

BGLF’s Objective

- The Company’s investment objective is to provide Shareholders with stable and growing income returns, and to grow the capital value of the investment portfolio by exposure predominantly to floating rate senior secured loans. The Company will seek to achieve its investment objective solely through exposure to the Originator.¹ The Originator finances its investment in loans using a variety of financing sources, including equity capital, its 3-year term syndicated financing facility, notes issued to the Company, and non-recourse leverage obtained from establishing CLO transactions and retaining certain of the CLO Income Notes in such transactions.

BGLF’s Total Return

Total Returns ^{2,3} As at 28/08/15	28-August-15	YTD	SINCE INCEPTION
BGLF Euro NAV	0.09%	6.47%	5.69%

BGLF Monthly Commentary

- The total return for August was 0.09%, which included total portfolio net income of 1.02% and net portfolio movements of -0.93%. Income on the directly held loan portfolio, less financing costs, was 0.34% with -0.28% from net portfolio movements. Retained CLO Income Note investments contributed 0.75% of net income with -0.65% of net portfolio movements.
- The retained CLO Income Notes of Sorrento Park, which the Originator established in October 2014, paid a annualised distribution of 18% to the Originator.
- August was certainly a tumultuous month for financial markets, with summer illiquidity amplifying volatility. The perceived Chinese slowdown and policy surprise on the currency front clearly weighed on markets.
- Loans were relatively resilient compared to other asset categories as the S&P European Leveraged Loan Index (“S&P ELLI”) returned -0.32% over the month, outperforming German Treasuries (-0.94%), high yield bonds (-1.36%), investment grade bonds (-1.57%), and equities (-9.11%).⁹
- As is typical for August, the primary loan market was quiet during the month with only €0.01 billion of new supply coming to market. M&A activity has led new loan activity year to date, accounting for 61% of volume. New-issue volume currently stands at €45.0 billion, 24% lower than the first 8 month of 2014.¹⁰
- The forward calendar has substantially picked up with over a dozen loan deals in the pipeline, totalling €6.1bn of as September 1st.¹⁰ Clearing yields of new transactions have widened from June and we expect to see attractive pricing levels to continue in the forward calendar.
- Strong demand for loans has continued to support secondary levels. Loan price movements in Europe were generally unchanged, falling only 6bps in August; the S&P ELLI closed the month at an average price of 97.49.¹⁰
- Global CLO issuance, similar to loan issuance, was slow throughout the month as just \$6.0 billion of US CLOs priced. Total YTD issuance in Europe stands at €9.6 billion and in the US at \$72.3 billion.¹⁰ Strategists continue to forecast strong European CLO issuance for the remainder of the year totalling €18 billion.¹¹
- Risk retention became a topic of conversation in the market again in the lead up to new securitisation proposals, which are due to be formally published by the European Commission around September 30. It is expected that these will include long-awaited anti-avoidance provisions to prevent “originator for a day” entities. As a long term investor, the Originator welcomes the rumoured anti-avoidance proposals, in line with the European Banking Authority’s recommendations.

BGLF Key Facts

Ticker LN:	BGLF
Inception Date:	23/7/14
Inception Share Price:	€1.00
NAV per share: ⁴	€0.9886
Share Price: ⁵	€0.9975
Premium/Discount:	0.90%
Latest Dividend:	€0.0200
Dividend Yield: ⁶	8.00%
Originator Gross Assets:	€609.2m
BGLF Net Assets:	€327.5m
Market Capitalisation: ⁵	€330.5m
Shares Outstanding:	331.3m

Top 10 Holdings ^{7, 8}

Eircom	2.82%
Telenet	1.99%
Capio Sanidad	1.75%
Amaya	1.71%
Horizon Holdings III	1.47%
Ineos	1.42%
Springer Science	1.32%
Delek Group	1.29%
Cyan Blue Holdco	1.27%
YPSO Holding	1.20%

Top 10 Industries ^{7, 8}

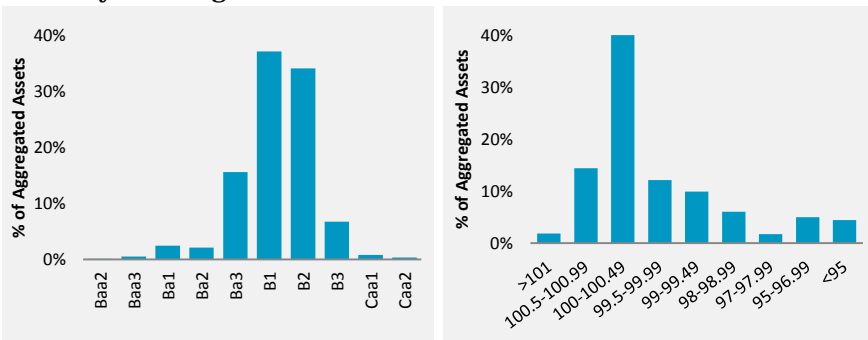
Healthcare & Pharma	13.76%
Business Services	8.85%
Broadcast & Subscription	7.99%
Chemical Plastics & Rubber	7.05%
Construction & Building	6.64%
Hotels, Gaming & Leisure	6.62%
High Tech Industries	6.50%
Telecommunications	6.35%
Containers & Packaging	6.22%
Beverage, Food & Tobacco	5.07%

Blackstone / GSO Loan Financing Limited

Top 10 Countries ^{7, 8}

USA	30.60%
France	15.79%
United Kingdom	11.60%
Germany	11.06%
Netherlands	7.45%
Luxembourg	6.53%
Spain	4.20%
Ireland	3.65%
Belgium	1.99%
Switzerland	1.89%

Moody's Rating Distribution and Asset MTM Bands ^{7, 8}



Direct CLO Investments ⁸

	Phoenix Park	Sorrento Park	Castle Park	Dorchester Park	Dartry Park	Orwell Park
Closing Date	Jul 14	Oct 14	Dec 14	Jan 15	Feb 15	May 15
Currency	EUR	EUR	EUR	USD	EUR	EUR
Deal Size	€413m	€517m	€415m	\$509m	€411m	€415m
BGLF Position (% of CLO Income Notes)	51.4%	60.5%	100.0%	60.9%	51.1%	51.0%
Last Distribution (Annualised)	19.0%	18.3%	17.9%	28.0%	n/a	n/a

Asset Breakdown ⁸

	Originator Direct Loan Portfolio	Originator Indirect Loans / CLO Portfolio
Originator Net Assets:	€167.96m	€159.58m
% of BGLF NAV:	51.28%	48.72%
Number of Issuers:	106	328
Senior Secured Loans/Notes:	97.8%	99.0%
Floating Rate:	92.6%	99.0%
Weighted Average Asset Spread (including impact of floors):	4.84%	4.57%
Weighted Average Loan MTM:	99.86%	99.34%
Weighted Average Cost of Liabilities:	0.80% undrawn/ 1.80% drawn	2.07%

Other Information:

BGLF charges no management or performance fees. The Adviser earns a management and performance fee on CLOs it manages in which the Originator invests. CLO management fees are typically 0.5% per annum on the CLO assets. The Adviser rebates 20% of the CLO management fees it receives to the Originator, pro-rata to CLO Income Notes held by the Originator. Capitalised terms used but not defined herein have the meanings assigned to them in the Company's Prospectus dated 10 July 2014.

Contacts:

Company Secretary:

State Street Fund Services (Jersey) Limited
Lime Grove House
Green Street
St Helier
Jersey C.I. JE1 2ST

Adviser:

Blackstone / GSO Debt Funds Management Europe Limited

Alan Kerr +353 1 436 0107
Alex Leonard +353 1 436 0113
David Cunningham +353 1 436 0122

www.blackstone.com/bgfl

Footnotes:

- The Originator is Blackstone / GSO Corporate Funding Limited, a company incorporated in Ireland on 16 April 2014.
- Past performance is not necessarily indicative of future results, and there can be no assurance that BGLF will achieve comparable results, will meet its target returns, achieve its investment objectives or be able to implement its investment strategy. Please refer to the "Important Disclosure Information" section of this document for important information, including information about performance results.
- YTD and Monthly performance are non-annualised. Dividends are assumed to be reinvested at the NAV.
- As calculated by BGLF's Administrator in accordance with the provisions of the BGLF Prospectus. Per share data based on final number of shares in the period.
- Source: Bloomberg as at 28 August 2015.
- Dividend Yield based on IPO issue price.
- Portfolio data by Issuer, Industry, Country, Rating and Loan Price Bands are presented using the gross par amount of assets held directly and indirectly by the Originator. Indirect asset holdings are held within CLOs the Originator has invested in. The total par amount of all assets held within each CLO are included on a fully consolidated basis and added to those assets held directly by the Originator. Data calculated by GSO.
- Portfolio holdings, Rating, Country, Industry and Loan Price Band distributions are subject to change and are not recommendations to buy or sell any security. Weighted Average Asset Spread and Weighted Average Loan MTM mean, for the Direct Loan Portfolio the weighted average asset margin and mid market valuation at the relevant month end and for Indirect Loans/CLO Portfolio the look-through Weighted Average Asset Spread and Weighted Average Loan Price at the relevant month end. Direct Loan Portfolio holdings are reported on a trade date basis and liabilities will only be drawn on the relevant loan settlement date. Data calculated by GSO.
- S&P/LCD, Barclays (Pan-European High Yield Index, Pan-European Corporate Index, Euro-Aggregate Treasury Germany Index), Bloomberg (Euro STOXX 50 Index ticker SX5e).
- S&P/LCD as of 14 September 2015.
- Bank of America Merrill Lynch, "CLO Weekly" 28 August 2015.

Blackstone / GSO Loan Financing Limited

IMPORTANT DISCLOSURE INFORMATION

Any reference herein to future returns or distributions is a target and not a forecast and there can be no guarantee or assurance that it will be achieved.

This document has been issued by Blackstone / GSO Loan Financing Limited (the "**Company**"), and should not be taken as an inducement to engage in any investment activity and is for the purpose of providing information about the Company. This document does not constitute or form part of, and should not be construed as, any offer for sale or subscription of, or solicitation of any offer to buy or subscribe for, any share in the Company or securities in any other entity, in any jurisdiction, including the United States, Canada, Japan or South Africa nor shall it, or any part of it, or the fact of its distribution, form the basis of, or be relied on in connection with, any contract or investment decision whatsoever, in any jurisdiction.

This document, and the information contained therein, is not for viewing, release, distribution or publication in or into the United States, Canada, Japan, South Africa or any other jurisdiction where applicable laws prohibit its release, distribution or publication, and will not be made available to any national, resident or citizen of the United States, Canada, Japan or South Africa. The distribution of this document in other jurisdictions may be restricted by law and persons into whose possession this document comes must inform themselves about, and observe, any such restrictions. Any failure to comply with the restrictions may constitute a violation of the federal securities law of the United States and the laws of other jurisdictions.

The shares issued and to be issued by the Company (the "**Shares**") have not been and will not be registered under the US Securities Act of 1933, as amended (the "**Securities Act**"), or with any securities regulatory authority of any state or other jurisdiction of the United States. The Shares may not be offered, sold, resold, pledged, delivered, distributed or otherwise transferred, directly or indirectly, into or within the United States, or to, or for the account or benefit of, US persons (as defined in Regulation S under the Securities Act). No public offering of the Shares is being made in the United States.

The Company has not been and will not be registered under the US Investment Company Act of 1940, as amended (the "**Investment Company Act**") and, as such, holders of the Shares will not be entitled to the benefits of the Investment Company Act. No offer, sale, resale, pledge, delivery, distribution or transfer of the Shares may be made except under circumstances that will not result in the Company being required to register as an investment company under the Investment Company Act. Neither the U.S. Securities and Exchange Commission (the "**SEC**") nor any state securities commission has approved or disapproved of the Shares or passed upon or endorsed the merits of the offering of the Shares or the adequacy or accuracy of the Prospectus. Any representation to the contrary is a criminal offence in the United States. In addition, the Shares are subject to restrictions on transferability and resale in certain jurisdictions and may not be transferred or resold except as permitted under applicable securities laws and regulations. Investors may be required to bear the financial risks of their investment in the Shares for an indefinite period of time. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdictions.

This document is directed only at: (i) persons having professional experience in matters relating to investments who fall within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005; or (ii) high net worth bodies corporate, unincorporated associations and partnerships and trustees of high value trusts as described in Article 49(2) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 and persons who receive this document who do not fall within (i) or (ii) above should not rely on or act upon this document.

No liability whatsoever (whether in negligence or otherwise) arising directly or indirectly from the use of this document is accepted and no representation, warranty or undertaking, express or implied, is or will be made by the Company, or any of their respective directors, officers, employees, advisers, representatives or other agents ("**Agents**") for any information or any of the opinions contained herein or for any errors, omissions or misstatements. None of the Agents makes or has been authorised to make any representation or warranties (express or implied) in relation to the Company or as to the truth, accuracy or completeness of this document, or any other written or oral statement provided. In particular, no representation or warranty is given as to the achievement or reasonableness of, and no reliance should be placed on any projections, targets, estimates or forecasts contained in this document and nothing in this document is or should be relied on as a promise or representation as to the future.

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

Any forecasts and estimates contained herein are based upon certain assumptions that the Company considers reasonable. Forecasts and estimates are necessarily speculative in nature, and it can be expected that some or all of the assumptions underlying the forecasts and estimates will not materialize and/or that actual events and consequences thereof will vary significantly from the assumptions upon which forecasts and estimates contained herein have been based. The inclusion of forecasts and estimates herein should not be regarded as a representation or guarantee regarding the reliability, accuracy or completeness of the information contained herein, the Company is under no obligation to update or keep current such information. Unless otherwise indicated, the information provided herein is based on matters as they exist as of the date of preparation and not as of any future date. Recipients of this document are encouraged to contact the Company's representatives to discuss the procedures and methodologies used to make the forecasts and estimates and other information provided herein.

All investments are subject to risk, including the loss of the principal amount invested. Past performance is no guarantee of future returns. All investments to be held by the Company involve a substantial degree of risk, including the risk of total loss. The value of shares and the income from them is not guaranteed and can fall as well as rise due to stock market and currency movements. When you sell your investment you may get back less than you originally invested. You should always seek expert legal, financial, tax and other professional advice before making any investment decision.

Blackstone / GSO Loan Financing Limited is a self-managed Jersey registered alternative investment fund, and is regulated by the Jersey Financial Services Commission.