



NEW MOUNTAIN FINANCE
CORPORATION

Q3 2012 Earnings Presentation

November 7, 2012

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Management Participants

Steven B. Klinsky

Chairman of the Board of Directors

Robert A. Hamwee

Chief Executive Officer, President and Director

Adam B. Weinstein

Chief Financial Officer, Treasurer and Director

Q3 2012 Highlights

- Q3 Adjusted Net Investment Income of \$0.32 per share, consistent with guidance and a function of the July primary equity raise
 - Q3 dividend of \$0.34 per share paid on September 28, 2012
- September 30, 2012 book value of \$14.10 per share, an increase of \$0.27 per share from the June 30, 2012 book value of \$13.83 per share
- Q4 2012 regular dividend of \$0.34 per share announced
 - Payable on December 28, 2012 to holders of record as of December 14, 2012
- Credit performance remains very strong
- Approximately \$173 million of gross and \$110 million of net assets originated in Q3 2012
- On July 17, 2012, NMFC completed a primary offering of 5.9 million shares (including overallotment) of its common stock at a public offering price of \$14.35 per share for total gross proceeds of ~\$85.0 million
- On August 7, 2012, NMFC's two credit facilities were upsized by \$25 million each
- On September 28, 2012, NMFC completed a secondary offering of 4.0 million shares of its common stock at a public offering price of \$15.00 per share on behalf of AIV Holdings
- Portfolio continues to be positioned in recession resistant, acyclical industries



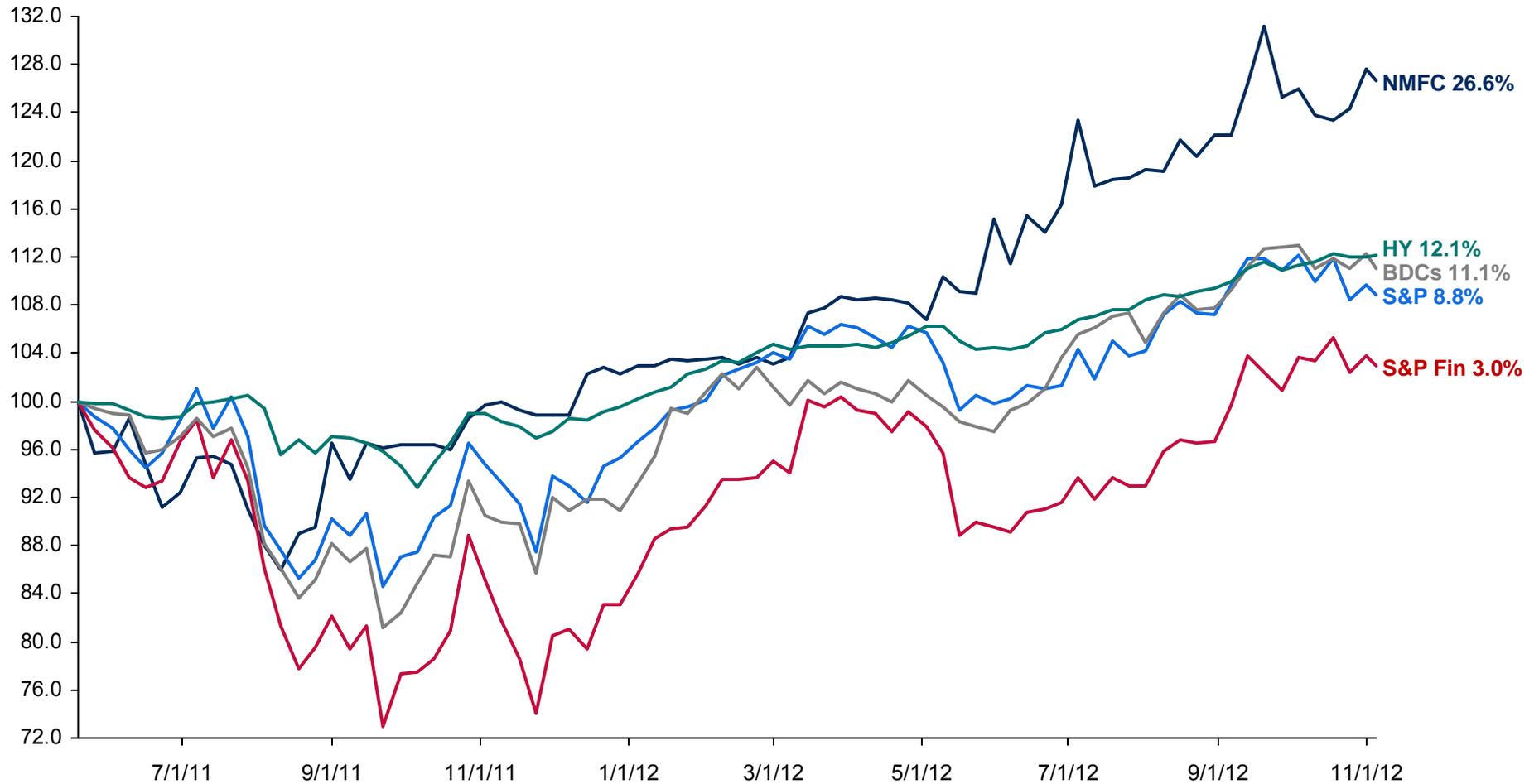
Review of NMFC and NMFC Strategy

- NMFC's portfolio is externally managed by New Mountain Finance Advisers BDC, L.L.C., which is an affiliate of New Mountain Capital, L.L.C. ("New Mountain" or "NMC"), a leading private equity firm with approximately \$9 billion of assets under management⁽¹⁾, over 90 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
 - 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) – November 5, 2012

Indexed Total Return



— 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

Credit Market Conditions

- Significant rally in credit since last quarter's earnings call
 - Promise of low base rates for extended period
 - Stabilization of global economic data
 - Ongoing equity market strength
- Supply / demand dynamics consistent with last quarter
 - Private equity M&A and recapitalizations continue to drive supply
 - Fund-flows into credit continue to be strong
- NMFC works to be well positioned to capitalize on volatile markets:
 - NMC and NMFC have **always** proactively focused on defensive, acyclical business models
 - Leverage facilities **not** subject to margin calls

Credit Performance

(\$ in millions, unaudited)

	<u>As of 9/30/2012</u>	<u>Cumulative Since Inception⁽¹⁾</u>
	<u>Cost</u> / <u>FMV</u>	<u>Cost</u>
Investments	\$844.5 / \$858.9	\$1,551.0
On Internal Watch List (3 or 4 Rating, excl. Non-Accrual)⁽²⁾	\$14.6 / \$13.3	\$20.5
Non-Accrual⁽³⁾	\$5.9 / \$1.5	\$5.9
Default Loss	\$0 / \$0	\$0

¹ Since inception of predecessor entity in 10/2008 through 9/30/2012

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 The \$5.9m, at cost, refers to the first lien investments in ATI Acquisition Company

Credit Performance – Operating Company (“OpCo”) Portfolio

Portfolio Company ⁽¹⁾	NMFC Leverage Ratio ⁽²⁾		Variance
	At Purchase	Current	Positive / (Negative)
Company A	5.8x	5.8x	-
Company B	4.5x	4.1x	0.5x
Company C	6.7x	6.2x	0.5x
Company D	3.1x	2.7x	0.4x
Company E	3.4x	3.0x	0.4x
Company F	2.8x	2.7x	0.2x
Company G	1.8x	1.2x	0.6x
Company H	3.1x	3.1x	-
Company I	3.3x	3.3x	(0.0x)
Company J	4.4x	2.4x	2.0x
Company K	3.8x	3.6x	0.2x
Company L	0.8x	0.7x	0.1x
Company M	3.3x	3.3x	0.0x
Company N	3.7x	2.5x	1.1x
Company O	4.3x	2.7x	1.7x
Company P	5.9x	5.9x	0.1x
Company Q	2.5x	2.9x	(0.3x)
Company R	5.0x	3.8x	1.1x
Company S	4.8x	4.7x	0.1x
Company T	5.1x	5.1x	-
Company U	4.6x	5.0x	(0.4x)
Company V	1.4x	1.4x	-
Company W	4.5x	4.2x	0.3x
Company X	4.1x	4.1x	-
Company Y	3.2x	3.7x	(0.5x)
Company Z	4.9x	4.1x	0.8x
Company AA	3.3x	2.3x	1.0x
Company AB	3.8x	3.8x	-
Company AC	3.7x	3.7x	0.0x
Company AD	5.1x	4.9x	0.2x
Weighted Average (9/30/2012)⁽³⁾	4.0x	3.8x	0.2x
Memo: Weighted Average (6/30/2012)	4.0x	3.7x	0.3x
Memo: Weighted Average (3/31/2012)	4.1x	3.7x	0.4x
Memo: Weighted Average (12/31/2011)	4.1x	3.8x	0.3x



¹ Current positions with an initial cost greater than \$7.5mm as of 9/30/2012 (represents 88% of OpCo cost and 88% of OpCo 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 second calendar quarter of 2012, if available, or otherwise, the most recently reported fiscal quarter

³ Includes all OpCo assets not on non-accrual except equity, revolvers and one portfolio company where EBITDA is not a relevant metric; weighted by cost

Credit Performance – Senior Loan Funding (“SLF”) Portfolio

Portfolio Company ⁽¹⁾	NMFC Leverage Ratio ⁽²⁾		Variance Positive / (Negative)
	At Purchase	Current	
Company AE	2.4x	1.3x	1.1x
Company AF	3.5x	2.7x	0.8x
Company AG	2.7x	2.7x	-
Company AH	4.1x	4.1x	(0.0x)
Company AI	3.8x	3.8x	(0.0x)
Company AJ	2.3x	2.3x	0.0x
Company AK	3.1x	2.2x	0.8x
Company AL	3.2x	3.0x	0.2x
Company AM	4.3x	3.5x	0.8x
Company AN	3.9x	3.9x	-
Company AO	1.6x	1.6x	0.1x
Company AP	3.3x	2.9x	0.4x
Company AQ	4.0x	3.6x	0.4x
Company AR	3.6x	3.9x	(0.3x)
Company AS	3.5x	3.5x	0.1x
Company AT	3.2x	4.3x	(1.1x)
Company AU	4.1x	4.3x	(0.2x)
Company AV	4.1x	4.1x	-
Weighted Average (9/30/2012)⁽³⁾	3.5x	3.2x	0.2x
Memo: Weighted Average (6/30/2012)	3.3x	3.1x	0.2x
Memo: Weighted Average (3/31/2012)	3.3x	3.0x	0.3x
Memo: Weighted Average (12/31/2011)	3.4x	3.0x	0.4x



¹ Current positions with an initial cost greater than \$7.5mm as of 9/30/2012 (represents 89% of SLF cost and 89% of SLF 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 second calendar quarter of 2012, if available, or otherwise, the most recently reported fiscal quarter

³ Includes all SLF assets; weighted by cost

Share Ownership Migration

(shares in millions)

	<u>IPO - May-11</u>	<u>Primary Offering - Jul-12</u>		<u>Secondary Offering - Sep-12</u>	
	<u>Pro Forma</u>	<u>Adj.</u>	<u>Pro Forma</u>	<u>Adj.</u>	<u>Pro Forma</u>
Public Shares ("PubCo")	10.7	5.9 ⁽¹⁾	16.6	4.1 ⁽²⁾	20.7
<i>% of Total</i>	34.6%		45.1%		56.1%
NMC Fund Shares ("AIV")	20.2	-	20.2	(4.0)	16.2
<i>% of Total</i>	65.4%		54.9%		43.9%
Total Shares	30.9	5.9	36.8	0.1	36.9

Since IPO, NMFC's public float has nearly doubled, from 10.7 million to 20.7 million shares

¹ Includes shares issued in connection with overallotment option

² Includes shares issued in connection with dividend reinvestment program

Performance Since IPO

(\$ in millions, unaudited)⁽¹⁾

	IPO ⁽²⁾					
	6/30/2011	9/30/2011	12/31/2011	3/31/2012	6/30/2012	9/30/2012
Regular Dividend	\$8.3	\$9.0	\$9.3	\$9.9	\$10.5	\$12.6
Cumulative Regular Dividend	8.3	17.3	26.6	36.5	47.0	59.5
Adj. NII	8.4	8.8	9.3	9.8	10.9	11.9
Cumulative Adj. NII	8.4	17.2	26.5	36.3	47.2	59.1
Dividend Coverage (Cumulative Adj. NII / Dividend)	101%	100%	100%	100%	100%	99%
Adj. Realized Gains	\$0.2	\$0.2	\$1.3	\$0.9	\$8.3	\$1.7
Adj. Realized Credit & Other Losses	(0.6)	(0.2)	(0.3)	(0.6)	(0.8)	(0.3)
Total Adj. Realized Gains / (Losses)	(0.4)	0.0	1.1	0.3	7.5	1.4
Cumulative Adj. Realized Gains / (Losses)	(0.4)	(0.4)	0.7	1.0	8.4	9.9
Adj. Change in Unrealized Appreciation	1.4 ⁽³⁾	1.9	11.8	16.4	4.2	13.4
Adj. Change in Unrealized Depreciation	(0.8)	(22.0)	(4.2)	(1.9)	(11.4)	(1.9)
Total Adj. Change in Unrealized Appreciation / (Depreciation)	0.6	(20.1)	7.5	14.5	(7.2)	11.5
Cumulative Adj. Change in Unrealized Appreciation / (Depreciation)	0.6	(19.5)	(11.9)	2.5	(4.7)	6.8
Cumulative Realized & Unrealized Value	\$0.2	(\$19.9)	(\$11.3)	\$3.5	\$3.8	\$16.7

¹ Numbers may not add due to rounding; see footnote 2 on p. 21 for "Adjustments"

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

³ 6/30/2011 breakout between unrealized appreciation and depreciation estimated based on stub period

Q3 Originations and Repayments

(\$ in millions, unaudited)

Portfolio Originations⁽¹⁾

Date ⁽²⁾	Name	Industry	Amount (\$'s Invested)	Tranche Size	Type of Investment	Advance Rate	YTM at Purchase ⁽³⁾	
							Unlevered	Levered
7/17/12	 Rocket	Software	\$13.4	\$105	2 nd Lien	45%	10.7%	16.7%
7/24/12 / 8/8/12	 Paradigm™	Software	\$29.4 / \$14.9	\$135 / \$305	2 nd Lien / 1 st Lien	25% / 67%	11.7% / 7.1%	14.4% / 15.6%
8/1/12	 Van Wagner	Media	\$11.8	\$175	1 st Lien	45%	9.2%	13.9%
8/3/12 ⁽⁵⁾	 Centerplate <small>Craveable Experiences. Raveable Results.™</small>	Consumer Services	\$14.3	\$115	Subordinated	25%	12.7%	15.8%
8/6/12	 CDC Software Consona	Software	\$8.4	\$150	1 st Lien	67%	7.9%	18.6%
8/10/12	 Sabre Holdings	Software	\$14.0	\$375	1 st Lien	67%	7.7%	16.3%
8/10/12	 SUPERVALU	Retail	\$11.6	\$850	1 st Lien	45%	9.1%	13.9%
8/14/12	 SRA INTERNATIONAL, INC.	Federal Services	\$10.8	\$875	1 st Lien	67%	7.3%	15.3%
9/28/12	 Six 3 Systems	Federal Services	\$19.8	\$240	1 st Lien	67%	7.7%	16.0%
Other			\$25.0	Q2 2012	Q1 2012	Q4 2011	Non-SLF: 11.1%	Non-SLF: 15.0%
Total Originations			\$173.4	\$126.4	\$106.7	\$88.7	SLF: 7.5%⁽⁴⁾	SLF: 16.4%⁽⁴⁾
Repayments			(\$63.6)	(\$104.4)	(\$22.9)	(\$32.8)		
Net Originations			\$109.8	\$22.0	\$83.8	\$55.9		
Sales			(\$1.0)	(\$26.4)	(\$48.8)	(\$16.9)		
Net Originations less Sales			\$108.8	(\$4.4)	\$35.0	\$39.0		

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

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

³ 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."

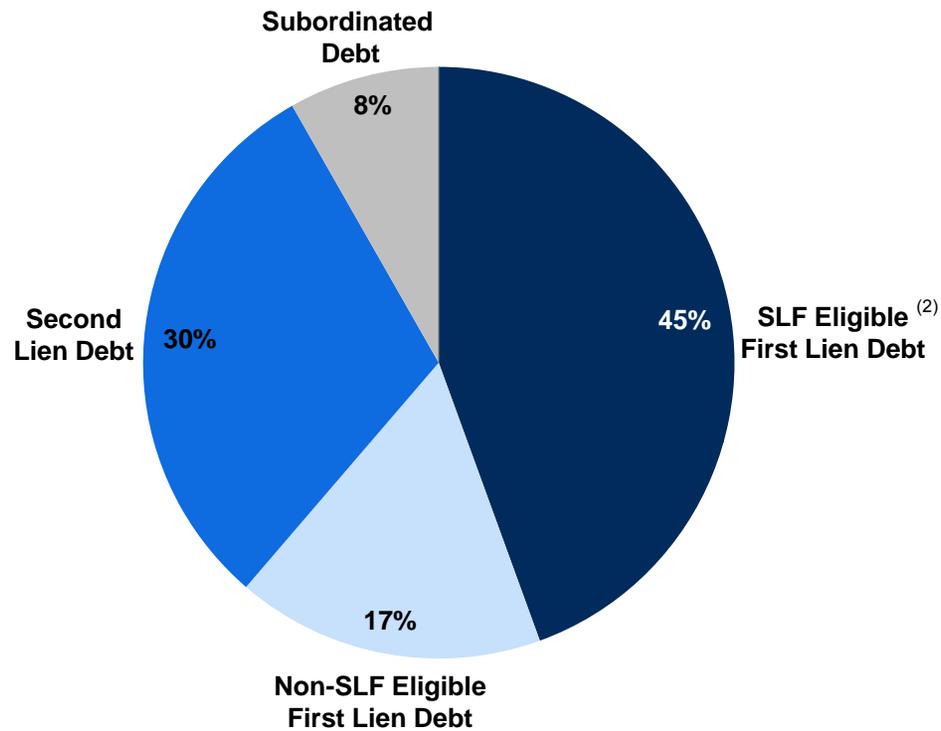
⁴ Weighted average YTM; SLF eligible includes all assets with 67% advance rate

⁵ Committed to in Q3 2012 but not funded until Q4 2012; funded \$7.5m on October 16, 2012 and expect to fund remainder in November 2012

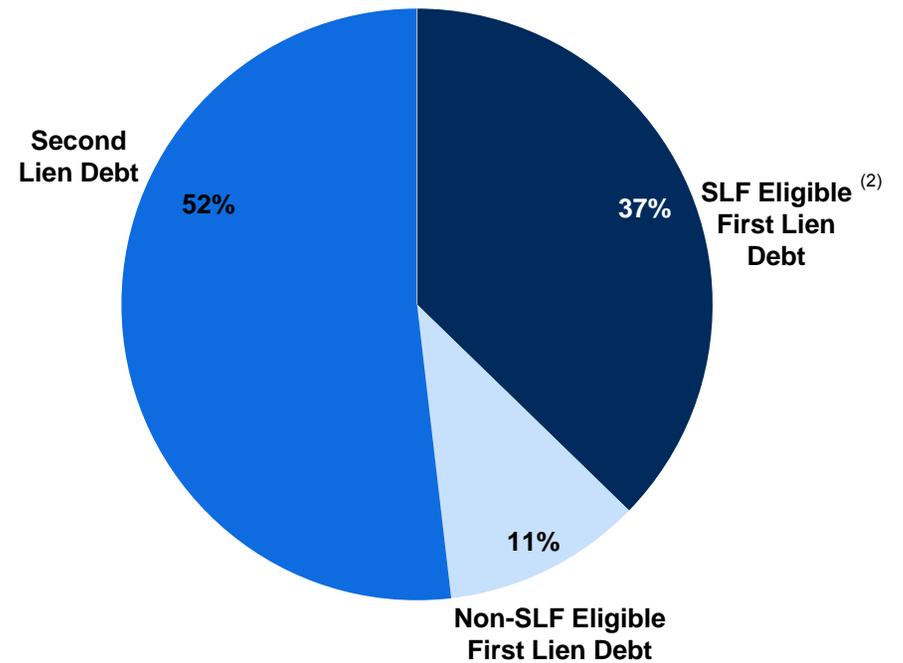


Q3 Originations and Repayments

Originations by Type⁽¹⁾



Sales / Repayments by Type⁽¹⁾



¹ By \$s invested / \$s received at time of origination / sale / repayment

² SLF eligible includes all assets with 67% advance rate

Q3 Investment Activity Roll

(\$ in millions, unaudited)

Originations⁽¹⁾

Name	Amount (\$'s Invested)	YTM at Purchase ⁽³⁾
 Rocket	\$13.4	10.7%
 Paradigm™	\$29.4 / \$14.9	11.7% / 7.1%
 Van Wagner	\$11.8	9.2%
 Centerplate <small>Consistent Experiences. Remarkable Results.</small>	\$14.3	12.7%
 CDC Software Consona	\$8.4	7.9%
 Sabre Holdings	\$14.0	7.7%
 SUPERVALU	\$11.6	9.1%
 SRA	\$10.8	7.3%
 Six3 Systems	\$19.8	7.7%
Other	\$25.0	10.1%
Total Originations	\$173.4	9.6%

Sales / Repayments⁽²⁾

Name	Amount (\$'s Sold/Repaid)	YTM at Cost ⁽⁴⁾
 U.S. HealthWorks™ MEDICAL GROUP	\$20.0	11.3%
 PAE	\$14.1	8.2%
 sunquest	\$9.0	9.3%
 Tekelec	\$5.5	9.7%
 LVI SERVICES	\$5.1	26.0%
Other	\$10.9	10.1%
Total Sales / Repayments	\$64.6	11.2%

	As of 6/30/12	Q3 Originations	Q3 Sales / Repayments	As of 9/30/12
Cost	\$747.2	\$173.4	\$64.6	\$844.5 ⁽⁵⁾
YTM at Purchase / Cost	10.5%	9.6%	11.2%	10.2%

¹ Origination commitments over \$7.5m shown, originations less than \$7.5m included in "Other"

² Sales and repayments over \$5.0m shown, sales and repayments less than \$5.0m included in "Other"

³ 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."

⁴ References to "YTM at Cost" have the same assumptions as YTM except that investments are purchased at adjusted cost (estimated) rather than fair value on the later of 6/30/12 or the settlement date (see footnote 2 on p. 21 for "Adjustments") and the LIBOR curve as of 9/30/2012 is used for all periods shown

⁵ Will not sum across due to amortization, PIK, realized gain / loss, and revolvers

Investment Activity Since Quarter End

(\$ in millions, unaudited)

Portfolio Originations⁽¹⁾

Date ⁽²⁾	Name	Industry	Amount (\$'s Invested)	Tranche Size	Type of Investment	Advance Rate	YTM at Purchase ⁽³⁾	
							Unlevered	Levered
10/2/12		Distribution	\$27.8	\$140	2 nd Lien	25%	10.8%	13.2%
10/11/12		Business Services	\$24.5	\$125	2 nd Lien	25%	11.9%	14.8%
10/19/12		Business Services	\$19.7	\$130	2 nd Lien	25% ⁽⁵⁾	10.5%	12.8%
10/26/12		Business Services	\$14.9	\$130	2 nd Lien	25% ⁽⁵⁾	10.2%	12.3%
10/26/12		Software	\$29.7	\$690	2 nd Lien	25% ⁽⁵⁾	10.7%	13.0%
Other			\$7.1				Non-SLF: 10.8%	Non-SLF: 13.2%
Total Originations			\$123.7				SLF: 7.6%⁽⁴⁾	SLF: 18.5%⁽⁴⁾
Repayments			(\$50.8)					
Net Originations			\$72.9					
Sales			(\$5.0)					
Net Originations less Sales			\$67.9					

* Indicates investment has not closed. Actual terms (including amount of investment) are subject to change.

Investment Pipeline

- Over \$100 million of potential investments in near-term pipeline
- Over \$125 million additional in earlier-stage pipeline

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

² Date of commitment

³ 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."

⁴ Weighted average YTM; SLF eligible includes all assets with 67% advance rate

⁵ Assumed leverage – not yet approved in credit facility; assumption based on advance rate for comparable assets

Investment Activity Bridge

(\$ in millions, unaudited)⁽¹⁾

Portfolio Bridge

Cash & Debt Bridge

			Available Cash & Equivalents ⁽⁴⁾	Debt	Total Fundings (Cash + Debt)
June 30, 2012 Portfolio	\$751	June 30, 2012	(\$17)	\$312	
Plus: Q3 2012 Net Originations Less Sales	109	Plus: July 2012 Equity Raise	82		
Less: Q3 2012 Originations Not Funded in Q3 2012 ⁽²⁾	(14)				
Less: Q3 2012 Adj. Net Change in Unrealized Appreciation of Investments	11				
Plus: Q3 2012 Accretion of Discount, Realized Gain, PIK ⁽³⁾	2				
Total Q3 2012 Change	108	Total Q3 2012 Change	(71)	24	95
September 30, 2012 Portfolio	\$859	September 30, 2012	(\$6)	\$336	
Plus: Q3 2012 Originations Funded Post Q3 2012 ⁽²⁾	14				
Plus: Post Q3 2012 Net Originations Less Sales	68				
Less: Expected Q4 2012 Repayments	(40)				
Less: Anticipated Q4 2012 Sales	(5)				
Total Post Q3 2012 Change	38	Total Post Q3 2012 Change	11	49	38
Pro Forma Portfolio	\$897	Pro Forma	\$5	\$385	
		Pro Forma Debt / September 30, 2012 Equity		0.74x	



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¹ Numbers may not add due to rounding

² Includes Centerplate, which was committed to in Q3 2012 but not funded until Q4 2012

³ Includes adjusted accretion of discount of \$0.7m, adjusted realized gain of \$1.4m, and received PIK of \$0.2m

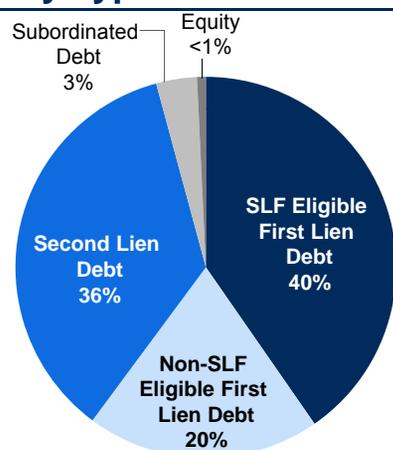
⁴ Cash & equivalents plus interest receivable, receivable from affiliates less other liabilities; September 30, 2012 balance excludes \$3.5m incentive fee payable for 17 accrual of Part 2 incentive fee

Investment Portfolio Review

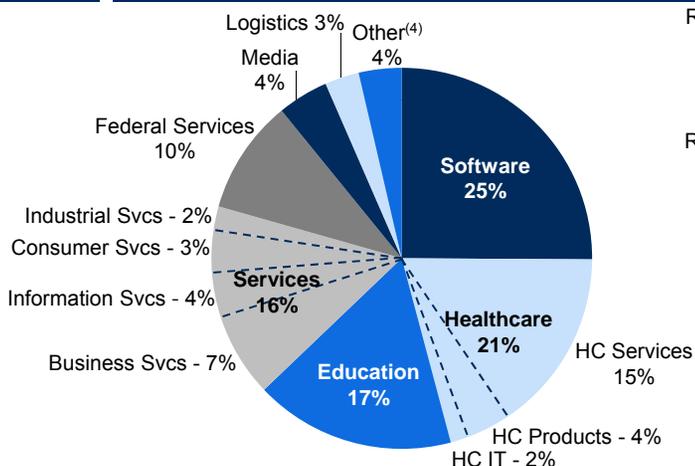
(unaudited)	9/30/12	6/30/12	3/31/12	12/31/11	IPO - 6/30/11 ⁽⁵⁾
Fair Value	\$859 million	\$751 million	\$758 million	\$704 million	\$544 million
YTM ⁽¹⁾	9.9%	10.7%	10.6%	10.7%	10.4%
YTM at Cost ⁽²⁾	10.2%	10.5%	10.5%	10.1%	9.6%
# Portfolio Companies	58	56	57	55	47
Middle Market Focus (% <\$100m EBITDA ⁽³⁾ / % Facilities <\$300m)	75% / 77%	78% / 81%	75% / 80%	79% / 82%	80% / 85%

Fair Value as of 9/30/12

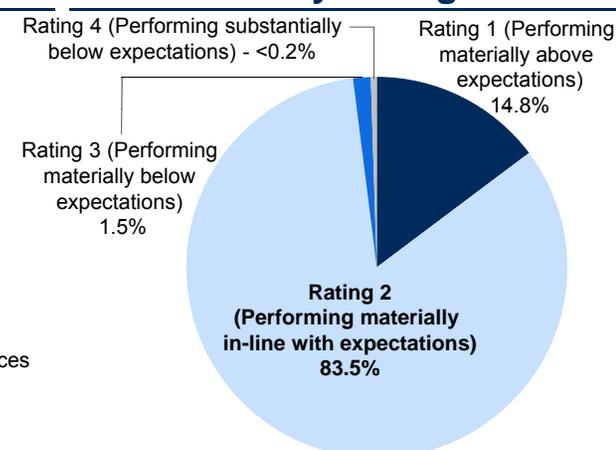
By Type of Investment



By Industry



By Rating



¹ References to "Yield to Maturity" assume that the accruing investments in our portfolio as of a certain date, the "Portfolio Date", are purchased at fair value 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. 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 Cost" have the same assumptions as YTM except that investments are purchased at adjusted cost (estimated) rather than fair value on the Portfolio Date (see footnote 2 on p. 21 for "Adjustments") and the LIBOR curve as of 9/30/2012 is used for all periods shown

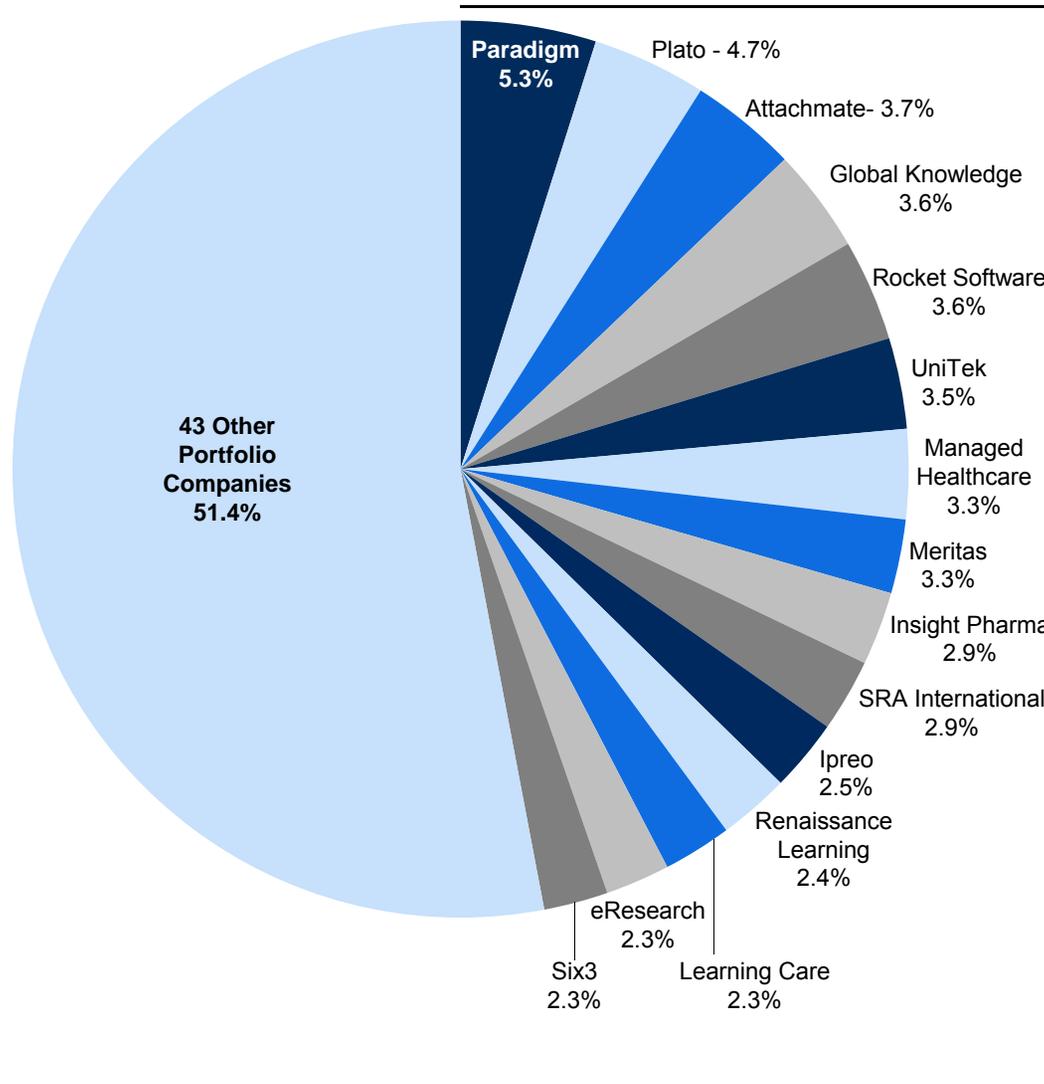
³ LTM EBITDA at the time of investment, weighted by fair value

⁴ Includes 1% retail, 1% energy, 1% information technology, and <1% power generation

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

Investment Portfolio Review – As of 9/30/2012

Portfolio Names By Fair Value



Top 15 portfolio companies represent \$417.3 million, or 48.6%, of consolidated investments

Memo: Top 15 Portfolio Companies

As of		
6/30/2012	3/31/2012	12/31/2011
\$353.1m	\$345.9m	\$360.3m
47.0%	45.6%	51.3%

Net Asset Value – As of 9/30/2012

(\$ in millions, unaudited)

Net Asset Value⁽¹⁾

Consolidated NAV		Memo: NAV / Share	
Portfolio	\$858.9	6/30/12	\$13.83
Cash & Equivalents	12.7	3/31/12 ⁽⁴⁾	\$13.82
Other Assets ⁽²⁾	15.2	12/31/11	\$13.60
Total Assets	886.8	9/30/11	\$13.32
		6/30/11 ⁽⁵⁾	\$13.98
Less: Total Debt	(335.7)	At IPO	\$13.94
Less: Other Liabilities ⁽³⁾	(30.7)		
NAV	\$520.4		
		Memo: Debt / Equity	
		6/30/12	0.73x
		3/31/12	0.75x
Shares Outstanding (millions)	36.9	12/31/11	0.70x
NAV / Share	\$14.10	9/30/11	0.55x
		6/30/11	0.37x
Debt / Equity	0.65x		

¹ Financials for OpCo unless otherwise noted

² Includes interest receivable of \$8.6m, deferred credit facility costs of \$5.3m, receivable from affiliates of \$0.2m and other assets of \$1.1m

³ Includes payable for unsettled securities purchased of \$19.8m, incentive fee payable of \$6.5m, management fee payable of \$2.8m, interest payable of \$0.6m, and other liabilities of \$1.0m

⁴ 3/31/2012 NAV / share adjusted for payment of special dividend

⁵ 6/30/2011 NAV / share adjusted for payment of Q2 dividend

OpCo Adjusted Consolidated Income Statement

(\$ in millions, unaudited)⁽¹⁾

	Three Months Ended 9/30/2012			Adj. Three Months Ended		
	Unadjusted	Adjustments ⁽²⁾	Adjusted	6/30/2012	3/31/2012	12/31/2011
Investment income						
Interest income	\$21.4	(\$0.8)	\$20.6	\$19.3	\$17.6	\$16.7
Dividend and other income	0.4		0.4	0.2	0.4	0.2
Total investment income	21.8	(0.8)	20.9	19.5	18.0	16.9
Expenses						
Incentive fee	3.0		3.0	2.7	2.5	2.3
Management fee	2.8		2.8	2.6	2.5	2.2
Interest and other credit facility expenses	2.4		2.4	2.4	2.5	2.3
Professional fees (net of reimbursable expenses of \$0.2, \$0.1, \$0.2, and \$0.4)	0.2		0.2	0.3	0.2	0.1
Administrative expenses (net of reimbursable expenses of \$0.3, \$0.3, \$0.3, and \$0.5)	0.3		0.3	0.2	0.3	0.2
Other general and administrative expenses	0.4		0.4	0.3	0.3	0.5
Total expenses	9.0		9.0	8.6	8.2	7.6
Net investment income	12.7	(0.8)	11.9	10.9	9.8	9.3
Net realized gains (losses) on investments	1.6	(0.2)	1.4	7.5	0.3	1.1
Net change in unrealized (depreciation) appreciation of investments	10.5	1.0	11.5	(7.2)	14.5	7.5
Capital gains incentive fees	(2.6)		(2.6)	(0.1)	(0.9)	-
Net increase (decrease) in capital resulting from operations	\$22.2	-	\$22.2	\$11.1	\$23.7	\$17.9
Adjusted NII per share			\$0.32	\$0.35	\$0.32	\$0.30

¹ Numbers may not add due to rounding; adjustments sum to zero

² Under GAAP, NMFC's IPO did not step-up the cost basis of the Company's existing investments to fair market value at the IPO date. Since the total value of the Company's investments at the time of the IPO was greater than the investments' cost basis, a larger amount of amortization of purchase or original issue discount, as well as different amounts in realized gain and unrealized appreciation, may be recognized under GAAP in each period than if the step-up had occurred. The Company tracks the transferred (or fair market) value of each of its investments as of the time of the IPO and, for purposes of the incentive fee calculation, adjusts Pre-Incentive Fee Net Investment Income to reflect the amortization of purchase or original issue discount on our investments as if each investment was purchased at the date of the IPO, or stepped up to fair market value. The Company also uses the transferred (or fair market) value of each of its investments as of the time of the IPO to adjust capital gains or losses and unrealized capital depreciation

Dividend – Q3 2012

(\$ in millions, unaudited)

	IPO ⁽¹⁾ 6/30/2011	12/31/2011	3/31/2012	6/30/2012	9/30/2012	Estimated 12/31/2012
Net Asset Value	\$440.6	\$420.5	\$434.3	\$427.7	\$520.4	
NAV / Share	\$13.98 ⁽²⁾	\$13.60	\$13.82 ⁽³⁾	\$13.83	\$14.10	
Pre-Incentive Fee Adjusted NII	\$8.9	\$11.6	\$12.3	\$13.6	\$14.9	\$15.0 - \$16.4
Adjusted NII	\$8.4	\$9.3	\$9.8	\$10.9	\$11.9	\$12.0 - \$13.1
Adjusted NII / Share	\$0.27	\$0.30	\$0.32	\$0.35	\$0.32	\$0.33 - \$0.35
Regular Dividend / Share	\$0.27	\$0.30	\$0.32	\$0.34	\$0.34	\$0.34
Special Dividend / Share	-	-	-	\$0.23	-	-

**We believe our Q4 2012 Adjusted NII will be in the \$12.0 – \$13.1 million range.
Our board of directors has declared a fourth quarter dividend of \$0.34 per share.**

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

² 6/30/2011 NAV / share adjusted for payment of Q2 dividend

³ 3/31/2012 NAV / share adjusted for payment of special dividend



**NEW MOUNTAIN FINANCE
CORPORATION**

Appendix A: Structure Chart

