.5x)
Common Equity/Interests	33,911	Discounted Cash Flow	Discount Rate	8.0% - 12.5% (12.5%)
	123,081	Market Comparable Approach	Comparable Multiple	2.0x - 10.8x (8.0x)
	123	Net Asset Value	Underlying Assets/Liabilities	n/a
	146	Yield Analysis	Discount Rate	20.0% - 20.0% (20.0%)
	5,319	Other	Illiquidity/ Restrictive discount	7.0% - 7.0% (7.0%)
Warrants	7,432	Market Comparable Approach	Comparable Multiple	4.3x - 5.9x (5.4x)
	1,841	Other	Illiquidity/ Restrictive discount	20.0% - 20.0%(20.0%)

n/a Not applicable

The significant unobservable inputs used in the fair value measurement of the Company s debt and equity securities are primarily earnings before interest, taxes, depreciation and amortization (EBITDA) comparable multiples and market discount rates. The Company typically uses EBITDA comparable multiples on its equity securities to determine the fair value of investments. The Company uses market discount rates for debt securities to determine if the effective yield on a debt security is commensurate with the market yields for that type of debt security. If a debt security s effective yield is significantly less than the market yield for a similar debt security with a similar credit profile, then the resulting fair value of the debt security may be lower. Significant increases or decreases in either of these inputs in isolation would result in a significantly lower or higher fair value measurement. The significant unobservable inputs used in the fair value measurement of the structured products include the discount rate applied in the valuation models in addition to default and recovery rates applied to projected cash flows in the valuation models. Specifically, when a discounted cash flow model is used to determine fair value, the significant input used in the valuation model is the discount rate applied to present value the projected cash flows. Increases in the discount rate can significantly lower the fair value of an investment; conversely decreases in the discount rate can significantly increase the fair value of an investment. The discount rate is determined based on the market rates an investor would expect for a similar investment with similar risks.

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Capitalized PIK Activity

Capitalized PIK income activity for the fiscal years ended March 31, 2014 and March 31, 2013 is summarized below:

	Fiscal Year Ended March 31, 2014	Fiscal Year Ended March 31, 2013
PIK balance at beginning of period	$ 45,658	$ 32,963
Gross PIK income capitalized	28,884	17,891
Adjustments due to investment exits	(25)	
PIK income received in cash	(16,332)	(5,196)
PIK balance at end of period	$ 58,185	$ 45,658

Note 7. Derivative Instruments

During the three months ended June 30, 2013, we entered into interest rate swap and interest rate cap agreements to manage interest rate risk associated with one of our structured product investments. During the three months ended September 30, 2013, we exited the investment and unwound the derivatives. As of March 31, 2014, we did not hold any derivative investments. We do not hold or issue derivative contracts for speculative purposes. We recorded the accrual of periodic interest settlements in net unrealized gain/loss and subsequently recorded the cash payments as a net realized gain or loss on the interest settlement date, activities which are classified under operating activities in our statement of cash flows.

The table below summarizes the effect of derivative instruments on our statement of operations for the fiscal year ended March 31, 2014:

Derivative Instruments	Unrealized Gain/(Loss)	Realized Gain/(Loss)	Total Gain (Loss)
Interest rate swaps	$	$ 13,162	$ 13,162
Interest rate caps		(4,621)	(4,621)
Total	$	$ 8,541	$ 8,541

The interest income and interest expense on derivatives is shown in the statement of operations within net realized and unrealized gain/loss from investments, cash equivalents, foreign currencies and derivatives. For purposes of the performance-based incentive fee, interest income and interest expense derived from the derivative instruments are included in the calculation of pre-incentive fee net investment income. The interest income and interest expense on derivatives is excluded from the cumulative realized capital gains and cumulative realized capital losses for purposes of the capital gains incentive fee calculation.

Credit Risk-Related Contingent Features

The use of derivatives creates exposure to counterparty credit risk that may result in potential losses in the event that the counterparties to these instruments fail to perform their obligations under the agreements governing such derivatives. The Company seeks to minimize this risk by limiting the Company s counterparties to major financial institutions with acceptable credit ratings and monitoring positions with individual counterparties. In addition, the Company may be required under the terms of its derivatives agreements to pledge assets as collateral to secure its obligations under the derivatives. The amount of collateral varies over time based on the fair value, notional amount and remaining term of the derivatives, and may exceed the amount owed by the Company on a fair value basis. In the event of a default by a counterparty, the Company would be an unsecured creditor to the extent of any such overcollateralization. At March 31, 2014, there is no cash pledged as collateral.

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The International Swaps and Derivatives Association (ISDA) Master Agreement that the Company has in place contains customary default provisions including a cross default provision relating to third-party indebtedness in excess of a specified threshold. Following an event of default, the Company could be required to settle its obligations under the ISDA Master Agreement at their termination values. Additionally, under the Company s ISDA Master Agreement, the Company could be required to settle its obligations under the ISDA Master Agreement at their termination values if the Company fails to maintain certain minimum stockholders equity thresholds or if the Company fails to comply with certain specified financial covenants.

Note 8. Foreign Currency Transactions and Translations

At March 31, 2014, the Company had outstanding non-US borrowings on its Senior Secured Facility (as defined in note 11) denominated in Euros, British Pounds, and Canadian Dollars. Unrealized gain/loss on these outstanding borrowings is indicated in the table below:

Foreign Currency	Local Currency	Original Borrowing Cost	Current Value	Reset Date	Unrealized Gain (Loss)
British Pound	£ 45,100	$ 72,078	$ 75,188	4/30/2014	$ (3,110)
Euro	18,200	24,474	25,084	4/30/2014	(610)
Euro	9,500	12,680	13,093	4/24/2014	(413)
Canadian Dollars	CAD 34,100	31,766	30,895	4/24/2014	871
		$ 140,998	$ 144,260		$ (3,262)

At March 31, 2013, the Company had outstanding non-US borrowings on its Senior Secured Facility denominated in Euros and British Pounds. Unrealized gain/loss on these outstanding borrowings is indicated in the table below:

Foreign Currency	Local Currency	Original Borrowing Cost	Current Value	Reset Date	Unrealized Gain
British Pound	£ 5,300	$ 8,409	$ 8,048	4/19/2013	$ 361
Euro	77,000	103,544	98,876	4/30/2013	4,668
British Pound	£ 62,000	99,087	94,144	4/30/2013	4,943
		$ 211,040	$ 201,068		$ 9,972

Note 9. Cash Equivalents

There were no cash equivalents held as of March 31, 2014 and March 31, 2013.

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Note 10. Financial Highlights

The following is a schedule of financial highlights for the years ended March 31, 2014, 2013, 2012, 2011, and 2010.

			March 31,		
	2014	2013	2012	2011	2010
Per Share Data:					
Net asset value, beginning of period	$ 8.27	$ 8.55	$ 10.03	$ 10.06	$ 9.82
Net investment income	0.91	0.83***	0.88	0.99	1.26
Net realized and unrealized gain (loss)	0.30	(0.31)***	(1.32)	(0.05)	0.45
Net increase (decrease) in net assets resulting from operations	1.20***	0.51***	(0.44)	0.94	1.71
Dividends to stockholders from income (1)	(0.80)	(0.78)	(1.04)	(1.13)	(1.14)
Dividends to stockholders from return of capital (1)		(0.02)			
Effect of anti-dilution (dilution)	*	*	*	0.16	(0.33)
Offering costs	*	*	*	*	*
Net asset value at end of period	$ 8.67	$ 8.27	$ 8.55	$ 10.03	$ 10.06
Per share market value at end of period	$ 8.31	$ 8.36	$ 7.17	$ 12.07	$ 12.73
Total return (2)	9.4%	28.2%	(32.4)%	5.1%	313.0%
Shares outstanding at end of period	236,741,351	202,891,351	197,043,398	195,501,549	176,213,918
Ratio/Supplemental Data:					
Net assets at end of period (in millions)	$ 2,051.6	$ 1,677.4	$ 1,685.2	$ 1,961.0	$ 1,772.8
Ratio of net investment income to average net assets	10.85%	9.87%	9.77%	10.19%	12.36%
Ratio of operating expenses to average net assets (3)	6.01%**	6.28%	6.70%	6.37%	7.21%
Ratio of interest and other debt expenses to average net assets	3.70%	3.43%	3.76%	2.56%	1.52%
Ratio of total expenses to average net assets (3)	9.71%**	9.71%	10.46%	8.93%	8.73%
Average debt outstanding	$ 1,238,940	$ 1,036,780	$ 1,213,943	$ 1,072,646	$ 1,041,084
Average debt per share	$ 5.56	$ 5.11	$ 6.18	$ 5.55	$ 6.53
Portfolio turnover ratio	75.9%	49.9%	50.6%	33.6%	17.2%

(1) Dividends and distributions are determined based on taxable income calculated in accordance with income tax regulations which may differ from amounts determined under GAAP. Per share amounts reflect total dividends paid divided by average shares for the respective periods.

(2) Total return is based on the change in market price per share during the respective periods. Total return also takes into account dividends and distributions, if any, reinvested in accordance with the Company s dividend reinvestment plan.

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(3) The ratio of operating expenses to average net assets and the ratio of total expenses to average net assets are shown inclusive of the expense offset arrangement. For the years ended March 31, 2014, 2013, 2012, 2011, and 2010 there were no expense offsets during these periods and as such, there was no effect on the ratio.

* Represents less than one cent per average share.

** The ratio of operating expenses to average net assets and the ratio of total expenses to average net assets is shown net of all voluntary management and incentive fee waivers (see note 3). The ratio of operating expenses to average net assets and the ratio of total expenses to average net assets would be 6.66% and 10.36%, respectively, without the voluntary fee waivers.

*** Represent rounded numbers.

Information about our senior securities is shown in the following table as of each year ended March 31 since the Company commenced operations, unless otherwise noted. The indicates information which the SEC expressly does not require to be disclosed for certain types of senior securities.

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 2014	$ 602,261	$ 1,095	$	$ 602,983
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 2014	$ 270,000	$ 491		$ 280,067
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 2014	$ 150,000	$ 273	$	$ 145,680
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
2043 Notes						
Fiscal 2014	$	150,000	$	273	$	$ 128,250

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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
Fiscal 2013				
Fiscal 2012				
Fiscal 2011				
Fiscal 2010				
Fiscal 2009				
Fiscal 2008				
Fiscal 2007				
Fiscal 2006				
Fiscal 2005				
Convertible Notes				
Fiscal 2014	$ 200,000	$ 364	$	$ 212,734
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

(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 $1 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.

Note 11. Debt

The Company s outstanding debt obligations as of March 31, 2014 were as follows:

	March 31, 2014			
	Date Issued / Amended	Total Aggregate Principal Amount Committed	Principal Amount Outstanding	Final Maturity Date
Senior Secured Facility	2013	$ 1,250	$ 602	2018
Senior Secured Notes	2010	225	225	2015
Senior Secured Notes (Series A)	2011	29	29	2016
Senior Secured Notes (Series B)	2011	16	16	2018
2042 Notes	2012	150	150	2042

2043 Notes	2013	150	150	2043
Convertible Notes	2011	200	200	2016
Total Debt Obligations		$ 2,020	$ 1,372	

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Senior Secured Facility

On September 13, 2013, the Company amended and restated its senior secured, multi-currency, revolving credit facility (the Senior Secured Facility). The facility increased the lenders commitments totaling approximately $1,250,000 and extended the final maturity date to through August 31, 2018, and allows the Company to seek additional commitments from new and existing lenders in the future, up to an aggregate facility size not to exceed $1,710,000. The Senior Secured Facility is secured by substantially all of the assets in Apollo Investment s portfolio, including cash and cash equivalents. Commencing September 30, 2017, the Company is 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 applicable Prime Rate and pricing for eurocurrency borrowings is 200 basis points over the LIBOR Rate. The Company is required to pay a commitment fee of 0.375% per annum on any unused portion of the Senior Secured Facility and a letter of credit participation fee of 2.00% per annum plus a letter of credit fronting fee of 0.25% per annum on the letters of credit issued. The Senior Secured Facility contains affirmative and restrictive covenants, including: (a) periodic financial reporting requirements, (b) maintaining minimum stockholders equity of the greater of (i) 40% of the total assets of Apollo Investment and its consolidated subsidiaries as at the last day of any fiscal quarter and (ii) the sum of (A) $845,000 plus (B) 25% of the net proceeds from the sale of equity interests in Apollo Investment after the closing date of the Senior Secured Facility, (c) maintaining a ratio of total assets, less total liabilities (other than indebtedness) to total indebtedness, in each case of Apollo Investment and its consolidated subsidiaries, of not less than 2.0:1.0, (d) limitations on the incurrence of additional indebtedness, including a requirement to meet a certain minimum liquidity threshold before Apollo Investment can incur such additional debt, (e) limitations on liens, (f) limitations on investments (other than in the ordinary course of Apollo Investment s business), (g) limitations on mergers and disposition of assets (other than in the normal course of Apollo Investment s business activities), (h) limitations on the creation or existence of agreements that permit liens on properties of Apollo Investment s consolidated subsidiaries and (i) limitations on the repurchase or redemption of certain unsecured debt and debt securities. In addition to the asset coverage ratio described in clause (c) of the preceding sentence, borrowings under the Senior Secured Facility (and the incurrence of certain other permitted debt) are subject to compliance with a borrowing base that applies different advance rates to different types of assets in Apollo Investment s portfolio. The Senior Secured Facility also provides for the issuance of letters of credit for up to an aggregate amount of $125,000. As of March 31, 2014 and March 31, 2013, the Company had $15,746 and $0, respectively in standby letters of credit issued through the Senior Secured Facility. The amount available for borrowing under the Senior Secured Facility is reduced by any standby letters of credit issued. The available remaining capacity under the Senior Secured Facility was $631,993 at March 31, 2014. Terms used in the this paragraph have the meanings set forth in the Senior Secured Facility.

Subsequent to March 31, 2014, the size of the Senior Secured Facility was increased to $1,270,000.

Senior Secured Notes

On September 30, 2010, the Company entered into a note purchase agreement with certain institutional accredited investors providing for a private placement issuance of $225,000 in aggregate principal amount of five-year, senior secured notes with an annual fixed interest rate of 6.25% and a maturity date of October 4, 2015 (the Senior Secured Notes). On October 4, 2010, the Senior Secured Notes issued by Apollo Investment were sold to certain institutional accredited investors pursuant to an exemption from registration under the Securities Act of 1933, as amended. Interest on the Senior Secured Notes is due semi-annually on April 4 and October 4, commencing on April 4, 2011.

On September 29, 2011, the Company closed a private offering of $45,000 aggregate principal amount of senior secured notes (the Notes) consisting of two series: (1) 5.875% Senior Secured Notes, Series A, of the Company due September 29, 2016 in the aggregate principal amount of $29,000; and (2) 6.250% Senior Secured Notes, Series B, of the Company due September 29, 2018, in the aggregate principal amount of $16,000. The

Notes were issued in a private placement only to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended. Interest on the Senior Secured Notes is due semi-annually on March 29 and September 29, commencing on March 29, 2012.

2042 Notes

On October 9, 2012, the Company issued $150,000 in aggregate principal amount of 6.625% senior unsecured notes due 2042 for net proceeds of $145,275 (the 2042 Notes). Interest on the 2042 Notes is paid quarterly on January 15, April 15, July 15 and October 15, at an annual rate of 6.625%, commencing on January 15, 2013. The 2042 Notes will mature on October 15, 2042. The Company may redeem the 2042 Notes in whole or in part at any time or from time to time on or after October 15, 2017. The 2042 Notes are general, unsecured obligations and rank equal in right of payment with all of our existing and future senior, unsecured indebtedness. The 2042 Notes are listed on The New York Stock Exchange under the ticker symbol AIB .

2043 Notes

On June 17, 2013, the Company issued $135,000 in aggregate principal amount of 6.875% senior unsecured notes due 2043 and on June 24, 2013 an additional $15,000 in aggregate principal amount of such notes was issued pursuant to the underwriters over-allotment option exercise. In total, $150,000 of aggregate principal was issued for net proceeds of $145,275 (the 2043 Notes). Interest on the 2043 Notes is paid quarterly on January 15, April 15, July 15 and October 15, at an annual rate of 6.875%, commencing on October 15, 2013. The 2043 Notes will mature on July 15, 2043. The Company may redeem the 2043 Notes in whole or in part at any time or from time to time on or after July 15, 2018. The 2043 Notes are general, unsecured obligations and rank equal in right of payment with all of our existing and future senior, unsecured indebtedness. The 2043 Notes are listed on The New York Stock Exchange under the ticker symbol AIY .

Convertible Notes

On January 25, 2011, the Company closed a private offering of $200,000 aggregate principal amount of senior unsecured convertible notes (the Convertible Notes). The Convertible Notes were issued in a private placement only to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended. The Convertible Notes bear interest at an annual rate of 5.75%, payable semi-annually in arrears on January 15 and July 15 of each year, commencing on July 15, 2011. The Convertible Notes will mature on January 15, 2016 unless earlier converted or repurchased at the holder s option. Prior to December 15, 2015, the Convertible Notes will be convertible only upon certain corporate reorganizations, dilutive recapitalizations or dividends, or if, during specified periods our shares trade at more than 130% of the then applicable conversion price or the Convertible Notes trade at less than 97% of their conversion value and, thereafter, at any time. The Convertible Notes will be convertible by the holders into shares of common stock, initially at a conversion rate of 72.7405 shares of the Company s common stock per $1 principal amount of Convertible Notes (14,548,100 common shares) corresponding to an initial conversion price per share of approximately $13.75, which represents a premium of 17.5% to the $11.70 per share closing price of the Company s common stock on The NASDAQ Global Select Market on January 19, 2011. The conversion rate will be subject to adjustment upon certain events, such as stock splits and combinations, mergers, spin-offs, increases in dividends in excess of $0.28 per share per quarter and certain changes in control. Certain of these adjustments, including adjustments for increases in dividends, are subject to a conversion price floor of $11.70 per share. The Convertible Notes are senior unsecured obligations and rank senior in right of payment to our existing and future indebtedness that is expressly subordinated in right of payment to the Convertible Notes; equal in right of payment to our existing and future unsecured indebtedness that is not so subordinated; effectively junior in right of payment to any of our secured indebtedness (including existing unsecured indebtedness that we later secure) to the extent of the value of the assets securing such indebtedness; and structurally junior to all existing and future indebtedness (including trade payables) incurred by our subsidiaries, financing vehicles or similar facilities. As more fully reflected in note 5, the issuance is to be considered as part of the if-converted method for calculation of diluted EPS.

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The following chart summarizes the components of average outstanding debt, maximum amount of debt outstanding, and the annualized interest cost, including commitment fees, for the fiscal years ended March 31, 2014 and 2013:

	Fiscal Year Ended March 31, 2014	Fiscal Year Ended March 31, 2013
Average outstanding debt balance	$ 1,238,940	$ 1,036,780
Maximum amount of debt outstanding	1,564,228	1,231,035
Weighted average annualized interest cost, including commitment fees, but excluding debt issuance costs (1)	4.95%	4.75%
Annualized amortized debt issuance cost	0.57%	0.86%
Total annualized interest cost	5.52%	5.61%

(1) Commitment fees for the fiscal years ended March 31, 2014 and March 31, 2013 were $2,659 and $2,643, respectively.
As of March 31, 2014, the Company is in compliance with all debt covenants.

Note 12. Stockholders Equity

The following table summarizes the total shares issued and proceeds received in public offerings of the Company s common stock net of underwriting discounts and offering costs for the fiscal years ended March 31, 2014 and 2013:

2014	Shares Issued	Offering Price per Share	Proceeds net of underwriting discounts and offering costs
May 2013 public offering	21,850,000	$ 8.60	$ 181,819
February 2014 public offering	12,000,000	8.69	103,724
Total for the fiscal year ended March 31, 2014	33,850,000		$ 285,543

The Company used the net proceeds from the public offerings during fiscal year March 31, 2014 to repay outstanding debt. Additionally, there were no shares issued for the fiscal year ended March 31, 2013.

Apollo Investment Management, L.P. (AIM), our investment adviser, has agreed to waive the base management and incentive fees associated with the incremental shares issued on the May 20, 2013 offering through March 31, 2015.

Note 13(a). Income Tax Information and Distributions to Stockholders

Book and tax basis differences relating to stockholder dividends and distributions and other permanent book and tax differences are reclassified among the Company s capital accounts. In addition, the character of income and gains to be distributed is determined in accordance with income tax regulations that may differ from accounting principles generally accepted in the United States of America; accordingly, at March 31, 2014, $26,182 was reclassified on our statement of asset and liabilities between accumulated net realized loss and over-distributed net investment income and $2,684 was reclassified between accumulated over-distributed net investment income and paid-in capital in excess of par. Total earnings and net asset value are not affected.

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The tax character of dividends for the fiscal year ended March 31, 2014 was as follows:

Ordinary income	$ 182,193
Tax Return of Capital	$

As of March 31, 2014, the components of accumulated losses on a tax basis were as follows(1):

Distributable ordinary income	$ 11,005
Capital loss carryforward (2)(3)	(1,053,971)
Other book/tax temporary differences	(95,158)
Unrealized depreciation	(32,331)
Total accumulated losses	$ (1,170,455)

As of March 31, 2014, we had a post-October short-term capital loss deferral of $40,874 which is deemed to arise on April 1, 2014.

(1) Tax information for the fiscal year ended March 31, 2014 is an estimate and will not be finally determined until the Company files its 2014 tax return in December 2014.

(2) On March 31, 2014, the Company had net capital loss carryforwards of $36,089, $199,331 and $411,998 which expire in 2017, 2018 and 2019, respectively. These amounts will be available to offset like amounts of any future taxable gains. It is unlikely that capital gains distributions will be paid to stockholders of the Company until net gains have been realized in excess of such capital loss carryforward or the carryforward expires.

(3) On December 22, 2010, the Regulated Investment Company Modernization Act of 2010 (the Act) was enacted which changed various technical rules governing the tax treatment of regulated investment companies. The changes are generally effective for taxable years beginning after the date of enactment. Under the Act, the fund will be permitted to carry forward capital losses incurred in taxable years beginning after the date of enactment for an unlimited period. However, any losses incurred during those future taxable years will be required to be utilized prior to the losses incurred in pre-enactment taxable years, which carry an expiration date. As a result of this ordering rule, pre-enactment capital loss carryforwards may be more likely to expire unused. Additionally, post-enactment capital losses that are carried forward will retain their character as either short-term or long-term losses rather than being considered all short-term as under previous law. As of March 31, 2014, the Company had a post-enactment short-term capital loss of $57,724 and long-term capital loss carryforward of $348,829. This loss is deemed to arise on April 1, 2014.

The tax character of dividends for the fiscal year ended March 31, 2013 was as follows:

Ordinary income	$ 159,629
Tax Return of Capital	2,684

As of March 31, 2013, the components of accumulated losses on a tax basis were as follows (1):

Distributable ordinary income	$
Capital loss carryforward (2)(3)	(936,167)
Other book/tax temporary differences	(60,510)
Unrealized depreciation	(259,773)

Total accumulated losses	$ (1,256,450)

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As of March 31, 2013, we had a post-October capital loss deferral of $15,997 which is deemed to arise on April 1, 2013.

(1) Tax information for the fiscal year ended March 31, 2013 is an estimate and was not finally determined until the Company filed its 2013 tax return in December 2013.

(2) On March 31, 2013, the Company had net capital loss carryforwards of $36,089, $199,331 and $411,998 which expire in 2017, 2018 and 2019, respectively. These amounts will be available to offset like amounts of any future taxable gains. It is unlikely that capital gains distributions will be paid to stockholders of the Company until net gains have been realized in excess of such capital loss carryforward or the carryforward expires.

(3) On December 22, 2010, the Regulated Investment Company Modernization Act of 2010 (the Act) was enacted which changed various technical rules governing the tax treatment of regulated investment companies. The changes are generally effective for taxable years beginning after the date of enactment. Under the Act, the fund will be permitted to carry forward capital losses incurred in taxable years beginning after the date of enactment for an unlimited period. However, any losses incurred during those future taxable years will be required to be utilized prior to the losses incurred in pre-enactment taxable years, which carry an expiration date. As a result of this ordering rule, pre-enactment capital loss carryforwards may be more likely to expire unused. Additionally, post-enactment capital losses that are carried forward will retain their character as either short-term or long-term losses rather than being considered all short-term as under previous law. As of March 31, 2013, the Company had a post-enactment long-term capital loss carryforward of $288,749. This loss is deemed to arise on April 1, 2013.

Note 13(b). Other Tax Information

The percentage of ordinary income distributions paid during the fiscal year ended March 31, 2014 eligible for qualified dividend income treatment is 1.31%. The percentage of ordinary income distributions paid during the fiscal year ended March 31, 2014 eligible for the 70% dividends received deduction for corporate stockholders is 1.31%.

The percentage of ordinary income distributions paid during the fiscal year ended March 31, 2013 eligible for qualified dividend income treatment is 1.54%. The percentage of ordinary income distributions paid during the fiscal year ended March 31, 2013 eligible for the 70% dividends received deduction for corporate stockholders is 1.54%.

Note 14. Selected Quarterly Financial Data (unaudited)

	Investment Income		Net Investment Income		Net Realized And Unrealized Gain (Loss) on Assets		Net Increase (Decrease) In Net Assets From Operations (on a basic, non-diluted basis)		Net Increase (Decrease) In Net Assets From Operations (on a diluted basis)	
Quarter Ended	**Total**	**Per Share**	**Total**	**Per Share**	**Total**	**Per Share**	**Total**	**Per Share**	**Total**	**Per Share**
March 31, 2014	$ 96,404	$ 0.42	$ 49,612	$ 0.22	$ 20,293	$ 0.09	$ 69,905	$ 0.31	$ 72,392	$ 0.30
December 31, 2013	94,561	0.42	49,683	0.22	56,055	0.25	105,738	0.47	108,286	0.45
September 30, 2013	93,708	0.42	49,586	0.22	26,839	0.12	76,425	0.34	78,973	0.33
June 30, 2013	96,673	0.45	52,367	0.25	(33,563)	(0.16)	18,804	0.09	21,359	0.09
March 31, 2013	84,617	0.42	42,066	0.21	23,755	0.12	65,821	0.32	68,389	0.31
December 31, 2012	83,212	0.41	42,080	0.21	(64,824)	(0.32)	(22,744)	(0.11)	(20,169)	(0.11)
September 30, 2012	83,832	0.41	44,482	0.22	28,554	0.14	73,036	0.36	75,610	0.35
June 30, 2012	80,333	0.40	38,732	0.19	(50,374)	(0.25)	(11,642)	(0.06)	(9,048)	0.06

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Note 15. Commitments and Contingencies

As of March 31, 2014, the Company s commitments and contingencies were as follows:

		As of March 31, 2014
Unfunded revolver obligations and bridge loans commitments (1)	$	408,554
Unfunded delayed draw commitments on senior loans to portfolio companies		138,680
Unfunded delayed draw commitments on senior loans to portfolio companies (performance thresholds not met) (2)		48,923
Standby letters of credit issued for certain portfolio companies for which the Company and portfolio companies are liable		16,379

(1) Included in this amount is $114,066 unfunded revolver commitment for Merx Aviation Finance Holdings II, LLC. Additional, the amounts may or may not be funded to the borrowing party in the future. The unfunded commitments relate to loans with various maturity dates, but the entire amount was eligible for funding to the borrowers as of March 31, 2014, subject to the terms of each loan s respective credit agreements.

(2) The borrower is required to meet certain performance thresholds before the Company is obligated to fulfill the commitments and those performance thresholds were not met as of March 31, 2014.

AIC s commitments are subject to the consummation of the underlying corporate transactions and conditional upon receipt of all necessary stockholder, regulatory and other applicable approvals.

Note 16. Subsequent Events

On May 19, 2014, the Board of Directors declared a dividend of $0.20 per share for the fourth fiscal quarter of 2014, payable on July 7, 2014 to stockholders of record as of June 20, 2014.

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PART C

OTHER INFORMATION

ITEM 25. FINANCIAL STATEMENTS AND EXHIBITS

(1) Financial Statements

The following statements of Apollo Investment Corporation (the Company or the Registrant) are included in Part A of this Registration Statement:

AUDITED:

(2) Exhibits

(a)(1)	Articles of Amendment(1)
(a)(2)	Articles of Amendment and Restatement(2)
(b)(2)	Third Amended and Restated By-laws(5)
(c)	Not applicable
(d)(1)	Form of Stock Certificate (3)
(d)(2)	Form of Indenture for debt securities (7)
(d)(3)	Form T-1 Statement of Eligibility of U.S. Bank National Association, as Trustee, with respect to the Form of Indenture for debt securities (11)
(d)(4)	Indenture, dated as of October 9, 2012, between the Company and U.S. Bank National Association, as trustee (9)
(d)(5)	First Supplemental Indenture, dated as of October 9, 2012, relating to the 6.625% Senior Notes due 2042, between the Company and U.S. Bank National Association, as trustee (9)
(d)(6)	Form of 6.625% Senior Notes due 2042 (contained in the First Supplemental Indenture filed as Exhibit (d)(5) hereto) (10)
(d)(7)	Second Supplemental Indenture, dated as of June 17, 2013, relating to the 6.875% Senior Notes due 2043, between the Company and U.S. Bank National Association, as trustee (9)
(d)(8)	Form of 6.875% Senior Notes due 2043 (contained in the Second Supplemental Indenture filed as Exhibit (d)(7) hereto) (10)
(e)	Dividend Reinvestment Plan (3)
(f)	Not applicable
(g)	Amended and Restated Investment Advisory and Management Agreement between Registrant and Apollo Investment Management, L.P. (6)
(h)(1)	Underwriting Agreement dated February 24, 2014 (12)

(i)	Not applicable
(j)	Custodian Agreement (2)
(k)(1)	Form of Transfer Agency and Service Agreement (2)

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(k)(2)	Amended and Restated Administration Agreement between Registrant and Apollo Investment Administration, LLC (6)
(k)(3)	Amended and Restated License Agreement between the Registrant and Apollo Management, L.P. (8)
(k)(4)	Amended and Restated Senior Secured Revolving Credit Agreement (8)
(l)(1)	Opinion and Consent of Venable LLP, special Maryland counsel for Registrant (11)
(l)(2)	Opinion and Consent of Skadden, Arps, Slate, Meagher & Flom LLP (11)
(m)	Not applicable
(n)(1)	Report of Independent Registered Public Accounting Firm on Financial Statement Schedule
(n)(2)	Independent Registered Public Accounting Firm Consent
(n)(3)	Power of Attorney (11)
(o)	Not applicable
(p)	Not applicable
(q)	Not applicable
(r)(1)	Amended and Restated Code of Ethics for Apollo Investment Corporation (4)
(r)(2)	Code of Ethics of Apollo Investment Management, L.P.(4)
99.1	Form of Preliminary Supplement for Common Stock Offerings

(1) Incorporated by reference to the corresponding exhibit number to the Registrant s pre-effective Amendment No. 1 to the Registration Statement under the Securities Act of 1933, as amended (333-124007), on Form N-2, filed on June 20, 2005.

(2) Incorporated by reference to the corresponding exhibit number to the Registrant s pre-effective Amendment No. 3 to the Registration Statement under the Securities Act of 1933, as amended (333-112591), on Form N-2, filed on April 1, 2004.

(3) Incorporated by reference to the corresponding exhibit number to the Registrant s pre-effective Amendment No. 1 to the Registration Statement under the Securities Act of 1933, as amended (333-112591), on Form N-2, filed on March 12, 2004.

(4) Incorporated by reference to the corresponding exhibit number to the Registrant s Registration Statement under the Securities Act of 1933, as amended (333-153879), on Form N-2, filed on October 7, 2008.

(5) Incorporated by reference from the Registrant s Form 8-K, filed on November 6, 2009.

(6) Incorporated by reference from the Registrant s Form 10-K, filed on May 26, 2010.

(7) Incorporated by reference to the corresponding exhibit number to the Registrant s pre-effective Amendment No. 1 to the Registration Statement under the Securities Act of 1933, as amended (333-170519), on Form N-2, filed on April 8, 2011.

(8) Incorporated by reference from the Registrant s Form 10-K, filed on May 23, 2012.

(9) Incorporated by reference to Exhibits 4.1, 4.2 and 4.3, as applicable, to the Registrant s Form 8-K (File No. 814-00646), filed on October 9, 2012.

(10) Incorporated by reference to Exhibits 4.1 and 4.2, as applicable, to the Registrant s Form 8-K (File No. 814-00646), filed on June 17, 2013.

(11) Incorporated by reference to the corresponding exhibit number to the Registrant s pre-effective Registration Statement under the Securities Act of 1933, as amended (333-189817), on Form N-2, filed on July 5, 2013.

(12) Incorporated by reference to the corresponding exhibit number to the Registrant s post-effective Amendment No. 1 to the Registration Statement under the Securities Act of 1933, as amended (333-189817), on Form N-2, filed on February 28, 2014.

Filed herewith.

* To be filed by amendment.

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ITEM 26. MARKETING ARRANGEMENTS

The information contained under the heading Plan of Distribution in this Registration Statement is incorporated herein by reference and any information concerning any underwriters for a particular offering will be contained in the prospectus supplement related to that offering.

ITEM 27. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION

The following table sets forth the estimated expenses to be incurred in connection with the offering described in this registration statement:

Registration and filing fees	$ 138,713*
Nasdaq Stock Market Listing Fee	$ 187,500
Printing (other than certificates)	$ 875,000
Accounting fees and expenses related to the offering	$ 500,000
Legal fees and expenses related to the offering	$ 1,000,000
Miscellaneous (e.g. travel) related to the offering	$ 18,750
Total (1)	$ 2,719,963

(1) These amounts are estimates.

All of the expenses set forth above shall be borne by us.

* The total filing fee we paid in connection with this registration statement was $138,713, which included $72,162 previously paid in relation to $1,012,090,000 (out of $1,500,000,000) of securities remaining issuable under the Registrant s registration statement no. 333-170519, filed on November 10, 2010.

ITEM 28. PERSONS CONTROLLED BY OR UNDER COMMON CONTROL

The following list sets forth each of the companies considered to be controlled by us as defined by the Investment Company Act of 1940.

Name of Entity and Place of Jurisdiction	**% of Voting Securities Owned**
Apollo Asset Management	100%(2)
Generation Brands Holdings Inc.	27.9%(1)
LVI Services, Inc.	22.6%(1)
Merx Aviation Finance Holdings, LLC	100%(1)
Playpower Holdings Inc.	100%(1)

1 This entity is not consolidated for purposes of financial reporting.

2 Wholly-owned, non-operational entity.

ITEM 29. NUMBER OF HOLDERS OF SECURITIES

The following table sets forth the approximate number of record holders of our common stock at May 28, 2014.

Title of Class	Number of Record Holders
Common stock, $0.001 par value per share	99

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ITEM 30. INDEMNIFICATION

Maryland law permits a Maryland corporation to include in its charter a provision limiting the liability of its directors and officers to the corporation and its stockholders for money damages except for liability resulting from (a) actual receipt of an improper benefit or profit in money, property or services or (b) active and deliberate dishonesty established by a final judgment as being material to the cause of action. Our charter contains such a provision which eliminates directors and officers liability to the maximum extent permitted by Maryland law, subject to the requirements of the 1940 Act.

Our charter authorizes us, to the maximum extent permitted by Maryland law and subject to the requirements of the 1940 Act, to obligate ourselves to indemnify any present or former director or officer or any individual who, while a director or officer and at our request, serves or has served another corporation, real estate investment trust, partnership, joint venture, trust, employee benefit plan or other enterprise as a director, officer, partner or trustee, from and against any claim or liability to which that person may become subject or which that person may incur by reason of his or her status as a present or former director or officer and to pay or reimburse their reasonable expenses in advance of final disposition of a proceeding. Our bylaws obligate us, to the maximum extent permitted by Maryland law and subject to the requirements of the 1940 Act, to indemnify any present or former director or officer or any individual who, while a director or officer and at our request, serves or has served another corporation, real estate investment trust, partnership, joint venture, trust, employee benefit plan or other enterprise as a director, officer, partner or trustee and who is made, or threatened to be made, a party to the proceeding by reason of his or her service in that capacity and to pay or reimburse their reasonable expenses in advance of final disposition of a proceeding. The charter and bylaws also permit us to indemnify and advance expenses to any person who served a predecessor of us in any of the capacities described above and any of our employees or agents or any employees or agents of our predecessor, if any. In accordance with the 1940 Act, we will not indemnify any person for any liability to which such person would be subject by reason of such person s willful misfeasance, bad faith, gross negligence or reckless disregard of the duties involved in the conduct of his office.

Maryland law requires a corporation (unless its charter provides otherwise, which our charter does not) to indemnify a director or officer who has been successful, on the merits or otherwise, in the defense of any proceeding to which he or she is made, or threatened to be made, a party by reason of his or her service in that capacity. Maryland law permits a corporation to indemnify its present and former directors and officers, among others, against judgments, penalties, fines, settlements and reasonable expenses actually incurred by them in connection with any proceeding to which they may be made, or threatened to be made, a party by reason of their service in those or other capacities unless it is established that (a) the act or omission of the director or officer was material to the matter giving rise to the proceeding and (1) was committed in bad faith or (2) was the result of active and deliberate dishonesty, (b) the director or officer actually received an improper personal benefit in money, property or services or (c) in the case of any criminal proceeding, the director or officer had reasonable cause to believe that the act or omission was unlawful. However, under Maryland law, a Maryland corporation may not indemnify for an adverse judgment in a suit by or in the right of the corporation or for a judgment of liability on the basis that a personal benefit was improperly received, unless in either case a court orders indemnification, and then only for expenses. In addition, Maryland law permits a corporation to advance reasonable expenses to a director or officer upon the corporation s receipt of (a) a written affirmation by the director or officer of his or her good faith belief that he or she has met the standard of conduct necessary for indemnification by the corporation and (b) a written undertaking by him or her or on his or her behalf to repay the amount paid or reimbursed by the corporation if it is ultimately determined that the standard of conduct was not met.

The Investment Advisory and Management Agreement provides that, absent willful misfeasance, bad faith or gross negligence in the performance of its duties or by reason of the reckless disregard of its duties and obligations, Apollo Investment Management, L.P. (the Adviser) and its officers, managers, agents, employees, controlling persons, members and any other person or entity affiliated with it are entitled to indemnification from the Apollo Investment for any damages, liabilities, costs and expenses (including reasonable attorneys fees and amounts reasonably paid in settlement) arising from the rendering of the Adviser s services under the Investment Advisory and Management Agreement or otherwise as an investment adviser of Apollo Investment.

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The Administration Agreement provides that, absent willful misfeasance, bad faith or negligence in the performance of its duties or by reason of the reckless disregard of its duties and obligations, Apollo Investment Administration, LLC and its officers, manager, agents, employees, controlling persons, members and any other person or entity affiliated with it are entitled to indemnification from us for any damages, liabilities, costs and expenses (including reasonable attorneys fees and amounts reasonably paid in settlement) arising from the rendering of Apollo Investment Administration, LLC s services under the Administration Agreement or otherwise as administrator for Apollo Investment.

Insofar as indemnification for liability arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of Apollo Investment pursuant to the foregoing provisions, or otherwise, we have been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by us of expenses incurred or paid by a director, officer or controlling person of Apollo Investment in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, we will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

ITEM 31. BUSINESS AND OTHER CONNECTIONS OF INVESTMENT ADVISER

A description of any other business, profession, vocation or employment of a substantial nature in which the Adviser, and each managing director, director or executive officer of the Adviser, is or has been during the past two fiscal years, engaged in for his or her own account or in the capacity of director, officer, employee, partner or trustee, is set forth in Part A of this Registration Statement in the sections entitled Management. Additional information regarding the Adviser and its officers and directors is set forth in its Form ADV, as filed with the SEC (SEC File No. 801-62840), and is incorporated herein by reference.

ITEM 32. LOCATION OF ACCOUNTS AND RECORDS

All accounts, books and other documents required to be maintained by Section 31(a) of the Investment Company Act of 1940, and the rules thereunder are maintained at the offices of:

(1) the Registrant, Apollo Investment Corporation, 9 West 57th Street, New York, NY 10019;

(2) the Transfer Agent, American Stock Transfer and Trust Company, 59 Maiden Lane, New York, NY 10007;

(3) the Custodian, JPMorgan Chase Bank, 270 Park Avenue, New York, NY 10017;

(4) the Adviser, Apollo Investment Management, L.P., 9 West 57th Street, New York, NY 10019; and

(5) the Trustee, The Bank of New York Mellon, One Wall Street, New York, NY 10286.

ITEM 33. MANAGEMENT SERVICES

Not Applicable.

ITEM 34. UNDERTAKINGS

(1) The Registrant hereby undertakes to suspend the offering of its units until it amends its prospectus if (a) subsequent to the effective date of its registration statement, the net asset value declines more than 10 percent from its net asset value as of the effective date of the Registration Statement or (b) the net asset value increases to an amount greater than its net proceeds as stated in the prospectus.

(2) Not applicable.

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(3) Not applicable.

(4) The Registrant hereby undertakes:

(a) To file, during any period in which offers or sales are being made, a post-effective amendment to the registration statement:

(i) to include any prospectus required by Section 10(a)(3) of the 1933 Act;

(ii) to reflect in the prospectus any facts or events after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement; and

(iii) to include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement.

(b) That, for the purpose of determining any liability under the 1933 Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered herein, and the offering of those securities at that time shall be deemed to be the initial bona fide offering thereof; and

(c) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering; and

(d) That, for the purpose of determining liability under the 1933 Act to any purchaser, if the Registrant is subject to Rule 430C: Each prospectus filed pursuant to Rule 497(b), (c), (d) or (e) under the 1933 Act as part of a registration statement relating to an offering, other than prospectuses filed in reliance on Rule 430A under the 1933 Act, shall be deemed to be part of and included in the registration statement as of the date it is first used after effectiveness; PROVIDED, HOWEVER, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use.

(e) That, for the purpose of determining liability of the Registrant under the 1933 Act to any purchaser in the initial distribution of securities, the undersigned Registrant undertakes that in a primary offering of securities of the undersigned Registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned Registrant will be a seller to the purchaser and will be considered to offer or sell such securities to the purchaser:

(1) any preliminary prospectus or prospectus of the undersigned Registrant relating to the offering required to be filed pursuant to Rule 497 under the 1933 Act;

(2) the portion of any advertisement pursuant to Rule 482 under the 1933 Act relating to the offering containing material information about the undersigned Registrant or its securities provided by or on behalf of the undersigned Registrant; and

(3) any other communication that is an offer in the offering made by the undersigned Registrant to the purchaser.

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(f) To file a post-effective amendment to the registration statement, and to suspend any offers or sales pursuant the registration statement until such post-effective amendment has been declared effective under the 1933 Act, in the event the shares of Registrant are trading below its net asset value and either (i) Registrant receives, or has been advised by its independent registered accounting firm that it will receive, an audit report reflecting substantial doubt regarding the Registrant s ability to continue as a going concern or (ii) Registrant has concluded that a material adverse change has occurred in its financial position or results of operations that has caused the financial statements and other disclosures on the basis of which the offering would be made to be materially misleading.

(5) (a) For the purposes of determining any liability under the Securities Act of 1933, the information omitted from the form of prospectus filed as part of a registration statement in reliance upon Rule 430A and contained in the form of prospectus filed by the Registrant under Rule 497 (h) under the Securities Act of 1933 shall be deemed to be part of the Registration Statement as of the time it was declared effective.

(b) For the purpose of determining any liability under the Securities Act of 1933, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of the securities at that time shall be deemed to be the initial bona fide offering thereof.

(6) The Registrant undertakes to send by first class mail or other means designed to ensure equally prompt delivery within two business days of receipt of a written or oral request, any Statement of Additional Information.

(7) The Registrant undertakes that it will not sell any units consisting of combinations of securities that have not previously been described in a registration statement of the Registrant or an amendment thereto that was subject to review by the Commission and that subsequently became effective.

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SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this amendment to the registration statement on Form N-2 to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of New York, and State of New York, on the 29th day of May, 2014.

APOLLO INVESTMENT CORPORATION

By: /s/ James C. Zelter
James C. Zelter

Chief Executive Officer

Pursuant to the requirements of the Securities Act of 1933, this amendment to the registration statement on Form N-2 has been signed by the following persons in the capacities and on the dates indicated.

SIGNATURE	TITLE	DATE
/s/ John J. Hannan John J. Hannan	Chairman of the Board and Director	May 29, 2014
/s/ Gregory W. Hunt Gregory W. Hunt	Chief Financial Officer and Treasurer (principal financial and accounting officer)	May 29, 2014
/s/ James C. Zelter James C. Zelter	Chief Executive Officer and Director (principal executive officer)	May 29, 2014
/s/ Edward J. Goldthorpe Edward J. Goldthorpe	President	May 29, 2014
/s/ R. Rudolph Reinfrank* R. Rudolph Reinfrank	Director	May 29, 2014
/s/ Jeanette Loeb* Jeanette Loeb	Director	May 29, 2014
/s/ Frank C. Puleo* Frank C. Puleo	Director	May 29, 2014
/s/ Carl Spielvogel* Carl Spielvogel	Director	May 29, 2014
/s/ Elliot Stein, Jr.* Elliot Stein, Jr.	Director	May 29, 2014
/s/ Bradley J. Wechsler* Bradley J. Wechsler	Director	May 29, 2014

*By: /s/ Joseph D. Glatt
Joseph D. Glatt

as Attorney-in-Fact

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INDEX TO EXHIBITS

Exhibit Number	Exhibit
(n)(1)	Report of Independent Registered Public Accounting Firm on Financial Statement Schedule
(n)(2)	Independent Registered Public Accounting Firm Consent
99.1	Form of Preliminary Supplement for Common Stock Offerings