

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

Blackstone

December 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.

13.2%

BGLF Dividend Yield<sup>2</sup>

€362.7M

BGLF Net Assets

€307.6M

BGLF Market Capitalisation<sup>3</sup>

40.1%

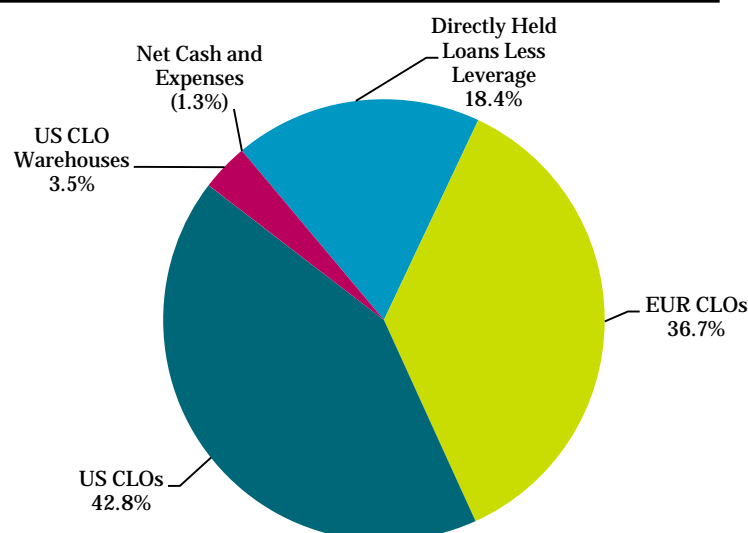
BGLF % Ownership of BGCF

## 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	3.66%	1.58%	8.5x	2.2 Yrs
US CLOs	5.83%	4.01%	8.8x	3.8 Yrs
US CLO Warehouses	5.80%	3.92%	4.0x	n/a
Directly Held Loans	3.77%	1.45%	2.5x	n/a
<b>Total Portfolio</b>	<b>4.67%</b>	<b>2.66%</b>	<b>7.4x</b>	<b>3.1 Yrs</b>

Ticker	NAV / Share <sup>6</sup>	Share Price <sup>3</sup>	Premium / (Discount)	Dividend Yield <sup>2</sup>
<b>BGLF</b>	€0.8963	€0.7600	(15.21%)	13.16%
<b>BGLP</b>	£0.8058	£0.7175	(10.95%)	12.53%

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



## Performance (as of 31/12/18)<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	-0.14%	6.70%	6.70%	7.01%	6.36%	31.53%
BGLF Euro Price	-9.25%	-13.82%	-13.82%	1.70%	2.67%	12.40%
European Loans	-1.26%	0.55%	0.55%	3.42%	2.98%	13.93%
U.S. Loans	-2.29%	1.14%	1.14%	5.02%	3.12%	14.65%

BGCF NAV Return Components	BGCF Dec-18 Assets Breakdown			BGCF Dec-18 Return Component			BGCF YTD Return Component		
	MTM	Income	Total	MTM	Income	Total	MTM	Income	Total
EUR CLOs	€321.5 m	(0.63%)	0.56%	(0.07%)	(4.14%)	6.29%	2.16%		
US CLOs	€375.3 m	(0.04%)	0.23%	0.20%	(1.30%)	6.21%	4.91%		
US CLO Warehouses	€30.8 m	0.00%	0.09%	0.09%	0.00%	0.67%	0.67%		
Directly Held Loans	€430.1 m	(0.37%)	0.18%	(0.19%)	(1.10%)	1.96%	0.87%		
Leverage	(€268.8 m)	0.00%	(0.06%)	(0.06%)	0.00%	(0.91%)	(0.91%)		
Net Cash Including Expenses	(€11.7 m)	0.00%	(0.07%)	(0.07%)	0.00%	(0.47%)	(0.47%)		
<b>BGCF Total / Net Return</b>	<b>€877.1 m</b>	<b>(1.03%)</b>	<b>0.92%</b>	<b>(0.11%)</b>	<b>(6.53%)</b>	<b>13.75%</b>	<b>7.22%</b>		
BGLF Expenses				(0.03%)			(0.52%)		
<b>BGLF Net Return</b>				<b>(0.14%)</b>			<b>6.70%</b>		

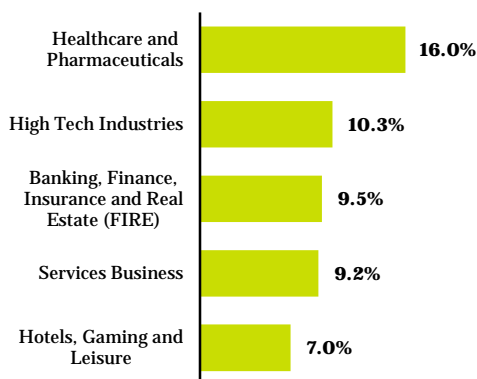
# Blackstone / GSO Loan Financing Limited (“BGLF”)

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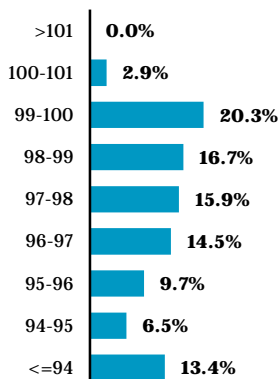
December 2018

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

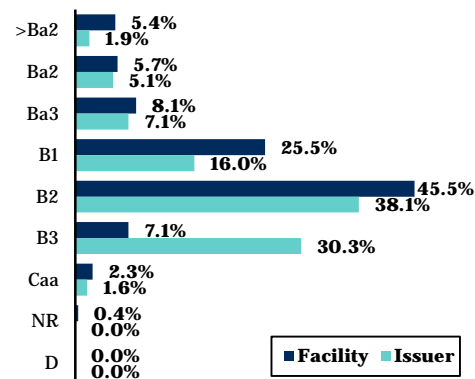
### Top 5 Industry Allocations



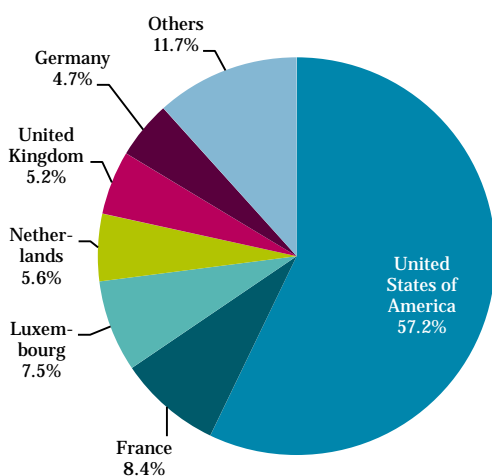
### Asset MTM Bands



### Moody's Rating Distribution



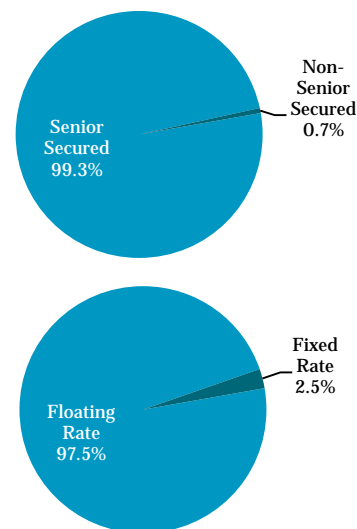
### Country Allocations



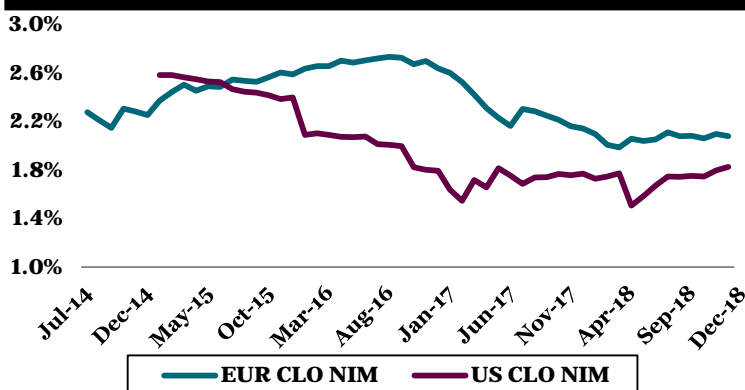
### Top 10 Issuers

Issuer	Sector	Weight
Refinitiv	Services Business	1.1%
Euro Garages	Retail	1.0%
Paysafe	Banking, Finance, Insurance and Real Estate (FIRE)	1.0%
Amaya Gaming	Hotels, Gaming and Leisure	1.0%
BMC Software	High Tech Industries	0.9%
Numericable	Media Broadcasting and Subscription	0.9%
Ineos Finance plc	Chemicals, Plastics and Rubber	0.8%
Vail Holdco	Healthcare and Pharmaceuticals	0.8%
Ziggo	Media Broadcasting and Subscription	0.8%
Ion Trading	Banking, Finance, Insurance and Real Estate (FIRE)	0.7%
<b>Top 10 Total</b>		<b>9.3%</b>

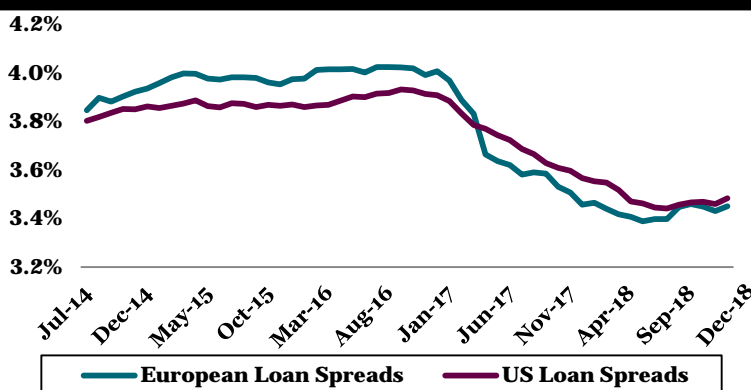
### Total Number of Issuers: 682



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



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



### Contacts

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

Blackstone

December 2018

Control CLO Income Note Investments <sup>4</sup>	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	€ 419	€ 23.3	51.4%	4.33	3.58%	1.79%	1.76%	2.03%	16.1% 68.5%
Sorrento Park	Oct-14	EUR	€ 517	€ 29.5	51.8%	0.00	3.71%	1.44%	2.26%	2.27%	17.4% 71.2%
Castle Park	Dec-14	EUR	€ 415	€ 37.0	80.4%	0.04	3.71%	1.52%	2.19%	2.20%	17.4% 66.5%
Dorchester Park	Feb-15	USD	\$ 533	\$ 48.5	73.0%	1.30	5.77%	3.89%	1.89%	1.78%	16.5% 60.3%
Dartry Park	Mar-15	EUR	€ 411	€ 22.8	51.1%	0.32	3.64%	1.63%	2.02%	1.99%	15.3% 55.2%
Orwell Park	Jun-15	EUR	€ 415	€ 24.2	51.0%	0.54	3.72%	1.44%	2.29%	2.30%	16.4% 55.5%
Tymon Park	Dec-15	EUR	€ 414	€ 22.7	51.0%	1.06	3.67%	1.31%	2.36%	2.39%	15.2% 43.3%
Elm Park	May-16	EUR	€ 558	€ 31.9	56.1%	1.29	3.67%	1.37%	2.30%	2.28%	12.1% 28.8%
Griffith Park	Sep-16	EUR	€ 459	€ 29.0	59.5%	4.39	3.66%	1.81%	1.85%	1.50%	10.9% 24.0%
Clarinda Park	Nov-16	EUR	€ 415	€ 23.1	51.2%	1.88	3.71%	2.03%	1.68%	1.70%	11.3% 22.6%
Grippen Park	Mar-17	USD	\$ 611	\$ 35.6	60.0%	3.30	5.75%	4.20%	1.55%	1.52%	13.1% 20.9%
Palmerston Park	Apr-17	EUR	€ 415	€ 28.0	62.2%	2.30	3.64%	1.73%	1.91%	1.85%	14.6% 22.2%
Thayer Park <sup>10</sup>	May-17	USD	\$ 515	\$ 29.8	54.6%	3.30	5.79%	4.23%	1.56%	1.49%	18.5% 26.5%
Catskill Park <sup>10</sup>	May-17	USD	\$ 1,029	\$ 65.1	60.0%	3.30	5.79%	4.20%	1.59%	1.51%	17.3% 24.6%
Clontarf Park	Jul-17	EUR	€ 414	€ 29.0	66.9%	2.60	3.59%	1.58%	2.01%	2.02%	14.5% 19.1%
Dewolf Park <sup>10</sup>	Aug-17	USD	\$ 614	\$ 36.9	60.0%	3.79	5.84%	4.16%	1.68%	1.61%	17.2% 19.4%
Gilbert Park <sup>10</sup>	Oct-17	USD	\$ 1,022	\$ 60.2	59.0%	3.79	5.84%	4.12%	1.72%	1.65%	18.0% 17.6%
Willow Park	Nov-17	EUR	€ 412	€ 23.4	60.9%	3.54	3.65%	1.58%	2.07%	2.05%	18.1% 15.8%
Long Point Park <sup>10</sup>	Dec-17	USD	\$ 611	\$ 33.4	56.9%	4.05	5.89%	3.87%	2.02%	1.98%	27.2% 21.8%
Stewart Park <sup>10</sup>	Jan-18	USD	\$ 879	\$ 126.9	69.0%	4.00	5.79%	3.90%	1.89%	1.80%	18.2% 13.5%
Marlay Park	Mar-18	EUR	€ 413	€ 24.6	60.0%	3.29	3.64%	1.40%	2.24%	2.23%	18.1% 9.9%
Greenwood Park <sup>10</sup>	Mar-18	USD	\$ 1,075	\$ 63.6	59.1%	4.29	5.84%	3.81%	2.02%	2.10%	21.1% 12.9%
Cook Park <sup>10</sup>	Apr-18	USD	\$ 1,025	\$ 60.0	56.1%	4.29	5.84%	3.79%	2.04%	1.93%	22.4% 11.6%
Milltown Park	Jun-18	EUR	€ 411	€ 24.1	65.0%	3.54	3.65%	1.49%	2.16%	2.16%	n/a n/a
Fillmore Park	Jul-18	USD	\$ 561	\$ 30.2	54.3%	4.54	5.68%	3.86%	1.82%	1.59%	n/a n/a
Richmond Park	Jul-18	EUR	€ 550	€ 46.2	68.3%	2.54	3.66%	1.53%	2.12%	2.15%	17.7% 4.4%
Myers Park	Sep-18	USD	\$ 510	\$ 26.8	51.0%	4.80	5.77%	3.95%	1.82%	1.78%	n/a n/a
Sutton Park	Oct-18	EUR	€ 409	€ 25.0	69.4%	4.37	3.63%	1.72%	1.91%	n/a	n/a n/a
Harbor Park	Dec-18	USD	\$ 716	\$ 43.6	55.0%	5.05	6.23%	4.39%	1.84%	n/a	n/a n/a

CLO Warehouse Investments <sup>1</sup>	Initial Investment Date	Closing Date / [Expected Closing Date]	Investment (€mm)	Investment (\$mm)	Current Loan Exposure (\$mm) <sup>12</sup>	Current Asset Coupon	Current Liability Coupon	Net Interest Margin
Buckhorn Park	Oct-18	[1Q 2019]	€ 24.1	\$ 27.5	\$ 200.3	5.82%	3.91%	1.91%
Southwick Park	Dec-18	[1Q 2019]	€ 6.6	\$ 7.5	\$ 38.2	5.73%	3.96%	1.77%

# Important Disclosure Information and Risk Factors

December 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 December 2018.
4. Data for EUR and US CLOs calculated based on data available on Intex as of 17 December 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:£0.8990 as at 31 December 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 December 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. U.S. CLO Warehouses may have an additional third party first loss provider invested alongside of BGCF.
12. The Current Loan Exposure for the Buckhorn Park Warehouse is reflected on a trade date basis while the Investment amount is reflected on a settlement date basis.

## 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.

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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.

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