

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 directly and indirectly through CLO Income Notes. The Company will seek to achieve its investment objective solely through exposure to the Originator.¹

BGLF’s Total Return

Total Returns^{2, 4}
As at 28/11/14

28-Nov-14

YTD

SINCE
INCEPTION

	28-Nov-14	YTD	SINCE INCEPTION
BGLF Euro NAV	+1.12%	+2.39%	+2.39%

+1.12%

+2.39%

+2.39%

BGLF Monthly Commentary⁸

- The increase in NAV is +1.12%. Net Income was +0.87%, with +0.25% from net portfolio movements.
- The Originator reports Gross Assets of €828.7m as at November 28. An amount of €304m has been drawn under the revolving credit facility for loan purchases as at this date (of a total facility size of €475m).
- The European leveraged finance market generated €148bn of new issuance through November 28, making 2014 the most active year for loan and bond primary markets since 2007. European loans are beginning to see the benefits of the broader re-pricing in the US market, with primary market spreads up 30bps from the end of the third quarter to close November at 536bps.
- In the short term, the Originator expects the U.S. loan market will continue to offer strong relative value opportunities. Despite better U.S. macroeconomic fundamentals, U.S. loans are cheaper than European loans, driven by continued selling by U.S. loan mutual funds to meet redemptions. The Originator took advantage of this technical situation in the US market by investing approximately €101 million in U.S. dollar denominated assets during November and the beginning of December. These assets are funded by U.S. dollar drawings from the Originator’s 3 year revolving credit facility, hedging principal on those names.
- The Originator has mandated a bank to arrange a U.S. dollar denominated CLO transaction. Subject to successful completion, such CLO is anticipated to use the proceeds of the c.12 year term securities that it issues to purchase the Originator’s U.S. dollar loans. The Originator subsequently is anticipated to partially repay its 3 year revolving credit facility. As a result, the Originator is anticipated to refinance its 3 year obligations with 12 year obligations. The Originator is expected to retain a 5% economic interest in such CLO by investing in a majority of the CLO Income Notes. Given relative value in U.S. loans, this represents a significant opportunity for the Originator.
- On November 28, Castle Park CLO Limited (“Castle”) priced. Castle is the third CLO that the Originator established. Castle issued €46 million of CLO Income Notes which were all acquired by the Originator. Castle closed on December 18 and it was approximately 60% ramped.
- European CLO issuance continued to be strong in November. Five European CLOs, totalling €1.85 billion, were issued in November to bring the year to date issuance to €13.75 billion in 2014, an increase of c.83% on 2013. Spreads on European CLO AAA notes remain attractive to CLO income note investors. The AAA notes on recent European CLOs have priced at c.135bps. This is 13-25bps cheaper than CLOs issued in the U.S. that are not risk-retention compliant for European investors.
- Given the significant and rapid decline in the price of crude oil, the Originator has confirmed that it has no direct exposure to Oil Exploration & Production credits, either directly held or through its CLO Income Notes. The Originator has an investment in Delek Europe Group which is a forecourt operator primarily based in Benelux. A decline in the price of refined crude is expected to be net credit positive for forecourt operators with ancillary retail business. The Originator expects that there may be some short term earnings volatility in the commodity chemical sector as a result of the rapid price activity but that is not expected to materially impact credit quality of those issuers.

BGLF Key Facts

Ticker LN:	BGLF
Inception Date:	23/7/14
Inception Share Price:	€1.00
NAV per share: ³	€1.0239
Share Price: ⁵	€1.0190
Premium/Discount:	(0.48%)
Dividend:	n/a
Historic Dividend Yield:	n/a
Originator Gross Assets:	€828.7m
BGLF Net Assets:	€308.4m
Market Capitalisation: ⁵	€306.9m
Shares Outstanding:	301.2m

Top 10 Holdings ^{6, 7}

Eircom	2.91%
Delek Europe Group	2.24%
Amaya	2.10%
Apollo	2.04%
Chryso	1.99%
Materis Paints	1.93%
Springer	1.89%
IDC Salud	1.88%
Capsugel	1.71%
Solenis	1.71%

Top 10 Industries ^{6, 7}

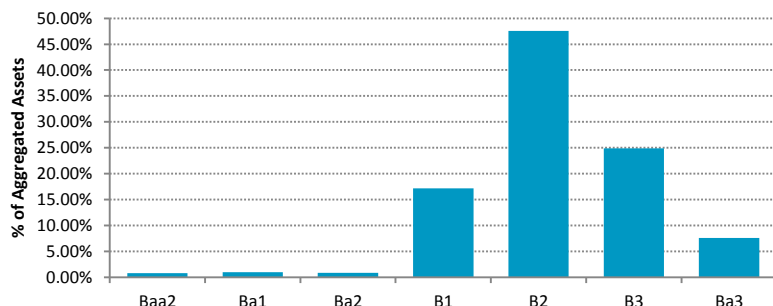
Healthcare & Pharma	16.65%
Chemical, Plastic & Rubber	8.89%
Construction & Building	7.58%
Capital Equipment	7.37%
Broadcast & Subscription	6.48%
Beverage, Food & Tobacco	6.22%
Business Services	6.13%
Retail	5.49%
Hotel, Gaming & Leisure	5.38%
High Tech Industries	5.34%

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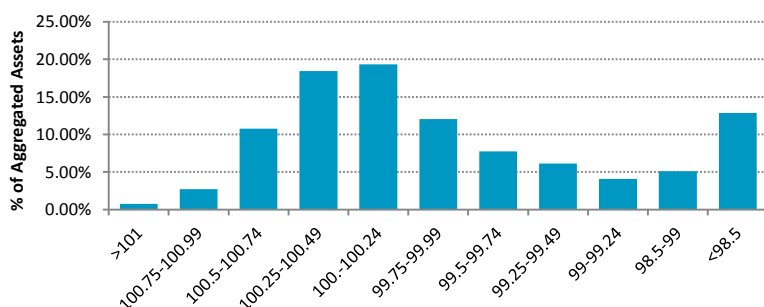
Top 10 Countries ^{6, 7}

USA	22.07%
France	20.60%
Germany	15.83%
Great Britain	10.91%
Netherlands	7.85%
Spain	5.10%
Ireland	5.07%
Luxembourg	3.85%
Canada	1.85%
Belgium	1.60%

Moody's Rating Distribution ^{6, 7}



Asset MTM Bands ^{6, 7}



Asset Breakdown ⁷

	Originator Direct Loan Portfolio	Originator Indirect Loans/CLO Portfolio
Originator Net Assets:	€203.72m	€104.68m
% of BGLF NAV:	66.06%	33.94%
Number of Issuers:	145	108
Senior Secured Loans/Notes:	99.9%	99.9%
Floating Rate:	100.0%	100.0%
Weighted Average Asset Spread (including impact of floors):	4.57%	4.51%
Weighted Average Loan MTM:	99.56%	99.25%
Weighted Average Cost of Liabilities:	0.80% undrawn/ 1.80% drawn	2.06%

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.

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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.
- 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.
- YTD and Monthly performance are non-annualised. Dividends are assumed to be reinvested at the NAV.
- Source: Bloomberg as at the month end.
- 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.
- 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 Par Margin 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 Par Margin 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.
- Source: For loan market data: S&P Capital IQ

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IMPORTANT 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.

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