
Section 1: 8-K (8-K)

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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 10, 2018 (May 9, 2018)

Prospect Capital Corporation

(Exact name of registrant as specified in its charter)

MARYLAND
(State or other jurisdiction
of incorporation)

814-00659
(Commission File Number)

43-2048643
(IRS Employer
Identification No.)

10 East 40th Street, 42nd Floor, New York, New York 10016
(Address of principal executive offices, including zip code)

(212) 448-0702

(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02. Results of Operations and Financial Condition.

On May 9, 2018, the registrant issued a press release announcing its financial results for its third fiscal quarter ended March 31, 2017. The text of the press release is included as Exhibit 99.1 to this Form 8-K.

The information disclosed under this Item 2.02, including Exhibit 99.1 hereto, is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 and shall not be deemed incorporated by reference into any filing made under the Securities Act of 1933, except as expressly set forth by specific reference in such filing.

Item 7.01. Regulation FD Disclosure.

On May 9, 2018, the registrant issued a press release, included herewith as Exhibit 99.1, and by this reference incorporated herein, announcing the declaration of monthly cash distributions to shareholders in the following amounts and with the following record and payment dates:

- \$0.06 per share for May 2018 to May 31, 2018 record holders with June 21, 2018 payment date;
- \$0.06 per share for June 2018 to June 29, 2018 record holders with July 19, 2018 payment date;
- \$0.06 per share for July 2018 to July 31, 2018 record holders with August 23, 2018 payment date; and
- \$0.06 per share for August 2018 to August 31, 2018 record holders with September 20, 2018 payment date.

The information disclosed under this Item 7.01, including Exhibit 99.1 hereto, is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 and shall not be deemed incorporated by reference into any filing made under the Securities Act of 1933, except as expressly set forth by specific reference in such filing.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits

99.1 Press Release, dated May 9, 2018

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this Current Report on Form 8-K to be signed on its behalf by the undersigned hereunto duly authorized.

Prospect Capital Corporation

By: /s/ M. Grier Eliasek

Name: M. Grier Eliasek

Title: Chief Operating Officer

Date: May 9, 2018

| Exhibit Number | Description |
|----------------------|--|
| 99.1 | Press Release, dated May 9, 2018 |

[\(Back To Top\)](#)

Section 2: EX-99.1 (EXHIBIT 99.1)

Exhibit 99.1

Prospect Capital Reports March 2018 Quarterly Results and Declares Additional Monthly Distributions

NEW YORK - (GLOBE NEWSWIRE) - May 9, 2018 - Prospect Capital Corporation (NASDAQ: PSEC) (“Prospect”, “our”, or “we”) today announced financial results for our third fiscal quarter ended March 31, 2018.

| <i>All amounts in \$000's except per share amounts</i> | Quarter Ended March 31, 2018 | Quarter Ended December 31, 2017 | Quarter Ended March 31, 2017 |
|---|---|--|---|
| Net Investment Income (“NII”) | \$70,446 | \$73,192 | \$73,080 |
| Interest as % of Total Investment Income | 89.6% | 94.4% | 94.6% |
| NII per Share | \$0.19 | \$0.20 | \$0.20 |
| Net Increase in Net Assets Resulting from Operations (“NI”) | \$51,859 | \$121,727 | \$19,492 |
| NI per Share | \$0.14 | \$0.34 | \$0.05 |
| Distributions to Shareholders | \$65,174 | \$64,912 | \$89,892 |
| Distributions per Share | \$0.18 | \$0.18 | \$0.25 |
| Net Asset Value (“NAV”) per Share | \$9.23 | \$9.28 | \$9.43 |
| Net of Cash Debt to Equity Ratio | 69.1% | 60.2% | 75.6% |

For the March 2018 quarter, we earned net investment income (“NII”) of \$70.4 million, or \$0.19 per weighted average share, down \$0.01 from the

December 2017 quarter, and exceeding our current quarterly dividend rate of \$0.18 per share by \$0.01 per share. The decrease in NII per share resulted primarily from higher administrative overhead expense compared to the December 2017 quarter.

As the economic cycle ages, we are not chasing yield but are instead seeking to reduce risk and protect capital. We remain committed to our historic credit discipline, which has served us well in the past. While we have a robust pipeline of potential investments in our target range for credit quality and yield, we are not chasing risky assets with low returns and so remained underinvested at March 31, 2018. We believe our disciplined approach to credit will continue to serve us well in the coming years.

In the March 2018 quarter our net of cash debt to equity ratio was 69.1%, up 8.9% from December 2017 and down 6.5% from March 2017.

For the March 2018 quarter, our net increase in net assets resulting from operations (“NI”) was \$51.9 million, or \$0.14 per weighted average share, a decrease of \$0.20 from the December 2017 quarter as a result of increased unrealized depreciation in the fair market value of certain investments compared to the prior quarter.

Our interest income as a percentage of total investment income was 89.6% in the March 2018 quarter.

Our net asset value (“NAV”) per share decreased by \$0.05 to \$9.23 during the March 2018 quarter.

| <i>All amounts in \$000's except per share amounts</i> | Nine Months Ended March 31, 2018 | Nine Months Ended March 31, 2017 |
|--|---|---|
| | | |
| NII | \$207,370 | \$236,404 |
| NII per Share | \$0.57 | \$0.66 |
| | | |
| NI | \$185,559 | \$201,738 |
| NI per Share | \$0.51 | \$0.56 |
| | | |
| Distributions to Shareholders | \$211,733 | \$268,989 |
| Distributions per Share | \$0.59 | \$0.75 |

For the nine months ended March 31, 2018, we earned NII of \$207.4 million, or \$0.57 per weighted average share, down \$0.09 from the prior year. For the nine months ended March 31, 2017, we earned NII of \$236.4 million, or \$0.66 per weighted average share, up \$0.09 from the prior year.

For the nine months ended March 31, 2018, we earned NI of \$185.6 million, or \$0.51 per weighted average share, down \$0.05 from the prior year. For the nine months ended March 31, 2017, we earned NI of \$201.7 million, or \$0.56 per weighted average share, up \$0.05 from the prior year.

DISTRIBUTION DECLARATION

Prospect is declaring distributions as follows:

- \$0.06 per share for May 2018 to May 31, 2018 record holders with June 21, 2018 payment date;
- \$0.06 per share for June 2018 to June 29, 2018 record holders with July 19, 2018 payment date;
- \$0.06 per share for July 2018 to July 31, 2018 record holders with August 23, 2018 payment date; and
- \$0.06 per share for August 2018 to August 31, 2018 record holders with September 20, 2018 payment date.

These distributions mark Prospect's 118th, 119th, 120th, and 121st consecutive cash distributions to shareholders.

Based on the declarations above, Prospect's closing stock price of \$6.45 at May 8, 2018 delivers to shareholders a dividend yield of 11.2%.

Based on past distributions and our current share count for declared distributions, Prospect since inception through our August 2018 distribution will have distributed \$16.68 per share to original shareholders, exceeding \$2.59 billion in cumulative distributions to all shareholders.

Prospect expects to declare September 2018 and October 2018 distributions in August 2018.

PORTFOLIO AND INVESTMENT ACTIVITY

We continue to prioritize secured lending. At March 31, 2018, December 31, 2017, and June 30, 2017, our portfolio comprised the following:

| <i>All amounts in \$000's except per unit amounts</i> | As of March 31, 2018 | As of December 31, 2017 | As of June 30, 2017 |
|--|---------------------------------|------------------------------------|--------------------------------|
| Total Investments (at fair value) | \$5,719,804 | \$5,421,132 | \$5,838,305 |
| Number of Portfolio Companies | 134 | 122 | 121 |
| % Controlled Investments (at fair value) | 34.7% | 37.1% | 32.7% |
| Secured First Lien | 44.9% | 44.5% | 48.3% |
| Secured Second Lien | 23.2% | 21.4% | 19.1% |
| Structured Credit | 16.5% | 17.3% | 18.5% |
| Equity Investments | 14.9% | 16.2% | 13.2% |
| Unsecured Debt | 0.5% | 0.6% | 0.8% |
| Small Business Whole Loans | 0.0% | 0.0% | 0.1% |
| Annualized Current Yield - All Investments | 10.8% | 10.3% | 10.4% |
| Annualized Current Yield - Performing Interest Bearing Investments | 12.9% | 12.5% | 12.2% |
| Top Industry Concentration ⁽¹⁾ | 12.8% | 13.3% | 10.7% |
| Energy Industry Concentration ⁽¹⁾ | 2.8% | 3.1% | 2.4% |
| Retail Industry Concentration ⁽¹⁾ | 0.0% | 0.0% | 0.0% |
| Non-Accrual Loans as % of Total Assets | 1.3% | 1.2% | 2.5% |
| Weighted Average Portfolio Net Leverage ⁽²⁾ | 4.65x | 4.44x | 4.19x |
| Weighted Average Portfolio EBITDA | \$62,628 | \$60,475 | \$48,340 |

(1) Excluding our underlying industry-diversified structured credit portfolio.

(2) Through our investment in the portfolio company's capital structure.

During the March 2018 and December 2017 quarters, our investment origination and repayment activity was as follows:

| <i>All amounts in \$000's</i> | Quarter Ended March 31, 2018 | Quarter Ended December 31, 2017 |
|---------------------------------|---|--|
| | | |
| Total Originations | \$429,928 | \$738,737 |
| | | |
| Non-Advised Debt | 43% | 32% |
| Advised Sponsor Debt | 40% | 56% |
| Structured Credit | 7% | 0% |
| Operating Buyouts | 6% | 1% |
| Real Estate | 3% | 11% |
| Online Lending | 1% | 0% |
| | | |
| Total Repayments | \$118,083 | \$1,042,269 |
| Originations, Net of Repayments | \$311,845 | (\$303,532) |

For a listing of transactions completed during the quarter, please see section titled "Portfolio Investment Activity" in our Form 10-Q for the quarter ended March 31, 2018 as filed with the Securities and Exchange Commission on May 9, 2018.

Our structured credit investments have individual standalone financings each non-recourse to Prospect and with our risk limited in each case to our net investment amount. At March 31, 2018 and December 31, 2017, our structured credit portfolio at fair value consisted of the following:

| <i>All amounts in \$000's except per unit amounts</i> | As of March 31, 2018 | As of December 31, 2017 |
|---|---------------------------------|------------------------------------|
| Total Structured Credit Investments | \$944,815 | \$940,276 |
| # of Investments | 43 | 43 |
| TTM Average Cash Yield ⁽¹⁾⁽³⁾ | 17.3% | 19.3% |
| Annualized Cash Yield ⁽¹⁾⁽³⁾ | 13.2% | 17.0% |
| Annualized GAAP Yield on Fair Value ⁽¹⁾⁽³⁾ | 13.2% | 12.5% |
| Annualized GAAP Yield on Amortized Cost ⁽²⁾⁽³⁾ | 11.6% | 11.0% |
| Cumulative Cash Distributions | \$1,112,703 | \$1,078,373 |
| % of Original Investment | 73.8% | 73.0% |
| # of Underlying Collateral Loans | 2,184 | 2,225 |
| Total Asset Base of Underlying Portfolio | \$18,762,162 | \$19,026,601 |
| Prospect TTM Default Rate | 1.10% | 0.77% |
| Broadly Syndicated Market TTM Default Rate | 2.42% | 2.05% |
| Prospect Default Rate Outperformance vs. Market | 1.32% | 1.28% |

- (1) Calculation based on fair value.
- (2) Calculation based on amortized cost.
- (3) Excludes deals in the process of redemption.

To date, including called deals in the process of liquidation, we have exited 11 structured credit investments totaling \$290.5 million with an expected average realized IRR of 16.1% and cash on cash multiple of 1.48 times.

Since August 29, 2016 (the date of our June 2016 quarter earnings release) through today, 19 of our structured credit investments have completed refinancings to reduce their liability spreads, and 15 additional structured credit investments have completed multi-year extensions of their reinvestment periods (with most resulting in reduced liability spreads). We believe further upside exists in our structured credit portfolio through additional refinancings and reinvestment period extensions, and are actively working on such transactions.

To date during the June 2018 quarter, we have completed new and follow-on investments as follows:

| <i>All amounts in \$000's</i> | Quarter Ended June 30, 2018 |
|-------------------------------|--|
| Total Originations | \$181,586 |
| Agented Non-Sponsor Debt | 63% |
| Agented Sponsor Debt | 25% |
| Non-Agented Debt | 6% |
| Real Estate | 5% |
| Operating Buyouts | 1% |
| Total Repayments | \$113,078 |

LIQUIDITY AND FINANCIAL RESULTS

The following table summarizes key leverage statistics at March 31, 2018, December 31, 2017, and March 31, 2017:

| <i>All amounts in \$000's</i> | As of March 31, 2018 | As of December 31, 2017 | As of March 31, 2017 |
|----------------------------------|---------------------------------|------------------------------------|---------------------------------|
| Net of Cash Debt to Equity Ratio | 69.1% | 60.2% | 75.6% |
| % of Assets at Floating Rates | 90.1% | 89.3% | 90.7% |
| % of Liabilities at Fixed Rates | 96.4% | 99.9% | 99.9% |
| Unencumbered Assets | \$4,619,909 | \$4,606,067 | \$4,611,293 |
| % of Total Assets | 78.9% | 77.8% | 74.9% |

We repaid our remaining \$50.7 million October 2017 and \$85.4 million March 2018 convertible notes at maturity. In calendar year 2017 and early 2018, we also issued \$225 million of 2022 Notes and repurchased (or provided notice to call) a majority of our debt maturing in less than one year as follows:

| <i>All amounts in \$000's</i> | Principal | Rate | Maturity |
|-------------------------------|------------------|---------------|-----------------------------|
| Debt Issuances | | | |
| 2022 Notes | \$225,000 | 4.95% | July 2022 |
| Repurchases | | | |
| 2017 Notes | \$78,766 | 5.375% | October 2017 |
| 2018 Notes | \$114,581 | 5.75% | March 2018 |
| Prospect Capital InterNotes® | \$318,872 | 3.75% - 5.85% | December 2017 - August 2020 |

On August 29, 2014, we renegotiated and closed an expanded five and a half year revolving credit facility (the “Facility”), summarized as follows:

| <i>All amounts in \$000's</i> | As of March 31, 2018 |
|--|---------------------------------|
| Total Extended Commitments | \$885,000 |
| Total Commitments with Accordion Feature | \$1,500,000 |
| Interest Rate on Borrowings | 1M LIBOR + 225 bps (no floor) |
| Moody's Rating | Aa3 |

We have diversified our counterparty risk over the last seven years. At March 31, 2018, 21 institutional lenders were committed to the Facility compared to five lenders at June 30, 2010, representing one of the most diversified bank groups in our industry. The revolving period of the Facility extends through March 2019, with an additional one-year amortization period to March 2020, and with distributions allowed after the completion of the revolving period. We currently have \$105 million drawn under our Facility.

We have six separate unsecured debt issuances aggregating \$1.6 billion outstanding, not including our program notes, with laddered maturities extending to June 2024. At March 31, 2018, \$756.1 million of program notes were outstanding with staggered maturities through October 2043.

EARNINGS CONFERENCE CALL

Prospect will host an earnings call on **Thursday, May 10, 2018 at 11:00 am**. Eastern Time. Dial **888-338-7333**. For a replay prior to June 9, 2018, call 877-344-7529 passcode 10119888. The call will be available prior to June 9, 2018 on Prospect's website, www.prospectstreet.com.

PROSPECT CAPITAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF ASSETS AND LIABILITIES
(in thousands, except share and per share data)

| | March 31, 2018 | June 30, 2017 |
|---|---------------------|---------------------|
| | (Unaudited) | (Audited) |
| Assets | | |
| Investments at fair value: | | |
| Control investments (amortized cost of \$1,857,698 and \$1,840,731, respectively) | \$ 1,986,984 | \$ 1,911,775 |
| Affiliate investments (amortized cost of \$55,482 and \$22,957, respectively) | 52,288 | 11,429 |
| Non-control/non-affiliate investments (amortized cost of \$3,951,787 and \$4,117,868, respectively) | 3,680,532 | 3,915,101 |
| Total investments at fair value (amortized cost of \$5,864,967 and \$5,981,556, respectively) | 5,719,804 | 5,838,305 |
| Cash | 97,563 | 318,083 |
| Receivables for: | | |
| Interest, net | 29,511 | 9,559 |
| Other | 836 | 924 |
| Prepaid expenses | 566 | 1,125 |
| Due from Broker | — | — |
| Due from Prospect Capital Management (Note 13) | 60 | — |
| Due from Affiliate (Note 13) | 88 | 14 |
| Deferred financing costs on Revolving Credit Facility (Note 4) | 2,717 | 4,779 |
| Total Assets | 5,851,145 | 6,172,789 |
| Liabilities | | |
| Revolving Credit Facility (Notes 4 and 8) | 86,000 | — |
| Convertible Notes (less unamortized debt issuance costs of \$11,908 and \$15,512, respectively) (Notes 5 and 8) | 805,092 | 937,641 |
| Prospect Capital InterNotes® (less unamortized debt issuance costs of \$12,342 and \$14,240, respectively) (Notes 7 and 8) | 743,729 | 966,254 |
| Public Notes (less unamortized discount and debt issuance costs of \$9,445 and \$10,981, respectively) (Notes 6 and 8) | 739,836 | 738,300 |
| Due to Prospect Capital Management (Note 13) | 47,009 | 48,249 |
| Interest payable | 29,588 | 38,630 |
| Due to Broker | 24,457 | 50,371 |
| Dividends payable | 21,759 | 30,005 |
| Due to Prospect Administration (Note 13) | 2,148 | 1,910 |
| Accrued expenses | 4,320 | 4,380 |
| Other liabilities | 811 | 2,097 |
| Total Liabilities | 2,504,749 | 2,817,837 |
| Commitments and Contingencies (Note 3) | — | — |
| Net Assets | \$ 3,346,396 | \$ 3,354,952 |
| Components of Net Assets | | |
| Common stock, par value \$0.001 per share (1,000,000,000 common shares authorized; 362,657,362 and 360,076,933 issued and outstanding, respectively) (Note 9) | \$ 363 | \$ 360 |
| Paid-in capital in excess of par (Note 9) | 4,009,704 | 3,991,317 |
| Accumulated overdistributed net investment income | (59,174) | (54,039) |
| Accumulated net realized loss | (459,334) | (439,435) |
| Net unrealized loss | (145,163) | (143,251) |
| Net Assets | \$ 3,346,396 | \$ 3,354,952 |
| Net Asset Value Per Share (Note 16) | \$ 9.23 | \$ 9.32 |

PROSPECT CAPITAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except share and per share data)

| | Three Months Ended March | | Nine Months Ended March | |
|--|--------------------------|------------------|-------------------------|-------------------|
| | 31, | | 31, | |
| | 2018 | 2017 | 2018 | 2017 |
| Investment Income | | | | |
| Interest income: | | | | |
| Control investments | \$ 45,944 | \$ 41,353 | \$ 139,392 | \$ 135,543 |
| Affiliate investments | 271 | — | 476 | — |
| Non-control/non-affiliate investments | 68,376 | 83,794 | 216,639 | 257,919 |
| Structured credit securities | 31,271 | 36,564 | 90,822 | 114,690 |
| Total interest income | 145,862 | 161,711 | 447,329 | 508,152 |
| Dividend income: | | | | |
| Control investments | 5,639 | 728 | 5,639 | 4,250 |
| Non-control/non-affiliate investments | 648 | 89 | 1,518 | 330 |
| Total dividend income | 6,287 | 817 | 7,157 | 4,580 |
| Other income: | | | | |
| Control investments | 6,188 | 2,953 | 12,317 | 9,749 |
| Non-control/non-affiliate investments | 4,498 | 5,551 | 17,011 | 11,863 |
| Total other income (Note 10) | 10,686 | 8,504 | 29,328 | 21,612 |
| Total Investment Income | 162,835 | 171,032 | 483,814 | 534,344 |
| Operating Expenses | | | | |
| Base management fee (Note 13) | 29,268 | 30,549 | 88,990 | 92,227 |
| Income incentive fee (Note 13) | 17,612 | 18,270 | 51,843 | 59,101 |
| Interest and credit facility expenses | 37,479 | 41,464 | 117,861 | 123,981 |
| Allocation of overhead from Prospect Administration (Note 13) | 3,195 | 3,581 | 5,899 | 9,771 |
| Audit, compliance and tax related fees | 1,130 | 1,223 | 4,084 | 3,676 |
| Directors' fees | 113 | 113 | 338 | 338 |
| Other general and administrative expenses | 3,592 | 2,752 | 7,429 | 9,946 |
| Total Operating Expenses | 92,389 | 97,952 | 276,444 | 297,940 |
| Net Investment Income | 70,446 | 73,080 | 207,370 | 236,404 |
| Net Realized and Net Change in Unrealized Gains (Losses) from Investments | | | | |
| Net realized gains (losses) | | | | |
| Control investments | 2 | 1 | 13 | 184 |
| Affiliate investments | (14,197) | — | (13,351) | 137 |
| Non-control/non-affiliate investments | (23) | 177 | (5,116) | 489 |
| Net realized (losses) gains | (14,218) | 178 | (18,454) | 810 |
| Net change in unrealized gains (losses) | | | | |
| Control investments | 1,380 | (33,235) | 46,898 | (30,937) |
| Affiliate investments | 12,952 | (581) | 19,678 | (1,854) |
| Non-control/non-affiliate investments | (18,188) | (19,930) | (68,488) | (2,480) |
| Net change in unrealized gains (losses) | (3,856) | (53,746) | (1,912) | (35,271) |
| Net Realized and Net Change in Unrealized Gains (Losses) from Investments | (18,074) | (53,568) | (20,366) | (34,461) |
| Net realized losses on extinguishment of debt | (513) | (20) | (1,445) | (205) |
| Net Increase in Net Assets Resulting from Operations | \$ 51,859 | \$ 19,492 | \$ 185,559 | \$ 201,738 |
| Net increase in net assets resulting from operations per share | \$ 0.14 | \$ 0.05 | \$ 0.51 | \$ 0.56 |
| Dividends declared per share | \$ (0.18) | \$ (0.25) | \$ (0.59) | \$ (0.75) |

PROSPECT CAPITAL CORPORATION AND SUBSIDIARIES
ROLLFORWARD OF NET ASSET VALUE PER SHARE
(in actual dollars)

| | Three Months Ended March 31, | | Nine Months Ended March 31, | |
|--|---------------------------------|----------------|--------------------------------|----------------|
| | 2018 | 2017 | 2018 | 2017 |
| Per Share Data | | | | |
| Net asset value at beginning of period | \$ 9.28 | \$ 9.62 | \$ 9.32 | \$ 9.62 |
| Net investment income(1) | 0.19 | 0.20 | 0.57 | 0.66 |
| Net realized and change in unrealized gains (losses) (1) | (0.05) | (0.15) | (0.06) | (0.10) |
| Distributions of net investment income | (0.18) | (0.25) | (0.59) | (0.75) |
| Common stock transactions(2) | (0.01) | (0.01) | (0.01) | — (3) |
| Net asset value at end of period | <u>\$ 9.23</u> | <u>\$ 9.43</u> | <u>\$ 9.23</u> | <u>\$ 9.43</u> |

- (1) Per share data amount is based on the weighted average number of common shares outstanding for the period presented (except for dividends to shareholders which is based on actual rate per share).
- (2) Common stock transactions include the effect of issuances and repurchases of common stock, if any.
- (3) Amount is less than \$0.01.

ABOUT PROSPECT CAPITAL CORPORATION

Prospect Capital Corporation (www.prospectstreet.com) is a business development company that focuses on lending to and investing in private businesses. Our investment objective is to generate both current income and long-term capital appreciation through debt and equity investments.

We have elected to be treated as a business development company under the Investment Company Act of 1940 (“1940 Act”). We are required to comply with a series of regulatory requirements under the 1940 Act as well as applicable NASDAQ, federal and state rules and regulations. We have elected to be treated as a regulated investment company under the Internal Revenue Code of 1986.

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, whose safe harbor for forward-looking statements does not apply to business development companies. Any such statements, other than statements of historical fact, are highly likely to be affected by other unknowable future events and conditions, including elements of the future that are or are not under our control, and that we may or may not have considered; accordingly, such statements cannot be guarantees or assurances of any aspect of future performance. Actual developments and results are highly likely to vary materially from any forward-looking statements. Such statements speak only as of the time when made. We undertake no obligation to update any such statement now or in the future.

For additional information, contact:

Grier Eliasek, President and Chief Operating Officer

grier@prospectstreet.com

Telephone (212) 448-0702

[\(Back To Top\)](#)