

**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: November 04, 2014
(Date of earliest event reported)

Solar Capital Ltd.
(Exact name of registrant as specified in its charter)

NY
(State or other jurisdiction
of incorporation)

814-00754
(Commission File
Number)

26-1381340
(IRS Employer
Identification Number)

500 Park Avenue, 3rd Floor
(Address of principal executive offices)

10022
(Zip Code)

(212) 993-1670
(Registrant's telephone number, including area code)

Not Applicable
(Former Name or Former Address, if changed since last report)

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))
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Item 2.02. Results of Operations and Financial Condition

On November 4, 2014, the registrant issued a press release announcing its financial results for the quarter ended September 30, 2014. 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 9.01. Financial Statements and Exhibits

(d) Exhibits

99.1 [Press Release of Solar Capital Ltd. dated November 04, 2014](#)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: November 04, 2014

SOLAR CAPITAL LTD.

By: /s/ Richard Peteka
Richard Peteka
Chief Financial Officer

Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release of Solar Capital Ltd. dated November 04, 2014

Solar Capital Ltd. Announces Quarter Ended September 30, 2014 Financial Results; Declares Quarterly Distribution of \$0.40 per Share for Q4, 2014

NEW YORK, NY -- (Marketwired - November 04, 2014) - Solar Capital Ltd. (the "Company") (NASDAQ: SLRC), today reported net investment income of \$16.4 million, or \$0.39 per share, for the third quarter. Earnings were \$12.8 million, or \$0.30 per share for the quarter ended September 30, 2014. At September 30, 2014, net asset value (NAV) per share was \$22.34.

The Company's Board of Directors declared a fourth quarter distribution of \$0.40 per share payable on January 5, 2015 to stockholders of record on December 18, 2014. The specific tax characteristics will be reported to stockholders on Form 1099 after the end of the calendar year.

HIGHLIGHTS:

At September 30, 2014:

Investment portfolio fair value: \$1.13 billion
Number of portfolio companies: 47
Net assets: \$948.7 million
Net asset value per share: \$22.34

Portfolio Activity for the Quarter Ended September 30, 2014:

Investments made during the quarter: \$207.6 million
Investments prepaid and sold during the quarter: \$56.8 million

Operating Results for the Quarter Ended September 30, 2014:

Net investment income: \$16.4 million
Net realized and unrealized loss: \$3.6 million
Net increase in net assets from operations: \$12.8 million
Net investment income per share: \$0.39

"During the 3rd quarter, we announced the creation of the Senior Secured Unitranche Loan Program ('SSLP') in a joint venture with a fund managed by Pacific Investment Management Company ('PIMCO'). Our \$300 million equity commitment to the SSLP which together with PIMCO's \$300 million commitment will create approximately \$1.5 billion of investible capital for the unitranche investment partnership," said Michael Gross, Chairman and CEO of Solar Capital Ltd. "The strategic partnership increases our origination capacity to pursue unitranche loans that we believe offer highly attractive risk-reward profiles in the current market environment. The SSLP represents an important and complementary growth initiative that allows for more effective utilization of Solar Capital's balance sheet and creates what we expect to be a path for enhancing return on equity and generating incremental net investment income for our shareholders."

Conference Call and Webcast

The company will host an earnings conference call and audio webcast at 10:00 a.m. (Eastern Time) on Wednesday, November 5, 2014.

All interested parties may participate in the conference call by dialing (866) 383-8009 approximately 5-10 minutes prior to the call. International callers should dial (617) 597-5342. Participants should reference Solar Capital Ltd. and the participant passcode of 97489382 when prompted. This conference call also can be accessed by all interested parties through Solar Capital's website, www.solarcapitd.com. Additionally, a replay dial-in will be available until November 19, 2014 and can be accessed by dialing (888) 286-8010 and using the passcode 85263746. International callers should dial (617) 801-6888 to listen to the replay.

Portfolio and Investment Activity

During the three months ended September 30, 2014, we invested approximately \$207.6 million across eleven portfolio companies. Investments sold or prepaid during the quarter ended September 30, 2014 totaled approximately \$56.8 million.

At September 30, 2014, our portfolio consisted of 47 portfolio companies and was invested 53.6% in senior secured loans excluding Crystal Financial LLC ("Crystal Financial"), 26.4% in Crystal Financial whose portfolio is 100% comprised of senior secured loans, 13.8% in subordinated debt, 2.0% in preferred equity and 4.2% in common equity and warrants excluding Crystal Financial, measured at fair value.

Crystal Financial's \$411.0 million funded portfolio consists of senior secured loans from 25 issuers with an average exposure of \$16.4 million. All of the commitments from Crystal Financial are floating-rate, senior-secured loans. During the quarter ended September 30, 2014, Crystal Financial funded new loans totaling \$130.4 million and had \$70.4 million of exits.

The fair value weighted average yield on our portfolio of income-producing investments was 10.3% at September 30, 2014.

At September 30, 2014, 77.6% or \$841.1 million of our income-producing investment portfolio* was floating rate and 22.4% or \$242.8 million of our income producing-portfolio was fixed rate, measured at fair value.

From inception in 2006 through September 30, 2014, Solar Capital Ltd. and its predecessor companies have invested approximately \$3.7 billion in 119 portfolio companies. Over the same period, Solar Capital Ltd. completed transactions with more than 80 different financial sponsors.

* We have included Crystal Financial as 100% floating rate.

Results of Operations for the Three Months Ended September 30, 2014 compared to the Three Months Ended September 30, 2013.

Investment Income

For the three months ended September 30, 2014 and 2013, gross investment income totaled \$28.4 million and \$43.0 million, respectively. The decrease in gross investment income year over year was primarily due to a smaller income producing portfolio from the net effect of portfolio repayments, as well as portfolio yield compression.

Expenses

Expenses totaled \$12.0 million and \$21.4 million, respectively, for the three months ended September 30, 2014 and 2013. The decrease in expenses year over year was primarily due to a decrease in performance-based incentive fees on lower investment income, as well as decreases in debt expenses due to lower average borrowings.

Net Investment Income

The Company's net investment income totaled \$16.4 million and \$21.6 million, or \$0.39 and \$0.48 per average share, for the three months ended September 30, 2014 and 2013, respectively.

Net Realized and Unrealized Loss

Net realized and unrealized loss for the three months ended September 30, 2014 and 2013 totaled approximately \$3.6 million and \$11.1 million, respectively.

Net Increase in Net Assets Resulting From Operations

For the three months ended September 30, 2014 and 2013, the Company had a net increase in net assets resulting from operations of \$12.8 million and \$10.6 million, respectively. For the same periods, earnings per average share were \$0.30 and \$0.24, respectively.

Liquidity and Capital Resources

At September 30, 2014, the Company had approximately \$67.2 million of cash and a total of \$490 million of unused credit capacity, subject to borrowing base limitations.

Financial Statements and Tables

SOLAR CAPITAL LTD.
CONSOLIDATED STATEMENTS OF ASSETS AND LIABILITIES
(in thousands, except share amounts)

	September 30, 2014 (unaudited)	December 31, 2013
	-----	-----
Assets		
Investments at fair value:		
Companies less than 5% owned (cost: \$766,404 and \$688,685, respectively)	\$ 759,557	\$ 680,720
Companies 5% to 25% owned (cost: \$8,511 and \$7,789, respectively)	7,235	7,789
Companies more than 25% owned (cost: \$341,202 and \$394,285, respectively)	367,775	399,890
	-----	-----
Total investments (cost: \$1,116,117 and \$1,090,759, respectively)	1,134,567	1,088,399
Cash and cash equivalents	557,164	585,278
Foreign currency (cost: \$68 and \$1,702, respectively)	66	1,701
Interest receivable	5,372	5,623
Dividends receivable	8,153	8,605
Deferred financing costs	3,273	3,300
Derivatives	--	--
Receivable for investments sold	7,714	14,870
Prepaid expenses and other assets	933	666
	-----	-----
Total assets	\$ 1,717,242	\$ 1,708,442
	-----	-----
Liabilities		
Revolving credit facilities	\$ --	\$ --
Unsecured senior notes	100,000	100,000
Senior secured notes	75,000	75,000
Term loan	50,000	50,000
Distributions payable	16,986	17,698
Payable for investments and cash equivalents purchased	514,684	454,887
Management fee payable	6,159	5,780
Performance-based incentive fee payable	--	4,633
Administrative services expense payable	1,622	2,085
Interest payable	2,595	1,499
Other liabilities and accrued expenses	1,492	1,223
	-----	-----
Total liabilities	\$ 768,538	\$ 712,805
	-----	-----

Net Assets

Common stock, par value \$0.01 per share, 200,000,000 and 200,000,000 common shares authorized, respectively, and 42,465,162 and 44,244,195 shares issued and outstanding, respectively	\$ 425	\$ 442
Paid-in capital in excess of par	1,071,484	1,110,545
Distributions in excess of net investment income	(18,885)	(17,344)
Accumulated net realized loss	(122,767)	(92,706)
Net unrealized appreciation (depreciation)	18,447	(5,300)
	-----	-----
Total net assets	\$ 948,704	\$ 995,637
	=====	=====
Net Asset Value Per Share	\$ 22.34	\$ 22.50
	=====	=====

SOLAR CAPITAL LTD.
CONSOLIDATED STATEMENTS OF OPERATIONS (unaudited)
(in thousands, except share amounts)

	Three months ended	
	September 30, 2014	September 30, 2013
	-----	-----
INVESTMENT INCOME:		
Interest:		
Companies less than 5% owned	\$ 18,897	\$ 28,128
Companies 5% to 25% owned	253	3,189
Companies more than 25% owned	817	3,184
Dividends:		
Companies 5% to 25% owned	--	--
Companies more than 25% owned	8,391	8,485
	-----	-----
Total investment income	28,358	42,986
	-----	-----
EXPENSES:		
Management fees	\$ 6,159	\$ 6,613
Performance-based incentive fees	--	5,407
Interest and other credit facility expenses	3,630	6,755
Administrative services expense	1,268	1,196
Other general and administrative expenses	941	1,387
	-----	-----
Total expenses	11,998	21,358
	-----	-----
Net investment income	\$ 16,360	\$ 21,628
	-----	-----
REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS, CASH EQUIVALENTS, FOREIGN CURRENCIES AND DERIVATIVES:		
Net realized gain (loss) on investments and cash equivalents:		
Companies less than 5% owned	\$ --	\$ 2,185
Companies 5% to 25% owned	--	(17,728)
Companies more than 25% owned	51	--
	-----	-----
Net realized gain (loss) on investments and cash equivalents	51	(15,543)
Net realized loss on foreign currencies and derivatives:	(3,016)	(110)
	-----	-----
Net realized loss	(2,965)	(15,653)
	-----	-----
Net change in unrealized gain (loss) on investments and cash equivalents	(609)	5,904
Net change in unrealized gain (loss) on foreign currencies and derivatives	(18)	(1,309)

Net change in unrealized gain (loss)	----- (627) -----	----- 4,595 -----
Net realized and unrealized gain (loss) on investments, cash equivalents, foreign currencies and derivatives	----- (3,592) -----	----- (11,058) -----
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	\$ 12,768	\$ 10,570
	=====	=====
EARNINGS PER SHARE	\$ 0.30	\$ 0.24

About Solar Capital Ltd.

Solar Capital Ltd. is a closed-end investment company that has elected to be treated as a business development company under the Investment Company Act of 1940. The Company invests primarily in leveraged, middle market companies in the form of senior secured loans, unitranche loans, mezzanine loans, and equity securities.

Forward-Looking Statements

Statements included herein may constitute "forward-looking statements," which relate to future events or our future performance or financial condition. These statements are not guarantees of future performance, conditions or results and involve a number of risks and uncertainties. Actual results may differ materially from those in the forward-looking statements as a result of a number of factors, including those described from time to time in our filings with the Securities and Exchange Commission. Solar Capital Ltd. undertakes no duty to update any forward-looking statements made herein.

Contact

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