

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 31/10/14	31-Oct-14	YTD	SINCE INCEPTION
BGLF Euro NAV	+0.26%	+1.26%	+1.26%

BGLF Monthly Commentary

- The increase in NAV is +0.26%. Net Income was +0.55%, with -0.29% from net portfolio movements.
- At the beginning of November the Originator mandated Bank of America Merrill Lynch to arrange Castle Park CLO Limited (“Castle Park”). The CLO target size is anticipated to be approximately €400 million with approximately €45 million of CLO Income Notes. The Originator will purchase a majority of the CLO Income Notes of Castle Park CLO at closing and expects to sell at least €200m from its loan portfolio to Castle Park at closing of the CLO.
- The European primary loan market was relatively quiet during October, as volatile conditions weighed on the market. New-issue volume stood at €6.2bn, well below June and July’s levels. However, in November the primary loan pipeline has picked up and there are anticipated to be a significant number of deals looking to come in the run up to the year-end.
- The European secondary loan market appeared to be a tale of two halves during October. Signals of macro weakness resulted in a drop in both loan and bond prices, both of which fully retraced by month end. European secondary loan technicals have remained strong in November as they are being supported by approximately €5 billion⁸ of recently issued CLOs that are currently ramping.
- Four European CLOs, totalling €1.8 billion, were issued in October to bring the year to date issuance to €11.91 billion⁸ in 2014. Spreads for European CLO AAA notes have fallen to c. E+123-125bps on recently issued CLOs versus L+148-160bps for comparable US CLOs.⁸
- With continuing outflows from retail funds investing in loans the technical situation in US loans has resulted in wider spreads. As at the end of October, the U.S. loan market had had 16 weeks⁹ of redemptions. This technical situation presents the Originator with an opportunity to buy US loans, funded by USD drawings under its revolving credit facility.
- The Originator is considering a European retention compliant, USD denominated CLO transaction to refinance its USD liabilities. A USD CLO that is European retention compliant is expected to achieve tighter pricing on its liabilities than a non-compliant USD CLO. The tighter liability pricing, coupled with the widening of the spreads on US loans could provide an attractive return for the Originator.
- At 18 November 2014, the Originator’s directly held loan portfolio is €661.6m in 106 issuers, with a weighted average margin of 4.06%, a weighted average spread of 4.45% (including impact of floors), a weighted average cost of 99.35% and a weighted average mark to market of 99.50%.

BGLF Key Facts

Ticker LN:	BGLF
Inception Date:	23/7/14
Inception Share Price:	€1.00
NAV per share: ³	€1.0126
Share Price: ⁵	€1.0230
Premium/Discount:	+1.02%
Dividend:	n/a
Historic Dividend Yield:	n/a
Originator Gross Assets:	€653.5m
BGLF Net Assets:	€305.0m
Market Capitalisation: ⁵	€308.1m
Shares Outstanding:	301.2m

Top 10 Holdings ^{6, 7}

Eircom	3.51%
Delek Europe Group	2.70%
Amaya	2.53%
Chryso Group	2.40%
Materis Paints	2.32%
Springer	2.28%
Apollo 5	2.27%
IDC Salud	2.26%
ION Trading	1.99%
Penn Engineering	1.95%

Top 10 Industries ^{6, 7}

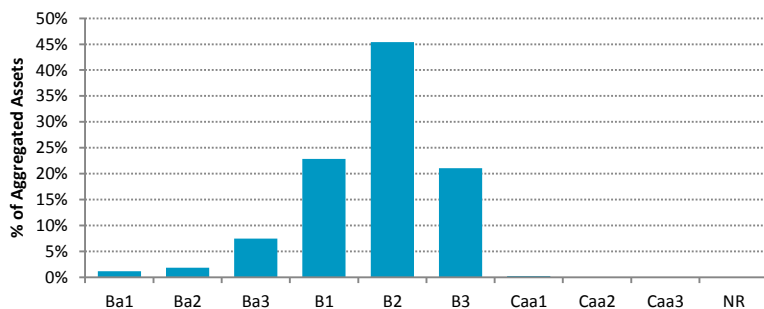
Healthcare & Pharma	15.52%
Business Services	9.94%
Capital Equipment	8.25%
Chemical, Plastic & Rubber	7.77%
Construction & Building	7.27%
Beverage, Food & Tobacco	6.56%
Broadcast & Subscription	6.50%
High Tech Industries	5.76%
Hotel, Gaming & Leisure	5.74%
Telecommunications	5.23%

Blackstone / GSO Loan Financing Limited

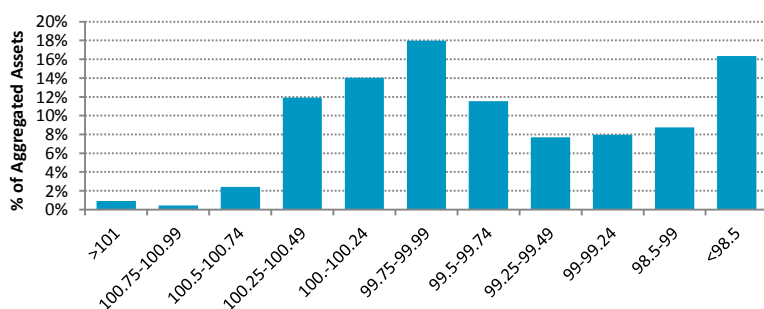
Top 10 Countries^{6,7}

USA	19.23%
France	18.04%
Germany	14.94%
Netherlands	10.45%
Great Britain	9.48%
Luxembourg	7.37%
Spain	5.18%
Ireland	4.82%
Canada	2.90%
Belgium	1.78%

Moody's Rating Distribution^{6,7}



Asset MTM Bands^{6,7}



Asset Breakdown⁷

	Originator Direct Loan Portfolio	Originator Indirect Loans/CLO Portfolio
Originator Net Assets:	€246.98m	€58.02m
% of BGLF NAV:	80.98%	19.02%
Number of Issuers:	70	98
Senior Secured Loans/Notes:	99.5%	99.24%
Floating Rate:	100.0%	100.0%
Weighted Average Asset Spread (including impact of floors):	4.48%	4.43%
Weighted Average Loan MTM:	99.44%	98.94%
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.

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
Mark Moffat +44 20 7104 4668
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.
- 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: S&P Capital IQ

Blackstone / GSO Loan Financing Limited

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.

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, 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.