

New Mountain Finance Corp
Form 10-Q
August 07, 2018

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the Quarter Ended June 30, 2018

Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Commission File Number	Exact name of registrant as specified in its charter, address of principal executive offices, telephone numbers and states or other jurisdictions of incorporation or organization	I.R.S. Employer Identification Number
814-00832	New Mountain Finance Corporation 787 Seventh Avenue, 48th Floor New York, New York 10019 Telephone: (212) 720-0300 State of Incorporation: Delaware	27-2978010

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 (the "Exchange Act") during the preceding 12 months and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer (Do not check if a smaller reporting company)	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
Emerging growth company	<input type="checkbox"/>		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock.

Description	Shares as of August 7, 2018
Common stock, par value \$0.01 per share	76,106,372

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

New Mountain Finance Corporation

Consolidated Statements of Assets and Liabilities

(in thousands, except shares and per share data)

(unaudited)

	June 30, 2018	December 31, 2017
Assets		
Investments at fair value		
Non-controlled/non-affiliated investments (cost of \$1,579,140 and \$1,438,889, respectively)	\$ 1,584,412	\$ 1,462,182
Non-controlled/affiliated investments (cost of \$172,898 and \$180,380, respectively)	184,376	178,076
Controlled investments (cost of \$308,628 and \$171,958, respectively)	329,230	185,402
Total investments at fair value (cost of \$2,060,666 and \$1,791,227, respectively)	2,098,018	1,825,660
Securities purchased under collateralized agreements to resell (cost of \$30,000 and \$30,000, respectively)	25,200	25,212
Cash and cash equivalents	33,948	34,936
Interest and dividend receivable	42,397	31,844
Receivable from affiliates	952	343
Other assets	5,426	10,023
Total assets	\$ 2,205,941	\$ 1,928,018
Liabilities		
Borrowings		
Holdings Credit Facility	\$ 390,463	\$ 312,363
Unsecured Notes	235,000	145,000
SBA-guaranteed debentures	163,000	150,000
Convertible Notes	155,357	155,412
NMFC Credit Facility	150,000	122,500
Deferred financing costs (net of accumulated amortization of \$19,229 and \$16,578, respectively)	(15,109)	(15,777)
Net borrowings	1,078,711	869,498
Payable for unsettled securities purchased	29,903	—
Management fee payable	22,240	7,065
Incentive fee payable	19,535	6,671
Interest payable	7,099	5,107
Payable to affiliates	2,488	863
Deferred tax liability	1,878	894
Other liabilities	11,441	2,945
Total liabilities	1,173,295	893,043
Commitments and contingencies (See Note 9)		
Net assets		
Preferred stock, par value \$0.01 per share, 2,000,000 shares authorized, none issued	—	—
Common stock, par value \$0.01 per share, 100,000,000 shares authorized, 76,106,372 and 75,935,903 shares issued and outstanding, respectively	761	759
Paid in capital in excess of par	1,055,796	1,053,468
Accumulated undistributed net investment income	38,986	39,165
Accumulated undistributed net realized losses on investments	(83,084)	(76,681)

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Net unrealized appreciation (depreciation) (net of provision for taxes of \$1,878 and \$894, respectively)	20,187	18,264
Total net assets	\$ 1,032,646	\$ 1,034,975
Total liabilities and net assets	\$2,205,941	\$ 1,928,018
Number of shares outstanding	76,106,372	75,935,093
Net asset value per share	\$13.57	\$ 13.63

The accompanying notes are an integral part of these consolidated financial statements.

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New Mountain Finance Corporation

Consolidated Statements of Operations

(in thousands, except shares and per share data)

(unaudited)

	Three Months Ended		Six Months Ended	
	June 30,	June 30,	June 30,	June 30,
	2018	2017	2018	2017
Investment income				
From non-controlled/non-affiliated investments:				
Interest income	\$38,510	\$36,518	\$73,946	\$69,394
Dividend income	—	120	486	159
Non-cash dividend income	1,439	1	2,763	13
Other income	1,013	2,084	3,881	4,349
From non-controlled/affiliated investments:				
Interest income	210	712	312	1,359
Dividend income	791	842	1,636	1,846
Non-cash dividend income	4,017	3,987	8,026	4,631
Other income	912	296	1,214	594
From controlled investments:				
Interest income	1,370	409	2,571	884
Dividend income	4,591	3,867	8,830	8,080
Non-cash dividend income	1,508	853	2,962	1,674
Other income	237	330	860	343
Total investment income	54,598	50,019	107,487	93,326
Expenses				
Incentive fee	6,430	6,449	12,864	11,857
Management fee	9,301	8,275	17,993	15,889
Interest and other financing expenses	12,824	9,045	24,114	17,421
Professional fees	708	722	1,402	1,572
Administrative expenses	822	662	1,761	1,370
Other general and administrative expenses	518	402	928	868
Total expenses	30,603	25,555	59,062	48,977
Less: management and incentive fees waived (See Note 5)	(1,495)	(1,485)	(2,817)	(4,641)
Less: expenses waived and reimbursed (See Note 5)	(276)	(4)	(276)	(474)
Net expenses	28,832	24,066	55,969	43,862
Net investment income before income taxes	25,766	25,953	51,518	49,464
Income tax expense	45	155	61	235
Net investment income	25,721	25,798	51,457	49,229
Net realized (losses) gains:				
Non-controlled/non-affiliated investments	(6,609)	(26,453)	(6,403)	(25,627)
Net change in unrealized appreciation (depreciation):				
Non-controlled/non-affiliated investments	(14,500)	26,631	(18,021)	34,610
Non-controlled/affiliated investments	8,270	(298)	10,079	(594)
Controlled investments	11,317	1,519	10,861	41
Securities purchased under collateralized agreements to resell	—	(33)	(12)	(833)
(Provision) benefit for taxes	(1,066)	164	(984)	919
Net realized and unrealized gains (losses)	(2,588)	1,530	(4,480)	8,516
Net increase in net assets resulting from operations	\$23,133	\$27,328	\$46,977	\$57,745

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Basic earnings per share	\$0.30	\$ 0.36	\$0.62	\$ 0.80
Weighted average shares of common stock outstanding - basic (See Note 11)	75,938,857	75,383,387	75,936,986	72,566,825
Diluted earnings per share	\$0.29	\$ 0.34	\$0.58	\$ 0.74
Weighted average shares of common stock outstanding - diluted (See Note 11)	85,762,984	85,207,514	85,761,113	82,390,952
Distributions declared and paid per share	\$0.34	\$ 0.34	\$0.68	\$ 0.68

The accompanying notes are an integral part of these consolidated financial statements.

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New Mountain Finance Corporation

Consolidated Statements of Changes in Net Assets
(in thousands, except shares and per share data)
(unaudited)

	Six Months Ended	
	June 30, 2018	June 30, 2017
Increase (decrease) in net assets resulting from operations:		
Net investment income	\$51,457	\$49,229
Net realized losses on investments	(6,403	) (25,627)
Net change in unrealized appreciation of investments	2,919	34,057
Net change in unrealized depreciation of securities purchased under collateralized agreements to resell	(12	) (833)
(Provision) benefit for taxes	(984	) 919
Net increase in net assets resulting from operations	46,977	57,745
Capital transactions		
Net proceeds from shares sold	—	81,478
Deferred offering costs	—	(172)
Distributions declared to stockholders from net investment income	(51,636	) (49,398)
Reinvestment of distributions	2,330	3,208
Other	—	(81)
Total net (decrease) increase in net assets resulting from capital transactions	(49,306	) 35,035
Net (decrease) increase in net assets	(2,329	) 92,780
Net assets at the beginning of the period	1,034,975	938,562
Net assets at the end of the period	\$1,032,646	\$1,031,342
Capital share activity		
Shares sold	—	5,750,000
Shares issued from the reinvestment of distributions	171,279	180,451
Shares reissued from repurchase program in connection with the reinvestment of distributions	—	37,573
Net increase in shares outstanding	171,279	5,968,024

The accompanying notes are an integral part of these consolidated financial statements.

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New Mountain Finance Corporation

Consolidated Statements of Cash Flows

(in thousands)

(unaudited)

	Six Months Ended	
	June 30,	June 30,
	2018	2017
Cash flows from operating activities		
Net increase in net assets resulting from operations	\$46,977	\$57,745
Adjustments to reconcile net (increase) decrease in net assets resulting from operations to net cash provided by (used in) operating activities:		
Net realized losses on investments	6,403	25,627
Net change in unrealized appreciation of investments	(2,919)	(34,057)
Net change in unrealized depreciation of securities purchased under collateralized agreements to resell	12	833
Amortization of purchase discount	(2,592)	(2,495)
Amortization of deferred financing costs	2,651	1,991
Amortization of premium on Convertible Notes	(55)	(55)
Non-cash investment income	(8,559)	(3,864)
(Increase) decrease in operating assets:		
Purchase of investments and delayed draw facilities	(549,417)	(607,755)
Proceeds from sales and paydowns of investments	296,835	330,586
Cash received for purchase of undrawn portion of revolving credit or delayed draw facilities	588	189
Cash paid for purchase of drawn portion of revolving credit facilities	(11,631)	—
Cash paid on drawn revolvers	(11,004)	(7,344)
Cash repayments on drawn revolvers	9,938	2,897
Interest and dividend receivable	(10,553)	(6,822)
Receivable from unsettled securities sold	—	990
Receivable from affiliates	(609)	(32)
Other assets	4,597	(1,543)
Increase (decrease) in operating liabilities:		
Payable for unsettled securities purchased	29,903	21,411
Management fee payable	15,175	7,196
Incentive fee payable	12,864	4,312
Interest payable	1,992	229
Payable to affiliates	1,625	525
Deferred tax liability	984	(919)
Other liabilities	8,469	(845)
Net cash flows used in operating activities	(158,326)	(211,200)
Cash flows from financing activities		
Net proceeds from shares sold	—	81,478
Distributions paid	(49,306)	(46,190)
Offering costs paid	(40)	(289)
Proceeds from Holdings Credit Facility	152,500	278,200
Repayment of Holdings Credit Facility	(74,400)	(283,000)
Proceeds from Unsecured Notes	90,000	55,000
Proceeds from SBA-guaranteed debentures	13,000	5,000
Proceeds from NMFC Credit Facility	120,000	232,100

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Repayment of NMFC Credit Facility	(92,500)	(119,600)
Deferred financing costs paid	(1,916)	(1,009)
Other	—	(81)
Net cash flows provided by financing activities	157,338	201,609
Net decrease in cash and cash equivalents	(988)	(9,591)
Cash and cash equivalents at the beginning of the period	34,936	45,928
Cash and cash equivalents at the end of the period	\$33,948	\$36,337
Supplemental disclosure of cash flow information		
Cash interest paid	\$18,871	\$14,567
Income taxes paid	216	175
Non-cash operating activities:		
Non-cash activity on investments	\$1,346	\$—
Non-cash financing activities:		
Value of shares issued in connection with the distribution reinvestment plan	\$2,330	\$2,648
Value of shares reissued from repurchase program in connection with the distribution reinvestment plan	—	560
Accrual for offering costs	904	1,095
Accrual for deferred financing costs	170	128

The accompanying notes are an integral part of these consolidated financial statements.

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New Mountain Finance Corporation

Consolidated Schedule of Investments

June 30, 2018

(in thousands, except shares)

(unaudited)

Portfolio Company, Location and Industry (1)	Type of Investment	Interest Rate(9)	Acquisition Date	Maturity / Expiration Date	Principal Amount, Par Value or Shares	Cost	Fair Value	Percent of Net Assets
Non-Controlled/Non-Affiliated Investments								
Funded Debt Investments - Canada								
Dentalcorp Perfect Smile ULC**								
Healthcare Services	Second lien (3)	9.59% (L+ 7.50%/M)	6/1/2018	6/8/2026	\$ 18,000	\$17,820	\$17,820	1.73 %
Total Funded Debt Investments - Canada					\$ 18,000	\$17,820	\$17,820	1.73 %
Funded Debt Investments - United Kingdom								
Shine Acquisition Co. S.à.r.l / Boing US Holdco Inc.**								
Consumer Services	Second lien (3)	9.86% (L + 7.50%/Q)	9/25/2017	10/3/2025	\$ 43,853	\$43,604	\$43,990	4.26 %
Air Newco LLC**								
Software	First lien (2)	6.78% (L + 4.75%/M)	5/25/2018	5/31/2024	20,176	20,125	20,276	1.96 %
Total Funded Debt Investments - United Kingdom					\$ 64,029	\$63,729	\$64,266	6.22 %
Funded Debt Investments - United States								
Benevis Holding Corp.								
Healthcare Services	First lien (2)(10)	8.66% (L + 6.32%/Q)	3/15/2018	3/15/2024	\$ 58,676	\$58,676	\$58,676	
	First lien (3)(10)	8.66% (L + 6.32%/Q)	3/15/2018	3/15/2024	20,639	20,639	20,639	
					79,315	79,315	79,315	7.68 %
Integro Parent Inc.								
Business Services	First lien (2)	8.06% (L + 5.75%/Q)	10/9/2015	10/31/2022	51,509	51,181	51,251	

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	Second lien (3)	11.56% (L + 9.25%/Q)	10/9/2015	10/30/2023	10,000	9,925	9,950		
AmWINS Group, Inc.					61,509	61,106	61,201	5.93 %	
Business Services	Second lien (3)	8.84% (L + 6.75%/M)	1/19/2017	1/25/2025	57,000	56,815	57,570	5.57 %	
Alegeus Technologies, LLC									
Healthcare Services	Second lien (3)(10)	10.83% (L + 8.50%/Q)	4/28/2017	10/30/2023	23,500	23,500	23,500		
	Second lien (4)(10)	10.83% (L + 8.50%/Q)	4/28/2017	10/30/2023	22,500	22,500	22,500		
Quest Software US Holdings Inc.					46,000	46,000	46,000	4.45 %	
Software	Second lien (2)	10.58% (L + 8.25%/Q)	5/17/2018	5/18/2026	43,697	43,263	43,806	4.24 %	
VetCor Professional Practices LLC									
Consumer Services	First lien (4)	10.25% (P + 5.25%/M)	5/15/2015	4/20/2021	19,013	18,914	19,013		
	First lien (2)	10.25% (P + 5.25%/M)	5/15/2015	4/20/2021	7,674	7,579	7,674		
	First lien (3)	10.25% (P + 5.25%/M)	2/24/2017	4/20/2021	5,975	5,877	5,975		
	First lien (4)	10.25% (P + 5.25%/M)	5/15/2015	4/20/2021	2,637	2,622	2,637		
	First lien (3)(11) - Drawn	10.25% (P + 5.25%/M)	6/24/2016	4/20/2021	1,877	1,862	1,877		
	First lien (2)	10.25% (P + 5.25%/M)	3/31/2016	4/20/2021	1,623	1,601	1,623		
	First lien (3)(11) - Drawn	10.25% (P + 5.25%/M)	12/29/2017	4/20/2021	1,395	1,381	1,395		
	First lien (4)	10.25% (P + 5.25%/M)	5/15/2015	4/20/2021	493	486	493		
Salient CRGT Inc.					40,687	40,322	40,687	3.94 %	
Federal Services	First lien (2)	7.84% (L +)	1/6/2015	2/28/2022	39,616	39,206	40,210	3.89 %	

5.75%/M)

The accompanying notes are an integral part of these consolidated financial statements.

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New Mountain Finance Corporation

Consolidated Schedule of Investments (Continued)

June 30, 2018

(in thousands, except shares)

(unaudited)

Portfolio Company, Location and Industry (1)	Type of Investment	Interest Rate(9)	Acquisition Date	Maturity / Expiration Date	Principal Amount, Par Value or Shares	Cost	Fair Value	Percent of Net Assets
Tenawa Resource Holdings LLC (13) Tenawa Resource Management LLC								
Energy	First lien (3)(10)	10.50% (Base + 8.00%/Q)	5/12/2014	10/30/2024	\$ 39,700	\$39,639	\$39,700	3.84 %
NM GRC Holdco, LLC								
Business Services	First lien (2)(10)	7.83% (L + 5.50%/Q)	2/9/2018	2/9/2024	38,930	38,746	38,735	3.75 %
Frontline Technologies Group Holdings, LLC								
Education	First lien (4)(10)	8.59% (L + 6.50%/M)	9/18/2017	9/18/2023	22,500	22,349	22,185	
	First lien (2)(10)	8.59% (L + 6.50%/M)	9/18/2017	9/18/2023	16,666	16,555	16,433	
					39,166	38,904	38,618	3.74 %
Kronos Incorporated								
Software	Second lien (2)	10.61% (L + 8.25%/Q)	10/26/2012	11/1/2024	36,000	35,533	37,305	3.61 %
Valet Waste Holdings, Inc.								
Business Services	First lien (2)(10)	8.34% (L + 6.25%/M)	9/24/2015	9/24/2021	29,175	28,958	29,175	
	First lien (2)(10)	8.34% (L + 6.25%/M)	7/27/2017	9/24/2021	3,713	3,683	3,713	
	First lien (3)(10)(11) - Drawn	9.09% (L + 7.00%/M)	9/24/2015	9/24/2021	1,350	1,333	1,350	
					34,238	33,974	34,238	3.32 %
Navicure, Inc.								
Healthcare Services	Second lien (3)	9.59% (L + 7.50%/M)	10/23/2017	10/31/2025	31,470	31,386	31,627	3.06 %

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Severin
Acquisition, LLC

Software	Second lien (3)(10)	11.11% (L + 8.75%/Q)	2/1/2017	7/29/2022	14,518	14,375	14,663	
	Second lien (4)(10)	11.11% (L + 8.75%/Q)	7/31/2015	7/29/2022	5,000	4,967	5,000	
	Second lien (4)(10)	11.11% (L + 8.75%/Q)	11/5/2015	7/29/2022	4,154	4,126	4,154	
	Second lien (4)(10)	11.61% (L + 9.25%/Q)	2/1/2016	7/29/2022	3,273	3,250	3,273	
	Second lien (3)(10)	11.36% (L + 9.00%/Q)	10/14/2016	7/29/2022	2,361	2,343	2,361	
	Second lien (3)(10)	11.61% (L + 9.25%/Q)	8/8/2016	7/29/2022	1,825	1,811	1,825	
	Second lien (4)(10)	11.61% (L + 9.25%/Q)	8/8/2016	7/29/2022	300	298	300	
					31,431	31,170	31,576	3.06 %
TDG Group Holding Company								
Consumer Services	First lien (2)(10)	7.83% (L + 5.50%/Q)	5/22/2018	5/31/2024	30,263	30,114	30,112	
	First lien (3)(10)(11) - Drawn	7.59% (L + 5.50%/M)	5/22/2018	5/31/2024	504	502	502	
					30,767	30,616	30,614	2.96 %
Ansira Holdings, Inc.								
Business Services	First lien (2)	7.86% (L + 5.75%/M)	12/19/2016	12/20/2022	25,790	25,688	25,725	
	First lien (3)	7.86% (L + 5.75%/M)	4/16/2018	12/20/2022	2,097	2,088	2,092	
	First lien (3)(11) - Drawn	7.73% (L + 5.75%/M)	12/19/2016	12/20/2022	826	823	824	
					28,713	28,599	28,641	2.77 %
Wirepath LLC Distribution & Logistics								
Trader Interactive, LLC								
Business Services	First lien (2)(10)	7.84% (L + 5.75%/M)	6/15/2017	6/17/2024	27,054	26,875	27,054	2.62 %

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New Mountain Finance Corporation

Consolidated Schedule of Investments (Continued)

June 30, 2018

(in thousands, except shares)

(unaudited)

Portfolio Company, Location and Industry (1)	Type of Investment	Interest Rate(9)	Acquisition Date	Maturity / Expiration Date	Principal Amount, Par Value or Shares	Cost	Fair Value	Percent of Net Assets
SW Holdings, LLC								
Business Services	Second lien (4)(10)	11.08% (L + 8.75%/Q)	6/30/2015	12/30/2021	\$ 18,161	\$ 18,037	\$ 18,210	
	Second lien (3)(10)	11.08% (L + 8.75%/Q)	4/16/2018	12/30/2021	6,181	6,122	6,198	
					24,342	24,159	24,408	2.36 %
Keystone Acquisition Corp.								
Healthcare Services	First lien (2)	7.58% (L + 5.25%/Q)	5/10/2017	5/1/2024	19,850	19,677	19,838	
	Second lien (3)	11.58% (L + 9.25%/Q)	5/10/2017	5/1/2025	4,500	4,458	4,534	
					24,350	24,135	24,372	2.36 %
iPipeline, Inc. (Internet Pipeline, Inc.)								
Software	First lien (4)(10)	9.35% (L + 7.25%/M)	8/4/2015	8/4/2022	17,451	17,337	17,451	
	First lien (4)(10)	8.34% (L + 6.25%/M)	6/16/2017	8/4/2022	4,554	4,535	4,554	
	First lien (2)(10)	8.34% (L + 6.25%/M)	9/25/2017	8/4/2022	1,155	1,150	1,155	
	First lien (4)(10)	8.34% (L + 6.25%/M)	9/25/2017	8/4/2022	508	506	508	
					23,668	23,528	23,668	2.29 %
AAC Holding Corp.								
Education	First lien (2)(10)	10.24% (L + 8.25%/M)	9/30/2015	9/30/2020	22,782	22,611	22,782	2.21 %
EN Engineering, LLC								
Business Services	First lien (2)(10)	8.09% (L + 6.00%/M)	7/30/2015	6/30/2021	20,786	20,670	20,786	
	First lien (2)(10)	8.09% (L + 6.00%/M)	7/30/2015	6/30/2021	1,202	1,195	1,202	
					21,988	21,865	21,988	2.13 %
Avatar Topco, Inc. (23)								
EAB Global, Inc. Education			11/17/2017	11/17/2025	21,450	21,146	21,021	2.04 %

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Brave Parent Holdings, Inc.	Second lien (3)	10.00% (L + 7.50%/Q)							
Software	Second lien (5)	9.83% (L + 7.50%/Q)	4/17/2018	4/17/2026	20,231	20,132	20,332	1.97 %	
Help/Systems Holdings, Inc.									
Software	Second lien (5)	9.84% (L + 7.75%/M)	3/23/2018	3/27/2026	20,231	20,132	20,244	1.96 %	
TWDiamondback Holdings Corp. (15) Diamondback Drugs of Delaware, L.L.C. (TWDiamondback II Holdings LLC)									
Distribution & Logistics	First lien (4)(10)	10.84% (L + 8.75%/M)	11/19/2014	11/19/2019	17,891	17,891	17,891		
	First lien (3)(10)	10.84% (L + 8.75%/M)	11/19/2014	11/19/2019	1,491	1,491	1,491		
	First lien (4)(10)	10.84% (L + 8.75%/M)	11/19/2014	11/19/2019	418	418	418		
					19,800	19,800	19,800	1.92 %	
DiversiTech Holdings, Inc.									
Distribution & Logistics	Second lien (3)	9.84% (L + 7.50%/Q)	5/18/2017	6/2/2025	19,500	19,324	19,793	1.92 %	
AgKnowledge Holdings Company, Inc.									
Business Services	Second lien (2)(10)	10.35% (L + 8.25%/M)	7/23/2014	7/23/2020	18,500	18,425	18,500	1.79 %	
DCA Investment Holding, LLC									
Healthcare Services	First lien (2)(10)	7.58% (L + 5.25%/Q)	7/2/2015	7/2/2021	17,363	17,269	17,363		
	First lien (3)(10)(11) - Drawn	7.58% (L + 5.25%/Q)	12/20/2017	7/2/2021	505	387	505		
					17,868	17,656	17,868	1.73 %	
BackOffice Associates Holdings, LLC									
Business Services	First lien (2)(10)	9.60% (L + 7.50%/M)	8/25/2017	8/25/2023	18,445	18,302	17,578	1.70 %	

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VF Holding Corp. Software	Second lien (3)(10)	11.09% (L + 9.00%/M)	7/7/2016	6/28/2024	\$ 17,086	\$17,377	\$17,427	1.69 %
TIBCO Software Inc. Software	Subordinated (3)	11.38%/S	11/24/2014	12/1/2021	15,000	14,744	16,219	1.57 %
Hill International, Inc.** Business Services	First lien (2)(10)	8.08% (L + 5.75%/Q)	6/21/2017	6/21/2023	15,642	15,575	15,642	1.52 %
FR Arsenal Holdings II Corp. Business Services	First lien (2)(10)	9.63% (L + 7.25%/Q)	9/29/2016	9/8/2022	15,278	15,156	15,306	1.48 %
OEConnection LLC Business Services	Second lien (3)	10.10% (L + 8.00%/M)	11/22/2017	11/22/2025	15,160	14,962	15,160	1.47 %
Netsmart Inc. / Netsmart Technologies, Inc. Healthcare Information Technology	Second lien (2)	11.57% (L + 9.50%/M)	4/18/2016	10/19/2023	15,000	14,705	15,075	1.46 %
Xactly Corporation Software	First lien (4)(10)	9.35% (L + 7.25%/M)	7/31/2017	7/29/2022	14,690	14,563	14,543	1.41 %
Transcendia Holdings, Inc. Packaging	Second lien (3)	10.09% (L + 8.00%/M)	6/28/2017	5/30/2025	14,500	14,318	14,391	1.39 %
Peraton Holding Corp. (fka MHVC Acquisition Corp.) Federal Services	First lien (2)		4/25/2017	4/29/2024	13,959	13,919	14,064	1.36 %

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		7.59% (L + 5.25%/Q)							
NorthStar Financial Services Group, LLC									
Software	Second lien (5)	9.59% (L + 7.50%/M)	5/23/2018	5/25/2026	13,450	13,417	13,652	1.32	%
TW-NHME Holdings Corp. (20) National HME, Inc. Healthcare Services Castle Management Borrower LLC	Second lien (3)(10)	11.55% (L + 9.25%/Q)(24)	7/14/2015	7/14/2022	27,300	27,061	13,650	1.32	%
Business Services	First lien (2)(10)	8.85% (L + 6.50%/Q)	5/31/2018	2/15/2024	13,413	13,346	13,346	1.29	%
Project Accelerate Parent, LLC	Second lien (3)(10)	10.50% (L + 8.50%/M)	1/2/2018	1/2/2026	13,473	13,311	13,305	1.29	%
Business Services	Second lien (3)(10)	11.75% (L + 9.25%/Q)	12/7/2016	6/2/2023	7,840	7,792	7,840		
Software	First lien (3)	6.10% (L + 4.00%/M)	12/7/2016	12/2/2022	2,978	2,966	2,978		
	Second lien (3)(10)	11.75% (L + 9.25%/Q)	12/7/2016	6/2/2023	2,160	2,147	2,160		
	First lien (3)(10)(11) - Drawn	7.10% (L + 5.00%/M)	12/7/2016	12/2/2022	300	299	300		
					13,278	13,204	13,278	1.29	%
PPVA Black Elk (Equity) LLC									
Business Services	Subordinated (3)(10)	—	5/3/2013	—	14,500	14,500	12,180	1.18	%
SSH Group Holdings, Inc.									
Education	First lien (2)(10)	7.45% (L + 5.00%/Q)	10/13/2017	10/2/2024	8,365	8,326	8,365		
	Second lien (3)(10)	11.45% (L + 9.00%/Q)	10/13/2017	10/2/2025	3,363	3,331	3,430		
					11,728	11,657	11,795	1.14	%

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CHA Holdings, Inc. Business Services	Second lien (4)	10.84% (L + 8.75%/Q)	4/3/2018	4/10/2026	\$ 7,012	\$6,943	\$7,047	
	Second lien (3)	10.84% (L + 8.75%/Q)	4/3/2018	4/10/2026	4,453	4,409	4,475	
					11,465	11,352	11,522	1.12 %
Zywave, Inc. Software	Second lien (4)(10)	11.33% (L + 9.00%/Q)	11/22/2016	11/17/2023	11,000	10,932	11,006	
	First lien (3)(10)(11) - Drawn	7.09% (L + 5.00%/M)	11/22/2016	11/17/2022	470	466	470	
					11,470	11,398	11,476	1.11 %
QC McKissock Investment, LLC (14) McKissock, LLC Education	First lien (2)(10)	8.08% (L + 5.75%/Q)	8/6/2014	8/5/2021	6,383	6,358	6,383	
	First lien (2)(10)	8.08% (L + 5.75%/Q)	8/6/2014	8/5/2021	3,043	3,033	3,043	
	First lien (2)(10)	8.08% (L + 5.75%/Q)	8/6/2014	8/5/2021	982	978	982	
	First lien (2)(10)	8.08% (L + 5.75%/Q)	5/23/2018	8/5/2021	575	565	575	
					10,983	10,934	10,983	1.06 %
Amerijet Holdings, Inc. Distribution & Logistics	First lien (4)(10)	10.10% (L + 8.00%/M)	7/15/2016	7/15/2021	9,294	9,248	9,326	
	First lien (4)(10)	10.10% (L + 8.00%/M)	7/15/2016	7/15/2021	1,549	1,541	1,554	
					10,843	10,789	10,880	1.05 %
Vectra Co. Business Products	Second lien (3)	9.34% (L + 7.25%/M)	2/23/2018	3/8/2026	10,788	10,749	10,829	1.05 %
Masergy Holdings, Inc. Business Services			12/14/2016	12/16/2024	10,500	10,449	10,561	1.02 %

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Idera, Inc.	Second lien (2)	9.83% (L + 7.50%/Q)							
Software	Second lien (4)	11.10% (L + 9.00%/M)	6/27/2017	6/27/2025	10,000	9,862	10,150	0.98 %	
FPC Holdings, Inc.									
Distribution & Logistics	Second lien (3)	11.09% (L + 9.00%/M)	3/28/2018	5/19/2023	10,116	9,725	10,103	0.98 %	
WD Wolverine Holdings, LLC									
Healthcare Services	First lien (2)	7.59% (L + 5.50%/M)	2/22/2017	8/16/2022	9,663	9,414	9,566	0.93 %	
J.D. Power (fka J.D. Power and Associates)									
Business Services	Second lien (3)	10.59% (L + 8.50%/M)	6/9/2016	9/7/2024	9,333	9,235	9,462	0.92 %	
JAMF Holdings, Inc.									
Software	First lien (3)(10)	10.36% (L + 8.00%/Q)	11/13/2017	11/11/2022	8,757	8,679	8,670	0.84 %	
Pathway Vet Alliance LLC (fka Pathway Partners Vet Management Company LLC)									
Consumer Services	Second lien (4)	10.09% (L + 8.00%/M)	10/4/2017	10/10/2025	7,597	7,561	7,559		
	Second lien (4)	10.09% (L + 8.00%/M)	10/4/2017	10/10/2025	403	401	401		
					8,000	7,962	7,960	0.77 %	
Affinity Dental Management, Inc.									
Healthcare Services	First lien (2)(10)	8.30% (L + 6.00%/Q)	9/15/2017	9/15/2023	4,344	4,305	4,301		
	First lien (3)(10)(11) - Drawn	8.50% (L + 6.00%/Q)	9/15/2017	9/15/2023	3,265	3,241	3,240		
					7,609	7,546	7,541	0.73 %	

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Autodata, Inc. (Autodata Solutions, Inc.) Business Services	Second lien (3)	9.34% (L + 7.25%/M)	12/12/2017	12/12/2025	\$7,406	\$7,388	\$7,503	0.73 %
MH Sub I, LLC (Micro Holding Corp.) Software	Second lien (3)	9.59% (L + 7.50%/M)	8/16/2017	9/15/2025	7,000	6,935	7,053	0.68 %
DG Investment Intermediate Holdings 2, Inc. (aka Convergint Technologies Holdings, LLC) Business Services	Second lien (3)	9.08% (L + 6.75%/Q)	1/29/2018	2/2/2026	6,732	6,700	6,817	0.66 %
DigiCert Holdings, Inc. Business Services	Second lien (3)	10.09% (L + 8.00%/M)	9/20/2017	10/31/2025	6,898	6,865	6,790	0.66 %
CP VI Bella Midco, LLC Healthcare Services	Second lien (3)	8.84% (L + 6.75%/M)	1/25/2018	12/29/2025	6,732	6,700	6,716	0.65 %
First American Payment Systems, L.P. Business Services	First lien (2)	6.76% (L + 4.75%/M)	1/3/2017	1/5/2024	6,625	6,570	6,683	0.65 %
DealerSocket, Inc. Software	First lien (2)	6.84% (L + 4.75%/M)	4/16/2018	4/26/2023	6,711	6,662	6,644	0.64 %
ProQuest LLC			12/14/2015	12/15/2022	6,020	5,934	6,020	0.58 %

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Business Services	Second lien (3)	11.09% (L + 9.00%/M)								
Solera LLC / Solera Finance, Inc.										
Software Applied Systems, Inc.	Subordinated (3)	10.50%/S	2/29/2016	3/1/2024	5,000	4,803	5,578	0.54	%	
Software ADG, LLC	Second lien (3)	9.33% (L + 7.00%/Q)	9/14/2017	9/19/2025	4,923	4,923	5,093	0.49	%	
Healthcare Services York Risk Services Holding Corp.	Second lien (3)(10)	11.09% (L + 9.00%/M)	10/3/2016	3/28/2024	5,000	4,938	4,842	0.47	%	
Business Services Ensemble S Merger Sub, Inc.	Subordinated (3)	8.50%/S	9/17/2014	10/1/2022	3,000	3,000	2,768	0.28	%	
Software Education Management Corporation (12) Education Management II LLC	Subordinated (3)	9.00%/S	9/21/2015	9/30/2023	2,000	1,950	2,110	0.21	%	
Education	First Lien (2)	10.50% (P + 5.50%/Q) (24)	1/5/2015	7/2/2020	211	205	45			
	First Lien (3)	10.50% (P + 5.50%/Q) (24)	1/5/2015	7/2/2020	119	116	25			
	First Lien (2)	13.50% (P + 8.50%/Q) (24)	1/5/2015	7/2/2020	475	437	4			
	First Lien (3)	13.50% (P + 8.50%/Q) (24)	1/5/2015	7/2/2020	268	246	2			
Total Funded Debt Investments -					1,073	1,004	76	0.01	%	
					\$1,454,144	\$1,444,433	\$1,440,427	139.49	%	

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United States									
Total Funded									
Debt					\$1,536,173	\$1,525,982	\$1,522,513	147.44	%
Investments									
Equity - Hong									
Kong									
Bach Special									
Limited (Bach									
Preference									
Limited)**									
Education	Preferred	—	9/1/2017	—	62,591	\$6,179	\$6,173	0.60	%
	shares								
	(3)(10)(22)								
Total Shares -						\$6,179	\$6,173	0.60	%
Hong Kong									

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Equity - United States Avatar Topco, Inc.	Preferred shares (3)(10)(23)	—	11/17/2017	—	35,750	\$37,618	\$37,530	3.63	%
Tenawa Resource Holdings LLC (13) QID NGL LLC	Energy	—	5/12/2014	—	5,290,997	5,291	12,281		
	Preferred shares (7)(10)	—	10/30/2017	—	1,002,679	1,003	1,517		
						6,294	13,798	1.34	%
TWDiamondback Holdings Corp. (15) Distribution & Logistics Ancora Acquisition LLC	Preferred shares (4)(10)	—	11/19/2014	—	200	2,000	4,600	0.45	%
Education Education Management Corporation (12)	Preferred shares (6)(10)	—	8/12/2013	—	372	83	393	0.03	%
Education	Preferred shares (2)	—	1/5/2015	—	3,331	200	—		
	Preferred shares (3)	—	1/5/2015	—	1,879	113	—		
	Ordinary shares (2)	—	1/5/2015	—	2,994,065	100	9		
	Ordinary shares (3)	—	1/5/2015	—	1,688,976	56	5		
						469	14	—	%
TW-NHME Holdings Corp. (20)									

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Healthcare Services	Preferred shares (3)(10)	—	7/14/2015	—	100	1,000	—		
	Preferred shares (3)(10)	—	1/5/2016	—	16	158	—		
	Preferred shares (3)(10)	—	6/30/2016	—	6	68	—		
	Preferred shares (3)(10)	—	3/29/2018	—	40	162	—		
						1,388	—	—	%
Total Shares - United States						\$47,852	\$56,335	5.45	%
Total Shares Warrants - United States						\$54,031	\$62,508	6.05	%
ASP LCG Holdings, Inc.									
Education	Warrants (3)(10)	—	5/5/2014	5/5/2026	622	\$37	\$495	0.05	%
Ancora Acquisition LLC									
Education	Warrants (6)(10)	—	8/12/2013	8/12/2020	20	—	—	—	%
Total Warrants - United States						\$37	\$495	0.05	%
Total Funded Investments						\$1,580,050	\$1,585,516	153.54	%
Unfunded Debt Investments - Canada									
Dentalcorp Perfect Smile ULC**									
Healthcare Services	Second lien (3)(11) - Undrawn	—	6/1/2018	6/6/2020	\$ 4,500	\$—	\$—	—	%
Total Unfunded Debt Investments - Canada					\$ 4,500	\$—	\$—	—	%

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Unfunded Debt								
Investments - United States								
VetCor Professional Practices LLC								
Consumer Services	First lien (3)(11) - Undrawn	—	5/15/2015	4/20/2021	\$ 1,305	\$(13)	\$ —	
	First lien (3)(11) - Undrawn	—	12/29/2017	12/29/2019	6,670	(58)	—	
					7,975	(71)	—	— %
DCA Investment Holding, LLC								
Healthcare Services	First lien (3)(10)(11) - Undrawn	—	7/2/2015	7/2/2021	2,100	(21)	—	
	First lien (3)(10)(11) - Undrawn	—	12/20/2017	12/20/2019	12,960	—	—	
					15,060	(21)	—	— %
iPipeline, Inc. (Internet Pipeline, Inc.)								
Software	First lien (3)(10)(11) - Undrawn	—	8/4/2015	8/4/2021	1,000	(10)	—	— %
Valet Waste Holdings, Inc.								
Business Services	First lien (3)(10)(11) - Undrawn	—	9/24/2015	9/24/2021	2,400	(30)	—	— %
Ministry Brands, LLC								
Software	First lien (3)(10)(11) - Undrawn	—	12/7/2016	12/2/2022	700	(4)	—	— %
Zywave, Inc.	Software	—	11/22/2016	11/17/2022	1,530	(11)	—	— %

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	First lien (3)(10)(11) - Undrawn								
Trader Interactive, LLC									
Business Services	First lien (3)(10)(11) - Undrawn	—	6/15/2017	6/15/2023	1,673	(13)	—	—	%
DealerSocket, Inc.									
Software	First lien (3)(11) - Undrawn	—	4/16/2018	4/26/2023	560	(4)	(6)	—	%
JAMF Holdings, Inc.									
Software	First lien (3)(10)(11) - Undrawn	—	11/13/2017	11/11/2022	750	(8)	(8)	—	%
Xactly Corporation									
Software	First lien (3)(10)(11) - Undrawn	—	7/31/2017	7/29/2022	992	(10)	(10)	—	%
Ansira Holdings, Inc.									
Business Services	First lien (3)(11) - Undrawn	—	12/19/2016	4/16/2020	6,403	(20)	(16)	—	%
NM GRC Holdco, LLC									
Business Services	First lien (3)(10)(11) - Undrawn	—	2/9/2018	2/9/2024	11,563	(29)	(29)	—	%
Integro Parent Inc.									
Business Services	First lien (3)(11) - Undrawn	—	6/8/2018	10/30/2021	6,743	(34)	(34)	—	%
TDG Group Holding Company									
Consumer Services	First lien (3)(10)(11) - Undrawn	—	5/22/2018	5/29/2020	3,363	—	(17)		
	First lien (3)(10)(11) - Undrawn	—	5/22/2018	5/31/2024	4,539	(23)	(23)		
					7,902	(23)	(40)	(0.01)%	

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Affinity Dental Management, Inc.								
Healthcare Services	First lien (3)(10)(11) - Undrawn	—	9/15/2017	3/15/2019	\$8,319	\$(21)	\$(62))
	First lien (3)(10)(11) - Undrawn	—	9/15/2017	3/15/2023	1,737	(17)	(17))
					10,056	(38)	(79)	) (0.01)
Frontline Technologies Group Holdings, LLC								
Education	First lien (3)(10)(11) - Undrawn	—	9/18/2017	9/18/2019	7,738	(58)	(108)	) (0.01)
BackOffice Associates Holdings, LLC								
Business Services	First lien (3)(10)(11) - Undrawn	—	8/25/2017	8/24/2018	3,448	(13)	(162))
	First lien (3)(10)(11) - Undrawn	—	8/25/2017	8/25/2023	2,586	(23)	(122))
					6,034	(36)	(284)	) (0.03)
Salient CRGT Inc.								
Federal Services	First lien (3)(11) - Undrawn	—	6/26/2018	11/29/2021	6,125	(490)	(490)	) (0.05)
Total Unfunded Debt Investments - United States					\$95,204	\$(910)	\$(1,104)	) (0.11)
Total Unfunded Debt Investments					\$99,704	\$(910)	\$(1,104)	) (0.11)
Total Non-Controlled/Non-Affiliated Investments						\$1,579,140	\$1,584,412	153.4
Total Non-Controlled/Affiliated Investments (25)								

Funded Debt Investments -
United States
Permian Holdco 1, Inc.
Permian Holdco 2, Inc.
Permian Holdco 3, Inc.

Energy	First lien (3)(10)(11) - Drawn	8.56% (L + 6.50%/Q)	6/14/2018	6/30/2022	\$10,000	\$10,000	\$10,000	
	First lien (3)(10)	12.56% (L + 10.50%/Q)	6/14/2018	6/30/2022	10,000	10,000	10,000	
	Subordinated (3)(10)	14.00% PIK/Q*	10/31/2016	10/15/2021	2,149	2,149	2,149	
	Subordinated (3)(10)	14.00% PIK/Q*	10/31/2016	10/15/2021	1,107	1,107	1,107	
					23,256	23,256	23,256	2.25
Total Funded Debt Investments - United States					\$23,256	\$23,256	\$23,256	2.25
Equity - United States HI Technology Corp.								
Business Services	Preferred shares (3)(10)(21)	—	3/21/2017	—	2,768,000	\$105,155	\$115,830	11.22
NMFC Senior Loan Program I LLC**								
Investment Fund	Membership interest (3)(10)	—	6/13/2014	—	—	23,000	23,000	2.23
Sierra Hamilton Holdings Corporation								
Energy	Ordinary shares (2)(10)	—	7/31/2017	—	25,000,000	1,501	11,271	
	Ordinary shares (3)(10)	—	7/31/2017	—	2,768,000	1,281	1,256	
						12,782	12,527	1.21

The accompanying notes are an integral part of these consolidated financial statements.

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New Mountain Finance Corporation

Consolidated Schedule of Investments (Continued)

June 30, 2018

(in thousands, except shares)

(unaudited)

Portfolio Company, Location and Industry (1)	Type of Investment	Interest Rate(9)	Acquisition Date	Maturity / Expiration Date	Principal Amount, Par Value or Shares	Cost	Fair Value	Percent of Net Assets
Permian Holdco 1, Inc.								
Energy	Preferred shares (3)(10)(17)	—	10/31/2016	—	1,664,791	\$7,355	\$9,156	
	Ordinary shares (3)(10)	—	10/31/2016	—	1,366,452	1,350	607	
						8,705	9,763	0.95 %
Total Shares - United States						\$149,642	\$161,120	15.61 %
Total Funded Investments						\$172,898	\$184,376	17.86 %
Unfunded Debt Investments - United States								
Permian Holdco 3, Inc.								
Energy	First lien (3)(10)(11) - Undrawn	—	6/14/2018	6/30/2022	\$10,000	\$—	\$—	— %
Total Unfunded Debt Investments - United States						\$10,000	\$—	— %
Total Non-Controlled/Affiliated Investments						\$172,898	\$184,376	17.86 %
Controlled Investments (26)								
Funded Debt Investments - United States								
Edmentum Ultimate Holdings, LLC (16)								
Edmentum, Inc. (fka Plato, Inc.) (Archipelago Learning, Inc.)								
Education	Second lien (3)(10)	7.00% PIK/Q*	2/23/2018	12/9/2021	\$10,794	\$10,087	\$9,986	
			6/9/2015	12/9/2021	6,995	6,995	6,995	

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	Second lien	5.00%							
	(3)(10)(11) -	PIK/Q*							
	Drawn								
	Subordinated	10.00%	6/9/2015	6/9/2020	17,613	17,613	14,091		
	(2)(10)	PIK/Q*							
	Subordinated	8.50%	6/9/2015	6/9/2020	4,685	4,681	4,685		
	(3)(10)	PIK/Q*							
	Subordinated	10.00%	6/9/2015	6/9/2020	4,333	4,333	3,466		
	(3)(10)	PIK/Q*							
					44,420	43,709	39,223	3.80	%
UniTek Global Services, Inc.									
Business Services	First lien	7.59% (L							
	(2)(10)	+ 5.50%/M)	6/29/2018	6/29/2023	12,573	12,573	12,573		
		10.60% (L							
	First lien	+ 8.50%/M)	1/13/2015	1/13/2019	10,253	10,253	10,253		
	(2)(10)								
	Subordinated	15.00%	1/13/2015	7/13/2019	2,157	2,157	2,157		
	(2)(10)	PIK/Q*							
	Subordinated	15.00%	1/13/2015	7/13/2019	1,291	1,291	1,291		
	(3)(10)	PIK/Q*							
					26,274	26,274	26,274	2.54	%
Total Funded Debt									
Investments - United States					\$70,694	\$69,983	\$65,497	6.34	%
Equity - Canada NM APP Canada Corp.**									
Net Lease	Membership interest	—	9/13/2016	—	—	\$7,345	\$8,475	0.82	%
	(8)(10)								
Total Shares - Canada Equity - United States NMFC Senior Loan Program II LLC**						\$7,345	\$8,475	0.82	%
Investment Fund	Membership interest	—	5/3/2016	—	—	\$79,400	\$79,400	7.69	%
	(3)(10)								

The accompanying notes are an integral part of these consolidated financial statements.

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(unaudited)

Portfolio Company, Location and Industry (1)	Type of Investment	Interest Rate(9)	Acquisition Date	Maturity / Expiration Date	Principal Amount, Par Value or Shares	Cost	Fair Value	Percent of Net Assets
UniTek Global Services, Inc.								
Business Services	Preferred shares (2)(10)(18)	—	1/13/2015	—	23,246,234	20,866	\$21,514	
	Preferred shares (3)(10)(18)	—	6/30/2017	—	6,424,148	5,766	5,946	
	Preferred shares (3)(10)(19)	—	1/13/2015	—	11,920,134	920	11,920	
	Ordinary shares (2)(10)	—	1/13/2015	—	2,096,477	1,925	12,175	
	Ordinary shares (3)(10)	—	1/13/2015	—	1,993,749	32	11,578	
						41,009	63,133	6.11 %
NMFC Senior Loan Program III LLC**								
Investment Fund	Membership interest (3)(10)	—	5/4/2018	—	—	42,800	42,800	4.15 %
NM NL Holdings, L.P.								
Net Lease	Membership interest (8)(10)	—	6/20/2018	—	—	20,229	20,229	1.96 %
NM GLCR LLC								
Net Lease	Membership interest (8)(10)	—	2/1/2018	—	—	14,750	14,750	1.43 %
NM CLFX LP								
Net Lease	Membership interest (8)(10)	—	10/6/2017	—	—	12,538	12,538	1.21 %
NM KRLN LLC								
Net Lease	Membership interest (8)(10)	—	11/15/2016	—	—	7,510	8,462	0.82 %
NM DRVT LLC								
Net Lease	Membership interest (8)(10)	—	11/18/2016	—	—	5,152	5,507	0.53 %
NM APP US LLC								
Net Lease	Membership interest (8)(10)	—	9/13/2016	—	—	5,080	5,274	0.51 %

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NM JRA LLC

Net Lease	Membership interest (8)(10)	—	8/12/2016	—	—	2,043	2,240	0.22	%
Edmentum Ultimate Holdings, LLC (16)									
Education	Ordinary shares (3)(10)	—	6/9/2015	—	123,968	11	84		
	Ordinary shares (2)(10)	—	6/9/2015	—	107,143	9	72		
						20	156	0.02	%
Total Shares - United States						\$230,531	\$254,489	24.65	%
Total Shares Warrants - United States						\$237,876	\$262,964	25.47	%
Edmentum Ultimate Holdings, LLC (16)									
Education	Warrants (3)(10)	—	2/23/2018	5/5/2026	1,141,846	\$769	\$769	0.07	%
UniTek Global Services, Inc.									
Business Services	Warrants (3)(10)	—	6/30/2017	12/31/2018	526,925	—	—	—	%
Total Warrants - United States						\$769	\$769	0.07	%
Total Funded Investments						\$308,628	\$329,230	31.88	%

The accompanying notes are an integral part of these consolidated financial statements.

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Consolidated Schedule of Investments (Continued)

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(in thousands, except shares)

(unaudited)

Portfolio Company, Location and Industry (1)	Type of Investment	Interest Rate(9)	Acquisition Date	Maturity / Expiration Date	Principal Amount, Par Value or Shares	Cost	Fair Value	Percent of Net Assets
Unfunded Debt Investments - United States UniTek Global Services, Inc.								
Business Services	First lien (3)(10)(11) - Undrawn	—	6/29/2018	6/29/2023	\$ 2,515	\$—	\$—	
	First lien (3)(10)(11) - Undrawn	—	1/13/2015	1/13/2019	2,048	—	—	
	First lien (3)(10)(11) - Undrawn	—	1/13/2015	1/13/2019	758	—	—	
					5,321	—	—	— %
Edmentum Ultimate Holdings, LLC (16) Edmentum, Inc. (fka Plato, Inc.) (Archipelago Learning, Inc.)								
Education	Second lien (3)(10)(11) - Undrawn	—	6/9/2015	12/9/2021	514	—	—	— %
Total Unfunded Debt Investments - United States					\$ 5,835	\$—	\$—	— %
Total Controlled Investments						\$308,628	\$329,230	31.88 %
Total Investments						\$2,060,666	\$2,098,018	203.17 %

(1) New Mountain Finance Corporation (the “Company”) generally acquires its investments in private transactions exempt from registration under the Securities Act of 1933, as amended (the “Securities Act”). These investments are generally subject to certain limitations on resale, and may be deemed to be “restricted securities” under the Securities Act.

(2) Investment is pledged as collateral for the Holdings Credit Facility, a revolving credit facility among the Company as Collateral Manager, New Mountain Finance Holdings, L.L.C. (“NMF Holdings”) as the Borrower, Wells Fargo Securities, LLC as the Administrative Agent, and Wells Fargo Bank, National Association, as the Lender and Collateral Custodian. See Note 7. Borrowings, for details.

(3) Investment is pledged as collateral for the NMFC Credit Facility, a revolving credit facility among the Company as the Borrower and Goldman Sachs Bank USA as the Administrative Agent and the Collateral Agent and Goldman Sachs Bank USA, Morgan Stanley Bank, N.A. and Stifel Bank & Trust as Lenders. See Note 7. Borrowings, for details.

(4) Investment is held in New Mountain Finance SBIC, L.P.

(5) Investment is held in New Mountain Finance SBIC II, L.P.

(6) Investment is held in NMF Ancora Holdings, Inc.

(7) Investment is held in NMF QID NGL Holdings, Inc.

(8) Investment is held in New Mountain Net Lease Corporation.

(9) All interest is payable in cash unless otherwise indicated. A majority of the variable rate debt investments bear interest at a rate that may be determined by reference to the London Interbank Offered Rate (L), the Prime Rate (P) and the alternative base rate (Base) and which resets monthly (M), quarterly (Q), semi-annually (S) or annually (A). For each investment the current interest rate provided reflects the rate in effect as of June 30, 2018.

(10) The fair value of the Company's investment is determined using unobservable inputs that are significant to the overall fair value measurement. See Note 4. Fair Value, for details.

(11) Par Value amounts represent the drawn or undrawn (as indicated in type of investment) portion of revolving credit facilities or delayed draws. Cost amounts represent the cash received at settlement date net of the impact of paydowns and cash paid for drawn revolvers or delayed draws.

(12) The Company holds investments in Education Management Corporation and one related entity of Education Management Corporation. The Company holds series A-1 convertible preferred stock and common stock in Education Management Corporation and holds a tranche A first lien term loan and a tranche B first lien term loan in Education Management II LLC, which is an indirect subsidiary of Education Management Corporation.

(13) The Company holds investments in two related entities of Tenawa Resource Holdings LLC. The Company holds 4.77% of the common units in QID NGL LLC (which at closing represented 98.1% of the ownership in the common units in Tenawa Resource Holdings LLC), class A preferred units in QID NGL LLC and a first lien investment in Tenawa Resource Management LLC, a wholly-owned subsidiary of Tenawa Resource Holdings LLC.

(14) The Company holds investments in QC McKissock Investment, LLC and one related entity of QC McKissock Investment, LLC. The Company holds a first lien term loan in QC McKissock Investment, LLC (which at closing represented 71.1% of the ownership in the Series A common units of McKissock Investment Holdings, LLC) and holds first lien term loans and a delayed draw term loan in McKissock, LLC, a wholly-owned subsidiary of McKissock Investment Holdings, LLC.

(15) The Company holds investments in TWDiamondback Holdings Corp. and one related entity of TWDiamondback Holdings Corp. The Company holds preferred equity in TWDiamondback Holdings Corp. and holds a first lien last out term loan and a delayed draw term loan in Diamondback Drugs of Delaware LLC, a wholly-owned subsidiary of TWDiamondback Holdings Corp.

The accompanying notes are an integral part of these consolidated financial statements.

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Consolidated Schedule of Investments (Continued)

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(in thousands, except shares)

(unaudited)

- The Company holds investments in Edmentum Ultimate Holdings, LLC and its related entities. The Company holds subordinated notes, ordinary equity, and warrants in Edmentum Ultimate Holdings, LLC and holds a second lien revolver and a second lien term loan in Edmentum, Inc. and Archipelago Learning, Inc., which are wholly-owned subsidiaries of Edmentum Ultimate Holdings, LLC.
- (16) The Company holds preferred equity in Permian Holdco 1, Inc. that is entitled to receive cumulative preferential dividends at a rate of 12.0% per annum payable in additional shares.
- (17) The Company holds preferred equity in UniTek Global Services, Inc. that is entitled to receive cumulative preferential dividends at a rate of 13.5% per annum payable in additional shares.
- (18) The Company holds preferred equity in UniTek Global Services, Inc. that is entitled to receive cumulative preferential dividends at a rate of 19.0% per annum payable in additional shares.
- (19) The Company holds equity investments in TW-NHME Holdings Corp., and holds a second lien term loan investment in National HME, Inc., a wholly-owned subsidiary of TW-NHME Holdings Corp.
- (20) The Company holds convertible preferred equity in HI Technology Corp that is accruing dividends at a rate of 15.0% per annum.
- (21) The Company holds preferred equity in Bach Special Limited (Bach Preference Limited) that is entitled to receive cumulative preferential dividends at a rate of 12.25% per annum payable in additional shares.
- (22) The Company holds preferred equity in Avatar Topco, Inc., and holds a second lien term loan investment in EAB Global, Inc., a wholly-owned subsidiary of Avatar Topco, Inc. The preferred equity is entitled to receive cumulative preferential dividends at a rate of L + 11.00% per annum.
- (23) Investment or a portion of the investment is on non-accrual status. See Note 3. Investments, for details.
- (24) Denotes investments in which the Company is an "Affiliated Person", as defined in the Investment Company Act of 1940, as amended (the "1940 Act"), due to owning or holding the power to vote 5.0% or more of the outstanding voting securities of the investment but not controlling the company. Fair value as of June 30, 2018 and December 31, 2017, along with transactions during the six months ended June 30, 2018 in which the issuer was a non-controlled/affiliated investment, is as follows:

Portfolio Company	Fair Value at December 31, 2017	Gross Additions (A)	Gross Redemptions (B)	Net Realized Gains (Losses)	Net Change in Unrealized Appreciation (Depreciation)	Fair Value at June 30, 2018	Interest Income	Dividend Income	Other Income
Edmentum Ultimate Holdings, LLC/Edmentum Inc.	\$ 24,858	\$ —	\$ (24,858)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
HI Technology Corp.	105,155	—	—	—	10,675	115,830	—	7,500	—
NMFC Senior Loan Program I LLC	23,000	—	—	—	—	23,000	—	1,636	596
Permian Holdco 1, Inc. / Permian Holdco 2, Inc. / Permian Holdco 3, Inc.	12,733	21,079	—	—	(793)	33,019	312	526	618
Sierra Hamilton Holdings Corporation	12,330	—	—	—	197	12,527	—	—	—
Total									
Non-Controlled/Affiliated Investments	\$ 178,076	\$ 21,079	\$ (24,858)	\$ —	\$ 10,079	\$ 184,376	\$ 312	\$ 9,662	\$ 1,214

Gross additions include increases in the cost basis of investments resulting from new portfolio investments, (A) payment-in-kind ("PIK") interest or dividends, the amortization of discounts, reorganizations or restructurings and the movement of an existing portfolio company into this category from a different category.

Gross redemptions include decreases in the cost basis of investments resulting from principal collections related to (B) investment repayments or sales, reorganizations or restructurings and the movement of an existing portfolio company out of this category into a different category.

The accompanying notes are an integral part of these consolidated financial statements.

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New Mountain Finance Corporation

Consolidated Schedule of Investments (Continued)

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(in thousands, except shares)

(unaudited)

(26) Denotes investments in which the Company is in “Control”, as defined in the 1940 Act, due to owning or holding the power to vote 25.0% or more of the outstanding voting securities of the investment. Fair value as of June 30, 2018 and December 31, 2017, along with transactions during the six months ended June 30, 2018 in which the issuer was a controlled investment, is as follows:

Portfolio Company	Fair Value at December 31, 2017	Gross Additions (A)	Gross Redemptions (B)	Net Realized Gains (Losses)	Net Change in Unrealized Appreciation (Depreciation)	Fair Value at June 30, 2018	Interest Income	Dividend Income	Other Income
Edmentum Ultimate Holdings, LLC/Edmentum Inc.	\$ —	\$40,796	\$ —	\$ —	\$(648)	\$40,148	\$1,736	\$ —	\$385
NM APP CANADA CORP	7,962	—	—	—	513	8,475	—	405	—
NM APP US LLC	5,138	—	—	—	136	5,274	—	283	—
NM CLFX LP	12,538	—	—	—	—	12,538	—	806	—
NM DRVT LLC	5,385	—	—	—	122	5,507	—	263	—
NM JRA LLC	2,191	—	—	—	49	2,240	—	110	—
NM GLCR LLC	—	14,750	—	—	—	14,750	—	785	—
NM KRLN LLC	8,195	—	—	—	267	8,462	—	414	—
NM NL Holdings, L.P.	—	20,229	—	—	—	20,229	—	—	—
NMFC Senior Loan Program II LLC	79,400	—	—	—	—	79,400	—	5,764	—
NMFC Senior Loan Program III LLC	—	42,800	—	—	—	42,800	—	—	—
UniTek Global Services, Inc.	64,593	15,784	(1,392)	—	10,422	89,407	835	2,962	475
Total Controlled Investments	\$185,402	\$134,359	\$(1,392)	\$ —	\$(10,861)	\$329,230	\$2,571	\$11,792	\$860

Gross additions include increases in the cost basis of investments resulting from new portfolio investments, PIK (A) interest or dividends, the amortization of discounts, reorganizations or restructurings and the movement of an existing portfolio company into this category from a different category.

Gross redemptions include decreases in the cost basis of investments resulting from principal collections related to (B) investment repayments or sales, reorganizations or restructurings and the movement of an existing portfolio company out of this category into a different category.

* All or a portion of interest contains PIK interest.

Indicates assets that the Company deems to be “non-qualifying assets” under Section 55(a) of the 1940 Act.

** Qualifying assets must represent at least 70.0% of the Company’s total assets at the time of acquisition of any additional non-qualifying assets. As of June 30, 2018, 11.7% of the Company’s total investments were non-qualifying assets.

The accompanying notes are an integral part of these consolidated financial statements.

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Investment Type	June 30, 2018	
	Percent of Total	Investments at Fair Value
First lien	39.49	%
Second lien	34.03	%
Subordinated	3.23	%
Equity and other	23.25	%
Total investments	100.00	%

Industry Type	June 30, 2018	
	Percent of Total	Investments at Fair Value
Business Services	32.78	%
Software	15.69	%
Healthcare Services	12.36	%
Education	9.05	%
Investment Fund	6.92	%
Consumer Services	5.87	%
Energy	4.72	%
Distribution & Logistics	4.43	%
Net Lease	3.69	%
Federal Services	2.56	%
Healthcare Information Technology	0.72	%
Packaging	0.69	%
Business Products	0.52	%
Total investments	100.00	%

Interest Rate Type	June 30, 2018	
	Percent of Total	Investments at Fair Value
Floating rates	87.83	%
Fixed rates	12.17	%
Total investments	100.00	%

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Portfolio Company, Location and Industry(1)	Type of Investment	Interest Rate(9)	Acquisition Date	Maturity/Expiration Date	Principal Amount, Par Value or Shares	Cost	Fair Value	Percent of Net Assets
Non-Controlled/Non-Affiliated Investments								
Funded Debt Investments - United Kingdom								
Air Newco LLC**								
Software	Second lien (3)	10.94% (L + 9.50%/Q)	1/30/2015	1/31/2023	\$40,000	\$39,033	\$39,000	3.77 %
Shine Acquisition Co. S.à.r.l / Boing US Holdco Inc.**								
Consumer Services	Second lien (3)	8.88% (L + 7.50%/Q)	9/25/2017	10/3/2025	40,353	40,056	40,656	3.93 %
Total Funded Debt Investments - United Kingdom					\$80,353	\$79,089	\$79,656	7.70 %
Funded Debt Investments - United States								
AmWINS Group, Inc.								
Business Services	Second lien (3)	8.32% (L + 6.75%/M)	1/19/2017	1/25/2025	\$57,000	\$56,804	\$57,606	5.57 %
Alegeus Technologies, LLC								
Healthcare Services	Second lien (3)(10)	10.19% (L + 8.50%/Q)	4/28/2017	10/30/2023	23,500	23,500	23,500	
	Second lien (4)(10)	10.19% (L + 8.50%/Q)	4/28/2017	10/30/2023	22,500	22,500	22,500	
					46,000	46,000	46,000	4.44 %
PetVet Care Centers LLC								
Consumer Services	First lien (2)(10)	7.69% (L + 6.00%/Q)	6/8/2017	6/8/2023	34,527	34,409	34,872	
	First lien (3)(10)(11) - Drawn	7.55% (L + 6.00%/Q)	6/8/2017	6/8/2023	8,646	8,616	8,733	
	First lien (3)(10)(11) +	9.50% (P +	6/8/2017	6/8/2023	2,200	2,192	2,200	

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	- Drawn	5.00%/Q)			45,373	45,217	45,805	4.43 %
Integro Parent Inc.								
Business Services	First lien (2)	7.16% (L + 5.75%/Q)	10/9/2015	10/31/2022	34,873	34,601	34,786	
	Second lien (3)	10.63% (L + 9.25%/Q)	10/9/2015	10/30/2023	10,000	9,920	9,800	
					44,873	44,521	44,586	4.31 %
Severin Acquisition, LLC								
Software	Second lien (4)(10)	10.32% (L + 8.75%/M)	7/31/2015	7/29/2022	15,000	14,891	15,000	
	Second lien (3)(10)	10.32% (L + 8.75%/M)	2/1/2017	7/29/2022	14,518	14,361	14,518	
	Second lien (4)(10)	10.32% (L + 8.75%/M)	11/5/2015	7/29/2022	4,154	4,123	4,154	
	Second lien (4)(10)	10.82% (L + 9.25%/M)	2/1/2016	7/29/2022	3,273	3,248	3,273	
	Second lien (3)(10)	10.57% (L + 9.00%/M)	10/14/2016	7/29/2022	2,361	2,341	2,361	
	Second lien (3)(10)	10.82% (L + 9.25%/M)	8/8/2016	7/29/2022	1,825	1,810	1,825	
	Second lien (4)(10)	10.82% (L + 9.25%/M)	8/8/2016	7/29/2022	300	298	300	
					41,431	41,072	41,431	4.00 %
Salient CRGT Inc.								
Federal Services	First lien (2)	7.32% (L + 5.75%/M)	1/6/2015	2/28/2022	40,894	40,421	41,251	3.99 %
Tenawa Resource Holdings LLC (13) Tenawa Resource Management LLC								
Energy	First lien (3)(10)	10.50% (Base + 8.00%/Q)	5/12/2014	10/30/2024	39,900	39,835	39,900	3.86 %

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(in thousands, except shares)

Portfolio Company, Location and Industry(1)	Type of Investment	Interest Rate(9)	Acquisition Date	Maturity/Expiration Date	Principal Amount, Par Value or Shares	Cost	Fair Value	Percent of Net Assets
VetCor Professional Practices LLC Consumer Services	First lien (4)	7.69% (L + 6.00%/Q)	5/15/2015	4/20/2021	\$ 19,111	\$ 18,996	\$ 19,134	
	First lien (2)	7.69% (L + 6.00%/Q)	5/15/2015	4/20/2021	7,714	7,603	7,724	
	First lien (3)(11) - Drawn	7.69% (L + 6.00%/Q)	2/24/2017	4/20/2021	6,005	5,891	6,013	
	First lien (4)	7.69% (L + 6.00%/Q)	5/15/2015	4/20/2021	2,650	2,632	2,654	
	First lien (2)	7.69% (L + 6.00%/Q)	6/24/2016	4/20/2021	1,632	1,606	1,634	
	First lien (4)	7.69% (L + 6.00%/Q)	3/31/2016	4/20/2021	495	487	496	
	First lien (3)(11) - Drawn	7.69% (L + 6.00%/Q)	5/15/2015	4/20/2021	1,426	1,412	1,428	
					39,033	38,627	39,083	3.78 %
Frontline Technologies Group Holdings, LLC Education	First lien (2)(10)	8.09% (L + 6.50%/Q)	9/18/2017	9/18/2023	16,750	16,629	16,625	
	First lien (4)(10)	8.09% (L + 6.50%/Q)	9/18/2017	9/18/2023	22,613	22,450	22,444	
					39,363	39,079	39,069	3.77 %
Kronos Incorporated Software	Second lien (2)	9.63% (L + 8.25%/Q)	10/26/2012	11/1/2024	36,000	35,508	37,449	3.62 %
Valet Waste Holdings, Inc. Business Services	First lien (2)(10)	8.57% (L + 7.00%/M)	9/24/2015	9/24/2021	29,325	29,078	29,325	

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	First lien (2)(10)	8.57% (L + 7.00%/M)	7/27/2017	9/24/2021	3,731	3,697	3,731	
					33,056	32,775	33,056	3.19 %
Evo Payments International, LLC								
	Business Services	Second lien (2)	10.57% (L + 9.00%/M)	12/8/2016	12/23/2024	25,000	24,824	25,250
		Second lien (3)	10.57% (L + 9.00%/M)	12/8/2016	12/23/2024	5,000	5,052	5,050
					30,000	29,876	30,300	2.93 %
Wirepath LLC Distribution & Logistics								
	Ansira Holdings, Inc.	Business Services	First lien (2)	6.87% (L + 5.25%/Q)	7/31/2017	8/5/2024	27,731	27,598
							28,112	2.72 %
		Business Services	First lien (2)	8.19% (L + 6.50%/Q)	12/19/2016	12/20/2022	25,920	25,809
			First lien (3)(11) - Drawn	8.19% (L + 6.50%/Q)	12/19/2016	12/20/2022	2,107	2,097
							28,027	27,906
							27,957	2.70 %
TW-NHME Holdings Corp. (20)								
	National HME, Inc.	Healthcare Services	Second lien (4)(10)	10.95% (L + 9.25%/Q)	7/14/2015	7/14/2022	21,500	21,301
			Second lien (3)(10)	10.95% (L + 9.25%/Q)	7/14/2015	7/14/2022	5,800	5,737
							27,300	27,038
							27,485	2.66 %
Navicure, Inc. Healthcare Services Trader Interactive, LLC								
	Business Services	First lien (2)(10)	7.50% (L + 6.00%/M)	6/15/2017	6/17/2024	27,190	26,999	26,986
	Marketo, Inc.	Software	First lien (3)(10)	11.19% (L + 9.50%/Q)	8/16/2016	8/16/2021	26,820	26,509
							26,820	2.59 %
Keystone Acquisition Corp.								
	Healthcare Services	First lien (2)	6.94% (L + 5.25%/Q)	5/10/2017	5/1/2024	19,950	19,764	20,087
		Second lien (3)	10.94% (L + 9.25%/Q)	5/10/2017	5/1/2025	4,500	4,457	4,511
							24,450	24,221
							24,598	2.38 %

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iPipeline, Inc. (Internet Pipeline, Inc.)								
Software	First lien (4)(10)	8.82% (L + 7.25%/M)	8/4/2015	8/4/2022	\$ 17,589	\$17,464	\$ 17,589	
	First lien (4)(10)	7.74% (L + 6.25%/M)	6/16/2017	8/4/2022	4,577	4,556	4,554	
	First lien (2)(10)	7.74% (L + 6.25%/M)	9/25/2017	8/4/2022	1,161	1,155	1,155	
	First lien (4)(10)	7.74% (L + 6.25%/M)	9/25/2017	8/4/2022	511	508	508	
					23,838	23,683	23,806	2.30 %
AAC Holding Corp.								
Education	First lien (2)(10)	9.62% (L + 8.25%/M)	9/30/2015	9/30/2020	23,161	22,953	23,161	2.24 %
BackOffice Associates Holdings, LLC								
Business Services	First lien (2)(10)	8.06% (L + 6.50%/M)	8/25/2017	8/25/2023	22,869	22,679	22,669	2.19 %
TWDiamondback Holdings Corp. (15) Diamondback Drugs of Delaware, L.L.C. (TWDiamondback II Holdings LLC)								
Distribution & Logistics	First lien (4)(10)	10.49% (L + 8.75%/Q)	11/19/2014	11/19/2019	19,895	19,895	19,895	

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	First lien (3)(10)	10.44% (L + 8.75%/Q)	11/19/2014	11/19/2019	2,158	2,158	2,158	
	First lien (4)(10)	10.44% (L + 8.75%/Q)	11/19/2014	11/19/2019	605	605	605	
EN Engineering, LLC					22,658	22,658	22,658	2.19 %
Business Services	First lien (2)(10)	7.69% (L + 6.00%/Q)	7/30/2015	6/30/2021	20,893	20,760	20,893	
	First lien (2)(10)	7.69% (L + 6.00%/Q)	7/30/2015	6/30/2021	1,208	1,200	1,208	
Avatar Topco, Inc (23)					22,101	21,960	22,101	2.14 %
EAB Global, Inc.								
Education	Second lien (3)	8.99% (L + 7.50%/M)	11/17/2017	11/17/2025	21,450	21,132	21,236	2.05 %
DigiCert Holdings, Inc.								
Business Services	Second lien (3)	9.38% (L + 8.00%/Q)	9/20/2017	10/31/2025	20,176	20,077	20,347	1.97 %
DiversiTech Holdings, Inc.								
Distribution & Logistics	Second lien (3)	9.20% (L + 7.50%/Q)	5/18/2017	6/2/2025	19,500	19,315	19,744	1.91 %
ABILITY Network Inc.								
Healthcare Information Technology KeyPoint Government Solutions, Inc.	Second lien (3)	9.21% (L + 7.75%/M)	12/11/2017	12/12/2025	18,851	18,839	18,945	1.83 %
Federal Services	First lien (2)(10)	7.35% (L + 6.00%/Q)	4/18/2017	4/18/2024	18,413	18,243	18,597	1.80 %
AgKnowledge Holdings Company, Inc.								
Business Services	Second lien (2)(10)	9.82% (L + 8.25%/M)	7/23/2014	7/23/2020	18,500	18,409	18,500	1.79 %
VF Holding Corp. Software			7/7/2016	6/28/2024	17,086	17,396	17,598	1.70 %

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	Second lien (3)(10)	10.57% (L + 9.00%/M)							
DCA Investment Holding, LLC									
Healthcare Services	First lien (2)(10)	6.94% (L + 5.25%/Q)	7/2/2015	7/2/2021	17,453	17,344	17,453	1.69	%
OEConnection LLC									
Business Services	Second lien (3)	9.69% (L + 8.00%/Q)	11/22/2017	11/22/2025	16,841	16,548	16,841	1.63	%
TIBCO Software Inc.									
Software	Subordinated (3)	11.38%/S	11/24/2014	12/1/2021	15,000	14,714	16,378	1.58	%
American Tire Distributors, Inc.									
Distribution & Logistics	Subordinated (3)	10.25%/S	2/10/2015	3/1/2022	15,520	15,267	16,063	1.55	%
Hill International, Inc.**									
Business Services	First lien (2)(10)	7.32% (L + 5.75%/M)	6/21/2017	6/21/2023	15,721	15,648	15,642	1.51	%

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Netsmart Inc. / Netsmart Technologies, Inc. Healthcare Information Technology Transcendia Holdings, Inc.	Second lien (2)	10.98% (L + 9.50%/Q)	4/18/2016	10/19/2023	\$ 15,000	\$14,686	\$15,075	1.46 %
Packaging SW Holdings, LLC	Second lien (3)	9.57% (L + 8.00%/M)	6/28/2017	5/30/2025	14,500	14,309	14,391	1.39 %
Business Services Peraton Holding Corp. (fka MHVC Acquisition Corp.)	Second lien (4)(10)	10.44% (L + 8.75%/Q)	6/30/2015	12/30/2021	14,265	14,167	14,331	1.38 %
Federal Services Ministry Brands, LLC	First lien (2)	6.95% (L + 5.25%/Q)	4/25/2017	4/29/2024	14,030	13,987	14,135	1.37 %
Software	First lien (3)	6.38% (L + 5.00%/Q)	12/7/2016	12/2/2022	2,993	2,980	2,993	
	First lien (3)(10)(11) - Drawn	6.57% (L + 5.00%/M)	12/7/2016	12/2/2022	1,000	995	1,000	
	Second lien (3)(10)	10.63% (L + 9.25%/Q)	12/7/2016	6/2/2023	7,840	7,788	7,840	
	Second lien (3)(10)	10.63% (L + 9.25%/Q)	12/7/2016	6/2/2023	2,160	2,146	2,160	
					13,993	13,909	13,993	1.35 %
nThrive, Inc. (fka Precyse Acquisition Corp.) Healthcare Services	Second lien (2)(10)	11.32% (L + 9.75%/M)	4/19/2016	4/20/2023	13,000	12,813	12,702	1.23 %

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FR Arsenal Holdings II Corp.									
Business Services	First lien (2)(10)	8.81% (L + 7.25%/Q)	9/29/2016	9/8/2022	12,356	12,252	12,373	1.19 %	
Amerijet Holdings, Inc.									
Distribution & Logistics	First lien (4)(10)	9.57% (L + 8.00%/M)	7/15/2016	7/15/2021	10,403	10,344	10,458		
	First lien (4)(10)	9.57% (L + 8.00%/M)	7/15/2016	7/15/2021	1,734	1,724	1,743		
					12,137	12,068	12,201	1.18 %	
SSH Group Holdings, Inc.									
Education	First lien (2)(10)	6.69% (L + 5.00%/Q)	10/13/2017	10/2/2024	8,407	8,366	8,365		
	Second lien (3)(10)	10.69% (L + 9.00%/Q)	10/13/2017	10/2/2025	3,363	3,330	3,329		
					11,770	11,696	11,694	1.13 %	
ProQuest LLC									
Business Services	Second lien (3)	10.55% (L + 9.00%/M)	12/14/2015	12/15/2022	11,620	11,440	11,620	1.12 %	
Xactly Corporation									
Software	First lien (4)(10)	8.82% (L + 7.25%/M)	7/31/2017	7/29/2022	11,600	11,492	11,484	1.11 %	
Zywave, Inc.									
Software	Second lien (4)(10)	10.42% (L + 9.00%/Q)	11/22/2016	11/17/2023	11,000	10,927	11,011		
	First lien (3)(10)(11) - Drawn	8.50% (P + 4.00%/Q)	11/22/2016	11/17/2022	200	199	200		
	First lien (3)(10)(11) - Drawn	6.57% (L + 5.00%/Q)	11/22/2016	11/17/2022	250	248	250		
					11,450	11,374	11,461	1.11 %	
QC McKissock Investment, LLC (14)									
McKissock, LLC									
Education	First lien (2)(10)	7.94% (L + 6.25%/Q)	8/6/2014	8/5/2021	6,415	6,386	6,415		
	First lien (2)(10)	7.94% (L + 6.25%/Q)	8/6/2014	8/5/2021	3,058	3,046	3,058		
	First lien (2)(10)	7.94% (L + 6.25%/Q)	8/6/2014	8/5/2021	987	983	987		
					10,460	10,415	10,460	1.01 %	
Masergy Holdings, Inc.									
Business Services	Second lien (2)	10.19% (L + 8.50%/Q)	12/14/2016	12/16/2024	10,000	9,943	10,144	0.98 %	
Idera, Inc.									

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Software	Second lien (4)	10.57% (L + 9.00%/M)	6/27/2017	6/27/2025	10,000	9,856	10,100	0.97 %
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Quest Software US Holdings Inc.								
Software	First lien (2)	6.92% (L + 5.50%/Q)	10/31/2016	10/31/2022	\$9,899	\$9,775	\$10,071	0.97 %
PowerPlan Holdings, Inc.								
Software	Second lien (2)(10)	10.57% (L + 9.00%/M)	2/23/2015	2/23/2023	10,000	9,927	10,000	0.97 %
WD Wolverine Holdings, LLC								
Healthcare Services	First lien (2)	7.07% (L + 5.50%/M)	2/22/2017	8/16/2022	9,813	9,534	9,512	0.92 %
Pelican Products, Inc.								
Business Products	Second lien (2)	9.94% (L + 8.25%/Q)	4/9/2014	4/9/2021	9,500	9,533	9,500	0.92 %
J.D. Power (fka J.D. Power and Associates)								
Business Services	Second lien (3)	10.19% (L + 8.50%/Q)	6/9/2016	9/7/2024	9,333	9,230	9,473	0.91 %
Harley Marine Services, Inc.								
Distribution & Logistics	Second lien (2)	10.63% (L + 9.25%/Q)	12/18/2013	12/20/2019	9,000	8,929	8,955	0.86 %
JAMF Holdings, Inc.								
Software	First lien (3)(10)	9.41% (L + 8.00%/Q)	11/13/2017	11/11/2022	8,757	8,672	8,670	0.84 %

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Autodata, Inc. (Autodata Solutions, Inc.)										
Business Services	Second lien (3)	8.82% (L + 7.25%/Q)	12/12/2017	12/12/2025	7,406	7,387	7,387	0.71	%	
MH Sub I, LLC (Micro Holding Corp.)										
Software	Second lien (3)	9.09% (L + 7.50%/Q)	8/16/2017	9/15/2025	7,000	6,932	7,048	0.68	%	
First American Payment Systems, L.P.										
Business Services	First lien (2)	7.14% (L + 5.75%/M)	1/3/2017	1/5/2024	6,844	6,783	6,880	0.66	%	
Solera LLC / Solera Finance, Inc.										
Software	Subordinated (3)	10.50%/S	2/29/2016	3/1/2024	5,000	4,791	5,650	0.55	%	
Pathway Partners Vet Management Company LLC										
Consumer Services	Second lien (4)	9.57% (L + 8.00%/M)	10/4/2017	10/10/2025	5,556	5,527	5,527	0.53	%	
Applied Systems, Inc.										
Software	Second lien (3)	8.69% (L + 7.00%/Q)	9/14/2017	9/19/2025	4,923	4,923	5,106	0.49	%	
ADG, LLC										
Healthcare Services	Second lien (3)(10)	10.57% (L + 9.00%/M)	10/3/2016	3/28/2024	5,000	4,934	5,038	0.49	%	
Vencore, Inc. (fka The SI Organization Inc.)										
Federal Services	Second lien (3)	10.44% (L + 8.75%/Q)	6/14/2016	5/23/2020	4,400	4,350	4,450	0.43	%	
Affinity Dental Management, Inc.										

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Healthcare Services	First lien (2)(10)	7.59% (L) + 6.00%/Q)	9/15/2017	9/15/2023	4,344	4,302	4,301	0.41	%
York Risk Services Holding Corp.									
Business Services Ensemble S Merger Sub, Inc.	Subordinated (3)	8.50%/S	9/17/2014	10/1/2022	3,000	3,000	2,940	0.28	%
Software Education Management Corporation (12)	Subordinated (3)	9.00%/S	9/21/2015	9/30/2023	2,000	1,946	2,125	0.20	%
Education Management II LLC									
Education	First lien (2)	5.85% (L) + 4.50%/Q)	1/5/2015	7/2/2020	211	205	82		
	First lien (3)	5.85% (L) + 4.50%/Q)	1/5/2015	7/2/2020	119	116	46		
	First lien (2)	8.85% (L) + 7.50%/Q)	1/5/2015	7/2/2020	475	437	10		
	First lien (3)	8.85% (L) + 7.50%/Q)	1/5/2015	7/2/2020	268	247	6		
Total Funded Debt					1,073	1,005	144	0.01	%
Investments - United States					\$1,319,560	\$1,309,577	\$1,325,328	128.05	%
Total Funded Debt					\$1,399,913	\$1,388,666	\$1,404,984	135.75	%
Investments									

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Equity - Hong Kong Bach Special Limited (Bach Preference Limited)**	Preferred shares (3)(10)(22)	—	9/1/2017	—	58,807 \$5,807	\$5,806	0.56 %
Total Shares - Hong Kong					\$5,807	\$5,806	0.56 %
Equity - United States Avatar Topco, Inc. (23)	Preferred shares (3)(10)(23)	—	11/17/2017	—	35,720 \$35,220	\$35,204	3.40 %
Tenawa Resource Holdings LLC (13) QID NGL LLC	Ordinary shares (7)(10) Preferred shares (7)(10)	—	5/12/2014	—	5,296 \$5,297	8,154	
		—	10/30/2017	—	620,701 5,912	1,007 9,161	0.88 %
TWDiamondback Holdings Corp. (15)	Preferred shares (4)(10)	—	11/19/2014	—	200 2,000	4,508	0.44 %
Distribution & Logistics							
TW-NHME Holdings Corp. (20)	Preferred shares	—	7/14/2015	—	100 1,000	944	
Healthcare Services							

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	(4)(10) Preferred shares	—	1/5/2016	—	16	158	149		
	(4)(10) Preferred shares	—	6/30/2016	—	6	68	58		
	(4)(10)					1,226	1,151	0.11	%
Ancora Acquisition LLC									
Education	Preferred shares (6)(10)	—	8/12/2013	—	372	83	393	0.04	%
Education Management Corporation (12)									
Education	Preferred shares (2)	—	1/5/2015	—	3,332	200	—		
	Preferred shares (3)	—	1/5/2015	—	1,879	13	—		
	Ordinary shares (2)	—	1/5/2015	—	2,994	1,065	10		
	Ordinary shares (3)	—	1/5/2015	—	1,688	5,076	6		
						469	16	0.00	%
Total Shares - United States						\$44,910	\$50,433	4.87	%
Total Shares Warrants - United States						\$50,717	\$56,239	5.43	%
ASP LCG Holdings, Inc.									
Education	Warrants (3)(10)	—	5/5/2014	5/5/2026	622	\$37	\$1,089	0.11	%
Ancora Acquisition LLC									
Education	Warrants (6)(10)	—	8/12/2013	8/12/2020	20	—	—	—	%
YP Equity Investors, LLC									
Media	Warrants (5)(10)	—	5/3/2012	5/8/2022	5	—	—	—	%
Total Warrants - United States						\$37	\$1,089	0.11	%
Total Funded Investments						\$1,439,420	\$1,462,312	141.29	%

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Unfunded Debt								
Investments - United States								
PetVet Care Centers LLC								
Consumer Services	First lien (3)(10)(11) - Undrawn	—	6/8/2017	6/8/2019	\$ 4,439	\$(16)	\$ 44	0.00 %
VetCor Professional Practices LLC								
Consumer Services	First lien (3)(11) - Undrawn	—	5/15/2015	4/20/2021	1,274	(13)	2	
	First lien (3)(11) - Undrawn	—	12/29/2017	12/29/2019	8,552	(75)	11	
					9,826	(88)	13	0.00 %
DCA Investment Holding, LLC								
Healthcare Services	First lien (3)(10)(11) - Undrawn	—	7/2/2015	7/2/2021	2,100	(21)	—	
	First lien (3)(10)(11) - Undrawn	—	12/20/2017	12/20/2019	13,465	(118)	—	
					15,565	(139)	—	— %
iPipeline, Inc. (Internet Pipeline, Inc.)								
Software	First lien (3)(10)(11) - Undrawn	—	8/4/2015	8/4/2021	1,000	(10)	—	— %
Valet Waste Holdings, Inc.								
Business Services	First lien (3)(10)(11) - Undrawn	—	9/24/2015	9/24/2021	3,750	(47)	—	— %
Zywave, Inc.								