



NEW MOUNTAIN FINANCE
CORPORATION

Q4 2017 Earnings Presentation

March 1, 2018

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Investment portfolio related activity, metrics and disclosures on slides 5, 10, 11, 14, 17, 19, 20, 21, 22, 24, 25, 26, and 30 include the underlying collateral from securities purchased under collateralized agreements to resell. Figures shown herein are unaudited and may not add due to rounding.

This presentation may also contain non-GAAP financial information. NMFC's management uses this information in its internal analysis of results and believes that this information may be informative to investors in gauging the quality of NMFC's financial performance, identifying trends in our results and providing meaningful period-to-period comparisons.

The term Adjusted Net Investment Income as used throughout this presentation is not defined under GAAP and is not a measure of operating income, operating performance or liquidity presented in accordance with GAAP. In evaluating its business, NMFC considers and uses Adjusted Net Investment Income as a measure of its operating performance. Adjusted Net Investment Income is defined as net investment income adjusted to reflect income as if the cost basis of investments held at NMFC's IPO date had stepped-up to fair market value as of the IPO date. Under GAAP, NMFC's IPO did not step-up the cost basis of the predecessor operating company's existing investments to fair market value. Since the total value of the predecessor operating company's investments at the time of the IPO was greater than the investments' cost basis, a larger amount of amortization of purchase or issue discount, and different amounts in realized gains and unrealized appreciation, may be recognized under GAAP in each period than if a step-up had occurred. For purposes of the incentive fee calculation, NMFC adjusts income as if each investment was purchased at the date of the IPO (or stepped-up to fair market value). **To view the reconciliation of Adjusted Net Investment Income, please see Appendix A at the end of this presentation.**



Management Participants

Robert A. Hamwee

Chief Executive Officer and Director

John R. Kline

President and Chief Operating Officer

Shiraz Y. Kajee

Chief Financial Officer and Treasurer



Q4 2017 Highlights

- Q4 2017 Net Investment Income (“NII”) of \$0.35 per weighted average share, at the high end of guidance of \$0.33 to \$0.35
 - Q4 2017 regular dividend of \$0.34 per share paid on December 28, 2017
- December 31, 2017 net asset value (“NAV”) of \$13.63 per share, an increase of \$0.02 per share from the September 30, 2017 NAV of \$13.61 per share
- Q1 2018 regular dividend of \$0.34 per share announced
 - Payable on March 29, 2018 to holders of record as of March 15, 2018
- Approximately \$190.0 million of gross originations and \$212.9 million of repayments in Q4 2017
- Key updates:
 - The NMFC credit facility was upsized to \$150.0 million on January 25, 2018
 - On February 27, 2018, extended maturity date by three years to June 2022 for \$135.0 million of the facility
 - Issued \$90.0 million of 4.870% unsecured notes on January 30, 2018
 - For the third quarter in a row, no new non-accruals and no portfolio companies on the watchlist



Key Highlights

Financial Highlights

	Quarter Ended				12/31/2017
	12/31/2016	3/31/2017	6/30/2017	9/30/2017	
Adjusted NII Per Share ⁽¹⁾	\$0.34	\$0.34	\$0.34	\$0.35	\$0.35
NAV Per Share	\$13.46	\$13.56	\$13.63	\$13.61	\$13.63
Dividends Per Share	\$0.34	\$0.34	\$0.34	\$0.34	\$0.34
Share Count - End of Period (mm)	69.7	69.8	75.7	75.8	75.9
Shares Owned by New Mountain Employees (mm / %) ⁽²⁾	8.6 / 12%	8.7 / 13%	9.1 / 12%	9.2 / 12%	9.0 / 12%

Portfolio Highlights

	Quarter Ended				12/31/2017
	12/31/2016	3/31/2017	6/30/2017	9/30/2017	
Fair Value of Investments (\$mm)	\$1,588.0	\$1,815.3	\$1,883.4	\$1,872.9	\$1,850.9
Number of Portfolio Companies	79	78	81	83	85
Middle Market Focus (EBITDA / Facility Size) ⁽³⁾	74% / 77%	67% / 75%	70% / 75%	73% / 75%	72% / 77%
Current Yield at Cost ⁽⁴⁾	10.1%	10.1%	10.0%	10.0%	10.3%
YTM at Cost ⁽⁵⁾	11.1%	11.1%	10.8%	10.6%	10.9%

Portfolio Activity (\$mm)⁽⁶⁾

Gross Originations	\$221.5	\$349.3	\$258.3	\$202.4	\$190.0
(-) Repayments	(169.2)	(99.1)	(182.1)	(202.5)	(212.9)
Net Originations	\$52.3	\$250.2	\$76.2	(\$0.1)	(\$22.9)
(-) Sales	(25.2)	(34.7)	(13.5)	(9.5)	(11.8)
Net Originations Less Sales	\$27.1	\$215.5	\$62.7	(\$9.6)	(\$34.7)

¹ See Appendix A for GAAP reconciliation

² Includes members of senior management and other New Mountain employees; excludes independent directors; ownership % based on total shares outstanding

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; excludes NMFC Senior Loan Program I ("SLP I"), NMFC Senior Loan Program II ("SLP II") and New Mountain Net Lease Corporation

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 cost 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 ("payment-in-kind" interest), revolvers, unfunded commitments, bridges, return of capital, and realized gains / losses



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
 - New Mountain is a leading alternative investment firm that currently manages private equity, public equity, and credit funds with over \$20 billion in assets under management with over 130 staff members
- Externally managed Business Development Company ("BDC")
 - Initial Public Offering ("IPO") completed in May 2011 (NYSE: NMFC)
 - Public float market capitalization has increased from \$147 million at IPO to approximately \$1.0 billion as of December 31, 2017
- Targets investments up to a \$125 million hold size in:
 - "Defensive growth" middle market companies, typically generating \$10 – \$200 million of EBITDA
 - Senior secured debt (1st lien, 2nd lien or uni-tranche), mezzanine and other subordinated securities

Strategy

- 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
- 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

Key Investment Highlights

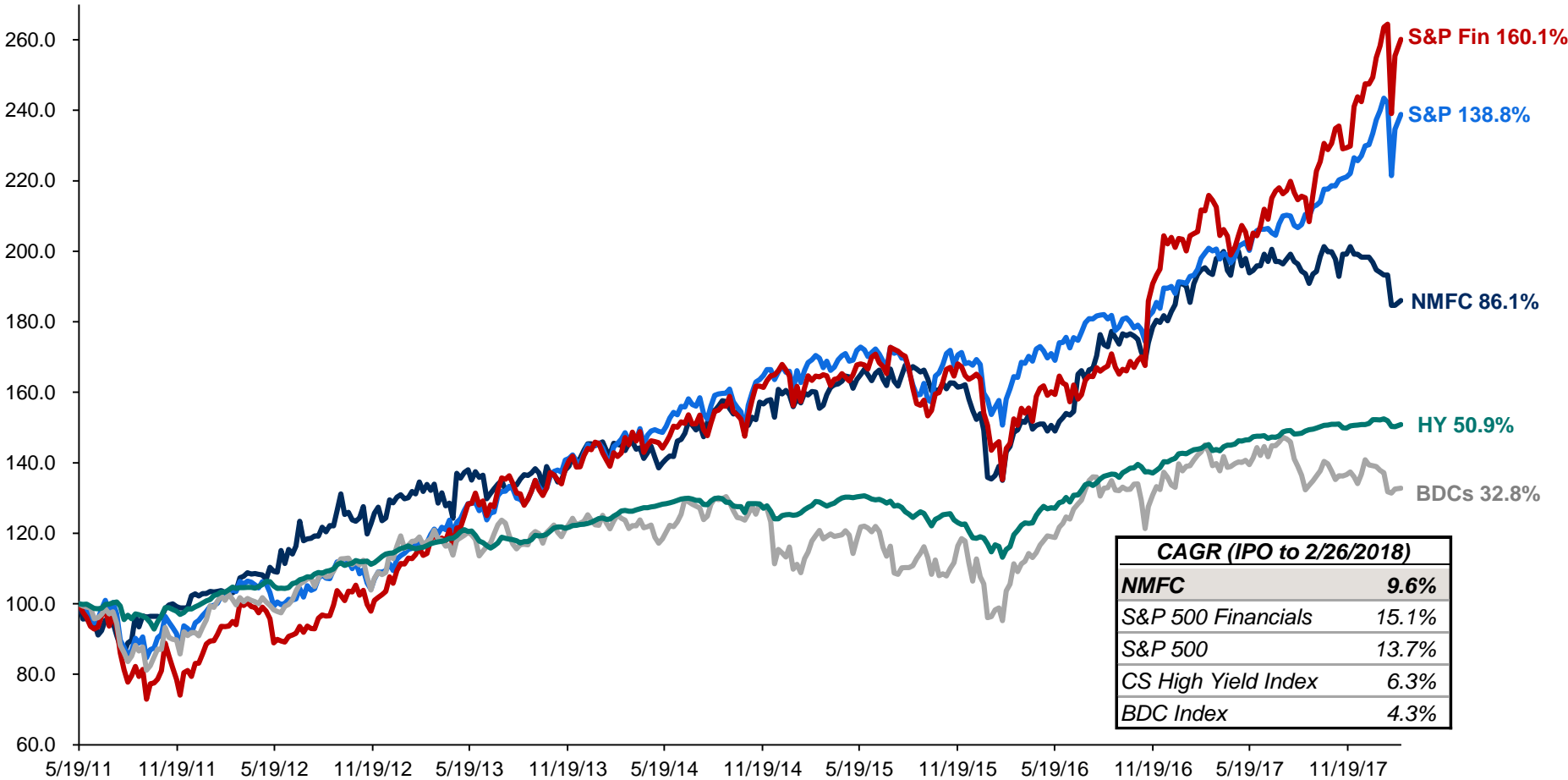
- Strong track record on credit and returns
- Well established New Mountain platform provides unique knowledge warehouse and sourcing capabilities
- Differentiated "defensive growth" investment strategy
- High quality and diverse portfolio
- Experienced management team who are also significant shareholders



NMFC Relative Return Performance – Indexed Total Return

May 19, 2011 (IPO) – February 26, 2018

Indexed Total Return



— NMFC — S&P 500 — S&P 500 Financials — BDC Index(1) — Credit Suisse High Yield Index(2)



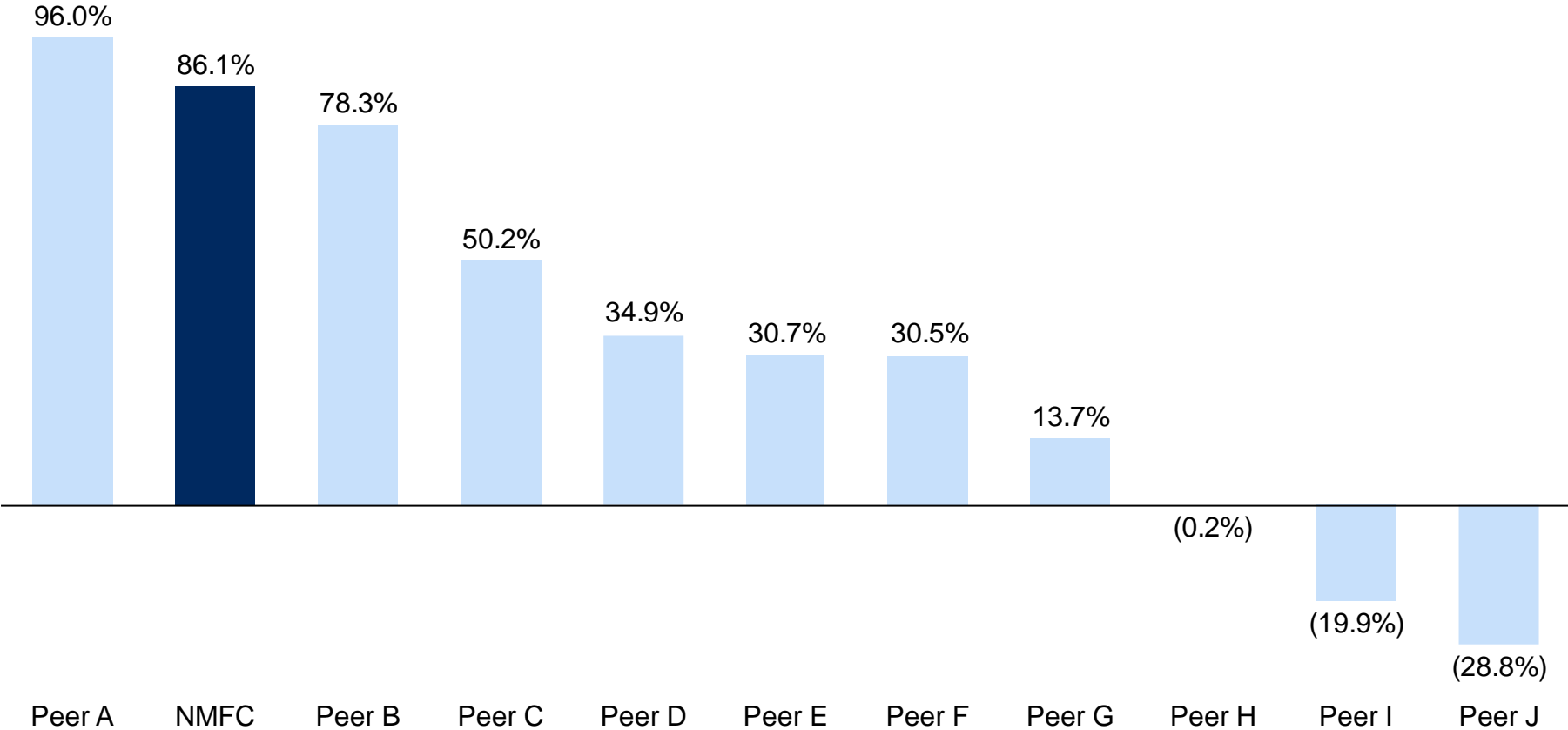
Source: Capital IQ, Credit Suisse Research & Analytics

¹ BDC Index includes median of Ares, Apollo, Prospect, Solar, Blackrock Capital, Pennant Park, MVC, Golub, THL Credit, Gladstone, Oaktree Specialty Lending Corporation, Medley, Solar Senior and Horizon Technology; equal-weighted

² The Credit Suisse High Yield Index is an unmanaged index designed to mirror the investable universe of the US dollar-denominated high yield debt market

NMFC Cumulative Total Return Performance Versus Peers⁽¹⁾

May 19, 2011 (IPO) – February 26, 2018

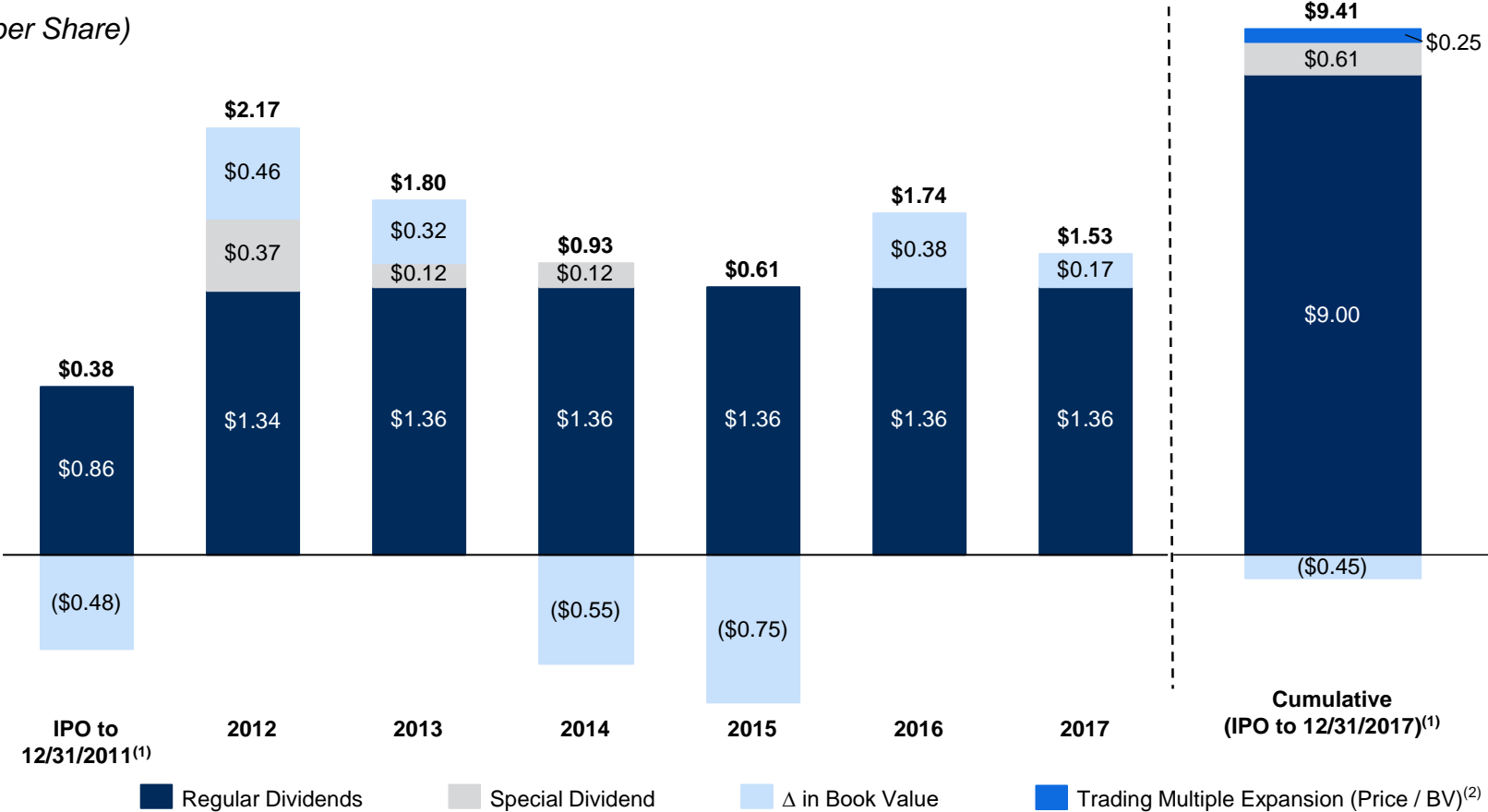


Source: Capital IQ

¹ Peers include publicly-traded, externally-managed BDCs with market capitalizations greater than \$300 million that have been publicly traded since NMFC's IPO (5/19/2011). Peers include Ares, Apollo, Prospect, Solar, Blackrock Capital, Pennant Park, Golub, THL Credit, Oaktree Specialty Lending Corporation, and Medley

NMFC Return Attribution

(\$ per Share)



Since IPO, NMFC has distributed \$9.00 per share in regular dividends and \$0.61 per share in special dividends, and NMFC public shares have traded from \$13.75 at IPO to \$13.55 at close on 12/29/2017



¹ NMFC priced its initial public offering on 5/19/2011 at \$13.75 per share; closing price on 12/29/2017 of \$13.55 per share

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

Credit Performance

(\$ in millions)

	As of 12/31/2017	Cumulative Since Inception⁽¹⁾ (October 2008 – December 31, 2017)
	<u>Cost</u> / <u>FMV</u> / <u># Portfolio Co's</u>	<u>Cost</u> / <u># Portfolio Co's</u>
Investments	\$1,821 / \$1,851 / 85	\$5,274 / 221
	<i>of which</i>	<i>of which</i>
Internal Watch List (3 or 4 Rating)⁽²⁾	\$0.1 / \$0.4 / 1	\$236 / 10
	<i>of which</i>	<i>of which</i>
Non-Accrual	- / - / -	\$112 / 7
		<i>of which</i>
Realized Default Loss⁽³⁾		\$43 / 4

¹ Since inception of predecessor entity in 10/2008 through 12/31/17

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 while significant loss is not expected, the risk of loss has increased 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 Realized default loss represents positions, or portions of positions, where no recovery is expected



Credit Performance

Portfolio Company (Vintage) ⁽¹⁾	NMFC Leverage Ratio ⁽²⁾		Variance
	At Purchase	Current	+ / (-)
Company A (2014)	5.6x	3.4x	2.3x
Company B (2011 - 2013)	2.9x	1.1x	1.9x
Company C (2015)	7.2x	5.5x	1.7x
Company D (2015)	6.9x	5.7x	1.2x
Company E (2017)	4.9x	3.9x	1.0x
Company F (2014)	7.7x	6.6x	1.0x
Company G (2015)	5.0x	4.0x	1.0x
Company H (2016)	6.8x	5.9x	0.9x
Company I (2011 - 2013)	5.0x	4.2x	0.9x
Company J (2017)	5.3x	4.5x	0.8x
Company K (2015)	6.8x	6.0x	0.8x
Company L (2017)	5.9x	5.1x	0.8x
Company M (2015)	7.1x	6.4x	0.7x
Company N (2016)	6.8x	6.2x	0.6x
Company O (2015)	5.4x	4.9x	0.6x
Company P (2017)	3.6x	3.0x	0.6x
Company Q (2017)	4.5x	4.0x	0.5x
Company R (2016)	6.6x	6.1x	0.4x
Company S (2017)	3.3x	2.8x	0.4x
Company T (2014)	5.8x	5.4x	0.4x
Company U (2017)	4.2x	3.9x	0.4x
Company V (2015)	6.6x	6.3x	0.3x
Company W (2016)	6.8x	6.5x	0.3x
Company X (2016)	6.0x	5.8x	0.2x
Company Y (2017)	5.0x	4.8x	0.2x
Company Z (2017)	5.4x	5.2x	0.1x
Company AA (2017)	6.4x	6.2x	0.1x
Company AB (2016)	6.5x	6.4x	0.1x
Company AC (2017)	6.1x	6.1x	0.1x
Company AD (2016)	7.3x	7.2x	0.1x
Company AE (2017)	5.7x	5.7x	0.0x
Company AF (2017)	6.9x	6.9x	-

Portfolio Company (Vintage) ⁽¹⁾	NMFC Leverage Ratio ⁽²⁾		Variance
	At Purchase	Current	+ / (-)
Company AG (2017)	5.4x	5.4x	-
Company AH (2017)	7.3x	7.3x	-
Company AI (2017)	8.7x	8.7x	-
Company AJ (2017)	6.6x	6.6x	-
Company AK (2017)	0.9x	0.9x	-
Company AL (2017)	6.2x	6.2x	-
Company AM (2017)	6.9x	6.9x	-
Company AN (2017)	6.5x	6.5x	-
Company AO (2014)	4.5x	4.5x	-
Company AP (2015)	6.1x	6.1x	(0.0x)
Company AQ (2017)	6.3x	6.4x	(0.1x)
Company AR (2016)	5.4x	5.4x	(0.1x)
Company AS (2015)	5.5x	5.6x	(0.1x)
Company AT (2016)	6.2x	6.2x	(0.1x)
Company AU (2016)	3.7x	3.8x	(0.2x)
Company AV (2015)	5.4x	5.6x	(0.2x)
Company AW (2014)	4.8x	5.0x	(0.2x)
Company AX (2016)	1.7x	1.9x	(0.2x)
Company AY (2017)	4.4x	4.7x	(0.3x)
Company AZ (2017)	3.7x	4.0x	(0.3x)
Company BA (2015)	5.1x	5.4x	(0.3x)
Company BB (2017)	1.7x	2.0x	(0.3x)
Company BC (2017)	1.9x	2.2x	(0.3x)
Company BD (2015)	3.7x	4.1x	(0.4x)
Company BE (2014)	5.9x	6.3x	(0.4x)
Company BF (2015)	4.5x	4.9x	(0.4x)
Company BG (2011 - 2013)	5.0x	5.7x	(0.7x)
Company BH (2017)	5.0x	6.0x	(1.0x)
Company BI (2016)	5.8x	6.8x	(1.0x)
Company BJ (2015)	6.6x	7.6x	(1.0x)
Company BK (2011 - 2013)	6.0x	10.6x	(4.6x)



¹ The investments shown above represent 82% of cost and 81% of fair value of the total portfolio; includes current positions with a cost greater than \$7.5m as of 12/31/2017 and excludes unfunded commitments, revolvers, non-interest bearing equity investments, a project finance investment, and three investments made based on recurring revenue and equity cushions >70%

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 (except in one instance where forward EBITDA is a more accurate representation of the company's earnings power); current multiple as of the third calendar quarter of 2017, if available, or otherwise, the most recently reported fiscal quarter

Performance Since IPO⁽¹⁾

(\$ in millions)

	IPO - 12/31/2011 ⁽²⁾	2012	2013	2014	2015	2016	2017
Regular Dividend	\$26.6	\$46.6	\$59.8	\$71.4	\$81.1	\$88.8	\$100.9
Cumulative Regular Dividend	26.6	73.2	133.0	204.3	285.4	374.2	475.1
Adj. NII	26.5	46.1	62.1	73.4	82.8	88.0	102.2
Cumulative Adj. NII	26.5	72.7	134.8	208.2	291.0	379.0	481.2
Dividend Coverage (Cumulative Adj. NII / Dividend)	100%	99%	101%	102%	102%	101%	101%
Adj. Realized Gains	\$1.6	\$13.9	\$13.8 ⁽³⁾	\$12.4 ⁽³⁾	\$17.6 ⁽³⁾	\$6.7	\$3.7
Adj. Realized Credit & Other Losses	(0.8)	(2.0)	(6.1)	(3.6)	(3.1) ⁽⁴⁾	(40.2) ⁽⁶⁾	(1.8) ⁽⁶⁾
Total Adj. Realized Gains / (Losses)	0.9	11.9	7.8	8.8	14.5	(33.5)	1.9
Cumulative Adj. Realized Gains / (Losses)	0.9	12.8	20.5	29.3	43.8	10.3	12.2
Adj. Δ in Unrealized Appreciation	17.0	46.5	46.0	39.1	74.7	118.6	96.2
Adj. Δ in Unrealized Depreciation ⁽⁵⁾	(28.1)	(26.1)	(34.0)	(81.7)	(139.1) ⁽⁴⁾	(61.4) ⁽⁶⁾	(90.9) ⁽⁶⁾
Total Adj. Δ in Unrealized Appreciation / (Depreciation)	(11.1)	20.4	12.0	(42.6)	(64.4)	57.2	5.3
Cumulative Adj. Δ in Unrealized Appreciation / (Depreciation)	(11.1)	9.3	21.3	(21.3)	(85.7)	(28.5)	(23.2)
Cumulative Net Realized and Unrealized (Losses) / Gains	(\$10.2)	\$22.0	\$41.7	\$8.0	(\$41.9)	(\$18.2)	(\$11.0)

¹ See Appendix A for GAAP and pro forma reconciliation

² NMFC priced its initial public offering on 5/19/2011; IPO – 12/31/2011 Adj. NII reflects nine months ended 12/31/2011 for comparability to the dividend

³ Includes net YP distribution (net of incentive fee) and subsequent change in tax estimates of \$4.9 million in 2013, \$0.2 million in 2014 and \$0.5 million in 2015

⁴ Includes \$12.8 million reclassification from realized to unrealized loss related to UniTek material modification and \$15.2 million reclassification from realized to unrealized loss related to Edmentum material modification

⁵ From 2014 onwards, includes provision for income tax

⁶ Includes \$10.5 million reclassification from realized loss to unrealized depreciation related to Permian in 2016, \$27.1 million reclassification from unrealized depreciation to realized loss related to Transtar in 2016, which was reversed in 2017, and \$14.5 million reclassification from realized loss to unrealized depreciation related to Sierra Hamilton in 2017



Credit Market Conditions

- Credit markets continue to show broad-based strength
 - Issuer-friendly yields and trends are prevalent in the market
 - CLO market financing spreads continue to decline
 - High level of competition for the best financing transactions
 - Opportunistic repricing transactions have increased, especially in the first lien market
- While asset spreads have declined, base rates have increased, which has created a moderate tailwind for floating rate assets
 - 3-month LIBOR is at 198 bps as of February 26, 2018
- NMFC works to be well positioned to capitalize on volatile markets:
 - NMC and NMFC have **always** proactively focused on defensive, acyclical business models
 - NMFC has a differentiated access to deal flow
 - Wells Fargo leverage facility not subject to margin calls
 - Positive exposure to increasing rates

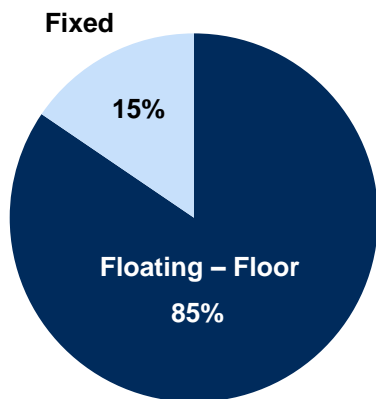


Credit Market Conditions – Interest Rates

Floating vs. Fixed

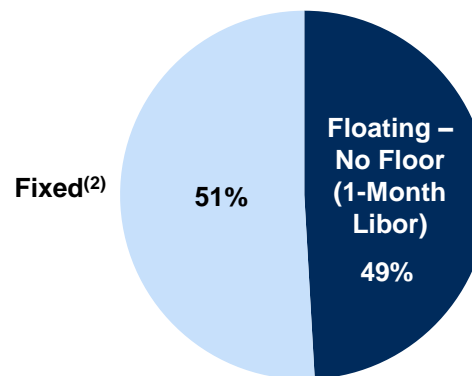
Investments

(Aggregate par value of \$1,665 million as of 12/31/2017)⁽¹⁾



Debt

(\$885 million drawn as of 12/31/2017)



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
+50 bps	3.7%	\$0.05
+100 bps	7.4%	\$0.10
+200 bps	14.8%	\$0.20
+300 bps	22.2%	\$0.30



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

² Includes SBA debentures which become fixed rate debt upon semi-annual debenture pooling dates every March and September

³ These hypothetical calculations are based on a model of the investments in our portfolio, held as of 12/31/2017, holding everything constant (including interest spreads) except for assumed changes in the underlying base interest rates. Assumes constant share count

Q4 2017 Originations

Portfolio Originations⁽¹⁾

(\$ in millions)

YTM at Purchase⁽⁴⁾

Date ⁽²⁾	Name	Industry	Amount (\$'s Invested)	Tranche Size	Type of Investment	Advance Rate ⁽³⁾	YTM at Purchase ⁽⁴⁾	
							Unlevered	Levered
10/6/17	NM CLFX LP	Net Lease	\$12.5	N/A	Membership Interest	N/A	12.0%	12.0%
10/13/17	Stratford School	Education	\$8.4 / \$3.3	\$150 / \$50	1 st Lien / 2 nd Lien	70% / 25%	7.6% / 12.0%	12.9% / 14.0%
10/23/17	Navicare	Healthcare Services	\$26.8	\$185	2 nd Lien	25%	10.2%	12.1%
11/3/17	Integro	Business Services	\$15.3	\$265	1 st Lien	70%	8.2%	18.3%
11/13/17	JAMF Holdings	Software	\$8.7	\$175	1 st Lien	N/A	10.9%	10.9%
11/17/17	EAB Global	Education	\$21.1 / \$34.7	\$260 / \$150	2 nd Lien / Preferred Shares	25% / N/A	10.4% / 14.6%	12.4% / 14.6%
11/22/17	OECConnection	Business Services	\$16.5	\$100	2 nd Lien	25%	11.0%	13.2%
12/11/17	Ability Network	Healthcare I.T.	\$18.8	\$150	2 nd Lien	25%	10.4%	12.3%
	Other		\$23.8				9.8%	14.8%

Total Originations

\$190.0

11.1%

13.3%

Repayments

(\$212.9)

Net Originations

(\$22.9)

Sales

(\$11.8)

Net Originations Less Sales

(\$34.7)

¹ Origination commitments over \$7.5m shown, originations less than \$7.5m included in "Other"; originations and repayments exclude PIK, revolvers, unfunded commitments, bridges, return of capital, and realized gains / losses

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."



Origination Activity Since Quarter End (Through 2/26/2018)

Portfolio Originations⁽¹⁾

(\$ in millions)

Date ⁽²⁾	Name	Industry	Amount (\$'s Invested)	Tranche Size	Type of Investment	Advance Rate ⁽³⁾	YTM at Purchase ⁽⁴⁾	
							Unlevered	Levered
1/2/18	ABC Financial	Business Services	\$13.3	\$115	2 nd Lien	25%	11.8%	14.1%
2/1/18	NM GLCR LP	Net Lease	\$14.8	N/A	Membership Interest	N/A	12.6%	12.6%
2/9/18	ACA Compliance	Business Services	\$38.7	\$253	1 st Lien	70%	8.4%	13.8%
2/23/18	EaglePicher	Business Products	\$10.7	\$140	2 nd Lien	25%	10.3%	12.0%
2/23/18	Edmentum	Education	\$10.3	\$20	2 nd Lien	N/A	7.2%	7.2%
3/15/18	Company X*	Healthcare Services	\$80.0	\$153	1 st Lien	70%	9.2%	13.9%
	Other		\$37.9					
	Total Originations		\$205.7				9.8%	13.0%
	Repayments		(\$76.3)					
	Net Originations		\$129.4					
	Sales		(\$3.1)					
	Net Originations less Sales		\$126.3					

*** Indicates investment has not closed. Actual terms are subject to change**

¹ Origination commitments over \$7.5m shown, originations less than \$7.5m included in "Other"; originations and repayments exclude PIK, revolvers, unfunded commitments, bridges, return of capital, and realized gains / losses

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 or not yet approved in the credit facility, 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."



Annual Originations and Repayments⁽¹⁾

(\$ in millions)

	2011 (IPO ⁽²⁾ – 12/31/2011)	2012	2013	2014	2015	2016	2017	Cumulative (IPO ⁽²⁾ – 12/31/2017)
Total Originations	\$379.3	\$673.2	\$529.7	\$741.5	\$607.2	\$557.8	\$1,000.0	\$4,488.7
Repayments	(\$86.5)	(\$299.6)	(\$395.3)	(\$267.5)	(\$401.1)	(\$480.0)	(\$696.6)	(\$2,626.6)
Net Originations	\$292.8	\$373.6	\$134.4	\$474.0	\$206.1	\$77.8	\$303.4	\$1,862.1
Sales ⁽³⁾	(\$45.7)	(\$123.0)	(\$27.9)	(\$102.4)	(\$65.7)	(\$65.0)	(\$69.5)	(\$499.2)
Net Originations less Sales	\$247.1	\$250.6	\$106.5	\$371.6	\$140.4	\$12.8	\$233.9	\$1,362.9



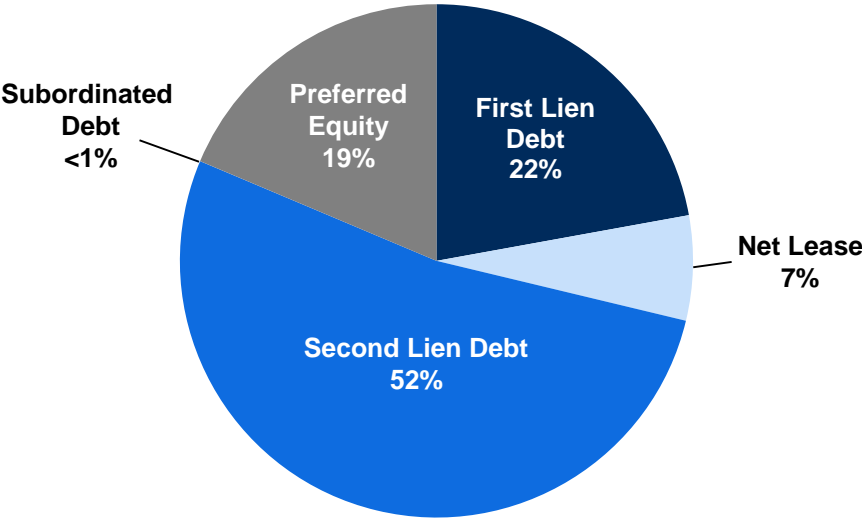
¹ Originations and repayments exclude PIK, revolvers, unfunded commitments, bridges, return of capital, and realized gains / losses

² NMFC priced its initial public offering on 5/19/2011

³ Excludes return of capital and gain on equity

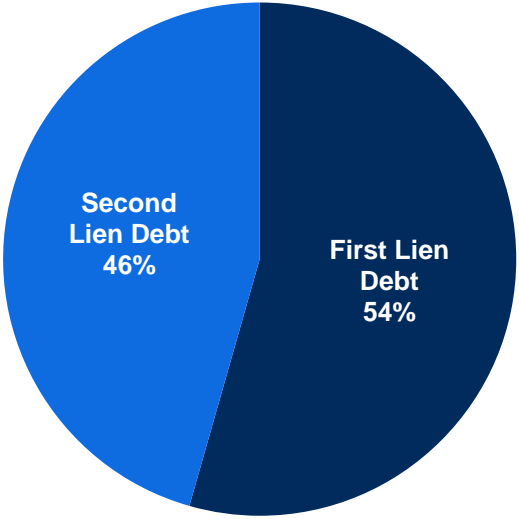
Q4 2017 Originations and Repayments

Originations by Type⁽¹⁾



Total: \$190.0 million

Sales / Repayments by Type⁽¹⁾



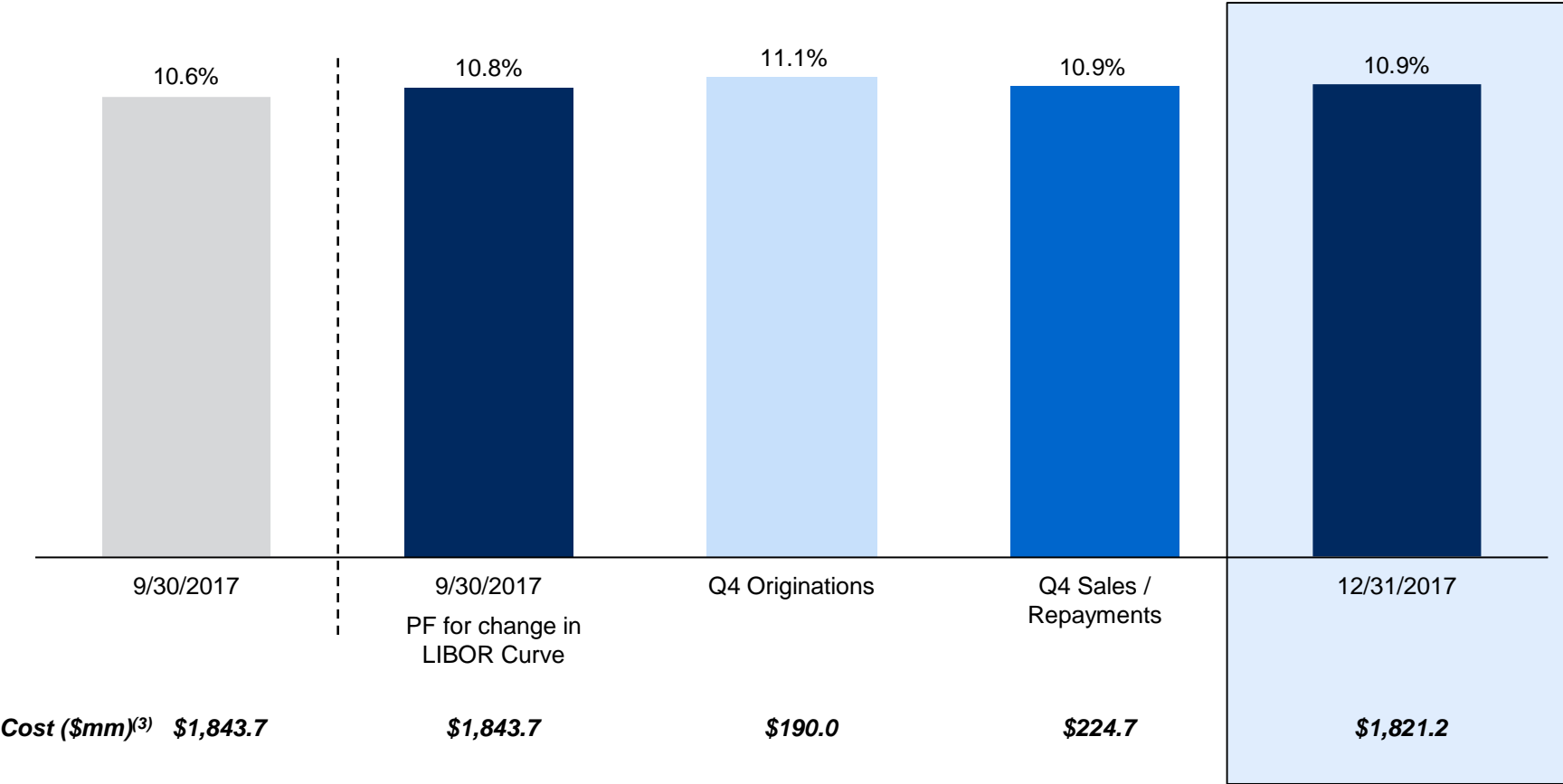
Total: \$224.7 million



¹ By \$s invested / \$s received at time of origination / sale / repayment; excludes PIK, revolvers, unfunded commitments, bridges, return of capital, and realized gains / losses

Q4 2017 Investment Activity Roll

YTM at Cost⁽¹⁾ / Purchase⁽²⁾



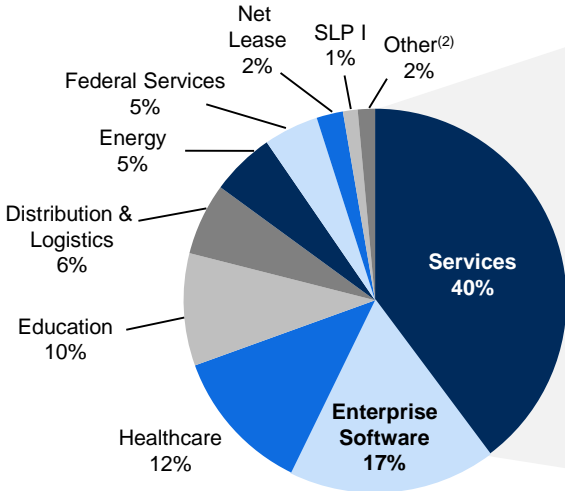
¹ Assumes that investments are purchased at cost and held until their respective maturities with no prepayments or losses and are exited at par at maturity. The actual yield to maturity may be higher or lower due to the future selection of LIBOR contracts by the individual companies in our portfolio 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

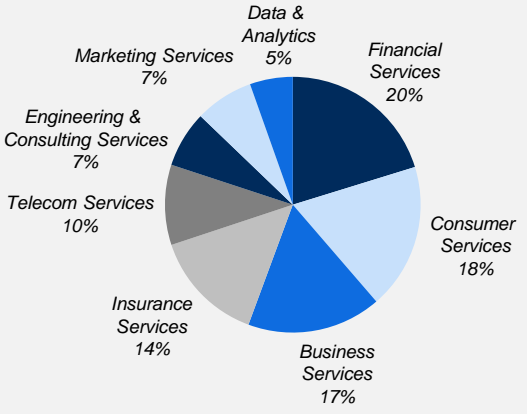
³ Will not sum across due to amortization, PIK, realized gain / loss, and revolvers

Portfolio Mix (By Fair Value as of 12/31/2017)

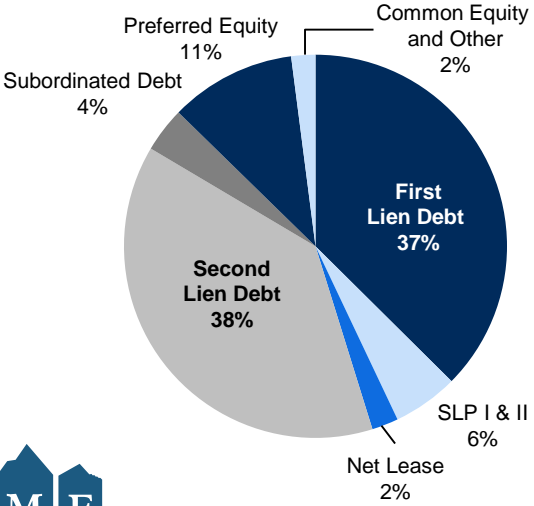
By Industry⁽¹⁾



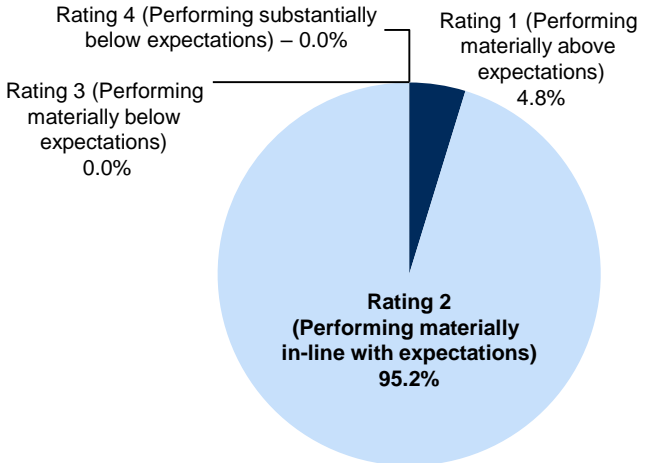
Types of Services



By Type of Investment



By Rating

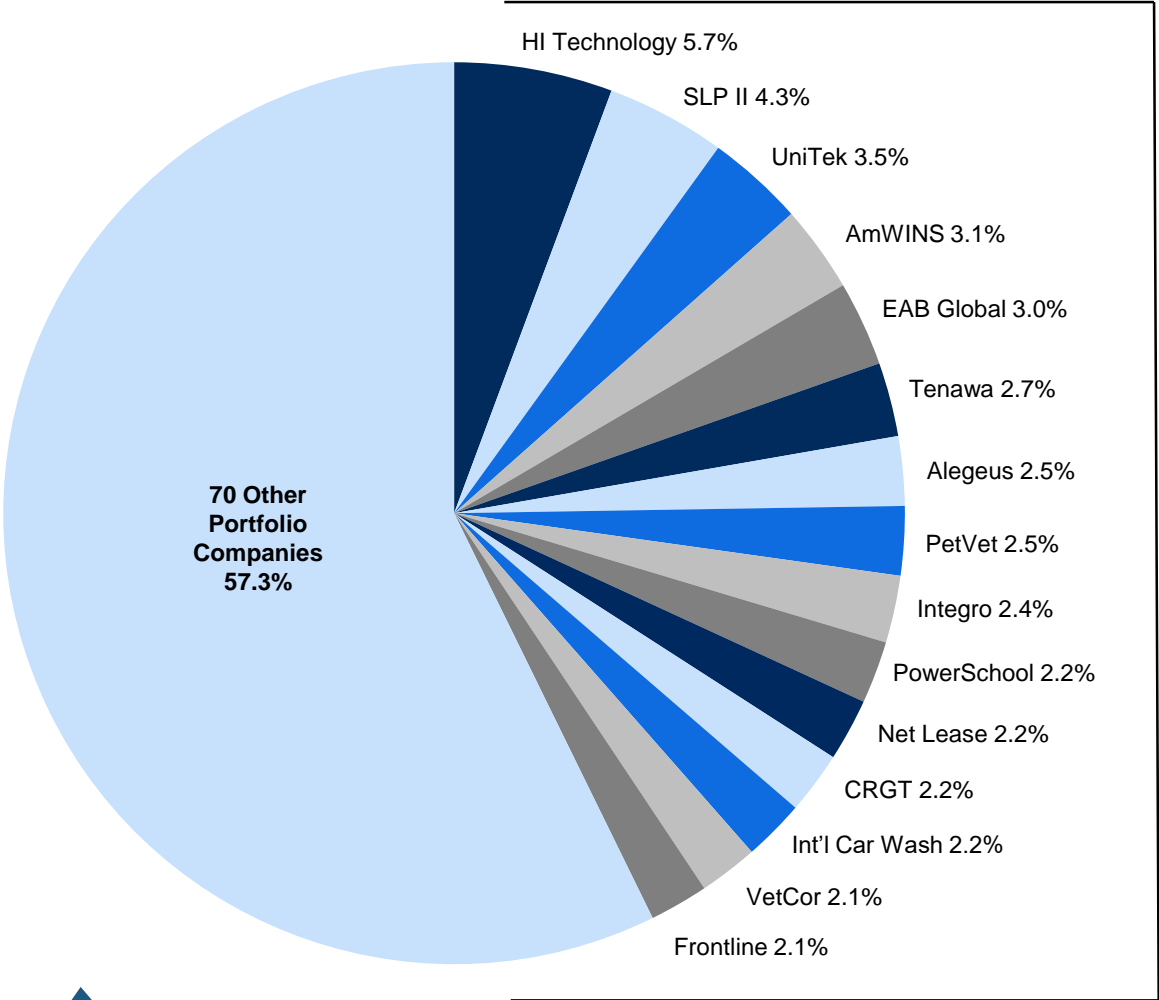


¹ Includes fair value of NMFC's investment in SLP II allocated by industry (\$79.4m)

² Includes <1% Packaging, <1% Business Products, <1% Media, <1% Industrial Services and <1% Food & Beverage

Portfolio Concentration (By Fair Value as of 12/31/2017)

Portfolio Names By Fair Value



Top 15 portfolio companies represent \$791.5 million, or 42.7%, of consolidated investments

Memo: Top 15 Portfolio Companies

As of

	3/31/2017	6/30/2017	9/30/2017
Fair Value	\$758.8m	\$765.0m	\$758.9m
Percentage of Consolidated Investments	41.8%	40.6%	41.3%



Balance Sheet Highlights

(\$ in millions, except per share data)	Quarter Ended				12/31/2017
	12/31/2016	3/31/2017	6/30/2017	9/30/2017	
Assets					
Portfolio	\$1,588.0	\$1,815.3	\$1,883.4	\$1,872.9	\$1,850.9
Cash & Equivalents	45.9	37.7	36.3	39.6	34.9
Other Assets ⁽¹⁾	22.1	27.9	30.1	38.1	42.2
Total Assets	\$1,656.0	\$1,880.9	\$1,949.8	\$1,950.6	\$1,928.0
Liabilities					
Statutory Debt	\$589.0	\$744.9	\$751.7	\$695.6	\$735.3
SBA-Guaranteed Debentures	121.7	121.7	126.7	144.0	150.0
Other Liabilities ⁽²⁾	6.7	67.6	40.1	78.9	7.7
Total Liabilities	\$717.4	\$934.2	\$918.5	\$918.5	\$893.0
NAV	\$938.6	\$946.7	\$1,031.3	\$1,032.1	\$1,035.0
Shares Outstanding - Ending Balance (mm)	69.7	69.8	75.7	75.8	75.9
NAV / Share	\$13.46	\$13.56	\$13.63	\$13.61	\$13.63
Statutory Debt / Equity⁽³⁾	0.63x	0.79x	0.73x	0.67x	0.71x



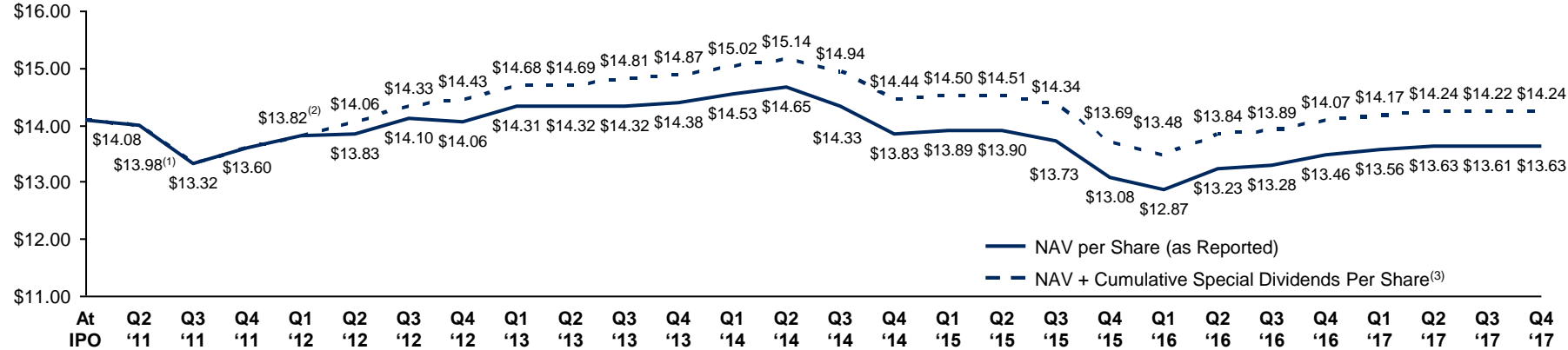
¹ Includes interest and dividends receivable, receivable from affiliate, receivable from unsettled securities sold and other assets

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

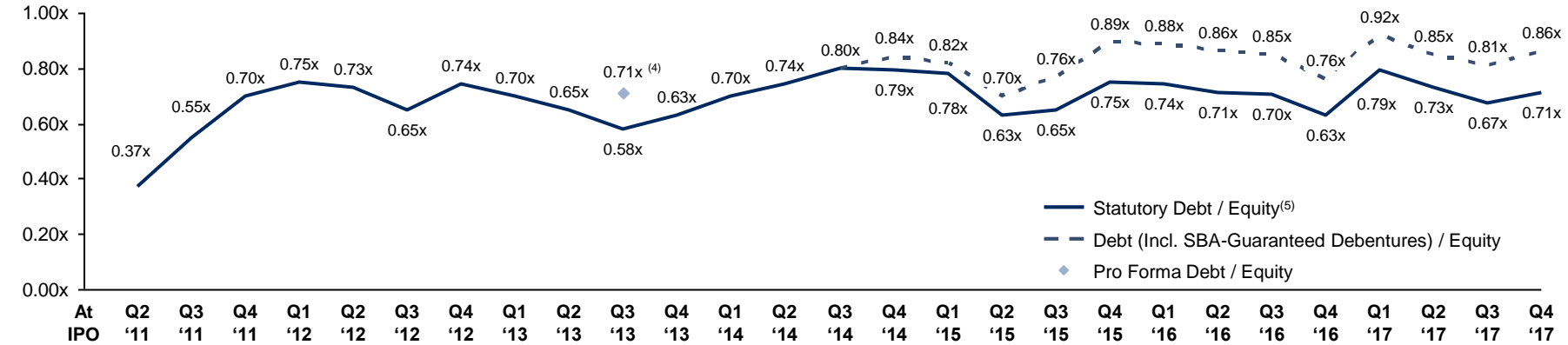
³ Statutory debt / equity calculation excludes SBA-guaranteed debentures, which are fully funded, non-recourse, asset-backed securities that are excluded by SEC exemptive order from the definition of "senior securities" under the 200% asset coverage test

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 Assumes shares purchased at IPO

⁴ Pro-forma for \$78.4m of securities purchases and investment commitments that were unsettled as of 9/30/2013 and funded shortly after the third quarter end

⁵ Statutory debt / equity calculation excludes SBA-guaranteed debentures, which are fully funded, non-recourse, asset-backed securities that are excluded by SEC exemptive order from the definition of "senior securities" under the 200% asset coverage test



Income Statement Highlights (Quarterly)

(\$ in millions, except per share data)

	Quarter Ended				12/31/2017
	12/31/2016	3/31/2017	6/30/2017	9/30/2017	
Investment Income					
Interest income	\$35.4	\$34.0	\$37.6	\$39.6	\$38.6
Dividend income	4.8	6.7	9.7	9.9	10.9
Other income	3.6	2.6	2.7	1.7	3.8
Total investment income	\$43.8	\$43.3	\$50.0	\$51.2	\$53.3
Expenses					
Management fee ⁽¹⁾	\$5.9	\$6.2	\$6.8	\$6.9	\$7.2
Incentive fee ⁽¹⁾	5.7	3.6	6.5	6.6	6.6
Interest and other financing expenses	7.9	8.4	9.0	9.5	10.2
Net administrative, professional, other G&A expenses and income taxes ⁽²⁾	1.3	1.7	1.9	1.9	2.6
Total net expenses	\$20.8	\$19.9	\$24.2	\$24.9	\$26.6
Adjusted net investment income⁽³⁾	\$23.0	\$23.4	\$25.8	\$26.3	\$26.7
Gain / Loss					
Net realized gains (losses) on investments	(\$18.9)	\$0.8	(\$26.4)	(\$14.2)	\$0.1
Net change in unrealized appreciation (depreciation) of investments	30.0	5.4	27.8	13.1	0.5
Benefit (provision) for income tax	(0.2)	0.8	0.1	(0.4)	(0.4)
Capital gains incentive fee	—	—	—	—	—
Net increase in net assets resulting from operations	\$33.8	\$30.4	\$27.3	\$24.8	\$26.9
Weighted average shares outstanding (mm)	68.1	69.7	75.4	75.7	75.8
Adjusted NII per weighted average share⁽³⁾	\$0.34	\$0.34	\$0.34	\$0.35	\$0.35
Memo: Annualized Effective Management Fee	1.4%	1.4%	1.4%	1.4%	1.4%



¹ Reflects management and incentive fee net of waivers; fees waived cannot be recouped

² Net of expense waivers and reimbursements

³ See Appendix A for GAAP reconciliation

Income Statement Highlights (Annually)

(\$ in millions, except per share data)

	Year Ended – Pro Forma Adjusted ⁽¹⁾		
	12/31/2015	12/31/2016	12/31/2017
Investment Income			
Interest income	\$140.0	\$147.4	\$149.8
Dividend income	6.3	11.2	37.2
Other income	8.0	9.4	10.8
Total investment income	\$154.3	\$168.0	\$197.8
Expenses			
Management fee ⁽²⁾	\$20.6	\$22.7	\$27.1
Incentive fee ⁽²⁾	20.7	22.0	23.3
Interest and other financing expenses	23.4	28.4	37.1
Net administrative, professional, other G&A expenses and income taxes ⁽³⁾	6.8	6.9	8.1
Total net expenses	\$71.5	\$80.0	\$95.6
Adjusted net investment income⁽⁴⁾	\$82.8	\$88.0	\$102.2
Gain / Loss			
Net realized gains (losses) on investments	(\$13.4)	(\$16.9)	(\$39.7)
Net change in unrealized (depreciation) appreciation of investments	(35.4)	40.0	46.8
(Provision) benefit for income tax	(1.2)	0.6	0.1
Capital gains incentive fee	0.1	–	–
Net increase in net assets resulting from operations	\$32.9	\$111.7	\$109.4
Weighted average shares outstanding (mm)	59.7	64.9	74.2
Adjusted NII per weighted average share⁽⁴⁾	\$1.39	\$1.36	\$1.38



¹ Pro forma adjusted net investment income excludes net impact of subsequent changes in tax estimate in Q3 2015

² Reflects management and incentive fee net of waivers; fees waived cannot be recouped

³ Net of expense waivers and reimbursements

⁴ See Appendix A for GAAP and pro forma reconciliation

Investment Income Detail

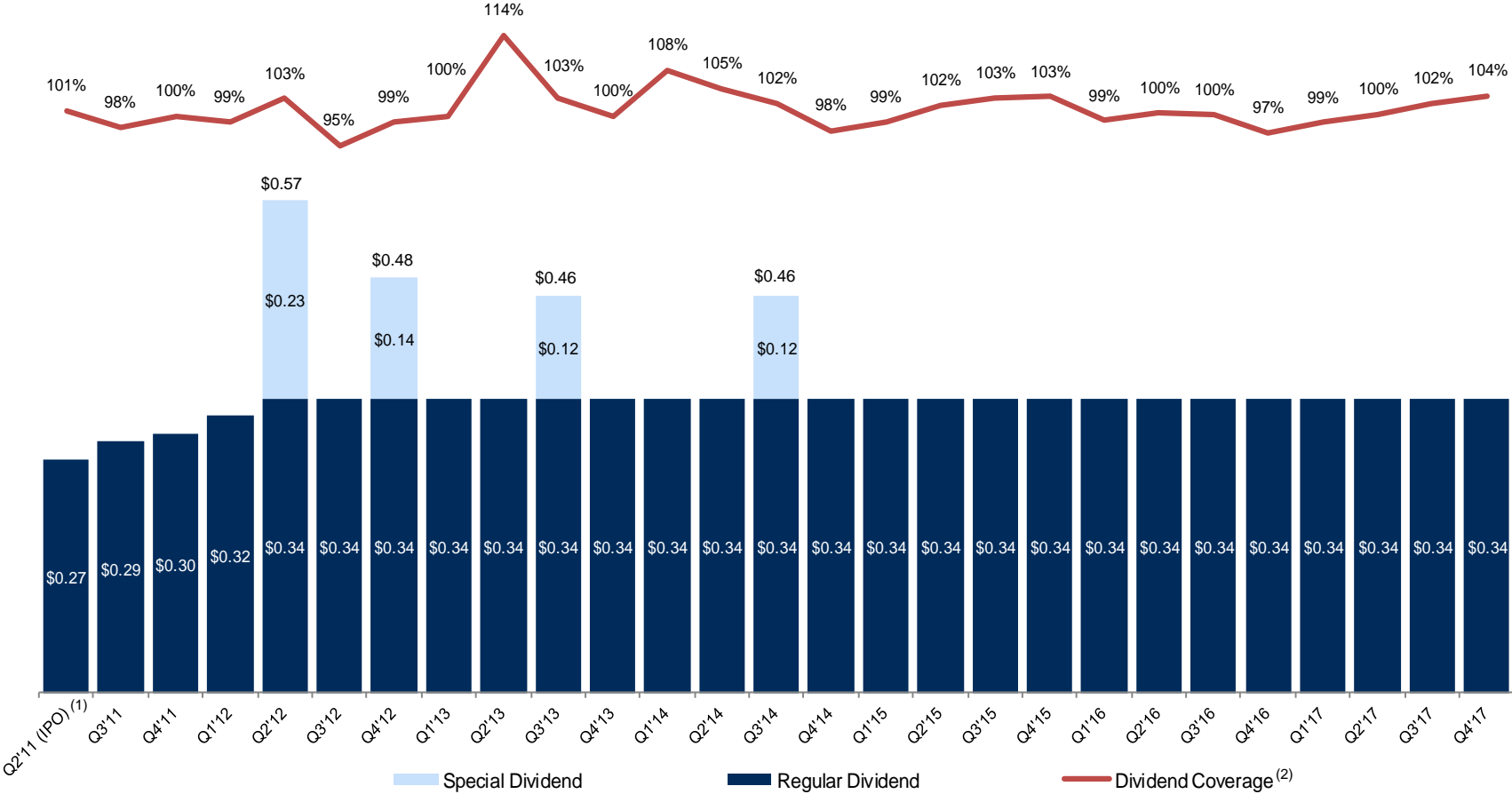
(\$ in millions)	Quarter Ended				12/31/2017
	12/31/2016	3/31/2017	6/30/2017	9/30/2017	
Investment Income Build					
Cash Investment Income	\$32.2	\$31.7	\$32.8	\$32.6	\$32.6
SLP and Net Lease Income ⁽¹⁾	4.1	5.5	5.0	4.8	5.1
Recurring Cash Investment Income	\$36.3	\$37.2	\$37.8	\$37.4	\$37.7
Non-cash Investment Income ⁽²⁾	\$2.5	\$3.0	\$6.4	\$6.9	\$7.9
Amortization of Purchase Discounts (Premiums)	0.7	0.7	0.8	0.6	0.6
Recurring Non-cash Investment Income	\$3.2	\$3.7	\$7.2	\$7.5	\$8.5
Total Recurring Investment Income	\$39.5	\$40.9	\$45.0	\$44.9	\$46.2
Prepayment Fees (Cash)	\$1.0	\$0.1	\$2.4	\$5.0	\$3.9
Other Cash Fee Income	3.3	2.3	2.6	1.3	3.2
Total Non-recurring (Cash) Investment Income	\$4.3	\$2.4	\$5.0	\$6.3	\$7.1
Total Investment Income	\$43.8	\$43.3	\$50.0	\$51.2	\$53.3
Total Cash Investment Income	\$40.6	\$39.6	\$42.8	\$43.7	\$44.8
Key Statistics					
% of Total Investment Income that is Recurring	90%	95%	90%	88%	87%
% of Total Investment Income that is Cash	93%	91%	85%	85%	84%

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



Dividend Summary and Coverage

We believe our Q1 2018 NII will be in the \$0.33 to \$0.35 per share range. Our board of directors has declared a first quarter dividend of \$0.34 per share.



¹ NMFC priced its initial public offering on 5/19/2011

² Calculated as Adjusted Net Investment Income / regular dividend

Diversified Leverage Profile

<i>(As of 12/31/2017, \$ in millions)</i>	Amount Outstanding / Facility Size	Interest Rate	Maturity
Wells Fargo Credit Facility	\$312 / \$495	Broadly syndicated 1 st lien loans ⁽¹⁾ : L + 1.75% All other: L + 2.50% (No LIBOR floor)	October 2022
NMFC Credit Facility <i>(Goldman Sachs / Morgan Stanley / Stifel)</i>	\$123 / \$123	L + 2.50% (No LIBOR floor)	June 2019
Convertible Notes	\$155 / \$155	5.00%	June 2019
SBA-Guaranteed Debentures ⁽²⁾	\$150 / \$150	~3.5% weighted average rate ⁽³⁾	March 2025 or later
Series 2016 Unsecured Notes	\$90 / \$90	5.313%	May 2021
Series 2017A Unsecured Notes	\$55 / \$55	4.760%	July 2022
Total	\$885 / \$1,068		

- Wells Fargo Credit Facility's borrowing base and liquidity are not tied to trading prices and valuations of securities
 - Covenants tied to underlying portfolio company operating performance, not mark-to-market
- On January 25, 2018, the NMFC credit facility was upsized to \$150.0 million
 - On February 27, 2018, extended the maturity date by three years to June 2022 for \$135.0 million of the facility
- On January 30, 2018, NMFC issued \$90.0 million of 4.870% unsecured notes



¹ As defined in the credit agreement for the Wells Fargo Credit Facility

² SBA-guaranteed debentures are fully funded, non-recourse, asset-backed securities, excluded by SEC exemptive order from the definition of "senior securities" under the 200% asset coverage test

³ All-in interest rate of debentures reflects pooled interest rates and additional fees and expenses. Debentures priced between SBA debenture pooling dates pay an interim rate of L+30bps until the next debenture pooling

Corporate Information

Board of Directors

Inside Directors

Steven B. Klinsky (Chairman)

Robert A. Hamwee

Adam B. Weinstein

Independent Directors

Rome G. Arnold III

Alfred F. Hurley, Jr.

David Ogens

Kurt J. Wolfgruber

Senior Management

Steven B. Klinsky

Chairman of the Board of Directors

Robert A. Hamwee

Chief Executive Officer and Director

John R. Kline

President and Chief Operating Officer

Shiraz Y. Kajee

Chief Financial Officer and Treasurer

Adam B. Weinstein

EVP, Chief Administrative Officer and Director

Karrie J. Jerry

Chief Compliance Officer and Corporate Secretary

James W. Stone III

Managing Director

Fiscal Year End

December 31

Independent Auditor

Deloitte & Touche LLP

New York, NY

Corporate Counsel

Eversheds Sutherland (US) LLP

Washington D.C.

Corporate Offices & Website

787 Seventh Avenue

48th Floor

New York, NY 10019

<http://www.newmountainfinance.com>

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Shiraz Y. Kajee, Authorized Representative

212-220-3505

NMFCIR@newmountaincapital.com

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Oppenheimer & Co.

Chris Kotowski, 212-667-6699

L. Allison Taylor Rudary, 212-667-5366

Owen Lau, 212-667-8166

Keefe, Bruyette & Woods (KBW)

Ryan Lynch, 314-342-2918

Paul Johnson, 314-342-2194

Wells Fargo Securities

Jonathan Bock, 704-410-1874

Finian O'Shea, 704-410-1990

Joseph Mazzoli, 704-410-2523

Securities Listing

NYSE: NMFC

Transfer Agent

American Stock Transfer & Trust Company, LLC

800-937-5449

www.astfinancial.com



Appendix A: NMFC Income Reconciliation

(\$ in millions, except for per weighted average share data; unaudited figures)

	Year Ended						
	IPO - 12/31/2011	12/31/2012	12/31/2013	12/31/2014	12/31/2015	12/31/2016	12/31/2017
GAAP net investment income ("NII")	\$28.5	\$45.2	\$63.7	\$80.3	\$82.5	\$88.1	\$102.2
Non-cash adjustment ⁽¹⁾	(2.0)	(3.5)	(0.9)	(0.2)	(0.1)	(0.1)	(0.0)
Non-cash capital gains incentive fee	–	4.4	3.2	(6.5)	–	–	–
Adjusted NII	\$26.5	\$46.1	\$66.0	\$73.6	\$82.4	\$88.0	\$102.2
Non-recurring tax adjustment ⁽²⁾			(3.9)	(0.2)	0.4		
Pro forma adjusted NII			\$62.1	\$73.4	\$82.8		
GAAP realized gains (losses) on investments	\$3.3	\$18.9	\$7.2	\$9.1	(\$12.9)	(\$16.7)	(\$39.7)
Non-cash adjustment ⁽¹⁾	(2.4)	(7.0)	(3.3)	(0.5)	(0.1)	(0.2)	–
Reclass of UniTek, Edmentum, Transtar, Permian, & Sierra ⁽³⁾	–	–	–	–	27.9	(16.6)	41.6
Non-recurring tax adjustment ⁽²⁾	–	–	3.9	0.2	(0.4)	–	–
Adj. realized gains (losses) on investments	\$0.9	\$11.9	\$7.8	\$8.8	\$14.5	(\$33.5)	\$1.9
GAAP net change in unrealized (depreciation) appreciation	(\$15.5)	\$9.9	\$8.0	(\$43.3)	(\$36.7)	\$40.3	\$46.9
Non-cash adjustment ⁽¹⁾	4.4	10.5	4.0	0.7	0.2	0.3	0.0
Reclass of UniTek, Edmentum, Transtar, Permian, & Sierra ⁽³⁾	–	–	–	–	(27.9)	16.6	(41.6)
Adj. net change in unrealized (depreciation) appreciation	(\$11.1)	\$20.4	\$12.0	(\$42.6)	(\$64.4)	\$57.2	\$5.3

	Quarter Ended									
	12/31/2016		3/31/17		6/30/17		9/30/17		12/31/17	
	\$m	Per Share ⁽⁵⁾	\$m	Per Share ⁽⁵⁾	\$m	Per Share ⁽⁵⁾	\$m	Per Share ⁽⁵⁾	\$m	Per Share ⁽⁵⁾
GAAP net investment income ("NII")	\$23.0	\$0.34	\$23.4	\$0.34	\$25.8	\$0.34	\$26.3	\$0.35	\$26.7	\$0.35
Non-cash capital gains incentive fee ⁽⁴⁾	0.0	0.00	0.0	0.00	0.0	0.00	–	–	–	–
Adjusted NII	\$23.0	\$0.34	\$23.4	\$0.34	\$25.8	\$0.34	\$26.3	\$0.35	\$26.7	\$0.35

¹ See "Important Notice and Safe Harbor Statement" for discussion on adjustments due to NMFC's IPO

² Related to YP, LLC distributions and other changes in tax estimates

³ Reclassification of UniTek material modification of \$12.8m and Edmentum material modification of \$15.2m from realized loss to unrealized depreciation during the year ended 2015, \$10.5m of Permian from realized loss to unrealized depreciation during the year ended 2016, \$27.1m of Transtar from unrealized depreciation to realized loss related to Transtar in 2016, which was reversed during the nine months ended 9/30/2017, and \$14.5 million reclassification from realized loss to unrealized depreciation related to Sierra Hamilton in 2017

⁴ Net of non-cash adjustment. See Footnote 1 above

⁵ Per weighted average share





**NEW MOUNTAIN FINANCE
CORPORATION**