Blackstone / GSO Loan Financing Limited

1Q 2019 Report

Blackstone

Dear Investor,

We are pleased to provide you with the quarterly update letter for the Blackstone / GSO Loan Financing Limited[1] (the "**Fund**"), for the quarter ended 31 March 2019.

Capitalised terms used herein and not otherwise defined have the meaning assigned to such term in the Offering Document of the Fund.

I. MARKET REVIEW

We are pleased to incorporate as a regular feature the following macro-economic market commentary from Blackstone investment strategist Joe Zidle.

European Macro-Economic Update

The global growth slowdown has impacted Europe somewhat harder than the rest of the developed markets. The good news is that 2019 is likely to be defined by the positive force of coordinated central bank dovishness.

Dovish central bank activity likely will continue if growth is any guide. Real GDP growth forecasts for the Euro area continue to decline. In 2019, forecasts for the Euro area and the U.K. put growth rates at an anaemic 1.3% and 1.2%, respectively.[2] Forecasts for the Big Three economies—Germany, France and Italy—indicate that they will underperform the broader Euro area; in Italy, projections suggest several quarters of economic contraction and essentially a flat year for growth. Also, leading economic indicators for the Euro area and U.K. continue to fall on a year-over-year basis.[3]

Still, there are signs that global economic growth may soon stabilise. In the US and China, economic indicators appear to have troughed and, in several key areas, are improving.

Notably, China continues to inject substantial stimulus into its economy in the form of major central bank liquidity. In addition, fiscal stimulus thus far totals an estimated ¥2.6 trillion ($390 billion).[4] China data has surprised to the upside recently as well, leading some analysts to revise their growth projections upward for the year.

European countries, especially those with the greatest exposure to China—such as Germany— should soon benefit from this improvement in Chinese activity.

It is too early to call an end to the global growth slowdown, in large part due to uncertainty around the US-China trade dispute and Brexit. For Europe, conditions are likely to get a bit worse before they get better. However, fiscal stimulus and accommodative monetary policy could create conditions for a recovery in the second half of this year.

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1 Blackstone / GSO Loan Financing Limited ("BGLF"), a closed-end investment company incorporated in Jersey, invests alongside Blackstone / GSO Corporate Funding EUR Fund ("BGCF EUR"), a sub-fund of Blackstone / GSO Investment Funds, which is constituted as an umbrella unit trust and authorised by the Central Bank of Ireland as a qualifying investor alternative investment fund pursuant to the Unit Trusts Act, 1990. BGLF share capital consists of Ordinary Shares and C Shares ("BGLC"), which were issued as a result of the Rollover offer previously described.

2 Source: Blackstone and International Monetary Fund, as of April 2019.

3 Source: Blackstone, Conference Board and Bloomberg, as of February 2019.

4 Source: Evercore ISI estimates.

US Macro-Economic Update

What a difference a quarter makes. The market's rebound was as strong in 1Q 2019 as its drop was severe in 4Q 2018. Meanwhile, expectations for coordinated central bank easing have replaced fears of an impending recession in the US. With conditions set for growth to improve in the second half of this year, this cycle may go longer than consensus expects.

In previous Federal Reserve regimes, the theory of a "Fed put" gained prominence. The premise was that the Fed would react to sharp drops in equity prices by cutting interest rates or providing liquidity to the markets. If anything, that expectation may be even more widespread after the fourth quarter of 2018 provided just the right pullback to test the theory's merit.

As if on cue, in March the Fed paused its rate hikes and announced an early end to its balance sheet runoff.

Now, markets are set up for a tug of war between the positive cyclical forces of central bank easing and an earnings slowdown. This is especially true in the US, where the spread between forward and trailing year-over-year earnings growth is -16.9%.[5] Analysts forecast that the US will have negative quarter-over-quarter earnings growth in 2Q 2019 before recovering to the low-mid single digits for the full year. Tough year-over-year comps may restrain future returns and cause markets to be a bit choppier.

However, emerging markets are set to be the bright spot in earnings this year with forward growth forecast of 8.7%, or 1.4% higher than trailing year-over-year growth.

It appears that the US may have managed a soft landing in its recent slowdown. Many important economic indicators appear to have troughed already. The labour market remains at the strongest levels in decades; manufacturing, industrial production, consumer confidence, and business confidence largely are stable; and housing conditions appear to be improving.

At the same time, there is little evidence of overheating in the economy. Inflation remains low in the US and globally. In addition, the Fed announced plans to explore a policy of inflation averaging, which would allow for periods of greater inflation. Combined with a below-average capacity utilization rate, central banks can maintain accommodative monetary policy without fear of short-term overheating.

We expect the upshot to this will be growth continuing to improve in the US and abroad, as well as a surprise to the upside in the second half. If these circumstances come to pass, this cycle may still have room to run, which would upend the conventional wisdom of many investors.

European Bank Loan Market

The Credit Suisse Western European Leveraged Loan Index (Hedged to Euro) returned 2.01% in the first quarter of 2019, recouping most of the negative return from the final quarter of 2018 and confirming the notion that the sell-off in late 2018 was technical in nature and not a result of any fundamental weakness. European high yield and investment grade credit also recouped significant losses in the first quarter of 2019 as market participants seemed to react positively to the slowing of central bank tightening plans following disappointing economic data out of Europe. Lengthening out the return period, inclusive of full year 2018, European loans outperformed both European high yield and investment grade credit.

Gross issuance of European loans in 1Q 2019 totalled €19.6 billion, up from €13.8 billion in 4Q 2018 though lower than 2018's average quarterly gross issuance of €24.2 billion. The heightened volatility experienced by the market in 4Q 2018 may have negatively impacted loan issuance in the first quarter of 2019. Cross-border deals, much a focus of 2017 and 2018, were again present in 1Q 2019. Power Solutions, a cross-border jumbo buyout deal, was the biggest deal of the first quarter and the largest in six months. The company successfully placed a €1.96 billion term loan B and €700 million of senior secured notes in March at E+3.75% and E+4.375%, respectively.

Companies issuing loans in the single-B space during the first quarter paid an average spread of E+4.15%. Within this bracket, however, pricing stretched across a broad range as investors looked to match return on the individual credits with the idiosyncratic risk of the company. For example, the previously mentioned Power Solutions tightened its margin from E+4.25% to E+3.75%, while Grupo Konecta, with Latin America exposure, needed to pay E+5.00% to clear.

The supply of loans was easily absorbed by the market in 1Q 2019, with fifteen facilities having flexed tighter and four having widened since original talk, suggesting a robust, but not a desperate, investor bid.

During the first quarter, loan prices in the secondary market rebounded from December lows ending the quarter at €97.66, up from €96.54 at the end of December. The market experienced a slight retracing of prices in March driven by weakness in the

5 Source: MSCI and Ned Davis Research, as of 31 March 2019.

USD component of the index, which was a result of US loan retail fund outflows. Looking to spreads, we believe there is still value in a number of sectors where 3-year DMs are close to a two year high, such as the healthcare sector and the services sector. In high yield, the average price of the Credit Suisse Western European High Yield Index increased from €93.21 at 31 December to €97.50 at 31 March and the yield-to-worst fell from 6.05% to 4.61%. In tandem, modified duration shortened from 3.89 years to 3.31 years. While both loans and high yield generated positive returns throughout the first quarter, high yield bond spreads experienced more significant tightening than loans.

European loan issuers reported, on average, increased leverage and increased interest coverage for new transactions in 1Q 2019, per LCD. This sampling is from a number of smaller deals however, given the slow start of European issuance year-to-date. Pro forma first lien leverage increased to 4.93x from 4.77x in December 2018, while total leverage increased to 5.56x from 5.41x over the same period. The average equity contribution in Europe for new transactions fell from 47.8% in 2018 to 42.1% in the first quarter of 2019 as corporate carve-outs dominated the buyout supply in 1Q 2019. Interest coverage, measured as EBITDA/cash interest, also increased in 1Q 2019 to 4.21x, up from 4.17x in December 2018. For European companies in GSO's liquid portfolios, preliminary results indicate that quarterly year-on-year total leverage remains flat and interest coverage increased in 1Q 2019.

In our European loan portfolios, the outlook for 1Q 2019 and 2019 in general is for slow growth with a common theme across sectors remaining the impact of uncertainty regarding Brexit in the U.K. However, 1Q 2019 results are expected to be positive for the majority of industries in which we are invested. There exist some exceptions in the retail, chemicals, autos, paper & packaging (plastic packagers only) and building and materials sectors, however.

The benign default environment of 2018 continued into the first quarter of 2019, with no new defaults occurring in the European loan market since May 2018. As a result, the last twelve month trailing European loan default rate was 0.1%, as measured by the Credit Suisse Western European Loans 12-month par default rate. In European high yield, New Look, a retail provider, restructured its debt, which was viewed by credit rating agencies as a distressed exchange and therefore a default. This default in the high yield universe pushed the trailing 12-month par default rate of the Credit Suisse Western European High Yield Index up to 0.6% as of March 2019. Looking ahead, the full year 2019 forecasts for loan and high yield default rates remain subdued at 1.5% each, per JP Morgan.

US Bank Loan Market

Following a volatile end to 2018, the US corporate credit markets rallied in the first quarter of 2019, recovering all of the prior quarter's losses and posting historic gains. The Credit Suisse Leveraged Loan Index recorded a year-to-date return of 3.8% in 1Q 2019, with January and February representing the best first two performing months of a year since 2009. As the forward new issue calendar remained light, loan prices appreciated by $3 over the quarter, reaching $97 in February, up from a low of $94 in December 2018.[6] In March, the rally stalled briefly following an uptick in loan mutual fund outflows associated with further dovish rhetoric from the Fed and temporary regulatory uncertainty for Japan's AAA CLO noteholder base. These headwinds combined to apparently reduce first quarter returns by 12bp before the rally resumed in April.

During the 4Q 2018 selloff, the larger, more liquid loans experienced the most selling pressure as loan mutual fund managers exited them to raise cash. These loans then outperformed in 1Q 2019 as technicals quickly normalized. Loans with a tranche size of $2 billion or greater returned 3.05% through January 15, compared to 0.79% for loans of $300 million or less. Over a longer horizon and following a year long period of underperformance, BB-rated loans outperformed the CCC/Split CCC-rated loan cohort by over 2% in 1Q 2019.

In an unusual move, loans and high yield moved in opposite directions in the final month of the first quarter as loan prices retreated while high yield advanced as the rate rally more than offset spread widening in March. As a result, loans now appear cheap on a yield basis compared to high yield with loan spreads in every rating cohort wider than their high yield counterpart. Loans traded 30bp wide of high yield versus the long term average of -60bp. This spread gap between loans and high yield suggests better relative value in loans.

Loan supply has been subdued year-to-date as the market recovered from the fourth quarter sell-off. Total gross loan issuance for 1Q 2019 totalled $67 billion, a 72% decrease year-over-year compared to 1Q 2018. Loan issuance net of refinancing and repricing activity has also slowed year-to-date with net loan issuance totalling just $54 billion for the

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6 Source: Credit Suisse Leveraged Loan Index, as of 31 March 2019.

quarter, a 30% decrease year-over-year. Loan issuance year-to-date has been largely driven by M&A activity, which has accounted for 66% of gross total issuance. Two large M&A deals dominated the 1Q 2019 new issue loan calendar and caught attention due to their high leverage and loose documentation. The Johnson Controls and Ultimate Software term loans launched at $4.2 billion and $2.3 billion, respectively, representing almost 10% of total gross issuance in 1Q 2019. Issuance is expected to slow slightly in 2Q 2019 as there is not currently a meaningful forward calendar of new transactions in the pipeline.

Net outflows from loan retail funds, including loan ETFs and mutual funds, persisted in January and February, albeit at a slower pace relative to December. In early March, outflows retreated slightly, but after the Fed meeting on 20 March 2019, there was an uptick in weekly outflows with the week ending 27 March 2019 topping out at $1.4 billion of net outflows, the largest withdrawal this year, per Lipper. This brought the 1Q 2019 loan outflow total to over $11 billion, or $31.7 billion since the beginning of 4Q 2018. This compares to approximately $45 billion of total inflows since July 2016 suggesting further outflows may lie ahead.

Loan issuers continued to show steady improvement in credit fundamentals following 4Q 2018 earnings reports. Year-over-year revenue and EBITDA growth for issuers in the S&P/LSTA Leveraged Loan Index that file publicly were 9% and 10%, respectively. Interest coverage also remained strong at 4.6x, the highest level since LCD started tracking credit stats in 2001, and only 4% of loan issuers had interest coverage less than 1.5x. Additionally, leverage steadily decreased, with only 14% of loan issuers having reported total leverage multiples greater than 7x, and at an average of 5.2x, was the lowest level since 2Q 2004.

There were nine new defaults during 1Q 2019 totalling $9.3 billion in bonds and loans. In comparison, 14 companies defaulted during the first quarter last year totalling $28.3 billion. The par-weighted LTM loan default rate ending March 2019 per JP Morgan was 1.00%, down 152bp year-over-year. This quarter's decrease was largely due to iHeart rolling off the LTM period, but JP Morgan continues to expect 2019 year-end default rates of just 1.5% and 2020 default rates of 2.0% for loans, which are below the long-term averages. Lower default rate expectations are supported by the fact that interest coverage remains very robust and only 6% of outstanding loans and high yield bonds mature before 2021.

Global CLO Market

CLO liability spreads were slower to widen compared to loans in Q4 2019. While loan spreads have largely retraced their December highs, CLO liability spreads, and AAAs in particular, continued to widen throughout the first quarter of 2019.

European CLO new issuance in 1Q 2019 totalled €6.9 billion, setting a new record for a first quarter of a year and topping the €6.5 billion recorded in the final quarter of 2018, despite challenging conditions for CLO arbitrage. Primary European CLO liability spreads throughout the capital structure widened by 56bp since March 2018, ending 1Q 2019 at E+171bp, with average AAA spreads of E+110, 38bp higher than one year ago.

After a typically slow month of CLO issuance in January, the US CLO market found its footing and CLO placement banks and investors managed to issue CLOs out of many warehouses that were marked below cost following a volatile December. By the end of the first quarter, US CLO issuance lagged the same period last year by just 9% at $29.3 billion in total. While a favourable regulatory ruling from the Japan FSA in late March largely removed uncertainty around continued demand for CLO AAA-rated debt from large Japanese banks, primary US CLO AAA spreads widened throughout the quarter and averaged approximately 137bp. This compares to the post-crisis low of 94bp reached in 2018. The total weighted average primary US CLO liability spread for the entire structure ended the first quarter at L+192bp and remains a significant challenge to the CLO equity arbitrage, which may hinder natural CLO formation.

A flat term curve, along with a relatively higher cost of liabilities, has impeded CLO refinancing and reset activity, both of which remain well below recent volumes as well as the total outstanding amount of callable CLOs that would benefit from a refinancing or a reset [7]; €0.9 billion of European CLOs reset and $9.5 billion of US CLOs refinanced or reset during 1Q 2019, down from €2.0 billion and $32.8 billion, respectively, in the prior quarter. There were no European CLOs refinanced during the first quarter.

Globally, collateral quality tests in CLO portfolios remain stable. As of March 2019, Weighted Average Spread ("**WAS**") test results in both European and US CLOs remained generally flat quarter-over-quarter at 364bp and 343bp, respectively, in March 2019 compared to 363bp and 339bp in December 2018. Average exposure to CCC-rated assets within CLO portfolios remains

[7] Source: Bank of America, as of 31, March 2019

low at 1.2% for European CLOs and 3.3% for US CLOs. Exposure to distressed assets also remains subdued, in line with the expectation of a continued low default environment in the global loan market. Weighted Average Rating Factor ("**WARF**") test results have remained generally flat with 1Q 2019 European and US WARF averages of 2842 and 2826, respectively, in March 2019, compared to 2814 and 2801 in December 2018. This should provide CLO equity investors comfort that collateral quality is supportive of CLO equity performance in the near term.

II. Fund Performance and Commentary

Fund Returns

BGLF: The total net (NAV) return of BGLF's Ordinary Shares for 1Q 2019 was 4.41%. As of 31 March 2019, BGLF's NAV has returned 12.45% net in the last twelve months and 7.00% net annualised since inception. BGLF's share price return for 1Q 2019 was 14.45%

BGCF NAV Return Components	BGCF 1Q 2019 Return Component			BGCF 2019 Return Component		
	MTM	Income	Total	MTM	Income	Total
EUR CLOs	0.23%	1.76%	1.99%	0.23%	1.76%	1.99%
US CLOs	0.54%	2.15%	2.69%	0.54%	2.15%	2.69%
US CLO Warehouses	0.00%	0.12%	0.12%	0.00%	0.12%	0.12%
Directly Held Loans	0.02%	0.44%	0.46%	0.02%	0.44%	0.46%
Leverage	0.00%	-0.17%	-0.17%	0.00%	-0.17%	-0.17%
FX[8]	-0.16%	0.00%	-0.16%	-0.16%	0.00%	-0.16%
Net Cash Including Expenses	0.00%	-0.15%	-0.15%	0.00%	-0.15%	-0.15%
BGCF Total / Net Return	**0.63%**	**4.15%**	**4.78%**	**0.62%**	**4.15%**	**4.78%**
BGLF Expenses			-0.37%			-0.37%
BGLF Net Return			**4.41%**			**4.41%**

	Cumulative				Annualised		
	1Q 2019	YTD	1 Year	Since Inception	2 Year	3 Year	Since Inception
BGLF € NAV	4.41%	4.41%	12.45%	37.34%	6.34%	7.51%	7.00%
BGLF € Share Price	14.45%	14.45%	2.09%	28.65%	-0.23%	10.92%	5.52%
European Loans	2.01%	2.01%	1.66%	16.22%	2.28%	3.85%	3.26%
US Loans	3.78%	3.78%	3.33%	18.98%	3.92%	5.87%	3.78%

BGLC: The total net (NAV) return of BGLF's C Shares for the partial 1Q 2019 was 2.28%. This return is for the period 7 January 2019, the date on which BGLC's shares were issued, through 31 March 2019. BGLC's share price return for the same period was -3.21%

8 Please note: the -0.16% of FX return contribution is composed of -0.13% attributed to US CLOs, -0.05% attributed to US CLO Warehouses, -0.02% attributed to Directly Held Loans, and +0.04% from Net Cash Including Expenses.

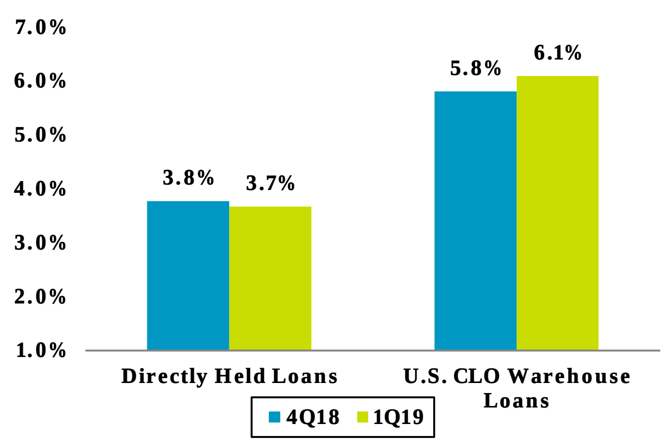
Performance Commentary

The Fund continues to generate positive cash flows from its CLO Income Note investments ("**CLO Income Notes**") and from its portfolio of directly held and warehoused loans. During the first quarter, CLO Income Notes produced a weighted average annualised distribution rate of 15.9%, which represents distributions from 26 of BGCF's CLO Income Notes and an increase versus the 4Q 2018 weighted average annualised distribution rate of 15.7%.[9] Five CLOs in the portfolio have recently priced and, as of the end of March 2019, have not yet paid their first distribution.

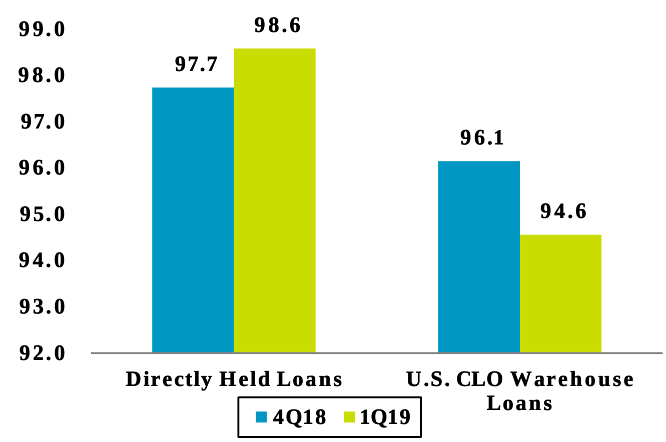
CLO Vintage	European CLO Income Notes				US CLO Income Notes				Global	
	Par (€mm)	# of CLOs	1Q 2019 Annualised Distribution	Average Annualised Distribution	Par ($mm)	# of CLOs	1Q 2019 Annualised Distribution	Average Annualised Distribution	1Q 2019 Annualised Distribution	*4Q 2018 Annualised Distribution*
2014	89.8	3	13.4%	16.8%	-	-	-	-	13.4%	*14.4%*
2015	69.7	3	16.1%	15.7%	48.5	1	14.3%	16.6%	15.4%	*14.6%*
2016	84.0	3	10.9%	11.4%	-	-	-	-	10.9%	*13.9%*
2017	80.4	3	14.7%	15.4%	261.0	6	15.8%	17.8%	15.5%	*15.4%*
2018	119.9	4	18.2%	18.2%	351.1	6	18.2%	19.2%	18.2%	*17.4%*
2019	34.0	1	n/a	n/a	29.0	1	n/a	n/a	n/a	*n/a*
Total / Wtd Avg	**€ 477.7**	**17**	**14.7%**	**15.6%**	**$ 689.6**	**14**	**16.8%**	**18.3%**	**15.9%**	***15.7%***

As loan prices in Q1 recovered much of their Q4 decline, we continued to actively trade our CLO portfolios and build additional par where possible, which should serve to fortify the CLOs against potential losses in the future. Additionally, market wide, 68.6% of European loans and 72.5% of US loans traded below par, as of 30 April 2019,[10] and therefore there remain many opportunities to selectively prune risk and position the portfolio more defensively in our effort to maintain or improve WARF across all of our CLOs. Consistent with subdued CLO issuance activity, BGCF's direct loan portfolio balance remained relatively stable in the first quarter. As at 31 March, BGCF's par exposure was €401 million of directly held loans and $155 million of loans held in two external warehousing facilities, compared to €444 million of directly held loans and $239 million of loans held in warehouses at 31 December 2018. The weighted average all-in rate of the Fund's directly held loans decreased slightly during the quarter, from 3.77% to 3.67% in March 2019, largely as a result of the sale of the loan portfolio from the BGCF balance sheet to Crosthwaite CLO. The weighted average all-in rate of US loans held within external warehouses increased from 5.81% to 6.09% over the quarter, primarily driven by the closing of the Buckhorn Park CLO warehouse and the ramping of Beechwood Park CLO warehouse, both of which have been focused on new issue loans.

Weighted Average All-In Rate



Weighted Average Purchase Price



9 Annualised quarterly cash distribution based on cost for those CLOs that have paid a distribution. Calculated using Intex data.

10 European loan data per the S&P European Leveraged Loan Index; US loan data per the S&P Leveraged Loan Index.

Over the course of the first quarter, the Fund held investments in three US CLO warehouses. As at 31 March, BGCF held first loss investments in Beechwood Park and Southwick Park CLO warehouses, which, combined, supported $155 million of traded loans.[11] BGCF's investment in the Buckhorn Park CLO warehouse was fully repaid at the CLO's closing on 20 March 2019, at which time BGCF purchased 60.0% of Buckhorn Park CLO's Income Notes. The Buckhorn Park CLO warehouse produced an warehouse return of 15.6%. External warehouse investments are held at their cost (investment amount) until the warehouse is converted into a CLO, at which point net income earned, as well as net settled gains/losses on the warehouse assets, are realised by BGCF.

Investment Activity

During 1Q 2019, BGCF invested €27.7 million in the CLO Income Notes of Crosthwaite Park CLO and €22.2 million ($25.2 million) in the CLO Income Notes of Buckhorn Park CLO.

		Size (€/S)	Investing Entity	Closing Date	Reinvestment Period End	Non-Call Period	AAA Spread	Invested Capital (€/$)	Position as a % of Tranche	Expected % Ramp at Closing
1Q	**Crosthwaite Park**	€513.0m	BGCF	Feb-19	Sep-23	Mar-21	108bp	€27.7m	66.7%	80.0%
	Buckhorn Park	$502.1m	BGCF	Mar-19	Apr-24	Jan-21	131bp	$25.2m	60.0%	95.0%

During the first quarter, there were no reset activities in BGCF's CLO portfolio. While we view the ability to extend the reinvestment periods of CLOs generally to be a benefit to the equity, we are finding the existing cost of capital for those CLOs eligible for refinancing to be generally lower than current pricing in the market, and therefore we continue to evaluate the cost/benefit trade-offs of the refinancing or resetting opportunities. In May, BGCF refinanced the liabilities of Clarinda Park CLO, which had a remaining reinvestment period of 1.6 years, and reduced the weighted average liability spread by approximately E+22bp.

		Closing Date	Refinancing Closing Date	Reinvestment Period End	If Reset, Reinvestment Period Extension	Original AAA Spread	Refinanced / Reset AAA Spread	Position (€/$)
2Q	***Clarinda Park***	*Nov-16*	*[May-19]*	*Nov-20*	-	*115bp*	*90bp*	*€23.1m*

During 1Q 2019, BGCF originated approximately €567 million of senior secured loans and floating rate notes, maintaining the size of the directly held portfolio. BGCF also invested an additional €6.6 million ($7.5 million) in two US CLO warehouses, which owned $155 million of loans in aggregate at quarter-end.

	Initial Investment Date	Closing Date / [Expected Closing Date]	Investment ($)	Mar-19 Loan Exposure ($)[12]	Warehouse Return
Buckhorn Park	Oct-18	Mar-19	$25.0m	-	15.6%
Southwick Park	Dec-18	[2Q 2019]	$15.0m	$123.4m	n/a
Beechwood Park	Mar-19	[2Q 2019]	$2.5m	$31.4m	n/a

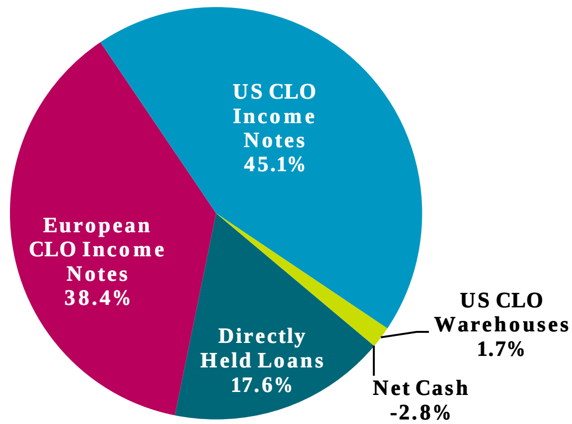
11 US CLO Warehouses may have an additional third party first loss provider invested alongside of BGCF.

12 Data for EUR and US CLOs calculated based on data available on Intex as of 18 April 2019. Data for US CLO Warehouses and Directly Held Loans calculated by GSO. Leverage is assumed to be 4:1 for US CLO Warehouses and 2:1 for Directly Held Loans. Stewart Park CLO and Dorchester Park CLO excluded from US CLO leverage calculation, where the resets required an additional issuance of equity and skew the leverage calculation.

Portfolio Positioning

The Fund's portfolio positioning between European and US exposure remains largely unchanged versus the prior quarter. As at 31 March, 38% of BGCF's portfolio was composed of European CLO Income Notes and 45% was composed of US CLO Income Notes. The Fund's US CLO Warehouse allocation decreased slightly from 4% to 2% during 1Q 2019 while its investment in directly held loans less borrowings remained steady at 18%.

BGCF Portfolio as % of NAV as at 31 March 2019



BGCF Portfolio Assets[13]	Current WA Asset Coupon	Current WA Liability Cost	WA Leverage	WA Remaining CLO Reinvestment Periods
EUR CLOs	3.66%	1.61%	8.5x	2.2 Years
US CLOs	5.99%	4.32%	8.8x	3.6 Years
US CLO Warehouses	6.08%	3.75%	4.0x	n/a
Directly Held Loans	3.67%	1.45%	2.5x	n/a
Total Portfolio	**4.72%**	**2.81%**	**7.6x**	**3.0 Years**

Portfolio vintage diversification is an important part of the Fund's strategy. Continued CLO issuance has increased the portfolio's concentration in newer vintage CLOs with longer reinvestment periods, which benefit from greater investment flexibility to participate in the primary loan market and the ability to take advantage of secondary loan market dislocations.

The CLO creation strategy has been one of patience while managing the portfolio of loans held both directly and via several warehouses in preparation for a more favourable arbitrage opportunity. BGCF's loan portfolios, held both directly on the Fund's balance sheet and indirectly through CLO warehouses, continue to ramp at a more measured pace due to our current view on the CLO creation equity arbitrage. Within each warehouse, we are focused on balancing a favourable return to BGCF as the warehouse first loss provider together with any potential credit risk introduced as the warehoused assets become more seasoned.

Blackstone / GSO Loan Financing C Share Update

In January 2019, in connection with the Rollover Opportunity whereby shareholders in Carador Income Fund plc were provided the opportunity to rollover their existing investment into an investment in newly issued C Shares of BGLF ("BGLC"), BGLF issued 133.5 million of such C shares. The intention was that, over time, the assets attributed to the rollover pool would be sold and, as of 31 March 2019, 21% of the Rollover Assets had been liquidated. The pace of the liquidation slowed over the quarter as we took the view that CLO prices were suppressed relative to the underlying loans in the portfolios and that CLO debt and equity prices would rise in the near term. This view proved to be correct and, in combination with the accretive effect of April CLO equity payments, we were able to execute $60 million of CLO sales at favourable prices relative to their prior valuations, bringing the total liquidated assets to 60%. We plan to maintain a more expedited liquidation pace in order to continue to take advantage of the current market's firm tone.

13 Data for EUR and US CLOs calculated based on data available on Intex as of 18 April 2019. Data for US CLO Warehouses and Directly Held Loans calculated by GSO. Leverage is assumed to be 4:1 for US CLO Warehouses and 2:1 for Directly Held Loans. Stewart Park CLO and Dorchester Park CLO excluded from US CLO leverage calculation, where the resets required an additional issuance of equity and skew the leverage calculation.

III. Fund Update

Capital Raising and Call Activity

During the quarter, Blackstone / GSO Corporate Funding EUR Fund ("**BGCF EUR**"), an investor in BGCF, received €100 million of capital commitments, bringing total BGCF EUR capital commitments to €673 million. BGCF EUR called €48 million of capital over the same period, which was invested into BGCF by 1 April 2019. As of 31 March 2019, BGCF EUR had €67 million of undrawn capital.

After quarter end, BGCF EUR received an additional capital commitment of €15.5 million and subsequently called another €31 million, which was invested into BGCF on 1 May 2019. Pro forma for the additional commitment and investment into BGCF, €51.5 million of BGCF EUR committed capital remains undrawn.

While market wide CLO issuance in 2019 has kept pace with 2018, the CLO equity arbitrage remains challenged with many new CLOs issued with various concessions effectively providing a subsidy to the equity returns. Thus, our own pace of CLO creation has been slower versus a year ago and most BGCF capital has been used in support of warehousing rather than for CLO equity investments made in support of CLO issuance. As CLO warehouses are generally less levered than CLOs (4x versus 8-10x), a CLO warehouse first loss investment is a larger consumer of BGCF's capital at approximately 20% of the total portfolio, versus a CLO equity investment where BGCF retains at least 5% of the total portfolio (said differently, for a CLO equity investment, BGCF retains a 50-60% first loss position in the equity tranche and in aggregate, such tranche is 9-10% of a CLO).

While the quantum of capital underpinning a warehoused portfolio is greater than the quantum of capital underpinning a CLO, the cash flows on both investments are generally consistent. As of 31 March 2019, BGCF's ownership was split 40.5% to BGLF (39.1% to BGLF, 1.4% to BGLC) and 59.5% to BGCF EUR. BGCF's ownership of the U.S. MOA was 86.0%.

Distributions

BGLF declared a dividend of €0.025 per Ordinary Share and €0.0205 per C Share in respect of the period from 1 January 2019 (7 January 2019 for C Shares) to 31 March 2019. These dividends are payable on 31 May 2019 to shareholders on the register as at the close of business on 3 May 2019, and the corresponding ex-dividend date is 2 May 2019.

Important Disclosure Information

This quarterly update letter ("**Letter**") is being furnished to you on a confidential basis to provide preliminary summary information regarding an investment in the Fund, is for informational purposes only and it does not constitute an offer to sell, or a solicitation of an offer to buy, any investment in, or to participate in any trading strategy with Blackstone / GSO Debt Funds Management Europe Limited or Blackstone / GSO Debt Funds Management Europe II Limited (together, the "**Manager**") or its affiliates in the credit-focused business unit of The Blackstone Group L.P. ("**Blackstone**"), including without limitation, GSO Capital Partners LP (together with the Manager and their affiliates in the credit-focused business unit of Blackstone, "**GSO**"). The offering is made only to qualifying investors through a separate subscription agreement for the Fund and the governing and operating documents for the Fund (together as may be amended or supplemented from time to time, the "**Operative Documents**"). The Operative Documents contain material information (including a discussion of potential conflicts of interest) not contained in this document, and supersede and qualify in its entirety the information set forth herein. Any decision to invest in, or withdraw from, the Fund should be made after reviewing the appropriate Operative Documents, conducting such investigations as the investor deems necessary and consulting the investor's own legal, accounting, and tax advisors in order to make an independent determination of the suitability and consequences of the investment. Risks associated with investment in the Fund include, without limitation, illiquidity of an investment, risk of default of the underlying debt instrument, and risk of loss of principal.

Certain information contained herein has been obtained from published and non-published sources prepared by other parties, which in certain cases has not been updated through the date hereof. While such information is believed to be reliable for the purpose used herein, GSO does not assume any responsibility for the accuracy or completeness of such information and such information has not been independently verified by GSO. In particular, you should note that, since many of the investments described are unquoted, net asset value figures in relation to the Fund are based wholly or partly on estimates of the values of the Fund's investments provided by the originating banks of those underlying investments or other market counterparties, which estimates may themselves have been subject to no verification or auditing process or may relate to a valuation at a date before the date of the relevant net asset valuation for the Fund, or which have otherwise been estimated by GSO. In addition, certain performance related information contained in this Letter, including information sourced from third parties, may be based on data that was prepared and/or provided to the applicable sources by certain CLO market participants, and there can be no assurance that such data is inclusive or representative of comparable data for the entire CLO market. Reproduction and distribution of third party content in any form is prohibited except with the prior written permission of the related third party. Third party content providers do not guarantee the accuracy, completeness, timeliness or availability of any information, and are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or for the results obtained from the use of such content. Third party content providers give no express or implied warranties, including, but not limited to, any warranties of merchantability or fitness for a particular purpose or use. Third party content providers shall not be liable for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including lost income or profits and opportunity costs or losses costs by negligence) in connection with any use of their content, including ratings.

Any comparisons herein of investment performance to a benchmark or an index are qualified as follows: (i) the volatility of such benchmark or index may be materially different from that of the performance of the Fund; (ii) such benchmark or index will employ different investment guidelines and criteria than the Fund and, therefore, the holdings in the Fund may differ significantly from the securities that comprise the index; and (iii) the performance of such benchmark or index has not necessarily been selected to represent an appropriate benchmark to compare to the performance of the Fund, but rather is disclosed to allow for comparison of the Fund's performance (or the performance of assets held by the Fund) to that of a well-known benchmark or index. A summary of the investment guidelines for any such benchmark or index is available upon request.

Past performance is not necessarily indicative of future results, and there can be no assurance that the Fund will achieve results comparable to its earlier results or those of any of GSO's prior funds, special purpose investment vehicles, co-investment vehicles or non-fund relevant transactions, or that the Fund will be able to implement its investment strategy or achieve its investment objectives. Information contained herein which relates to the net asset value performance of the Fund may not be indicative of how the Fund's investments may perform in the future. Moreover the values of such investments may fluctuate considerably and the historic net asset values shown for such Fund take no account of the costs or practical difficulties of realising some or all of such investments. The value of investments mentioned herein may go down as well as up and investors may not get back the amount invested. No assurance can be given that the investment objective will be achieved. Information on past performance, where given, is not necessarily a guide to future performance. Changes in rates of exchange between currencies may cause the value of investments to decrease or increase. Investments mentioned herein may not be suitable for all recipients and in each case potential investors are advised not to take any investment decision unless they have taken independent advice from an appropriately authorised advisor.

Certain information contained in this document constitutes "forward-looking statements," which can be identified by the use of forward-looking terminology such as "may," "will," "should," "expect," "anticipate," "target," "intend," "continue" or "believe," or the negatives thereof or other variations thereon or comparable terminology. Due to various risks and uncertainties, actual events or results or the actual performance of the Fund described herein may differ materially from those reflected or contemplated in such forward-looking statements.

Any targets, forecasts, estimates, or similar returns set forth herein are based on GSO's belief about the returns that may be achievable on investments that the Fund intends to pursue. Targets, forecasts, and estimates are necessarily speculative in nature, and it can be expected that some or all of the assumptions underlying the targets, forecasts, and estimates will not materialize or will vary significantly from actual results. Such returns are based on GSO's current view in relation to future events and financial performance of potential investments and various models, estimations and "base case" assumptions made by GSO, including estimations and assumptions about events that have not occurred. Among the assumptions to be made by GSO in performing its analysis are (i) the amount and frequency of current income from an investment, (ii) the holding period length, (iii) EBITDA growth and cost savings over time, (iv) the manner and timing of sale, (v) exit multiples reflecting long-term averages for the relevant asset type, (vi) customer growth and other business initiatives, (vii) availability of financing, (viii) potential investment opportunities GSO is currently or has recently reviewed and (ix) overall macroeconomic conditions such as GDP growth, unemployment and interest rate levels. While such "base case" assumptions are based on assumptions that GSO believes are reasonable under the circumstances, they are subject to uncertainties, and changes. Any such modification could be adverse to the actual overall returns. The inclusion of targets, forecasts and estimates herein should not be regarded as a representation or guarantee regarding the reliability, accuracy or completeness of the assumptions or information contained herein and neither GSO nor Blackstone is under any obligation to update or otherwise revise the target returns to reflect circumstances existing after the date when made to reflect the occurrence of future events, even in the event that any or all of the assumptions underlying the target returns are later shown to be incorrect. Actual events and conditions may differ materially from the assumptions used to establish returns and there is no guarantee that the assumptions will be applicable to the Fund's investments. None of GSO, Blackstone, its affiliates or any of the respective directors, officers, employees, partners, shareholders, advisers and agents of any of the foregoing makes any assurance, representation or warranty as to the accuracy of such assumptions.

Prospective investors should be aware that an investment in the Fund involves a high degree of risk. There may be occasions when the management company of the Fund, the principals, GSO, Blackstone and their affiliates will encounter potential conflicts of interest in connection with the Fund's activities including, without limitation, the allocation of investment opportunities, relationships with GSO's and/or Blackstone's other activities, and the diverse interests of the Fund's limited partner group. In addition, GSO, Blackstone, and their affiliates engage in a broad spectrum of activities, which may include activities where the interests of certain divisions of GSO, Blackstone and their affiliates or the interests of their clients may conflict with the interest of the partners in the Fund. Because GSO, Blackstone, and their affiliates have many different asset management, advisory and other businesses, they are subject to a number of actual and potential conflicts of interest, greater regulatory oversight, and more legal and contractual restrictions than that to which they would otherwise be subject if they had just one line of business. In addressing these conflicts and regulatory, legal, and contractual requirements across various businesses, GSO, Blackstone, and their affiliates have implemented certain policies and procedures (e.g., information walls) that may reduce the positive synergies that the Fund expects to utilise for purposes of finding attractive investments. As a consequence, that information, which could be of benefit to the Fund, might become restricted to those other businesses and otherwise be unavailable to the Fund, and could also restrict the Fund's activities. There can be no assurance that any conflict of interest will be resolved in the manner most favourable to the Fund or any investor therein.

The use of this Letter in certain jurisdictions may be restricted by law. The products mentioned in this document may not be eligible for sale in some states or countries, nor suitable for all types of investors; their value and the income they produce may fluctuate and/or be adversely affected by interest rates or other factors. Prospective investors should inform themselves as to the legal requirements and tax consequences of an investment in the Fund within the countries of their citizenship, residence, domicile, and place of business.

This Letter does not constitute a financial promotion, investment advice or an inducement or incitement to participate in any product, offering, or investment. It does not constitute or form part of any offer to issue or sell, or any solicitation of any offer to subscribe or purchase any investment nor shall it or the fact of its distribution form the basis of, or be relied on in connection with, any contract. No representation, warranty or undertaking, express or implied, is given as to the accuracy or completeness of the information or opinions contained in this Letter by GSO, the Manager, Blackstone, the Fund, or any of their respective directors, officers, managers, shareholders, partners, members or employees and no liability is accepted by such persons for the accuracy or completeness of any such information or opinions.

Although the current portfolio reflected in this Letter (the "**Current Portfolio**") is consistent with the investment strategy of the Fund, there is no guarantee that the portfolio acquired will continue to be identical to the make-up of the Current Portfolio. Moreover, the future investments to be made by the Fund may differ substantially from the investments included in the Current Portfolio. Therefore, the Current Portfolio parameters, industry concentration, rating concentration, spread distribution and other factors related to the Current Portfolio could all be materially different than those of the future portfolio acquired by the Fund.

Blackstone / GSO Debt Funds Management Europe Limited and Blackstone / GSO Debt Funds Management Europe II Limited are authorised and regulated by the Central Bank of Ireland.

BGLF Portfolio Composition

Net Asset Value: € 368,299,461.2	% of BGLF NAV
Directly Held Loans Less Leverage	17.1%
European CLO Income Notes	37.3%
US CLO Income Notes	43.8%
US CLO Warehouses	1.7%
Net Cash and Expenses	0.2%
Total	**100.0%**

Footnotes

Data as of 31 March 2019. Note that portfolio composition figures may not add to 100.0% due to rounding.

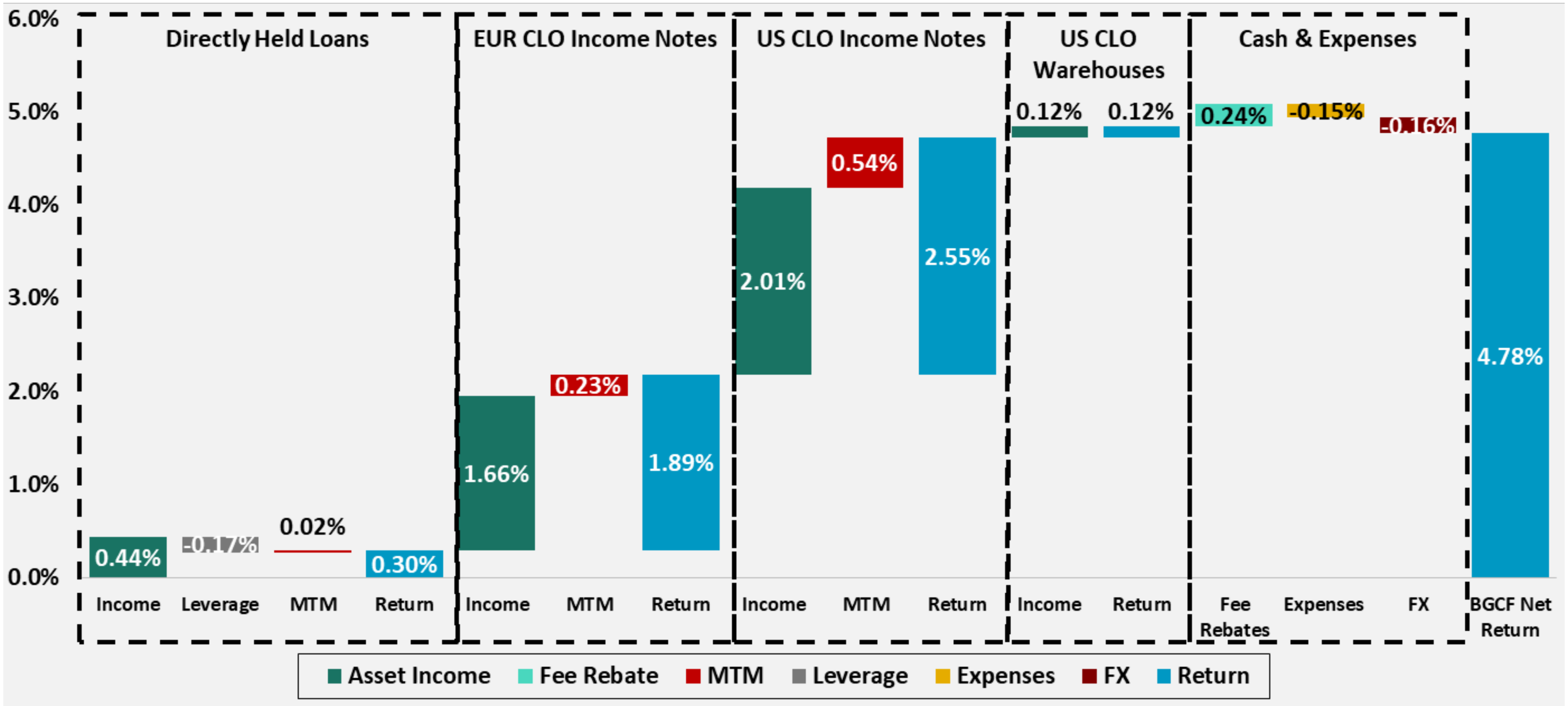
(1) Effective position and cost on a look-through basis.

(2) Source: Intex. Distributions presented based on cost. Wtd. Avg. Cost of Liabilities represents the all-in rate of each liability tranche. Gross Coupon not available for deals that are not yet included in Intex.

BGLF CLO Income Note Investments

	Investing Entity	Closing Date	Refinancing / Reset Date (Closing)	Refinancing Eligible Date	Remaining RI Period (Yrs)	Deal Size (mm)	Equity Tranche (mm)	BGLF Position (mm)[1]	BGLF Cost (mm)[1]	Risk Reten. Position as % of Tranche	Valuation as % of BGLF NAV	Ann. Dist. [2]	Cum. Dist. [2]	Wt. Avg. Cost of Liabilities[2]	Gross Coupon[2]	Net Interest Margin	NIM 3 Months Prior	Interest Diversion Cushion[2]
EUR CLO Income Notes																		
Phoenix Park	BGCF	Jul-14	Oct-18	Oct-20	4.1	€ 418.5	€ 45.3	€ 9.1	€ 8.6	51.4%	1.7%	15.7%	71.1%	1.77%	3.59%	1.81%	1.81%	4.22%
Sorrento Park	BGCF	Oct-14	May-17	Nov-16	0.0	€ 517.0	€ 57.0	€ 11.5	€ 11.0	51.8%	1.7%	17.2%	74.6%	1.45%	3.66%	2.21%	2.23%	2.10%
Castle Park	BGCF	Dec-14	Mar-17	Jan-17	0.0	€ 415.0	€ 46.0	€ 14.5	€ 13.2	80.4%	2.5%	17.3%	70.4%	1.53%	3.66%	2.13%	2.17%	3.92%
Dartry Park	BGCF	Mar-15	Jul-17	Apr-17	0.1	€ 411.1	€ 44.6	€ 8.9	€ 8.4	51.1%	1.5%	15.3%	59.1%	1.63%	3.63%	2.00%	2.02%	2.68%
Orwell Park	BGCF	Jun-15	Aug-17	Jul-17	0.3	€ 415.0	€ 47.5	€ 9.5	€ 8.7	51.0%	1.8%	16.4%	59.6%	1.44%	3.72%	2.29%	2.29%	3.96%
Tymon Park	BGCF	Dec-15	Jan-18	Jan-18	0.8	€ 414.0	€ 44.5	€ 8.9	€ 8.1	51.0%	1.9%	15.3%	47.5%	1.31%	3.69%	2.38%	2.36%	4.63%
Elm Park	BGCF	May-16	Apr-18	Apr-18	1.0	€ 558.2	€ 56.9	€ 12.5	€ 12.5	56.1%	3.1%	12.4%	32.8%	1.37%	3.67%	2.29%	2.30%	4.02%
Griffith Park	BGCF	Sep-16	Nov-18	Nov-20	4.1	€ 458.6	€ 48.7	€ 11.4	€ 10.1	59.5%	2.2%	10.4%	25.6%	1.82%	3.67%	1.86%	1.85%	4.20%
Clarinda Park	BGCF	Nov-16	n/a	Nov-18	1.6	€ 415.1	€ 45.1	€ 9.0	€ 7.6	51.2%	1.5%	11.1%	24.9%	2.03%	3.72%	1.69%	1.68%	4.14%
Palmerston Park	BGCF	Apr-17	n/a	Apr-19	2.1	€ 414.5	€ 45.0	€ 11.0	€ 9.8	62.2%	2.1%	14.3%	25.3%	1.74%	3.64%	1.91%	1.91%	4.09%
Clontarf Park	BGCF	Jul-17	n/a	Aug-19	2.3	€ 413.6	€ 43.3	€ 11.3	€ 10.3	66.9%	2.3%	14.6%	22.9%	1.58%	3.61%	2.03%	2.01%	4.06%
Willow Park	BGCF	Nov-17	n/a	Jan-20	3.3	€ 412.4	€ 38.4	€ 9.2	€ 8.2	60.9%	2.1%	17.7%	20.0%	1.58%	3.61%	2.03%	2.04%	4.40%
Marlay Park	BGCF	Mar-18	n/a	Apr-20	3.0	€ 413.0	€ 41.0	€ 9.6	€ 8.1	60.0%	2.2%	18.8%	15.1%	1.40%	3.62%	2.22%	2.24%	4.30%
Milltown Park	BGCF	Jun-18	n/a	Jul-20	3.3	€ 410.9	€ 37.1	€ 9.4	€ 8.4	65.0%	2.4%	19.7%	11.7%	1.49%	3.65%	2.16%	2.16%	4.33%
Richmond Park	BGCF	Jul-18	n/a	Jul-20	2.3	€ 549.4	€ 67.6	€ 18.1	€ 10.3	68.3%	2.8%	17.0%	8.5%	1.53%	3.64%	2.10%	2.12%	4.73%
Sutton Park	BGCF	Oct-18	n/a	Nov-20	4.1	€ 409.4	€ 36.0	€ 9.8	€ 8.7	69.4%	2.5%	n/a	n/a	1.72%	3.58%	1.86%	1.99%	4.52%
Crosthwaite Park	BGCF	Feb-19	n/a	Mar-21	4.5	€ 513.0	€ 51.0	€ 13.3	€ 10.8	66.7%	3.0%	n/a	n/a	2.00%	3.77%	1.76%	n/a	4.00%
EUR CLO Income Note Total					**2.2**			**€ 187.0**	**€ 162.9**		**37.3%**	**15.6%**	**37.2%**	**1.61%**	**3.66%**	**2.05%**	**2.08%**	**4.02%**
US CLO Income Notes																		
Dorchester Park	BGCF	Feb-15	Jun-18	Apr-19	1.1	$533.4	$66.4	$ 19.0	$ 15.0	73.0%	2.8%	16.6%	64.6%	4.18%	5.97%	1.79%	1.89%	4.84%
Grippen Park	US MOA	Mar-17	n/a	Apr-19	3.1	$611.4	$59.4	$ 13.9	$ 12.4	60.0%	2.3%	13.4%	24.8%	4.49%	5.95%	1.46%	1.55%	4.16%
Thayer Park	US MOA	May-17	n/a	Apr-19	3.1	$514.6	$54.6	$ 11.7	$ 9.9	54.6%	1.9%	18.0%	30.2%	4.52%	5.98%	1.46%	1.56%	3.72%
Catskill Park	US MOA	May-17	n/a	Apr-19	3.1	$1,028.5	$108.5	$ 25.5	$ 22.3	60.0%	4.0%	16.9%	28.3%	4.49%	5.97%	1.48%	1.59%	3.60%
Dewolf Park	US MOA	Aug-17	n/a	Oct-19	3.5	$613.5	$61.5	$ 14.4	$ 12.8	60.0%	2.5%	17.0%	23.5%	4.51%	6.03%	1.52%	1.68%	4.23%
Gilbert Park	US MOA	Oct-17	n/a	Oct-19	3.5	$1,022.0	$102.0	$ 23.6	$ 21.4	59.0%	4.2%	17.5%	21.5%	4.47%	6.02%	1.55%	1.72%	4.10%
Long Point Park	US MOA	Dec-17	n/a	Jan-20	3.8	$610.8	$58.8	$ 13.1	$ 11.8	56.9%	2.5%	25.5%	26.9%	4.20%	6.07%	1.87%	2.02%	3.81%
Stewart Park	US MOA	Jan-18	n/a	Jan-20	3.8	$878.5	$183.9	$ 49.7	$ 15.0	69.0%	3.4%	17.3%	17.2%	4.25%	5.99%	1.74%	1.89%	3.72%
Greenwood Park	US MOA	Mar-18	n/a	Apr-20	4.0	$1,074.7	$107.6	$ 24.9	$ 22.0	59.1%	4.6%	21.3%	18.4%	4.16%	6.01%	1.85%	2.02%	4.22%
Cook Park	US MOA	Apr-18	n/a	Apr-20	4.0	$1,025.0	$107.0	$ 23.5	$ 21.6	56.1%	4.5%	22.5%	17.4%	4.12%	5.98%	1.86%	2.04%	4.07%
Fillmore Park	BGCF	Jul-18	n/a	Jul-20	4.3	$560.8	$55.6	$ 11.8	$ 10.8	54.3%	2.6%	15.9%	7.3%	4.30%	5.98%	1.68%	1.93%	3.97%
Myers Park	BGCF	Sep-18	n/a	Oct-20	4.6	$509.6	$52.6	$ 10.5	$ 9.3	51.0%	2.5%	n/a	n/a	4.14%	6.02%	1.87%	1.73%	4.29%
Harbor Park	BGCF	Dec-18	n/a	Jan-21	4.8	$716.3	$79.3	$ 17.1	$ 14.8	55.0%	3.7%	n/a	n/a	4.44%	5.98%	1.54%	1.79%	4.27%
Buckhorn Park	BGCF	Mar-19	n/a	Jan-21	5.1	$502.1	$48.3	$ 11.3	$ 9.9	60.0%	2.4%	n/a	n/a	4.43%	5.95%	1.52%	n/a	0.00%
US CLO Income Note Total					**3.6**			**$ 270.0**	**$ 209.0**		**43.8%**	**18.3%**	**24.5%**	**4.32%**	**5.99%**	**1.67%**	**1.82%**	**4.08%**
Global CLO Income Note Total					**3.0**			**€ 427.7**	**€ 349.2**		**81.1%**	**17.1%**	**30.1%**	**3.14%**	**4.97%**	**1.83%**	**1.93%**	**3.94%**

BGCF 1Q 2019 Return Contributors



Footnotes

Source: GSO. Represents Blackstone / GSO Corporate Funding DAC **("BGCF")** cumulative returns from 1 January 2019 to 31 March 2019.

Note: The illustration is not indicative of future results, and there can be no assurance that the Fund will achieve these results. There is no guarantee that the future investments made by the Fund will continue to be identical to the make-up of such current portfolio. Moreover, future investments to be made by the Fund may differ substantially from the investments included in the current portfolio of the Fund. Additionally, there is no guarantee that the Fund will be able to implement its investment strategy or achieve its investment objectives. Please note: the -0.16% of FX return contribution is composed of -0.13% from US CLOs, -0.05% from US CLO Warehouses, -0.02% from Directly Held Loans, and +0.04% from Net Cash Including Expenses.

BGLF Historical Monthly Returns

2019	Jan	Feb	Mar										YTD
BGLF € NAV	1.25%	1.90%	1.21%										**4.41%**
European Loans	1.15%	0.93%	-0.07%										**2.01%**
US Loans	2.30%	1.57%	-0.12%										**3.78%**
2018	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**	**Oct**	**Nov**	**Dec**	**YTD**
BGLF € NAV	0.52%	-0.21%	-1.23%	0.40%	0.08%	1.50%	1.89%	1.46%	1.81%	0.53%	-0.06%	-0.14%	**6.70%**
European Loans	0.66%	0.13%	0.10%	0.47%	0.03%	-0.49%	0.51%	0.36%	0.57%	0.20%	-0.72%	-1.26%	**0.55%**
US Loans	1.08%	0.18%	0.32%	0.49%	0.19%	0.10%	0.83%	0.41%	0.68%	0.01%	-0.82%	-2.29%	**1.14%**
2017	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**	**Oct**	**Nov**	**Dec**	**YTD**
BGLF € NAV	0.14%	0.76%	-0.53%	0.01%	0.95%	0.63%	0.44%	-1.01%	-0.02%	0.65%	-0.46%	-0.18%	**1.38%**
European Loans	1.00%	0.46%	-0.29%	0.29%	0.52%	0.03%	0.48%	-0.02%	0.34%	0.33%	0.07%	0.00%	**3.30%**
US Loans	0.53%	0.59%	0.08%	0.44%	0.38%	-0.06%	0.78%	-0.14%	0.41%	0.66%	0.12%	0.39%	**4.25%**
2016	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**	**Oct**	**Nov**	**Dec**	**YTD**
BGLF € NAV	0.95%	0.67%	1.32%	1.28%	2.31%	0.98%	0.34%	0.13%	1.28%	0.37%	1.96%	0.97%	**13.28%**
European Loans	-0.32%	-0.93%	2.06%	1.35%	0.74%	-0.60%	1.16%	0.88%	0.74%	0.50%	0.18%	0.63%	**6.52%**
US Loans	-0.73%	-0.56%	2.64%	1.90%	0.91%	0.03%	1.41%	0.79%	0.87%	0.77%	0.32%	1.15%	**9.88%**
2015	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**	**Oct**	**Nov**	**Dec**	**YTD**
BGLF € NAV	1.36%	0.82%	0.76%	0.86%	1.05%	-0.07%	1.42%	0.09%	0.57%	0.83%	0.07%	0.07%	**8.11%**
European Loans	0.42%	1.06%	0.73%	0.88%	0.50%	-0.23%	0.50%	-0.17%	-0.33%	0.18%	-0.11%	-0.32%	**3.14%**
US Loans	0.26%	1.41%	0.39%	0.90%	0.20%	-0.31%	0.09%	-0.65%	-0.67%	-0.14%	-0.89%	-0.95%	**-0.38%**
2014	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**	**Oct**	**Nov**	**Dec**	**YTD**
BGLF € NAV								0.78%	0.21%	0.26%	1.12%	-3.05%	**-0.73%**
European Loans								0.13%	-0.07%	0.03%	0.37%	-0.61%	**-0.16%**
US Loans								0.23%	-0.52%	0.29%	0.46%	-1.10%	**-0.65%**

Footnotes
Credit Suisse, Western European Leveraged Loan Index, Hedged to EUR, and US Leveraged Loan Index, as of 31 March 2019. Past performance is not indicative of future results. This is for illustrative purposes only.

BGLC Historical Monthly Returns

2019	Jan*	Feb	Mar	YTD*
BGLC NAV	-2.95%	3.19%	2.14%	**2.28%**
European Loans	0.98%	0.93%	-0.07%	**1.85%**
US Loans	2.08%	1.57%	-0.12%	**3.55%**

Footnotes
*Note that these represent partial period returns. The January and YTD returns of BGLC NAV are from 7 January 2019, and of European and US Loan returns are from 4 January 2019 as daily returns are not available for European loans.
Credit Suisse, Western European Leveraged Loan Index, Hedged to EUR, and US Leveraged Loan Index, as of 31 March 2019. Past performance is not indicative of future results. This is for illustrative purposes only.