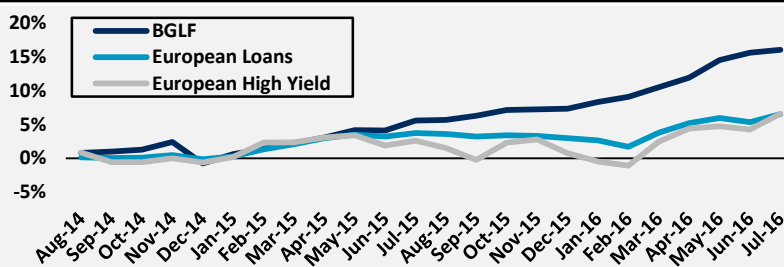


Objective

- BGLF's (the "Company") 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 floating rate senior secured loans, both directly and indirectly. The Company achieves its investment objective solely through its investment in Blackstone / GSO Corporate Funding DAC ("BGCF")¹, which is an investor in floating rate senior secured loans.
- BGCF funds its investment in 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.

Total Return

Total Returns ^{2, 3} As at 29/07/16	Jul-16	YTD	LTM	Ann. Since Inception	Cum. Since Inception
BGLF Euro NAV	0.34%	8.11%	9.88%	7.64%	16.03%



Monthly Commentary

- The Company's total return for July was 0.34%, which included total portfolio net income of 1.62% and net portfolio movements of -1.28%, due to six of BGCF's Income Note investments making distributions. BGLF has returned 8.11% year-to-date, which compares well to European loans (3.46%) and European high yield (5.77%).⁹
- The credit markets shook off the initial negative reaction to the Brexit vote and generated strong returns in July. European high yield bonds surged 2.21% during the month, pushing the 2016 total return to 5.77%. European loans gained 1.16% in July, bringing the year-to-date return to 3.46%.⁹ The average bid of S&P/LCD's European loan flow name composite rose 1.10 to 100.35, a 12-month high and 1.30 above 2015's closing level.¹⁰
- The positive market sentiment overflowed into the secondary CLO market as spreads tightened across the capital structure in both Europe and in the US. European CLOs continue to attract demand from institutional investors including an increased demand from Japanese investors.¹¹ This has resulted in spread compression in both the secondary and primary markets.
- The CLO new issue market was active in July as six European CLOs totalling €2.6 billion and 12 US CLOs totalling \$5.8 billion priced. Current year-to-date volume stands at €9.8 billion through 24 deals versus €9.8 billion / 25 deals last year in Europe, and \$32.0 billion through 74 deals versus \$67.3 billion / 128 deals last year in the US. Strategists have recently increased their 2016 global CLO issuance projections. In Europe, BNP, Deutsche Bank, and JP Morgan updated their forecasts to €14 billion, €13 billion, and €12.5 billion, respectively. In the US, Bank of America and Deutsche Bank updated their forecasts to \$60 billion, and JP Morgan raised its forecast to \$55-60 billion.^{10, 11}
- Griffith Park CLO DAC ("Griffith Park"), a €454 million CLO and the ninth CLO that BGCF has established, priced on 28 July and is expected to close on 8 September. The Griffith Park AAA notes priced at E+1.23%, the joint tightest print of the year, which is 27bps tighter than the level achieved by Elm Park CLO DAC, a CLO that BGCF established at the end of April. BGCF purchased 69%, or €29 million, of the Griffith Park Income Notes in addition to purchasing €3 million of the Griffith Park Class E Notes, which carry a coupon of 9.35%.
- BGCF received distributions during July from six of its retained CLO Income Note investments. Tymon Park made its first distribution, which, at 18.7%, was higher than initially modelled. These payments brought the total distributed amounts since BGCF's initial investment to: Castle Park: 26.7%; Dartry Park: 24.3%; Dorchester Park: 30.7%; Orwell Park: 20.5%; and Phoenix Park: 34.2%.

Key Facts

Ticker LN:	BGLF
Inception Date:	23/7/14
Inception Share Price:	€1.00
NAV per share: ⁴	€1.0016
Share Price: ⁵	€0.9413
Monthly NAV: ¹²	-1.63%
Premium/Discount:	-6.02%
Latest Dividend:	€0.0200
Dividend Yield: ⁶	8.00%
BGCF Gross Assets:	€326.7m
BGLF Net Assets:	€325.1m
Market Capitalisation: ⁵	€305.5m
Shares Outstanding:	324.6m

Top 10 Holdings ^{7, 8}

Eircom	2.60%
Capio Sanidad S.L.	1.72%
Ziggo Finance BV	1.71%
Ineos	1.61%
Amaya	1.40%
Verallia	1.32%
Solera, LLC	1.31%
Cyan Blue Holdco 3 Limited	1.29%
Springer Science	1.21%
Telenet	1.20%

Top 5 Industries ^{7, 8}

Healthcare & Pharma	14.75%
Services Business	9.32%
Hotels, Gaming and Leisure	8.69%
Chemicals, Plastics & Rubber	7.65%
Containers, Packaging	6.59%

Top 5 Countries ^{7, 8}

United States of America	27.54%
France	13.96%
United Kingdom	12.75%
Germany	9.97%
Netherlands	8.34%

Blackstone / GSO Loan Financing Limited

Asset Breakdown ⁸

	BGCF Direct Loan Portfolio	BGCF Indirect Loans / CLO Portfolio
Net Assets:	€77.6m	€247.5m
% of BGLF NAV:	23.87%	76.13%
Number of Issuers:	6	377
Senior Secured Loans/Notes:	100.0%	99.3%
Floating Rate:	100.0%	98.5%
Weighted Average Asset Spread (including impact of floors):	3.57%	4.68%
Weighted Average Loan MTM:	94.4%	99.5%
Average Cost of Liabilities:	0.8% undrawn / 1.8% drawn	2.1%

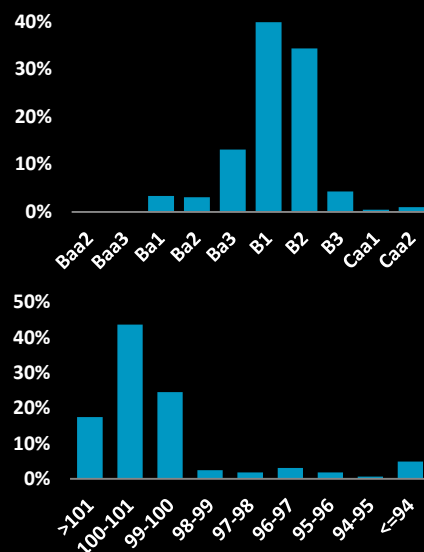
Retained CLO Income Note Investments ⁸

	Closing Date	Currency	Deal Size	BGCF Position (% of Tranche)	Distributions Through Last Payment Date	
					Ann.	Cum.
Phoenix Park	Jul 14	EUR	€413m	51.4%	17.0%	34.2%
Sorrento Park	Oct 14	EUR	€517m	60.5%	19.0%	30.1%
Castle Park	Dec 14	EUR	€415m	100.0%	17.0%	26.7%
Dorchester Park	Jan 15	USD	\$509m	60.9%	22.6%	30.7%
Dartry Park	Feb 15	EUR	€411m	51.1%	17.8%	24.3%
Orwell Park	May 15	EUR	€415m	51.0%	18.2%	20.5%
Tymon Park	Dec 15	EUR	€414m	51.0%	18.7%	11.1%
Elm Park	May 16	EUR	€558m	82.4%	n/a	n/a
Griffith Park	Jul 16	EUR	€454m	59.5%	n/a	n/a

Historical Performance ^{2,9}

2016	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
BGLF	0.95%	0.67%	1.32%	1.28%	2.31%	0.98%	0.34%						8.11%
European Loans	-0.32%	-0.93%	2.06%	1.35%	0.74%	-0.60%	1.16%						3.46%
European High Yield	-1.24%	-0.60%	3.59%	1.85%	0.36%	-0.46%	2.21%						5.77%
2015	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
BGLF	1.36%	0.82%	0.76%	0.86%	1.05%	-0.07%	1.42%	0.09%	0.57%	0.83%	0.07%	0.07%	8.11%
European Loans	0.42%	1.06%	0.73%	0.88%	0.50%	-0.23%	0.50%	-0.17%	-0.33%	0.18%	-0.11%	-0.32%	3.14%
European High Yield	0.77%	2.12%	0.06%	0.70%	0.31%	-1.47%	0.68%	-1.04%	-1.72%	2.57%	0.43%	-1.95%	1.36%
2014	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
BGLF								0.78%	0.21%	0.26%	1.12%	-3.05%	-0.73%
European Loans								0.13%	-0.07%	0.03%	0.37%	-0.61%	-0.16%
European High Yield								0.86%	-1.42%	0.02%	0.54%	-0.58%	-0.59%

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



Other Information:

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 held by BGCF. Capitalised terms used but not defined herein have the meanings assigned to them in the Company's Prospectus dated 31 March 2016.

Contacts:

Company Secretary:

BNP Paribas Securities Services S.C.A., Jersey Branch
Liberté House
19-23 La Motte Street
St Helier
Jersey JE2 4SY

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/bgcf

For footnotes, please see page 3. Your attention is drawn to the disclaimer (Important Disclosure Information) on the final page of this document. 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.

Blackstone / GSO Loan Financing Limited

Footnotes:

1. Blackstone / GSO Corporate Funding DAC ("BGCF") was incorporated in Ireland on 16 April 2014.
2. 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.
3. YTD and Monthly performance are non-annualised. Dividends are assumed to be reinvested at the NAV.
4. 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.
5. Source: Bloomberg as at 29 July 2016.
6. Dividend Yield based on IPO issue price and last declared dividend of €0.02.
7. 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. Data calculated by GSO.
8. 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.
9. Credit Suisse (Western European Leveraged Loan Index (hedged to EUR), Western European High Yield Index (hedged to EUR)), as of 29 July 2016.
10. S&P /LCD, as of 18 August 2016.
11. BNP Paribas, Trading and Sales Market Commentary, 11 August 2016. J.P. Morgan CLOIE Monitor, 1 August 2016.
12. Monthly NAV: 0.34% monthly performance; -1.63% change in monthly NAV. Difference due to distribution of the quarterly dividend.

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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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