

POLLOCK ALEX J
 Form 5
 February 01, 2005

FORM 5

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

OMB APPROVAL
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).
 Form 3 Holdings Reported Form 4 Transactions Reported

ANNUAL 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

1. Name and Address of Reporting Person *
 POLLOCK ALEX J

(Last) (First) (Middle)

1919 PENNSYLVANIA AVENUE,
 NW, 3RD FLOOR

(Street)

WASHINGTON, DC 20006

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
 ALLIED CAPITAL CORP [ALD]

3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year)
 12/31/2004

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

6. Individual or Joint/Group Reporting

(check applicable line)

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)	(A) or (D)	Price	5. Amount of Securities Beneficially Owned at end of Issuer's Fiscal Year (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
Common Stock	01/28/2004		G	100	D	\$ 0	6,500	D	
Common Stock	03/01/2004		G	200	D	\$ 0	9,000	D	
Common Stock	01/28/2004		G	100	A	\$ 0	500	I	by Spouse
Common Stock	03/01/2004		G	200	A	\$ 0	700	I	by Spouse

Common Stock \hat{A} \hat{A} \hat{A} \hat{A} \hat{A} \hat{A} 1,000 I by IRA

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

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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 or Fair Value of Underlying Security (Instr. 3 and 4)		
						Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
						(A)	(D)			
Phantom Stock Units	\$ 24.499	07/01/2004	\hat{A}	J	29 \hat{A}	\hat{A} <u>(1)</u>	\hat{A} <u>(2)</u>	Common Stock	29	\$ 24.
Phantom Stock Units	\$ 24.62	10/01/2004	\hat{A}	J	30 \hat{A}	\hat{A} <u>(1)</u>	\hat{A} <u>(2)</u>	Common Stock	30	\$ 24.
Phantom Stock Units	\$ 26.145	12/31/2004	\hat{A}	J	29 \hat{A}	\hat{A} <u>(1)</u>	\hat{A} <u>(2)</u>	Common Stock	29	\$ 26.

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

POLLOCK ALEX J
1919 PENNSYLVANIA AVENUE, NW
3RD FLOOR
WASHINGTON, DC 20006

\hat{A} X \hat{A} \hat{A} \hat{A}

Signatures

s/ Alex Pollock

02/01/2005

**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) Phantom stock units acquired pursuant to a dividend reinvestment plan and are fully vested. The acquisition of these shares of phantom stock were exempt from Section 16 of the Securities Exchange Act of 1934 pursuant to the Rule 16a-11.
- (2) Upon termination phantom stock units will be distributed.

Note: File three copies of this Form, one of which must be manually signed. If space provided is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.