



NEW MOUNTAIN FINANCE
CORPORATION

Q2 2014 Earnings Presentation

August 7, 2014

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For the purposes of this presentation, all financial data prior to Q2 2014 relates to the consolidated operations of New Mountain Finance Holdings, L.L.C. (the “Predecessor Operating Company” or “NMFH”). Financial data for Q2 2014 reflects the consolidated operations of NMFC, which includes allocations from the Predecessor Operating Company from the period April 1, 2014 to May 7, 2014. Figures shown herein are unaudited and may not add due to rounding.



Management Participants

Robert A. Hamwee

Chief Executive Officer, President and Director

David M. Cordova

Chief Financial Officer and Treasurer



Q2 2014 Highlights

- Q2 Adjusted Net Investment Income (“NII”) of \$0.36 per weighted average share, versus guidance of \$0.33 to \$0.35 and Q1 2014 of \$0.37
 - Q2 regular dividend of \$0.34 per share paid on June 30, 2014
- June 30, 2014 book value of \$14.65 per share, an increase of \$0.12 per share from the March 31, 2014 book value of \$14.53 per share
- Q3 2014 regular dividend of \$0.34 per share announced
 - Payable on September 30, 2014 to holders of record as of September 16, 2014
- Special Dividend of \$0.12 per share announced, primarily based on the realized gain from the exit of Learning Care Group (“LCG”) warrants
 - Payable on September 3, 2014 to holders of record as of August 20, 2014
- Credit performance remains very strong
- Approximately \$158.3 million of gross originations and \$136.2 million of originations net of repayments in Q2 2014
- Key strategic initiative updates:
 - Completed a private offering of \$115 million 5.00% unsecured senior convertible notes
 - Closed a new \$50 million revolving credit facility at the corporate level
 - Established our first Senior Loan Program (“SLP”), an off balance sheet leveraged loan fund that generates management fee income for the BDC
 - Received approval from the SBA for our subsidiary’s SBIC license
- Portfolio continues to be positioned in recession resistant, acyclical industries



Key Highlights

Financial Highlights

	Quarter Ended				6/30/2014
	6/30/2013	9/30/2013	12/31/2013	3/31/2014	
Pro Forma Adjusted NII Per Share ⁽¹⁾	\$0.38	\$0.35	\$0.34	\$0.37	\$0.36
NAV Per Share	\$14.32	\$14.32	\$14.38	\$14.53	\$14.65
Dividends Per Share ⁽²⁾	\$0.34	\$0.46	\$0.34	\$0.34	\$0.34
Share Count - End of Period (mm)	44.7	44.8	47.9	48.0	52.1

Portfolio Highlights

	Quarter Ended				6/30/2014
	6/30/2013	9/30/2013	12/31/2013	3/31/2014	
Fair Value of Investments (\$mm)	\$1,059.0	\$1,041.4	\$1,115.7	\$1,180.2	\$1,310.9
Number of Portfolio Companies	59	57	59	60	67
Middle Market Focus (EBITDA / Facility Size) ⁽³⁾	70% / 72%	71% / 71%	67% / 73%	66% / 71%	65% / 73%
Current Yield at Cost ⁽⁴⁾	9.8%	10.0%	10.0%	9.9%	9.8%
YTM at Cost ⁽⁵⁾	10.7%	10.8%	11.0%	10.9%	10.7%
Portfolio Activity (\$mm)⁽⁶⁾					
Gross Originations	\$150.3	\$87.1	\$180.3	\$158.3	\$158.3
(-) Repayments	(114.9)	(111.9)	(106.9)	(40.6)	(22.1)
Net Originations	\$35.4	(\$24.8)	\$73.4	\$117.7	\$136.2
(-) Sales	(1.4)	-	(3.0)	(61.2)	(8.9) ⁽⁷⁾
Net Originations Less Sales	\$34.0	(\$24.8)	\$70.4	\$56.5	\$127.3

¹ See pg. 33 for adjustments for current quarter

² Includes regular and special dividends

³ Defined as the % of portfolio companies (by fair value) with LTM EBITDA at the time of investment less than \$100m and facility sizes as of each date less than \$300m

⁴ Current Yield at Cost is calculated as annual stated interest rate plus annual amortization of original issue discount and market discount / premium earned on accruing debt and other income producing securities divided by total accruing debt and other income producing securities at amortized cost

⁵ Yield to Maturity ("YTM") at Cost assumes that the accruing investments in our portfolio as of each date are purchased at adjusted cost (estimated) on that date and held until their respective maturities with no prepayments or losses and are exited at par at maturity. This calculation excludes the impact of existing leverage. YTM at Cost uses the LIBOR curves at each quarter's respective end date. The actual yield to maturity may be higher or lower due to the future selection of LIBOR contracts by the individual companies in our portfolio or other factors. See "Important Notice and Safe Harbor Statement."

⁶ Excludes PIK, revolvers, bridges, and return of capital

⁷ Excludes realized gain from sale of LCG warrants

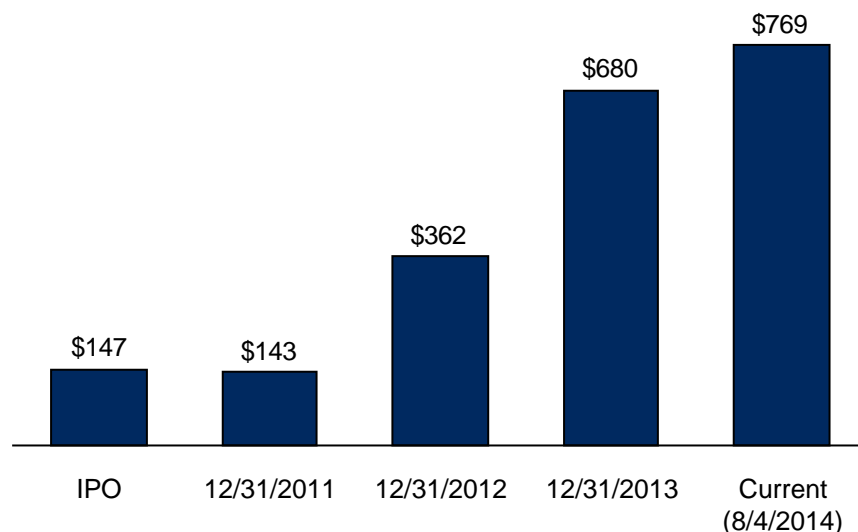


Review of NMFC

Overview

- Founded in October 2008 to apply New Mountain Capital, L.L.C.'s ("NMC" or "New Mountain") private equity strengths to attractive risk-reward opportunities in the U.S. debt markets
 - Externally managed Business Development Company ("BDC")
 - Initial Public Offering ("IPO") completed in May 2011 (NYSE: NMFC)
- Invests in the debt of "defensive growth" companies, often in many of the same acyclical companies or industries that New Mountain has already evaluated for private equity investment purposes
- Targets investments up to a \$50 million hold size in:
 - "Defensive growth" middle market companies, typically generating \$20 – \$200 million of EBITDA
 - Senior secured debt (1st lien, 2nd lien or uni-tranche), mezzanine and other subordinated securities

Public Float Market Cap History (\$ in millions)



Key Investment Highlights

- Strong track record on credit and returns
- Well established New Mountain platform provides unique knowledge warehouse and sourcing capabilities
- Differentiated "defensive growth" investment strategy
- High quality and diverse portfolio
- Experienced management team who are also significant shareholders



NMFC Strategy

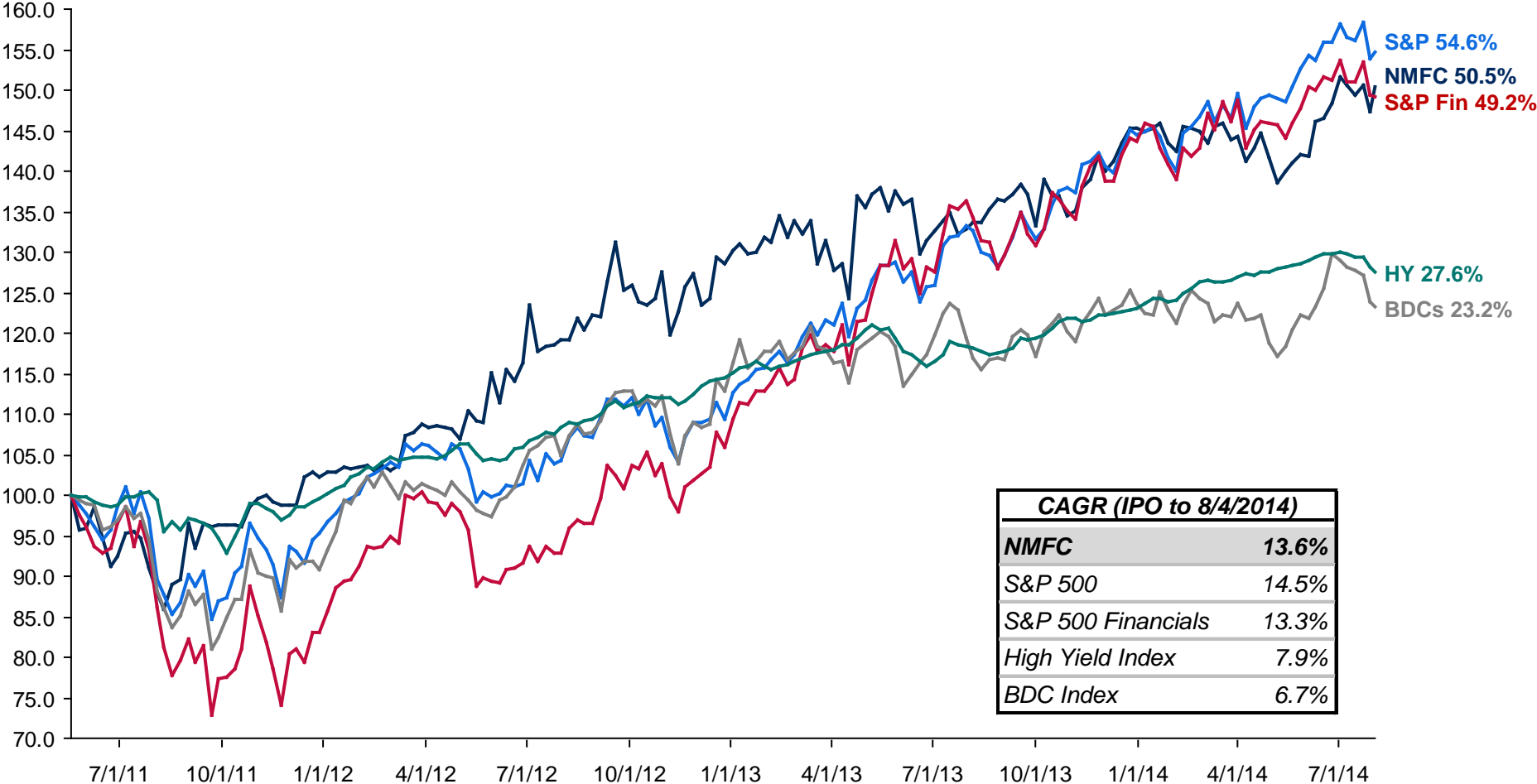
- Externally managed by an affiliate of New Mountain, a leading private equity firm with more than \$12 billion of assets under management⁽¹⁾, approximately 100 staff members, and a consistent focus on “defensive growth” business building and deep fundamental research
- NMFC’s mandate is to primarily target businesses in the middle market that, consistent with New Mountain’s private equity platform, are **quality, defensive growth** companies, in industries that are **well-researched** by New Mountain
 - Key hallmarks of “defensive growth” include: acyclicity, sustainable secular growth drivers, high barriers to competitive entry, niche-market dominance, repetitive revenue, variable cost structures, and strong free cash flow
 - Sustainable, highly differentiated and competitively protected niche
- Mandate achieved by **utilizing existing New Mountain investment team** as primary underwriting resource; team combines operating executives with financial executives
- Target loan to value ratios typically average less than 50% of both sponsor purchase price and NMC valuation



NMFC Relative Trading Performance – Indexed Total Return

May 19, 2011 (IPO) – August 4, 2014

Indexed Total Return



CAGR (IPO to 8/4/2014)	
NMFC	13.6%
S&P 500	14.5%
S&P 500 Financials	13.3%
High Yield Index	7.9%
BDC Index	6.7%

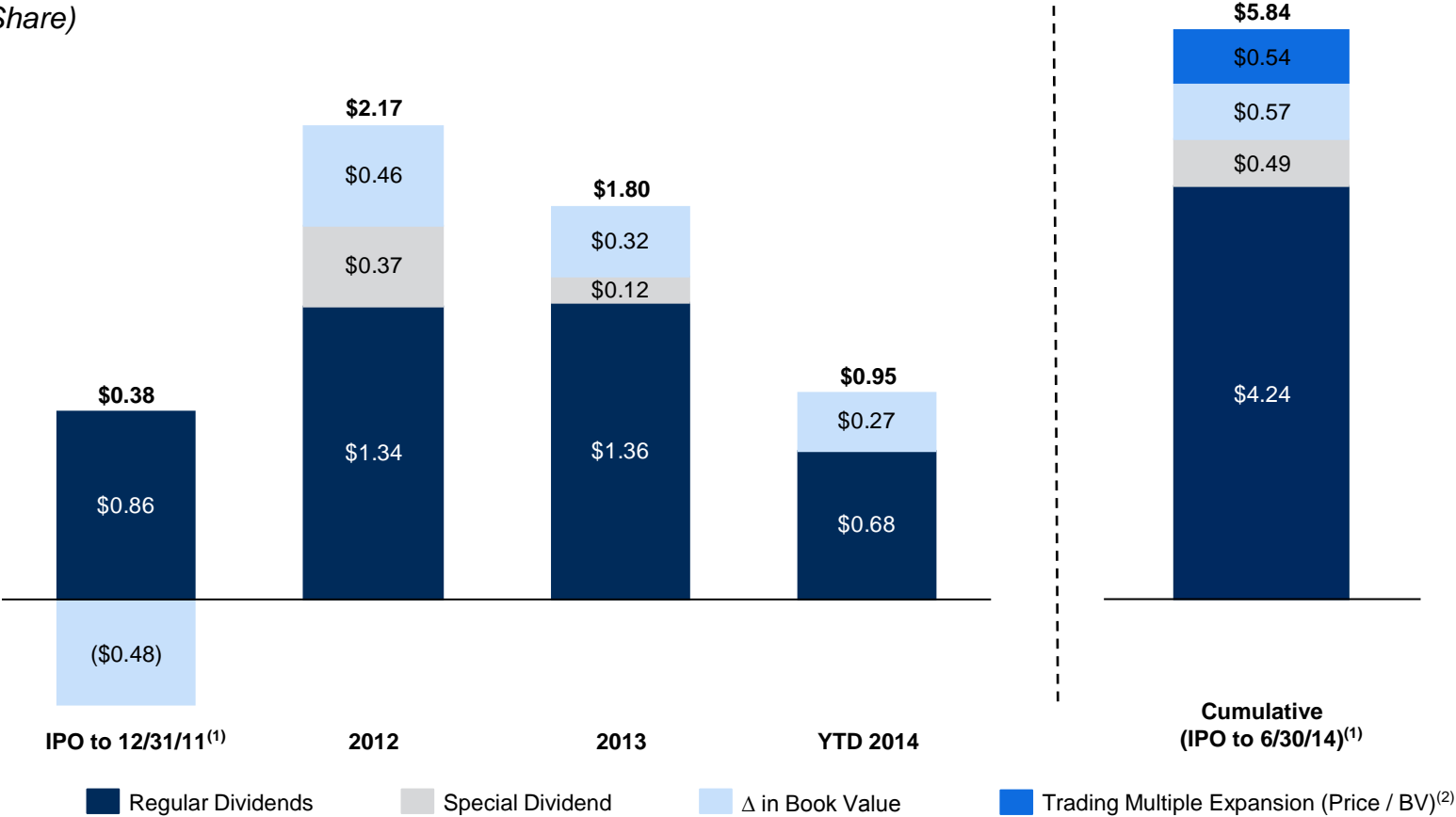
— NMFC — S&P 500 — S&P 500 Financials — BDC Index⁽¹⁾ — High Yield Index



Source: Capital IQ, Credit Suisse Research & Analytics
¹ BDC Index includes median of Ares, Apollo, Prospect, Solar, Fifth Street, Blackrock Kelso, Pennant Park, MVC, Golub, THL Credit, Gladstone, Medley, Solar Senior and Horizon Technology; equal-weighted

NMFC Return Attribution

(\$ per Share)



Since IPO, NMFC has returned \$4.24 per share in regular dividends and \$0.49 per share in special dividends, and NMFC public shares have traded up from \$13.75 at IPO to \$14.86 at close on June 30, 2014



¹ NMFC priced its initial public offering on 5/19/2011 at \$13.75 per share; closing price on 6/30/2014 of \$14.86 per share

² Increase in value from trading multiple expansion shown only for cumulative period and is equal to increase in share price over period less change in book value per share

Credit Market Conditions

- Credit spreads have continued to contract modestly, although the last few weeks have brought a significant increase in volatility
 - Record CLO issuance
 - Offset by meaningful fund outflows
 - Long-term rates remain stable, although enhanced uncertainty about timing of ultimate rate rise
- With limited exceptions, smaller deals continue to be largely insulated from spread compression
- NMFC works to be well positioned to capitalize on volatile markets:
 - NMC and NMFC have **always** proactively focused on defensive, acyclical business models
 - Wells Fargo leverage facilities **not** subject to margin calls

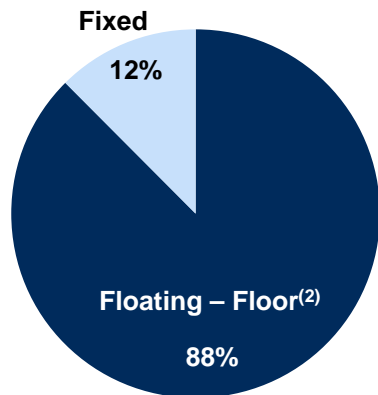


Credit Market Conditions – Interest Rates

Floating vs. Fixed

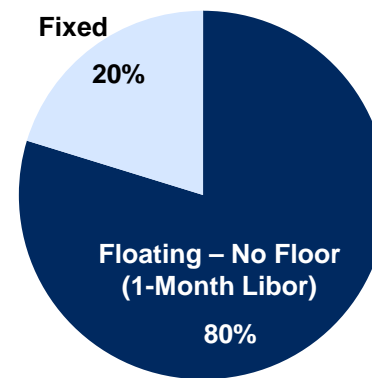
Assets

(Aggregate par value of \$1,279.5 million as of June 30, 2014)⁽¹⁾



Liabilities

(\$568.1 million drawn as of June 30, 2014)



Impact of Changing Rates⁽³⁾

Change in Base Interest Rates	Estimated % Change in Interest Income Net of Interest Expense	Illustrative Adj. NII / Share Impact Assuming \$1.36 Annual Adj. NII / Share
+100 bps	(3.32%)	(\$0.05)
+200 bps	2.25%	\$0.03
+300 bps	8.74%	\$0.12
+400 bps	15.23%	\$0.21



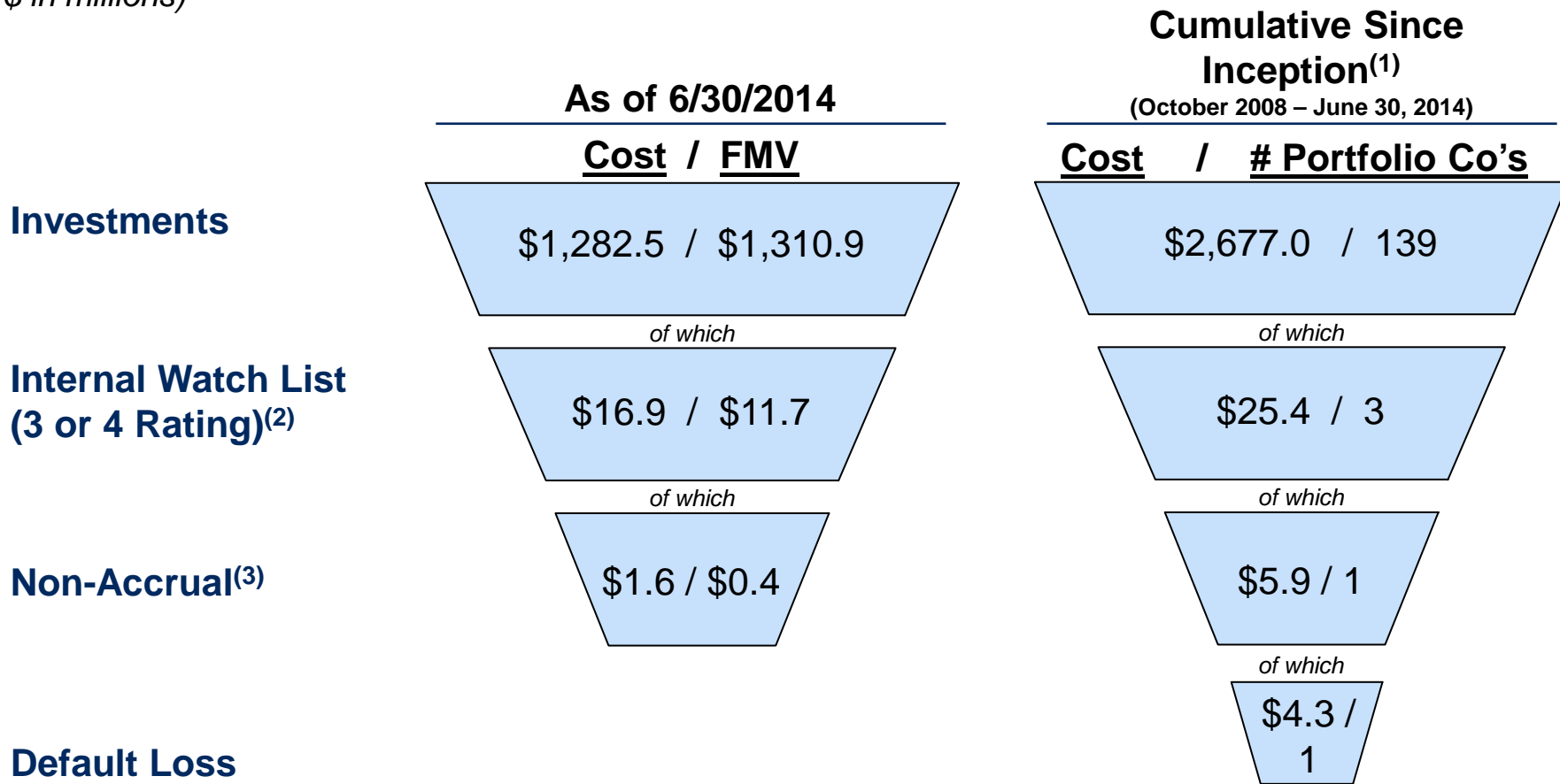
¹ Based on par values (excludes assets on non-accrual, revolvers and non-interest bearing equity investments)

² Includes assets on Prime contracts

³ These hypothetical calculations are based on a model of the investments in our portfolio, held as of June 30, 2014, and are only adjusted for assumed changes in the underlying base interest rates. Assumes constant share count

Credit Performance

(\$ in millions)



¹ Since inception of predecessor entity in 10/2008 through 6/30/2014

² Determined on a quarterly basis by Management. In addition to various risk management and monitoring tools, NMFC also uses a four-level numeric investment rating system to characterize and monitor the credit profile and expected level of returns on each portfolio investment. Ratings of 1 and 2 indicate the investment is performing materially above, or materially in-line, with expectations, respectively. All new loans are rated 2 when approved. A rating of 3 indicates the investment is performing materially below expectations and risk has increased materially since the original investment. A rating of 4 indicates the investment is performing substantially below expectations and risks have increased substantially since the original investment. Payments may be delinquent. There is a meaningful possibility that we will not recoup our original cost basis in the investment and may realize a substantial loss upon exit. Where it is determined that an investment is underperforming, or circumstances suggest that the risk associated with a particular investment has significantly increased, a more aggressive monitoring of the affected portfolio company will be undertaken

³ Refers to the investments in ATI Acquisition Company



Credit Performance – Non-70% Advance Rate Assets

Portfolio Company ⁽¹⁾	NMFC Leverage Ratio ⁽²⁾		Variance
	At Purchase	Current	Positive / (Negative)
Company A	0.9x	0.6x	0.3x
Company B	4.9x	4.9x	-
Company C	5.9x	5.8x	0.1x
Company D	5.7x	5.2x	0.4x
Company E	1.2x	1.2x	-
Company F	5.6x	4.9x	0.7x
Company G	5.9x	6.0x	(0.1x)
Company H	6.0x	6.1x	(0.1x)
Company I	4.6x	5.6x	(1.0x)
Company J	3.3x	3.3x	0.0x
Company K	5.8x	5.7x	0.0x
Company L	3.7x	3.6x	0.1x
Company M	5.6x	5.1x	0.4x
Company N	4.9x	4.2x	0.7x
Company O	5.9x	5.7x	0.2x
Company P	6.7x	5.1x	1.6x
Company Q	6.8x	6.2x	0.6x
Company R	4.8x	4.5x	0.3x
Company S	5.1x	5.1x	(0.0x)
Company T	3.5x	3.7x	(0.2x)
Company U	5.0x	5.2x	(0.2x)
Company V	6.0x	5.9x	0.1x
Company W	5.0x	5.0x	-
Company X	4.9x	4.9x	-
Company Y	4.6x	4.6x	-
Company Z	4.1x	5.1x	(1.0x)
Company AA	1.2x	1.5x	(0.3x)
Company AB	4.1x	4.2x	(0.0x)
Company AC	4.9x	5.1x	(0.2x)
Company AD	3.8x	3.3x	0.5x
Company AE	5.0x	5.0x	-
Company AF	5.3x	4.8x	0.5x
Company AG	6.1x	5.4x	0.6x
Company AH	2.9x	4.4x	(1.5x)
Weighted Average (6/30/2014)⁽³⁾	4.7x	4.6x	0.1x
Memo: Weighted Average (3/31/2014)	4.8x	4.8x	0.0x
Memo: Weighted Average (12/31/2013)	4.9x	4.7x	0.1x
Memo: Weighted Average (9/30/2013)	4.9x	4.8x	0.1x



¹ Current positions with a cost greater than \$7.5mm as of 6/30/2014 (represents 92% of non-70% advance rate asset cost and 91% of non-70% advance rate asset fair value)

² Defined as total debt (assuming par for debt senior to our security, purchase price for our security, and no value for debt subordinated to our security) less total cash for the period, divided by the trailing twelve month EBITDA; as of the first calendar quarter of 2014, if available, or otherwise, the most recently reported fiscal quarter

³ Includes all non-70% advance rate assets not on non-accrual except equity and revolvers; weighted by cost

Credit Performance – 70% Advance Rate Assets

Portfolio Company ⁽¹⁾	NMFC Leverage Ratio ⁽²⁾		Variance
	At Purchase	Current	Positive / (Negative)
Company AI	3.8x	4.4x	(0.6x)
Company AJ	3.8x	3.1x	0.7x
Company AK	3.8x	3.4x	0.4x
Company AL	5.3x	5.3x	-
Company AM	3.1x	2.7x	0.4x
Company AN	3.6x	3.6x	-
Company AO	3.7x	3.4x	0.3x
Company AP	2.0x	1.0x	1.0x
Company AQ	3.2x	8.3x	(5.0x)
Company AR	3.3x	2.8x	0.5x
Company AS	3.9x	3.7x	0.3x
Company AT	3.2x	4.5x	(1.4x)
Company AU	2.1x	1.7x	0.3x
Company AV	4.6x	4.6x	-
Company AW	4.0x	10.1x	(6.1x)
Company AX	1.2x	1.2x	-
Company AY	3.4x	2.9x	0.5x
Company AZ	3.1x	3.2x	(0.0x)
Company BA	4.3x	3.4x	0.9x
Company BB	3.4x	3.5x	(0.1x)
Weighted Average (6/30/2014)⁽³⁾	3.4x	3.6x	(0.2x)
Memo: Weighted Average (3/31/2014)	3.4x	3.4x	(0.0x)
Memo: Weighted Average (12/31/2013)	3.2x	3.5x	(0.2x)
Memo: Weighted Average (9/30/2013)	3.4x	3.7x	(0.2x)



¹ Current positions with a cost greater than \$7.5mm as of 6/30/2014 (represents 92% of 70% advance rate asset cost and 93% of 70% advance rate asset fair value)

² Defined as total debt (assuming par for debt senior to our security, purchase price for our security, and no value for debt subordinated to our security) less total cash for the period, divided by the trailing twelve month EBITDA; as of the first calendar quarter of 2014, if available, or otherwise, the most recently reported fiscal quarter

³ Includes all assets with a 70% advance rate; weighted by cost

Special Dividend – Learning Care Group (“LCG”)

- NMFC invested into the subordinated debt of LCG, the second largest for-profit child care provider in North America, in April 2010 and again in February 2013
 - We received penny warrants in connection with these investments representing in total ~2% of the fully diluted equity
- In May 2014, LCG was acquired by American Securities LLC, which allowed us to exit our warrants at significant gains
 - Adjusted realized gain of ~\$5.7 million; initial basis in the warrants of ~\$0.3 million
- Our subordinated debt was also repaid in connection with this transaction
- In connection with the May 2014 refinancing, we invested \$9.4 million in the first lien bank debt of LCG
 - Also received new warrants representing a ~2% equity stake in the new capital structure



SBIC Process

- On August 1, 2014, we received approval for a license from the United States Small Business Administration ("SBA") to operate as a Small Business Investment Company ("SBIC")
 - Allows the SBIC subsidiary to obtain leverage by issuing SBA-guaranteed debentures, subject to the issuance of a capital commitment by the SBA and customary procedures
- We believe the SBIC license benefits NMFC through its accretive economics and as an incremental source of attractive long-term capital that enhances the returns on equity for our shareholders
 - Debentures have a ten-year term and ~4% all-in interest rate
- NMFC's current investment strategy already includes the origination of SBIC qualifying assets
 - A meaningful portion of NMFC's investments since inception qualify as "Small Businesses" per the SBA's guidelines
- We would anticipate the fully ramped SBIC to contribute an incremental \$0.04 – \$0.08 per share to NII annually, all else being equal⁽¹⁾
 - As of August 1, 2014, we have 2 assets, representing \$35 million, already funded by the SBIC subsidiary
 - We expect to ramp fully over the next 18 – 24 months



Senior Loan Program (“SLP”)

- In June 2014, NMFC along with two third parties formed SLP I, a \$368 million leveraged loan fund for the purpose of investing in senior secured loans
 - Stand-alone entity (not consolidated by the BDC) managed by NMFC in exchange for management fees
 - Capitalized with minority equity from NMFC (\$23 million), majority equity from third parties (\$70 million) and 3 : 1 leverage from Wells Fargo (\$275 million)
 - Leverage terms: five-year maturity; L + 1.65% rate (no floor)
 - ~\$150 million of assets ramped through the end of July
- We anticipate SLP I, once ramped, to generate an attractive return on equity for NMFC from:
 - Stable, recurring management fees (~50bps on \$368 million of assets = ~\$1.7 million, annually)
 - Returns derived from the minority equity investment (~12% anticipated yield)⁽¹⁾
- NMFC will originate investments consistent with our current strategy
 - Will invest in senior secured loans issued by companies within NMFC’s core industry verticals, many of which we are already investing in on the second lien side
- We may add additional SLPs over time



Performance Since IPO

(\$ in millions)

	IPO -	2012	2013	2014	
	12/31/2011 ⁽¹⁾			3/31/2014	6/30/2014
Regular Dividend	\$26.6	\$46.6	\$59.8	\$16.3	\$17.7
Cumulative Regular Dividend	26.6	73.2	133.0	149.2	166.9
Adj. NII	26.5	46.1	62.1 ⁽²⁾	17.6 ⁽²⁾	18.5
Cumulative Adj. NII	26.5	72.7	134.8	152.4	170.9
Dividend Coverage (Cumulative Adj. NII / Dividend)	100%	99%	101%	102%	102%
Adj. Realized Gains	\$1.6	\$13.9	\$13.8 ⁽³⁾	\$3.4 ⁽³⁾	\$6.1 ⁽⁴⁾
Adj. Realized Credit & Other Losses	(\$0.8)	(2.0)	(6.1)	(0.5)	(1.3)
Total Adj. Realized Gains / (Losses)	0.9	11.9	7.8	2.9	4.7
Cumulative Adj. Realized Gains / (Losses)	0.9	12.8	20.5	23.4	28.1
Adj. Change in Unrealized Appreciation	17.0	46.5	46.0 ⁽⁵⁾	13.2	10.7
Adj. Change in Unrealized Depreciation	(28.1)	(26.1)	(34.0)	(8.2)	(9.0) ⁽⁶⁾
Total Adj. Change in Unrealized Appreciation / (Depreciation)	(11.1)	20.4	12.0	5.0	1.7
Cumulative Adj. Change in Unrealized Appreciation / (Depreciation)	(11.1)	9.3	21.3	26.3	28.0
Cumulative Net Realized and Unrealized Gains and Appreciation	(\$10.2)	\$22.0	\$41.7	\$49.7	\$56.1

¹ NMFC priced its initial public offering on 5/19/2011; IPO – 12/31/11 Adj. NII reflects nine months ended December 31, 2011 for comparability to the dividend

² Reflects Pro-Forma Adjusted Net Investment Income

³ Includes net YP distribution (net of incentive fee) and subsequent change in tax estimates of \$4.9 million for the year ended 2013 and \$0.2 million for the three months ended March 31, 2014

⁴ Primarily comprised of gain from the exit of LCG warrants of \$5.7 million (see pg. 15 for additional detail related to LCG warrants)








⁵ Includes net YP distribution (net of incentive fee) reclassification of \$0.4 million from change in tax estimate

⁶ Includes provision for income tax of \$0.4 million; see pg. 27 for detailed breakout



Q2 Originations

(\$ in millions)

Portfolio Originations ⁽¹⁾							YTM at Purchase ⁽⁴⁾	
Date ⁽²⁾	Name	Industry	Amount (\$'s Invested)	Tranche Size	Type of Investment	Advance Rate ⁽³⁾	Unlevered	Levered
4/3/14		Business Services	\$14.9	\$200	2 nd Lien	25%	11.4%	13.6%
5/2/14		Education	\$9.4	\$320	1 st Lien	70%	7.1%	14.4%
5/9/14		Federal Services	\$24.6	\$395	1 st Lien	70%	8.0%	18.7%
5/12/14		Energy	\$39.8 / \$2.4	\$50 / N/A	1 st Lien / Common Equity	0% / N/A	11.3% / N/A	11.3% / N/A
5/27/14		Education	\$24.8	\$125	2 nd Lien	25%	11.1%	13.3%
6/13/14	NMFC SLP I	Investment in Fund	\$11.5	N/A	Membership Interest	N/A	N/A	N/A
6/23/14		Healthcare Services	\$14.9	\$15	Subordinated	SBIC	10.6%	25.0%
6/30/14		Business Services	\$7.6	\$135	Unitranche	45%	10.6%	16.1%
	Other		\$8.4				10.6%	12.6%
Total Originations			\$158.3				Non-70%: 10.9%	Non-70%: 12.9%
Repayments ⁽¹⁾			(\$22.1)				/ 70%: 7.7%⁽⁵⁾	/ 70%: 17.4%⁽⁵⁾
Net Originations			\$136.2					
Sales			(\$8.9) ⁽⁶⁾					
Net Originations Less Sales			\$127.3					

¹ Origination commitments over \$7.5m shown, originations less than \$7.5m included in "Other"; originations and repayments exclude PIK, revolvers, and bridges

² Date of commitment; where multiple trade dates, the first trade date is listed

³ For assets not in the SBIC or in the Wells Fargo borrowing base, illustrative advance rates shown based on Wells Fargo advance rates for comparable assets

⁴ Assumes that investments are purchased at purchase price on settlement date and held until their respective maturities with no prepayments or losses and are exited at par at maturity. The actual yield to maturity may be higher or lower due to the future selection of LIBOR contracts by the individual companies in our portfolio or other factors. See "Important Notice and Safe Harbor Statement."

⁵ Weighted average YTM; 70% includes all assets with 70% advance rate and assumes LIBOR + 2.00% interest rate on that debt





⁶ Excludes realized gain from sale of LCG warrants



Origination Activity Since Quarter End (Through 8/4/14)

(\$ in millions)

Portfolio Originations⁽¹⁾

Date ⁽²⁾	Name	Industry	Amount (\$'s Invested)	Tranche Size	Type of Investment	Advance Rate ⁽³⁾	YTM at Purchase ⁽⁴⁾	
							Unlevered	Levered
7/3/14		Business Services	\$20.0	\$20	Subordinated	SBIC	17.0%	40.2%
7/18/14		Education	\$11.9	\$80	2 nd Lien	25%	11.7%	14.0%
7/23/14		Business Services	\$18.3	\$26	2 nd Lien	25%	10.9%	13.1%
7/29/14		Business Products	\$20.2	\$175	2 nd Lien	25%	10.5%	12.5%
Other			\$16.1				Non-70%: 12.3%	Non-70%: 16.3%
Total Originations			\$86.6				/ 70%: N/A⁽⁵⁾	/ 70%: N/A⁽⁵⁾
Repayments			(\$46.8)					
Net Originations			\$39.8					
Sales			(\$3.9)					
Net Originations less Sales			\$35.8					

Investment Pipeline

- Over \$50 million of potential investments in near-term pipeline
- Over \$75 million additional in earlier-stage pipeline

¹ Origination commitments over \$7.5m shown, originations less than \$7.5m included in "Other"; originations and repayments exclude PIK, revolvers, and bridges

² Date of commitment; where multiple trade dates, the first trade date is listed

³ For assets not in the SBIC or in the Wells Fargo borrowing base, illustrative advance rates shown based on Wells Fargo advance rates for comparable assets

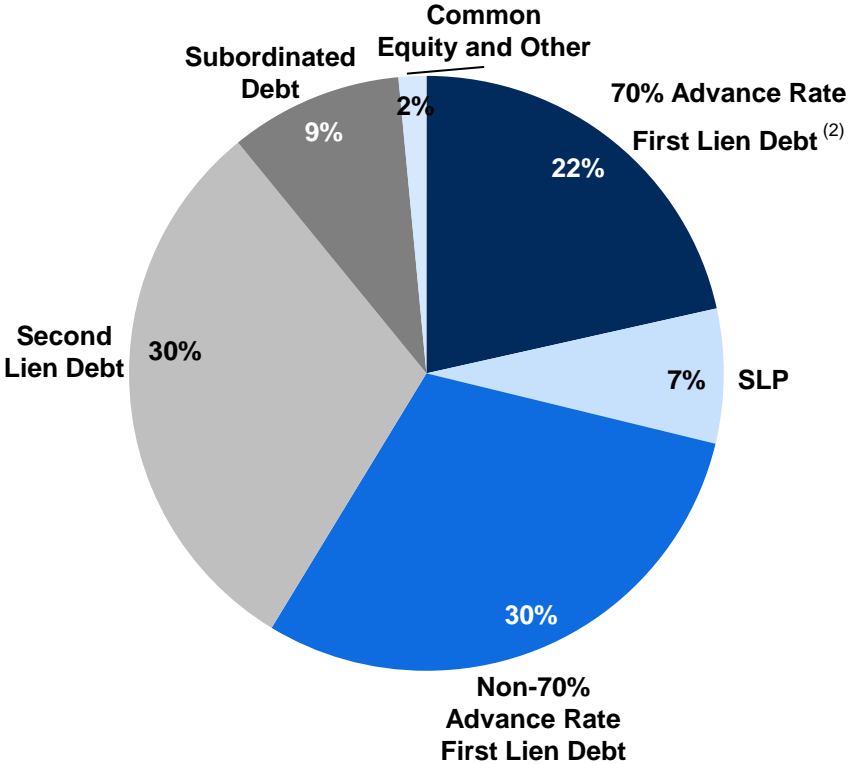
⁴ Assumes that investments are purchased at purchase price on settlement date and held until their respective maturities with no prepayments or losses and are exited at par at maturity. The actual yield to maturity may be higher or lower due to the future selection of LIBOR contracts by the individual companies in our portfolio or other factors. See "Important Notice and Safe Harbor Statement."

⁵ Weighted average YTM

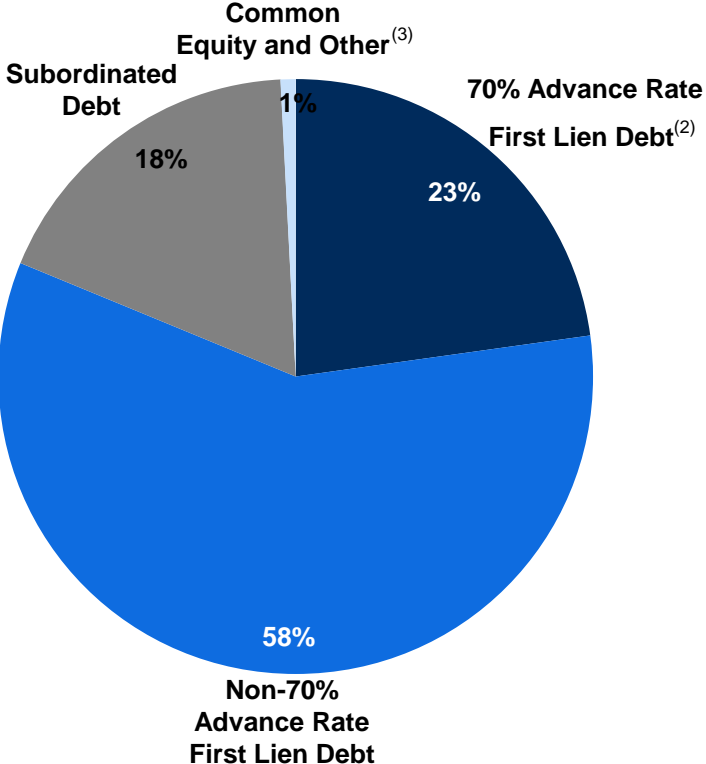


Q2 Originations and Repayments

Originations by Type⁽¹⁾



Sales / Repayments by Type⁽¹⁾



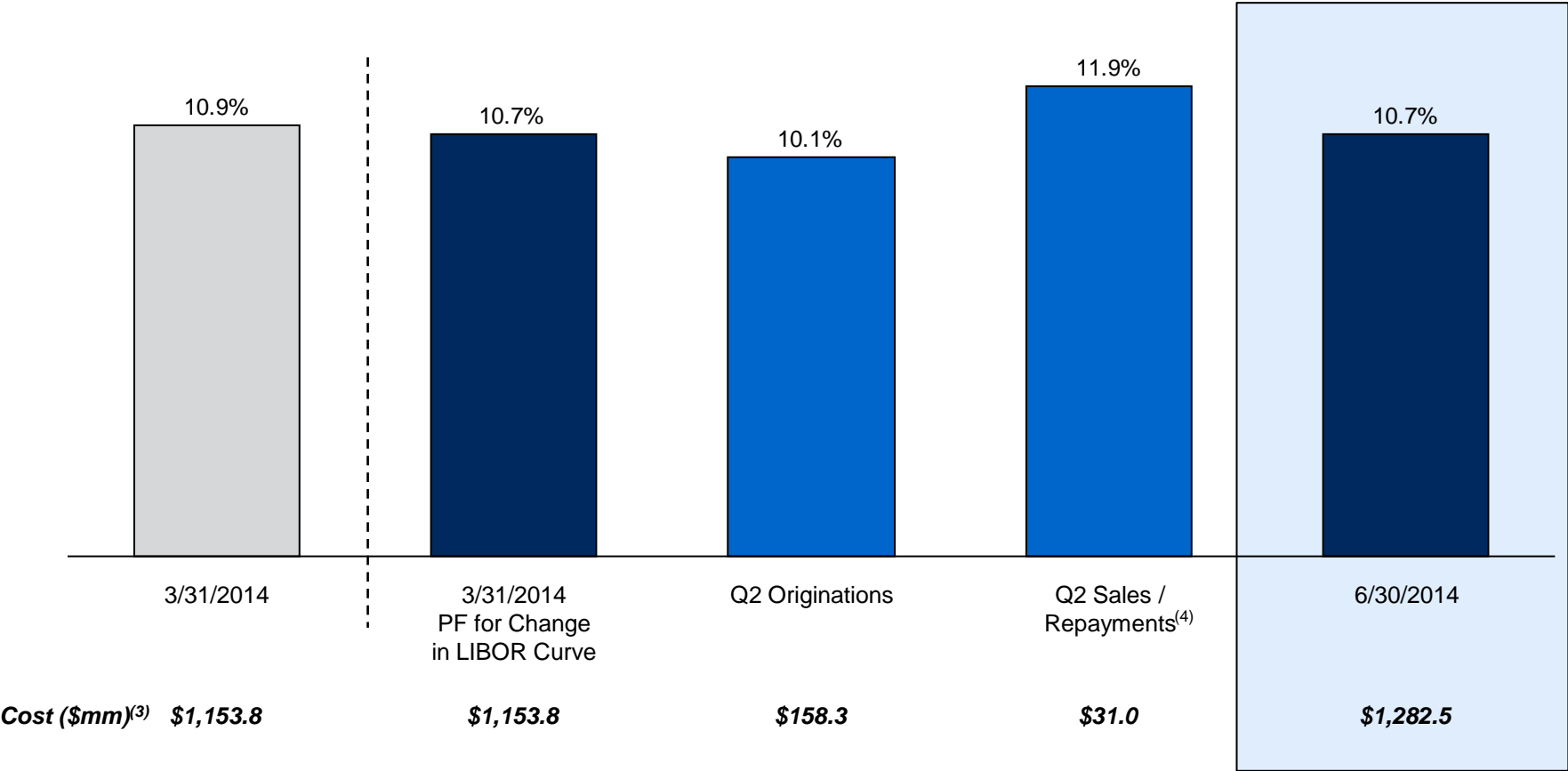
¹ By \$s invested / \$s received at time of origination / sale / repayment; excludes PIK, revolvers and bridges

² 70% advance rate first lien debt includes first lien assets with 70% advance rate

³ Excludes realized gain from sale of LCG warrants

Q2 Investment Activity Roll

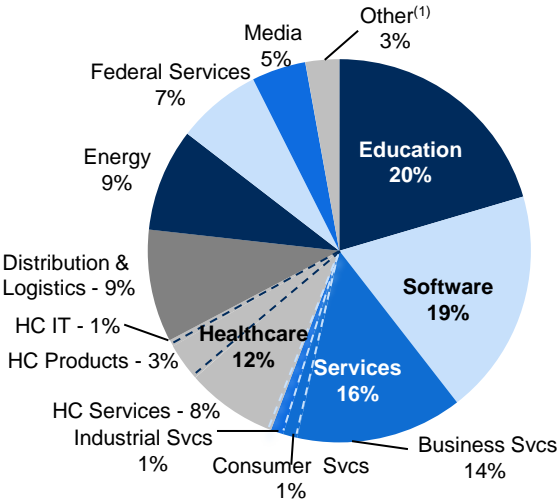
YTM at Cost⁽¹⁾ / Purchase⁽²⁾



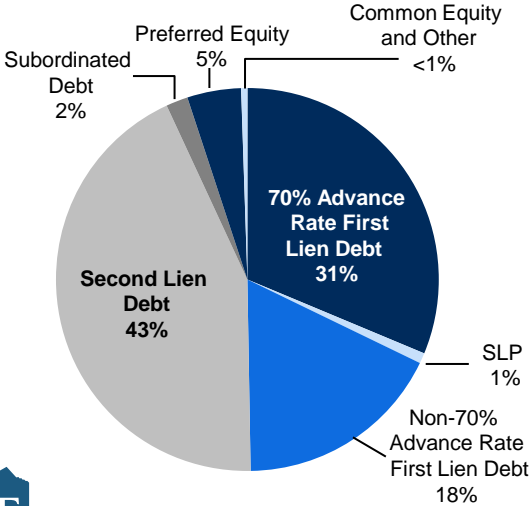
¹ Assumes that investments are purchased at adjusted cost (estimated) and held until their respective maturities with no prepayments or losses and are exited at par at maturity. The actual yield to maturity may be higher or lower due to the future selection of LIBOR contracts by the individual companies in our portfolio or other factors. See "Important Notice and Safe Harbor Statement."
² References to "YTM at Purchase" have the same assumptions as above except that investments are purchased at purchase price on settlement date
³ Will not sum across due to amortization, PIK, realized gain / loss, and revolvers
⁴ Excludes realized gain from sale of LCG warrants

Portfolio Mix (By Fair Value as of 6/30/14)

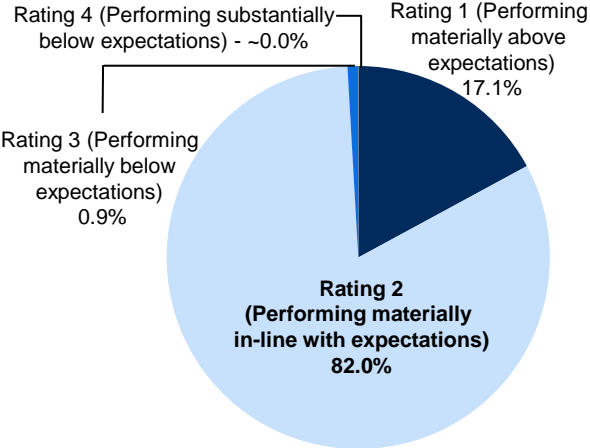
By Industry



By Type of Investment



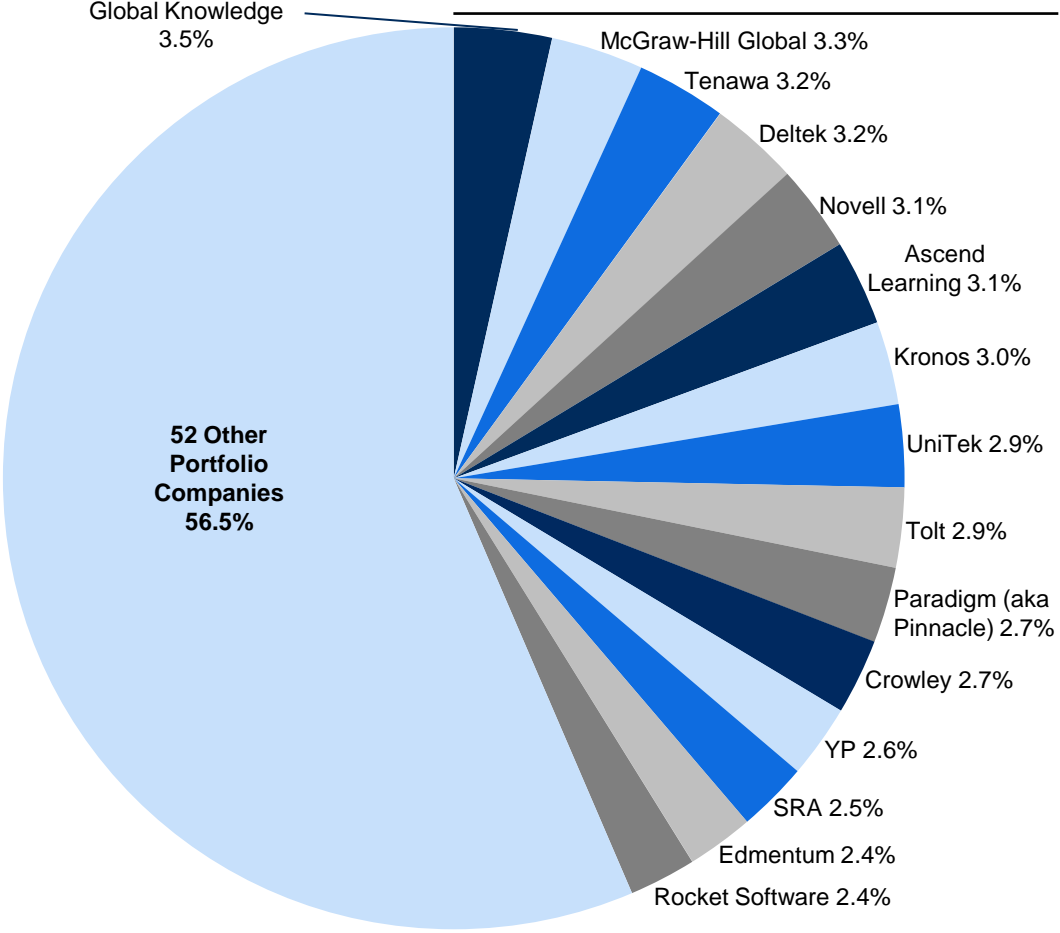
By Rating



¹ Includes 2% Specialty Chemicals & Materials, 1% SLP and <1% Business Products

Portfolio Concentration (By Fair Value as of 6/30/14)

Portfolio Names By Fair Value



Top 15 portfolio companies represent \$570.6 million, or 43.5%, of consolidated investments

Memo: Top 15 Portfolio Companies

As of		
9/30/2013	12/31/2013	3/31/2014
\$476.6m	\$515.4m	\$541.4m
45.8%	46.2%	45.9%

Balance Sheet Highlights

(\$ in millions, except per unit/share data)	Quarter Ended				6/30/2014
	6/30/2013	9/30/2013	12/31/2013	3/31/2014	
Assets					
Portfolio	\$1,059.0	\$1,041.4	\$1,115.7	\$1,180.2	\$1,310.9
Cash & Equivalents	15.9	17.6	15.0	13.3	21.7
Other Assets ⁽¹⁾	19.5	18.3	17.1	25.9	25.5
Total Assets	\$1,094.4	\$1,077.3	\$1,147.8	\$1,219.4	\$1,358.1
Liabilities					
Total Debt	\$416.5	\$374.1	\$436.5	\$486.8	\$568.1
Other Liabilities ⁽²⁾	37.6	61.4	22.8	35.5	27.5
Total Liabilities	\$454.1	\$435.5	\$459.3	\$522.3	\$595.6
NAV	\$640.3	\$641.8	\$688.5	\$697.1	\$762.6
Shares Outstanding - Ending Balance (mm)	44.7	44.8	47.9	48.0	52.1
NAV / Share	\$14.32	\$14.32	\$14.38	\$14.53	\$14.65
Debt / Equity	0.65x	0.71x ⁽³⁾	0.63x	0.70x	0.74x



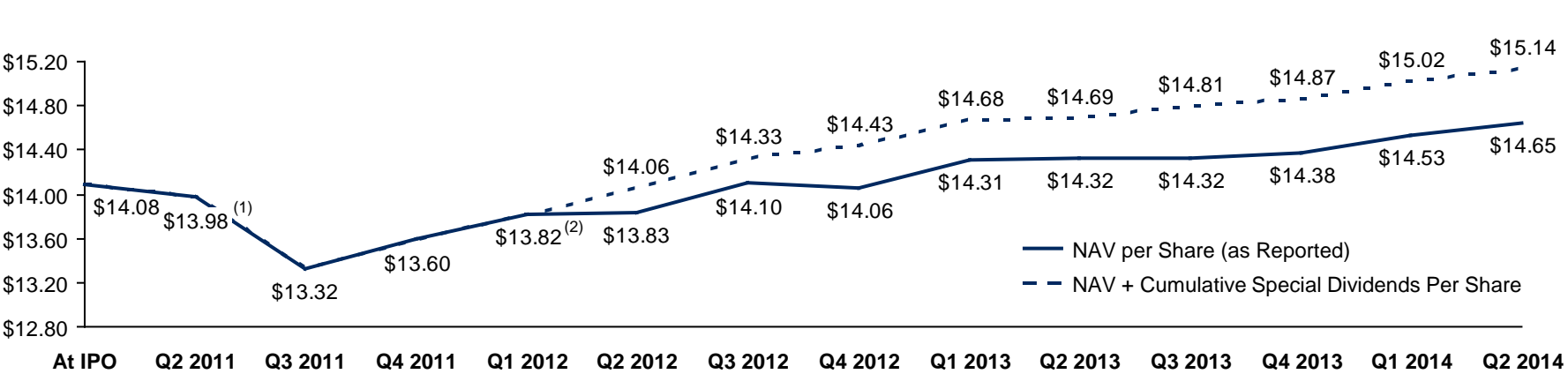
¹ Includes interest and dividends receivable, receivable from unsettled securities sold, deferred financing costs, receivable from affiliates and other assets

² Includes payable for unsettled securities purchased, incentive fee payable, capital gains incentive fee payable, management fee payable, interest payable, payable to affiliates, deferred tax liability and other liabilities

³ Pro forma for \$78.4m of securities purchases and investment commitments that were unsettled as of September 30, 2013 and funded shortly after the third quarter end

Historical NAV / Share and Leverage Trends

NAV / Share



Debt / Equity



¹ Q2 2011 NAV / share adjusted for payment of Q2 dividend

² Q1 2012 NAV / share adjusted for payment of special dividend

³ Pro-forma for \$78.4m of securities purchases and investment commitments that were unsettled as of September 30, 2013 and funded shortly after the third quarter end



Income Statement Highlights

(\$ in millions, except per unit/share data)

	Quarter Ended - Pro Forma Adjusted ⁽¹⁾				6/30/2014
	6/30/2013	9/30/2013	12/31/2013	3/31/2014	
Investment Income					
Interest income	\$27.1	\$27.1	\$27.4	\$28.1	\$31.6
Dividend income	–	0.2	0.0	1.9	1.3
Other income	1.4	0.2	0.9	0.7	0.8
Total investment income	\$28.5	\$27.5	\$28.3	\$30.7	\$33.7
Expenses					
Incentive fee	\$4.1	\$3.9	\$4.1	\$4.4	\$4.6
Management fee	3.7	3.8	3.8	4.2	4.6
Interest and other financing expenses	3.1	3.2	3.1	3.4	4.0
Net administrative, professional, and other G&A expenses ⁽²⁾	1.1	1.1	1.1	1.1	1.9
Total net expenses	\$12.0	\$11.9	\$12.1	\$13.1	\$15.1
Net investment income	\$16.5	\$15.6	\$16.2	\$17.6	\$18.5
Gain / Loss					
Net realized gains (losses) on investments	\$0.6	\$3.7	(\$1.9)	\$2.9	\$4.7
Net change in unrealized (depreciation) appreciation of investments	(9.1)	2.4	5.5	5.0	2.1
Provision for income tax	–	–	–	–	(0.4)
Capital gains incentive fee	1.7	(1.2)	(0.7)	(1.6)	(1.3)
Net increase in members' capital/net assets resulting from operations	\$9.7	\$20.5	\$19.1	\$23.9	\$23.7
Weighted average units/shares outstanding (mm)	42.9	44.7	47.5	47.9	51.6
NIU per weighted average unit/share	\$0.38	\$0.35	\$0.34	\$0.37	\$0.36



Investment Income Detail

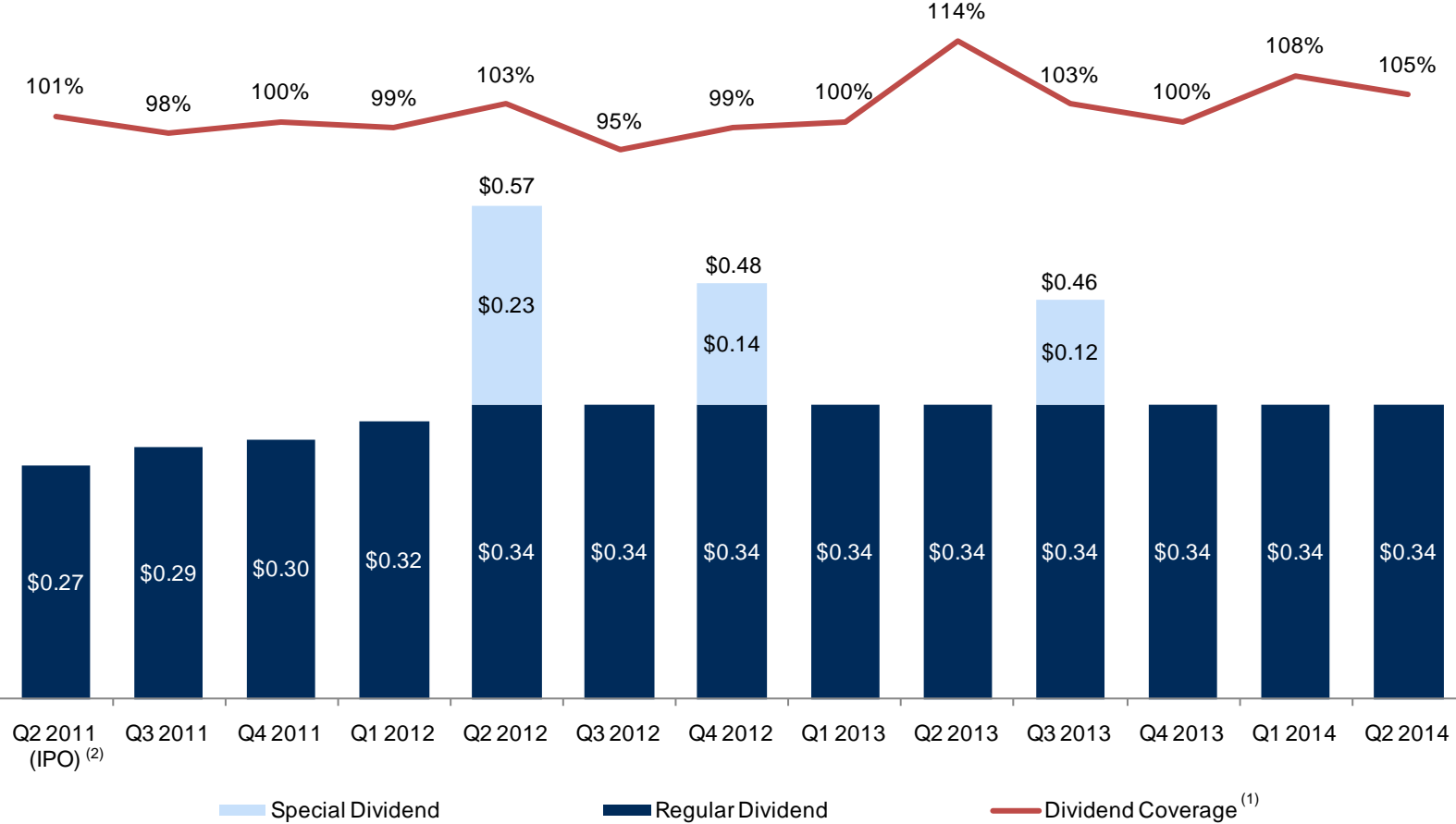
(\$ in millions)	Quarter Ended - Pro Forma Adjusted ⁽¹⁾				
	6/30/2013	9/30/2013	12/31/2013	3/31/2014	6/30/2014
Investment Income Build					
Cash interest	\$23.4	\$24.4	\$24.3	\$26.3	\$28.4
Non-cash interest	0.9	0.8	1.0	0.8	0.6
Amortization of purchase discounts (premiums) and fees	0.6	0.7	0.7	0.7	0.6
Interest Income Excl. Prepayment Fees	\$24.9	\$25.9	\$26.0	\$27.8	\$29.7
Prepayment Fees	2.2	1.2	1.4	0.3	1.9
Total Interest Income	\$27.1	\$27.1	\$27.4	\$28.1	\$31.6
Dividend Income	–	0.2	0.0	1.9	1.3
Other Income	1.4	0.2	0.9	0.7	0.8
Total Investment Income	\$28.5	\$27.5	\$28.3	\$30.7	\$33.7
Key Statistics					
% of Total Investment Income that is Non-cash ⁽²⁾	9%	6%	6%	5%	4%
Total Interest Income as % of Total Investment Income					
Excluding Prepayment Fees	87%	94%	92%	91%	88%
Including Prepayment Fees	95%	99%	97%	92%	94%

**Our investment income continues to be predominantly paid in cash
and generated by stable and predictable sources**



Dividend Summary and Coverage

We believe our Q3 2014 Adjusted NII will be in the \$0.33 to \$0.35 per share range. Our board of directors has declared a third quarter dividend of \$0.34 per share.



¹ Calculated as Pro Forma Adjusted Net Investment Income / regular dividend
² NMFC priced its initial public offering on 5/19/2011

Diversified Leverage Profile

<i>(As of 6/30/14, \$ in millions)</i>	Amount Outstanding / Facility Size	Interest Rate	Maturity
Holdings Credit Facility	\$238 / \$280	L + 2.75% (No LIBOR floor)	October 2016
SLF Credit Facility	\$215 / \$215	1 st Lien: L + 2.00% 2 nd Lien: L + 2.75% (No LIBOR floor)	October 2016
NMFC Credit Facility	\$0 / \$50	L + 2.50% (No LIBOR floor)	June 2019
Convertible Notes	\$115 / \$115	5.00%	June 2019
SBIC Debentures ⁽¹⁾	\$0 / \$75 ⁽²⁾	Interim rate ⁽³⁾ : L+0.30% Illustrative all-in interest rate of ~4% p.a. ⁽⁴⁾	10-Year Tenor
Total	\$568 / \$735		

- Wells Fargo credit facilities' borrowing bases and liquidity are not tied to trading prices and valuations of securities
 - Covenants tied to underlying portfolio company operating performance, not mark-to-market



¹ Received approval for a license from the SBA to operate as a SBIC on August 1, 2014; SBIC debentures are fully funded, non-recourse, asset-backed securities

² \$75 million represents one tier of leverage; current SBIC license allows access up to two tiers of leverage (\$150 million) but SBIC can access only one tier of leverage at a time

³ Debentures priced between SBA debenture pooling dates pay an interim rate of L+30bps until the next debenture pooling (which will occur in September 2014)

⁴ Illustrative all-in interest rate of debentures reflects latest pooled interest rate of 3.191% as of March 2014 and includes additional fees and expenses

Corporate Information

Board of Directors

Inside Directors

Steven B. Klinsky (Chairman)

Robert A. Hamwee

Adam B. Weinstein

Independent Directors

Alfred F. Hurley, Jr.

David R. Malpass

David Ogens

Kurt J. Wolgruber

Corporate Offices & Website

787 Seventh Avenue

48th Floor

New York, NY 10019

<http://www.newmountainfinance.com>

Investor Relations

David M. Cordova

New Mountain Finance Corporation

212-220-3546

dcordova@newmountaincapital.com

Senior Management

Steven B. Klinsky

Chairman of the Board of Directors

Robert A. Hamwee

*Chief Executive Officer, President
and Director*

John R. Kline

EVP and Chief Operating Officer

David M. Cordova

Chief Financial Officer and Treasurer

Adam B. Weinstein

*EVP, Chief Administration Officer
and Director*

Paula A. Bosco

*Chief Compliance Officer,
Chief Regulatory Counsel and
Corporate Secretary*

James W. Stone III

Managing Director

Research Coverage

Baird Equity Research

Bryce Rowe, 804-447-8019

Dan Nicholas, 804-447-8020

BB&T Capital Markets

Vernon C. Plack, 804-780-3257

Peter W. Council, 804-782-8850

Janney Capital Markets

John T.G. Rogers, 202-955-4316

Keefe, Bruyette & Woods (KBW)

Greg Mason, 314-342-2194

Troy Ward, 314-342-2714

Oppenheimer & Co.

Chris Kotowski, 212-667-6699

L. Allison Taylor, 212-667-5366

Wells Fargo Securities

Jonathan Bock, 443-263-6410

Fiscal Year End

December 31

Independent Auditor

Deloitte & Touche LLP

New York, NY

Corporate Counsel

Sutherland Asbill & Brennan LLP

Washington D.C.

Securities Listing

NYSE: NMFC

Transfer Agent

American Stock Transfer & Trust Company, LLC

212-936-5100

www.amstock.com





**NEW MOUNTAIN FINANCE
CORPORATION**

Appendix A: NMFC Pro-Forma Adjusted NII Reconciliation

(\$ in millions except per share data)

	Three months ended June 30, 2014		Six months ended June 30, 2014 ⁽⁴⁾	
	Amount	Per Weighted Average Share	Amount	Per Weighted Average Share
GAAP net investment income ("NII")	\$17.3	\$0.34	\$33.3	\$0.68
Non-cash capital gains incentive fee ⁽¹⁾	1.3	0.02	2.7	0.05
Adjusted NII ⁽²⁾	\$18.5	\$0.36	\$36.0	\$0.73
Non-recurring net YP, LLC distribution ⁽³⁾	-	-	(0.2)	(0.00)
Pro-forma adjusted NII	\$18.5	\$0.36	\$35.8	\$0.73

¹ Reclassification of the non-cash capital gains incentive fee out of net investment income and into net change in net assets resulting from operations

² Includes a non-cash amortization adjustment of less than \$100,000

³ Adjustment related to the NII impact (net of incentive fee) from the change in tax estimate related to the non-recurring YP, LLC distribution

⁴ Represents Pro-Forma Adjusted NII for NMFC for the six months ended June 30, 2014, which includes its pro-rata allocation from the Predecessor Operating Company from January 1 to May 7, 2014. Refer to slide 27 for the results of the Predecessor Operating Company for the three months ended March 31, 2014



Appendix B: Structure Chart

