



**Blackstone / GSO Loan Financing Ltd** - BGLF COVID-19 Review, Dividend Policy and Declaration  
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COVID-19 Review, Dividend Policy and Declaration

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**Blackstone / GSO Loan Financing Limited ("BGLF" or the "Company")**

The Company announces its Q1 2020 dividend, together with an update on GSO's detailed review of the companies within its portfolio, as previously announced on 23 March 2020, and an amended dividend policy in light of the global spread of the Coronavirus Disease 2019 ("COVID-19") and its expected impact on the global economy.

COVID-19 is a human event first and foremost, and the Board and GSO encourage everyone to be safe and secure.

***COVID-19 Review Update***

Further to the announcement made by the Company on 23 March 2020, GSO has conducted a detailed, bottom-up review of all c. 970 companies within its portfolios to determine the potential impact of COVID-19 on the performance of these businesses. GSO focused not only on those sectors that have been directly impacted by COVID-19, including hotels, gaming and leisure, transportation, retail, automotive, and energy, but the entire universe of industries within its portfolios. The results of this exercise have allowed GSO to consider the likely impact on cashflows generated by the Company's investments in directly held CLOs and those held indirectly through Blackstone / GSO Corporate Funding DAC ("BGCF"). This impact assessment has enabled the Board and GSO to assess the sustainability of the Company's dividend in the short-term. The medium- and

long-term impacts of the global pandemic remain uncertain. However, in the short-term, rating agency downgrades and corporate defaults of companies within GSO's portfolios may lead to temporary cashflow diversions away from subordinate note distributions as a result of breaches in interest diversion and/or over-collateralisation ratios within a number of CLOs to which the Company has exposure (through BGCF).

GSO has already taken numerous steps to seek to mitigate the impact of COVID-19 on the performance of its portfolios and will continue to monitor the rapidly evolving economic environment to identify risks and opportunities. Despite the near-term economic disruption and resulting dislocation in the global credit markets, GSO believes that these events create good investment opportunities and provide further prospects for BGLF to enhance shareholder value.

### ***Dividend Policy***

Taking all of these factors into account, the Board recognises the importance of dividends to its shareholders and seeks to generate attractive and predictable dividend payments. Concurrently, the Board believes it is prudent to adjust its Dividend Policy for the calendar year 2020 pursuant to the comprehensive discussions between the Board and GSO regarding the portfolio review and uncertain near-term outlook.

The Board announces that the Company has adopted a revised Dividend Policy targeting a total 2020 annual dividend of between €0.06 and €0.07 per ordinary share, which will consist of quarterly payments of €0.015 per ordinary share for the first three quarters and a final quarter payment of a variable amount to be determined at that time.<sup>(1)</sup> The 2020 total target dividend represents a dividend yield of between 10.5% and 12.2% based on the BGLF closing price of €0.5725 on 22 April.

The Board will keep the Dividend Policy under close review and may adjust the target dividend up or down as the impact of the pandemic unfolds.

### ***Dividend Declaration***

The Board has today declared a dividend of €0.015 per ordinary share in respect of the period from 1 January 2020 to 31 March 2020.

This dividend is payable on 29 May 2020 to shareholders on the Company's share register as at the close of business on 1 May 2020, and the corresponding ex-dividend date will be 30 April 2020.

The dividend is capable of being paid in Pound Sterling, rather than Euros, provided that the relevant shareholder has registered to receive their dividend in Pound Sterling under the Company's Dividend Currency Election, or registers to do so by the close of business on 11 May 2020.

A copy of the Dividend Currency Election form, which should be sent to Link Asset Services, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU when completed, can be found on the Company's website at <http://blackstone.com/bglf>. The Dividend Currency Election Form should only be completed by shareholders who hold shares in certificated form.

CREST shareholders must elect via CREST.

Full details of how to elect are set out in the Terms and Conditions which are included on the Company's website.

***(1) The target dividend set out in this announcement is a target only and not a profit forecast. It should not be taken as an indication of the Company's***

*expected future performance or results. There is no guarantee that the target dividend set out in this announcement can or will be achieved or can be continued if achieved. There may be other additional risks, uncertainties and factors that could cause the returns generated by the Company to be materially lower than the target dividend set out in this announcement. Accordingly, investors should not place any reliance on such target.*

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**Past performance is not a reliable indicator of future results. Certain countries have been susceptible to epidemics, most recently COVID-19, which may be designated as pandemics by world health authorities. The outbreak of such epidemics, together with any resulting restrictions on travel or quarantines imposed, has had and will continue to have a negative impact on the economy and business activity globally (including in the countries in which the Company invests), and thereby is expected to adversely affect the performance of the Company's investments. Furthermore, the rapid development of epidemics could preclude prediction as to their ultimate adverse impact on economic and market conditions, and, as a result, presents material uncertainty and risk with respect to the Company and the performance of its Investments.** Potential investors should be aware that any investment in the Company is speculative, involves a high degree of risk, and could result in the loss of all or substantially all of their investment. Share prices may go down as well as up and you may not get back the original amount invested. Results can be positively or negatively affected by market conditions beyond the control of the Company, GSO or any other person.

**The target dividend set out in this announcement is a target only and not a profit forecast.** It should not be taken as an indication of the Company's expected future performance or results. There is no guarantee that the target dividend set out in this announcement can or will be achieved or can be continued if achieved. There may be other additional risks, uncertainties and factors that could cause the returns generated by the Company to be materially lower than the target dividend set out in this announcement. Accordingly, investors should not place any reliance on such target.

The information in this announcement may include forward-looking statements, which are based on the current expectations and projections about future events and in certain cases can be identified by the use of terms such as "may", "will", "should", "expect", "anticipate", "project", "estimate", "intend", "continue", "target", "believe" (or the negatives thereon) or other variations thereon or comparable terminology. These forward-looking statements, as well as those

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