

# Blackstone / GSO Loan Financing Limited (“BGLF”)

Blackstone

August 2018

Adviser: Blackstone / GSO Debt Funds Management Europe Limited

An investor should consider the investment objective, risks, and charges and expenses of BGLF (also, the “Company”) carefully before investing. The prospectus contains this and other information about the Company and may be obtained at [www.blackstone.co/bglf](http://www.blackstone.co/bglf). The prospectus should be read carefully before investing.

## BGLF Objective

- BGLF’s investment objective is to provide shareholders with stable and growing income returns, and to grow the capital value of its investment portfolio by exposure predominantly to European and U.S. floating rate senior secured loans, both directly and indirectly. The Company achieves its investment objective solely through its investment in Blackstone / GSO Corporate Funding (“BGCF”), which is an investor in global floating rate senior secured loans.
- BGCF funds its investment in European and U.S. loans using a variety of funding sources, including equity capital, its 3-year syndicated financing facility, notes issued to the Company, and non-recourse leverage obtained from retaining Income Notes in collateralised loan obligations (“CLOs”) that BGCF has established.

**11.5%**

BGLF Dividend Yield<sup>2</sup>

**€365.0M**

BGLF Net Assets

**€352.1M**

BGLF Market Capitalisation<sup>3</sup>

**41.3%**

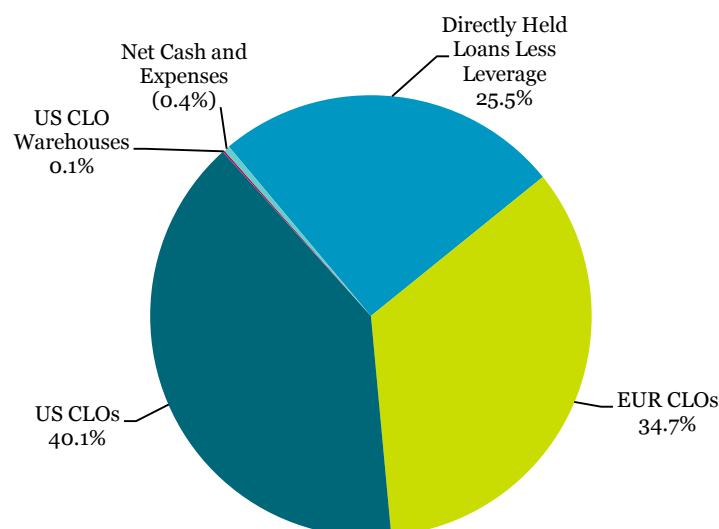
BGLF % Ownership of BGCF

## Portfolio Snapshot<sup>4</sup>

BGCF Portfolio Assets <sup>4</sup>	Current WA Asset Coupon	Current WA Liability Cost	WA Leverage	WA Remaining CLO Reinvestment Periods
EUR CLOs	3.68%	1.58%	8.4x	2.0 Yrs
US CLOs	5.61%	3.79%	8.9x	4.0 Yrs
US CLO Warehouses	n/a	n/a	n/a	n/a
Directly Held Loans	3.76%	1.45%	2.5x	n/a
<b>Total Portfolio</b>	<b>4.47%</b>	<b>2.43%</b>	<b>7.1x</b>	<b>3.0 Yrs</b>

Ticker	NAV / Share <sup>6</sup>	Share Price <sup>3</sup>	Premium / (Discount)	Dividend Yield <sup>2</sup>
<b>BGLF</b>	€0.9019	€0.8700	(3.54%)	11.49%
<b>BGLP</b>	£0.8077	£0.7700	(4.67%)	11.63%

## BGCF Asset Allocation<sup>5</sup>



## Performance (as of 31/08/18)<sup>7,8</sup>

BGLF Inception Date: 23/07/14	1-Month Return	YTD Return	LTM Return	3-Year Annualised	Annualised Since Inception	Cumulative Since Inception
BGLF Euro NAV	1.46%	4.45%	4.45%	6.80%	6.35%	28.77%
BGLF Euro Price	0.00%	(4.20)%	(4.24)%	5.44%	5.57%	24.94%
European Loans	0.36%	1.78%	2.55%	3.64%	3.53%	15.33%
U.S. Loans	0.41%	3.65%	5.29%	4.95%	4.00%	17.49%

BGCF NAV Return Components	BGCF Aug-18 Assets Breakdown			BGCF Aug-18 Return Component			BGCF YTD Return Component		
	Assets	MTM	Income	Total	MTM	Income	Total		
EUR CLOs	€ 298.5 m	0.11%	0.53%	0.64%	(3.44%)	3.75%	0.32%		
US CLOs	€ 345.6 m	0.37%	0.40%	0.77%	0.02%	3.92%	3.94%		
US CLO Warehouses	€ 1.1 m	0.00%	0.02%	0.02%	0.00%	0.59%	0.59%		
Directly Held Loans	€ 450.5 m	0.05%	0.12%	0.17%	(0.51%)	1.31%	0.81%		
Leverage	(€ 231.0 m)	0.00%	(0.07%)	(0.07%)	0.00%	(0.62%)	(0.62%)		
Net Cash Including Expenses	(€3.8 m)	0.00%	0.00%	0.00%	0.00%	(0.31%)	(0.31%)		
<b>BGCF Total / Net Return</b>	<b>€860.8m</b>	<b>0.53%</b>	<b>1.00%</b>	<b>1.54%</b>	<b>(3.93%)</b>	<b>8.65%</b>	<b>4.72%</b>		
BGLF Expenses							(0.27%)		
<b>BGLF Net Return</b>				<b>1.46%</b>			<b>4.45%</b>		

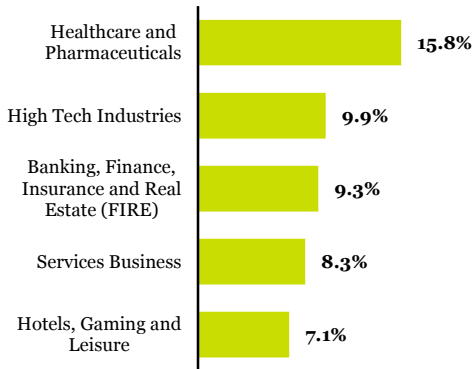
# Blackstone / GSO Loan Financing Limited (“BGLF”)

Blackstone

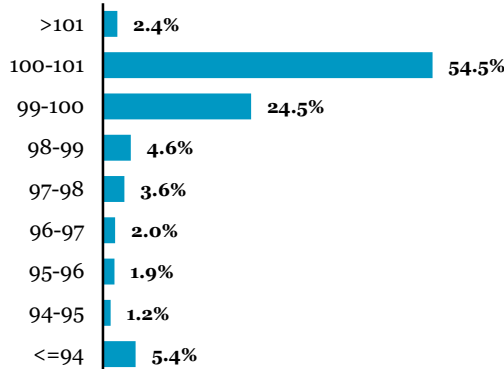
August 2018

## BGCF Look Through Summary<sup>9</sup>

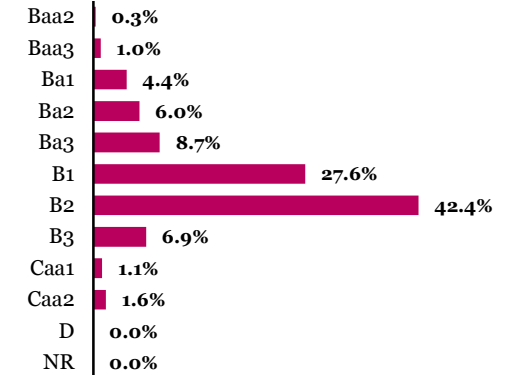
### Top 5 Industry Allocations



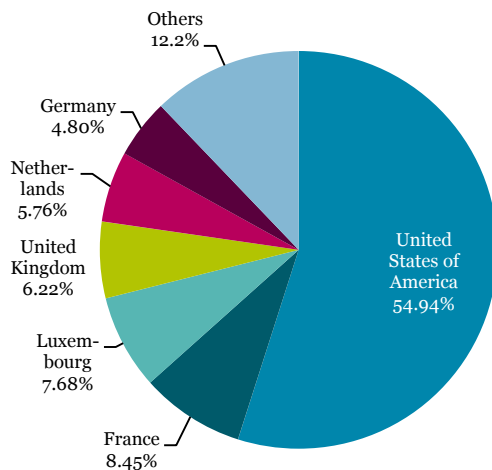
### Asset MTM Bands



### Moody's Rating Distribution



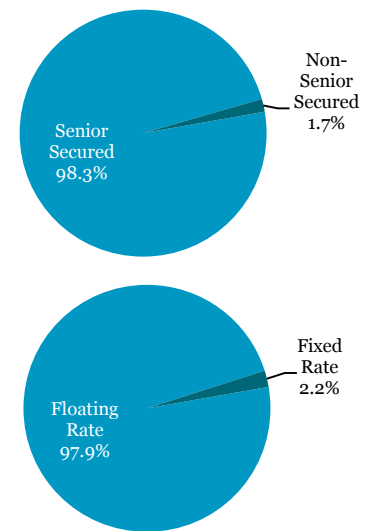
### Country Allocations



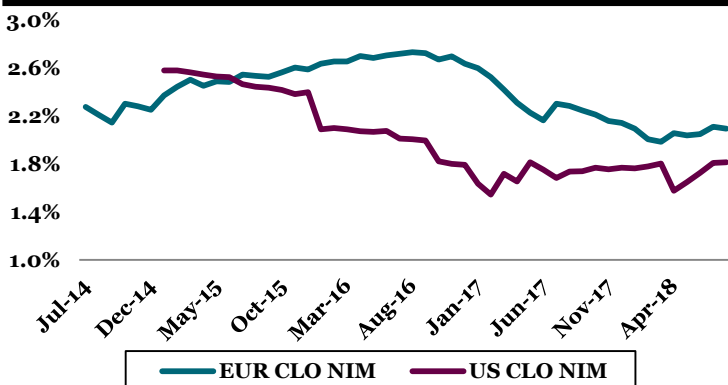
### Top 10 Issuers

Issuer	Sector	Weight
Numericable	Media Broadcasting & Subscription	1.1%
EG Group	Retail	1.0%
The Stars Group	Gaming, Leisure & Entertainment	1.0%
Paysafe	Banking, Finance, Insur & Real Estate	1.0%
BMC Software	Computer & Electronic	0.9%
Ineos Finance	Chemicals, Plastics & Rubber	0.9%
Avantor	Healthcare & Pharmaceuticals	0.8%
ION Trading	Computer & Electronics	0.8%
Xella International	Construction & Building	0.8%
Ziggo Finance	Media Broadcasting & Subscription	0.8%
<b>Top 10 Total</b>		<b>9.1%</b>

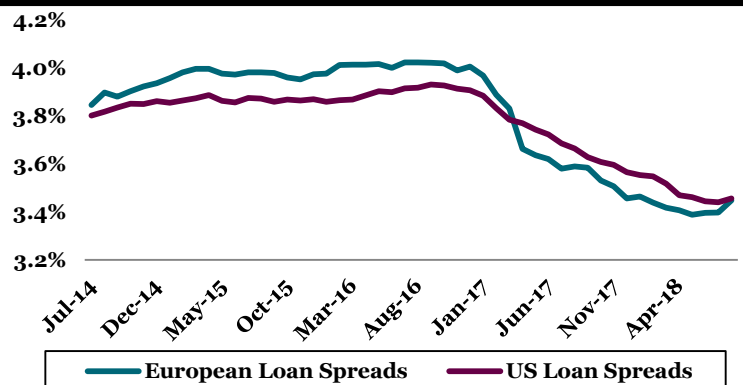
### Total Number of Issuers: 679



### CLO Net Interest Margins<sup>4</sup>



### European and US Loan Spreads<sup>8</sup>



### Contacts

#### Company Secretary:

BNP Paribas Securities Services S.C.A., Jersey Branch  
IFC1  
The Esplanade  
St. Helier  
Jersey, JE1 4BP, Channel Islands

#### Adviser:

Blackstone / GSO Debt Funds Management Europe Limited  
Alex Leonard +353 1 436 0113  
David Cunningham +353 1 436 0122  
Robert Zable +1 212 503 6980  
Jane Lee +1 212 503 2151

# Blackstone / GSO Loan Financing Limited (“BGLF”)

Blackstone

August 2018

## Retained CLO Income Note Investments<sup>4</sup>

CLO	Closing Date	EUR / USD	Deal Size (mm)	Position Owned (mm)	% of Tranche	Reinvestment Period Remaining	Current Asset Coupon	Current Liability Cost	Net Interest Margin	NIM 3 Months Prior	Distributions Through Last Payment Date <sup>4</sup> Ann. Cum.
Phoenix Park	Jul-14	EUR	€ 413	€ 23.3	51.4%	0.00	3.57%	1.54%	2.04%	2.05%	17.1% 68.5%
Sorrento Park	Oct-14	EUR	€ 517	€ 29.5	51.8%	0.21	3.70%	1.44%	2.26%	2.25%	17.8% 68.3%
Castle Park	Dec-14	EUR	€ 415	€ 37.0	80.4%	0.38	3.73%	1.52%	2.21%	2.18%	17.4% 62.3%
Dorchester Park	Feb-15	USD	\$ 533	\$ 48.5	73.0%	0.39	5.53%	3.74%	1.79%	0.93%	16.7% 56.6%
Dartry Park	Mar-15	EUR	€ 411	€ 22.8	51.1%	0.66	3.59%	1.63%	1.97%	1.91%	15.3% 51.7%
Orwell Park	Jun-15	EUR	€ 415	€ 24.2	51.0%	0.88	3.74%	1.44%	2.31%	2.26%	16.5% 51.5%
Tymon Park	Dec-15	EUR	€ 414	€ 22.7	51.0%	1.39	3.70%	1.31%	2.39%	2.38%	14.9% 38.6%
Elm Park	May-16	EUR	€ 558	€ 31.9	56.1%	1.62	3.67%	1.37%	2.30%	2.28%	11.5% 24.6%
Griffith Park	Sep-16	EUR	€ 454	€ 29.0	59.5%	2.02	3.69%	2.19%	1.50%	1.51%	11.4% 21.1%
Clarinda Park	Nov-16	EUR	€ 415	€ 23.1	51.2%	2.21	3.71%	2.03%	1.68%	1.62%	11.5% 20.0%
Grippen Park <sup>10</sup>	Mar-17	USD	\$ 611	\$ 35.6	60.0%	3.64	5.57%	4.08%	1.49%	1.36%	12.9% 17.4%
Palmerston Park	Apr-17	EUR	€ 415	€ 28.0	62.2%	2.63	3.57%	1.73%	1.84%	1.84%	14.8% 18.7%
Thayer Park <sup>10</sup>	May-17	USD	\$ 515	\$ 29.8	54.6%	3.64	5.61%	4.11%	1.50%	1.34%	19.7% 23.2%
Catskill Park <sup>10</sup>	May-17	USD	\$ 1,029	\$ 65.1	60.0%	3.64	5.58%	4.07%	1.50%	1.36%	18.2% 21.4%
Clontarf Park	Jul-17	EUR	€ 414	€ 29.0	66.9%	2.93	3.60%	1.58%	2.01%	1.99%	14.3% 15.2%
Dewolf Park <sup>10</sup>	Aug-17	USD	\$ 614	\$ 36.9	60.0%	4.12	5.67%	3.04%	2.62%	2.51%	17.7% 15.6%
Gilbert Park <sup>10</sup>	Oct-17	USD	\$ 1022	\$ 60.2	59.0%	4.13	5.67%	4.02%	1.65%	1.51%	18.8% 13.7%
Willow Park	Nov-17	EUR	€ 412	€ 23.4	60.9%	3.87	3.62%	1.58%	2.04%	1.90%	17.3% 10.8%
Long Point Park <sup>10</sup>	Dec-17	USD	\$ 611	\$ 33.4	56.9%	4.38	5.73%	3.76%	1.97%	2.45%	21.4% 11.8%
Stewart Park <sup>10</sup>	Jan-18	USD	\$ 880	\$ 126.9	69.0%	4.34	5.56%	3.80%	1.76%	1.56%	19.9% 9.8%
Marlay Park	Mar-18	EUR	€ 413	€ 24.6	60.0%	3.62	3.66%	1.40%	2.26%	2.26%	n/a n/a
Greenwood Park <sup>10</sup>	Mar-18	USD	\$ 1,075	\$ 63.6	59.1%	4.63	5.62%	3.54%	2.08%	1.92%	n/a n/a
Cook Park <sup>10</sup>	Apr-18	USD	\$ 1,025	\$ 60.0	56.1%	4.63	5.61%	3.68%	1.93%	1.74%	n/a n/a
Milltown Park	Jun-18	EUR	€ 411	€ 24.1	65.0%	3.87	3.65%	1.49%	2.16%	n/a	n/a n/a
Fillmore Park	Jul-18	USD	\$ 561	\$ 30.2	54.3%	4.87	5.66%	3.86%	1.79%	n/a	n/a n/a
Richmond Park	Jul-18	EUR	€ 550	€ 46.2	68.3%	2.87	3.80%	1.51%	2.29%	n/a	n/a n/a
Myers Park <sup>11</sup>	[Sep-18]	USD	\$ 510	\$ 26.8	51.0%	5.14	n/a	n/a	n/a	n/a	n/a n/a

## CLO Warehouse Investments<sup>12</sup>

Initial Investment Date	Closing Date / [Expected Closing Date]	Investment (€mm)	Investment (\$mm)	Current Loan Exposure (\$mm) <sup>14</sup>	Current Asset Coupon	Current Liability Coupon	Net Interest Margin
n/a							

# Important Disclosure Information and Risk Factors

Blackstone

August 2018

## Endnotes

BGLF does not pay any management or performance fees. The Adviser earns a management and performance fee on CLOs it manages in which BGCF 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 BGCF, pro-rata to CLO Income Notes in which BGCF invests directly or indirectly. Capitalised terms used but not defined herein have the meanings assigned to them in the Company's Prospectus dated 31 March 2016.

1. Blackstone / GSO Corporate Funding DAC ("BGCF") was incorporated in Ireland on 16 April 2014.
2. The 12 month Dividend Yield is based on last four quarterly dividends declared. Share price data is as at the end of the respective month. The target dividend should not be taken as an indication of the Company's expected future performance or results. The target dividend is a target only and there is no guarantee that it can or will be achieved and should not be seen as an indication of the Company's expected or actual return. Target returns are hypothetical and are neither guarantees nor predictions or projections of future performance. Actual events and conditions may differ materially from the assumptions used to establish the target dividend.
3. Bloomberg, as of 31 August 2018.
4. Data for EUR and US CLOs calculated based on data available on Intex as of 13 September 2018. 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.
5. Calculated on BGCF's net assets.
6. 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. BGLP NAV per share is converted at the exchange rate of €1.0000:£0.8955 as at 31 August 2018. The exchange rate used by BGLF's Administrator may differ from that of Bloomberg, which may result in a variation between BGLF's premium/discount to its NAV and BGLP's premium/discount to its NAV.
7. YTD and Monthly performance are non-annualised. Dividends are assumed to be reinvested at the NAV. 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. CLO Income Notes are valued by Thomson Reuters using their CLO Intrinsic Calculation Methodology, loan asset valuations are based on broker quotes received from Markit and bonds prices are provided by IDC. Further details of BGCF's valuation policy can be found in the fund's annual accounts. Please refer to the "Important Disclosure Information" section of this document for important information, including information about performance results.
8. Credit Suisse: Leveraged Loan Index, Western European Leveraged Loan Index (hedged to EUR), High Yield Index, Western European High Yield Index (hedged to EUR) as of 31 August 2018.
9. 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 BGCF. Indirect asset holdings are held within CLOs BGCF 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 BGCF. Portfolio holdings, Rating, Country, Industry and Loan Price Band distributions are subject to change and are not recommendations to buy or sell any security. CLO Note and CLO warehouse investments are excluded from all figures. Data calculated by GSO.
10. Position as a percent of tranche represents the percentage ownership of the U.S. MOA, of which BGCF is invested. BGCF's ownership of the U.S. MOA was 86.02%.
11. Myers Park CLO is expected to close on 20 September 2018. BGCF's investment in the Myers Park CLO Warehouse was closed on a trade date basis at the time of Myers Park CLO's pricing (16 August 2018), though it will not realise the return on investment until the closing date of the CLO.
12. U.S. CLO Warehouses may have an additional third party first loss provider invested alongside of BGCF.

## 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 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. 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.

Copyright © 2018, S&P Capital IQ (and its affiliates, as applicable). This may contain information obtained from third parties, including ratings from credit ratings agencies such as Standard & Poor's. 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, including ratings, 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. Credit ratings are statements of opinions and are not statements of fact or recommendations to purchase, hold or sell securities. They do not address the suitability of securities or the suitability of securities for investment purposes, and should not be relied on as investment advice. To the extent that this document contains third party data or information (including, without limitation S&P Credit Ratings) (collectively "Content"), neither Blackstone nor the applicable third party content provider(s) ("Blackstone Parties") guarantee the accuracy, completeness, timeliness or availability of any Content, and are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or for the results obtained from the access or use of such Content. In no event shall the Blackstone Parties be liable for any damages, costs, expenses, legal fees or losses (including lost income or lost profit and opportunity costs) in connection with any use of the Content. Please read the complete disclaimer with respect to S&P Credit Ratings: [http://www.standardandpoors.com/en\\_US/web/guest/regulatory/legal-disclaimers](http://www.standardandpoors.com/en_US/web/guest/regulatory/legal-disclaimers).