



NEW MOUNTAIN FINANCE
CORPORATION

Q4 2013 Earnings Presentation

March 6, 2014

Important Notice and Safe Harbor Statement

This presentation contains forward looking statements that involve substantial risks and uncertainties. All forward-looking statements included in this presentation are made only as of the date hereof and are subject to change without notice. Actual outcomes and results could differ materially from those suggested by this presentation due to the impact of many factors beyond the control of New Mountain Finance Corporation (“NMFC”) and its operating company, including those listed in the "Risk Factors" section of our filings with the U.S. Securities and Exchange Commission (“SEC”). Any such forward-looking statements are made pursuant to the safe harbor provisions available under applicable securities laws and NMFC assumes no obligation to update or revise any such forward-looking statements unless required by law.

Certain information discussed in this presentation (including information relating to portfolio companies) was derived from third party sources and has not been independently verified and, accordingly, NMFC makes no representation or warranty with respect to this information.

The following slides contain summaries of certain financial and statistical information about NMFC and its operating company. The information contained in this presentation is summary information that is intended to be considered in the context of our SEC filings and other public announcements that we may make, by press release or otherwise, from time to time. We undertake no duty or obligation to publicly update or revise the information contained in this presentation unless required by law. In addition, information related to past performance, while helpful as an evaluative tool, is not necessarily indicative of future results, the achievement of which cannot be assured. You should not view the past performance of NMFC, or information about the market, as indicative of NMFC’s and its operating company’s future results. The performance data stated herein may have been due to extraordinary market conditions, which may not be duplicated in the future. Current performance may be lower or higher than the performance data quoted. This presentation does not constitute an offer to sell or the solicitation of an offer to buy any securities of NMFC.

For the purposes of this presentation, all financial data relates to the consolidated operations of the New Mountain Finance Holdings, LLC (the “Operating Company”).



Management Participants

Steven B. Klinsky

Chairman of the Board of Directors

Robert A. Hamwee

Chief Executive Officer, President and Director

David M. Cordova

Chief Financial Officer and Treasurer

Q4 2013 and Full Year Highlights

- Q4 Pro-Forma Adjusted Net Investment Income (“NII”) of \$0.34 per weighted average share
 - Q4 regular dividend of \$0.34 per share paid on December 31, 2013
- December 31, 2013 book value of \$14.38 per share, an increase of \$0.06 per share from the September 30, 2013 book value of \$14.32 per share and an increase of \$0.32 per share from the December 31, 2012 book value of \$14.06 per share
- Q1 2014 regular dividend of \$0.34 per share announced
 - Payable on March 31, 2014 to holders of record as of March 17, 2014
- Credit performance remains very strong; no negative credit migration
- Approximately \$180.3 million of gross and \$73.4 million of net assets originated in Q4 2013 and approximately \$529.7 million of gross and \$134.4 million of net assets originated in 2013
- On February 3, 2014, NMFC completed a secondary offering of the remaining 2.7 million shares of NMFC’s common stock owned by AIV Holdings
 - 100% of NMFC shares now owned by public shareholders
- Portfolio continues to be positioned in recession resistant, acyclical industries

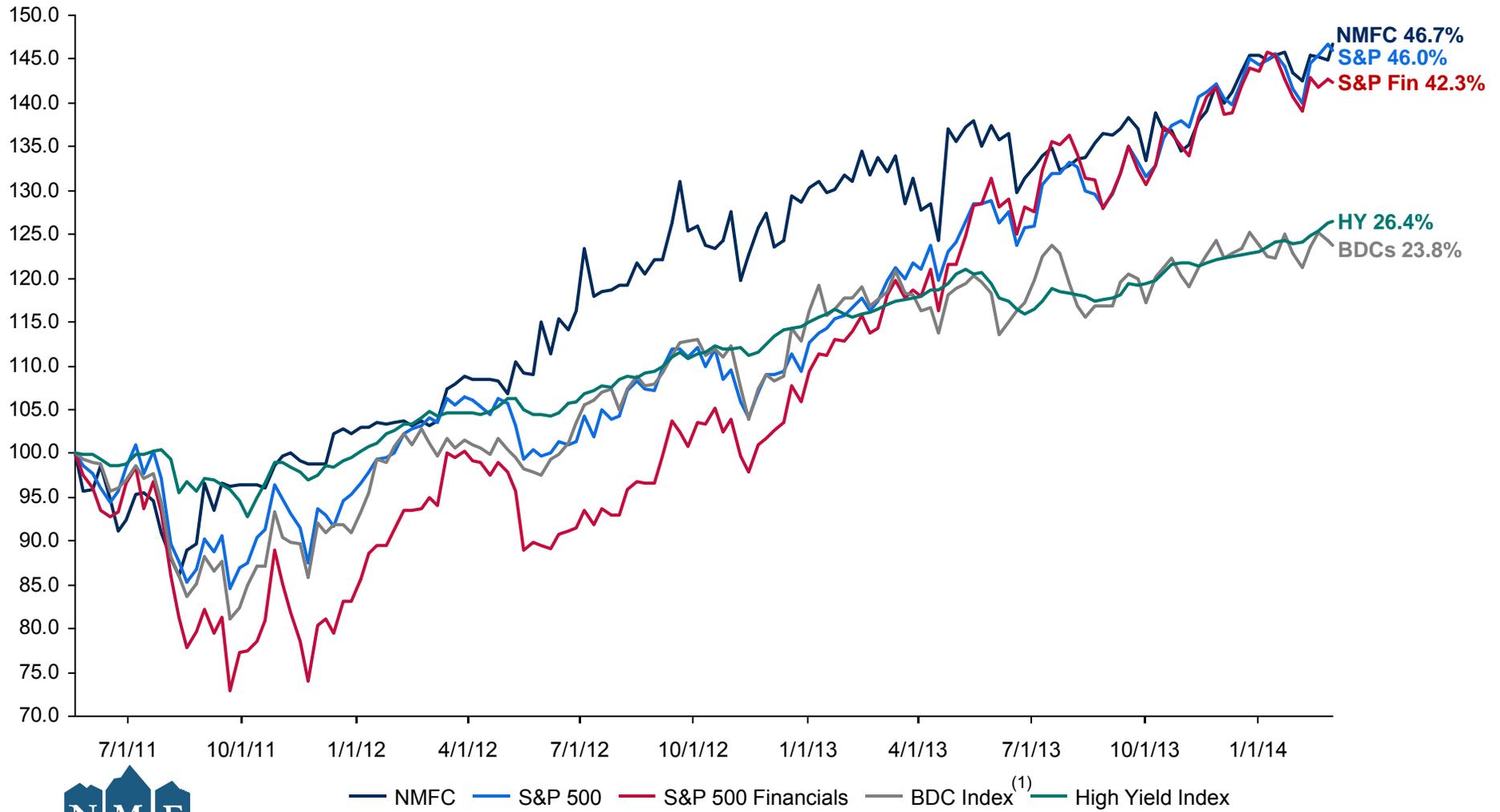
Review of NMFC and NMFC Strategy

- 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 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
 - 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) – March 3, 2014

Indexed Total Return



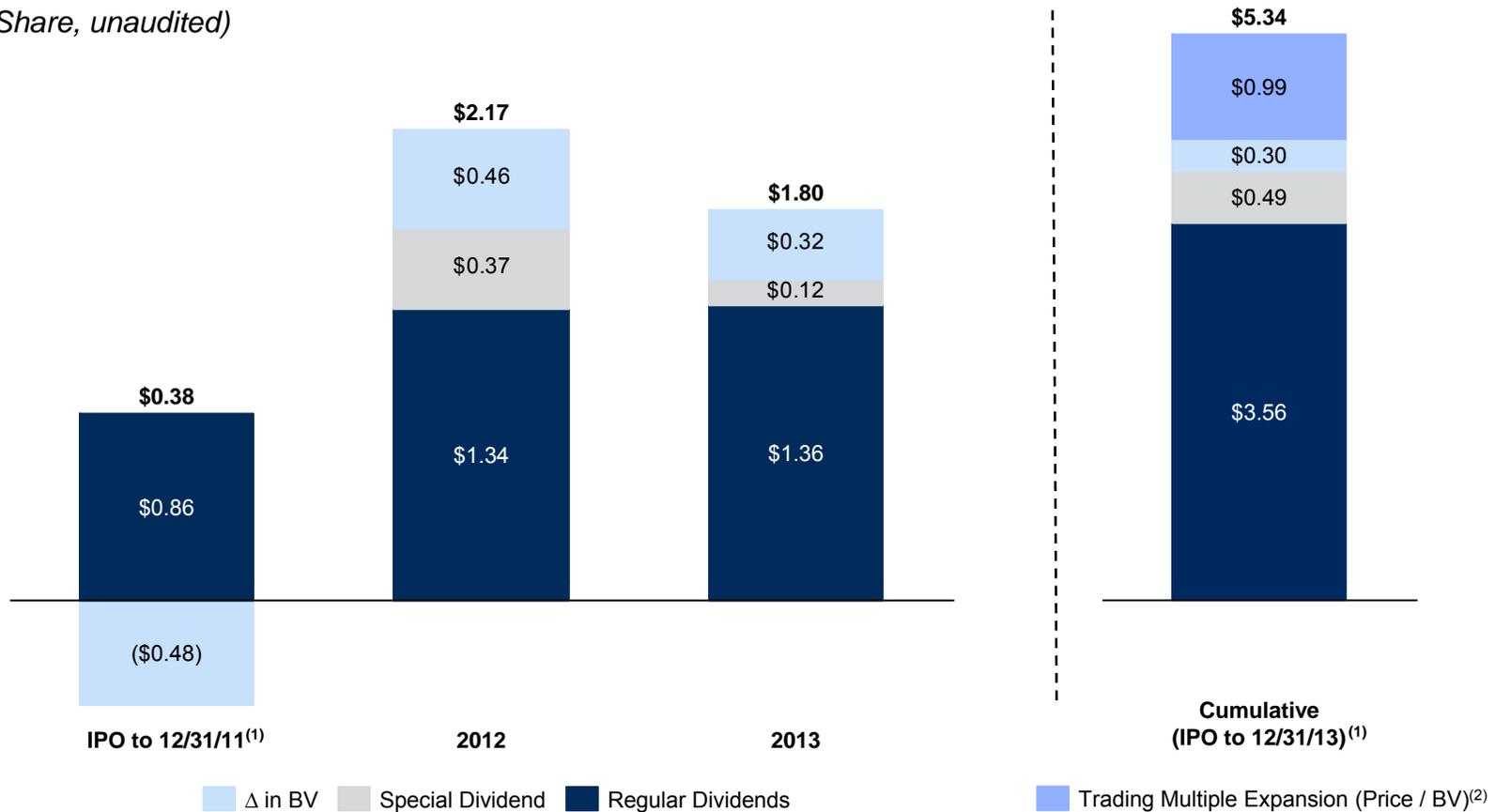
NEW MOUNTAIN FINANCE CORPORATION

Source: Capital IQ, Credit Suisse Research & Analytics

¹BDC 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, unaudited)



Since IPO, NMFC has returned **\$3.56 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 \$15.04 at close on December 31, 2013**

¹ NMFC priced its initial public offering on 5/19/2011 at \$13.75 per share; closing price on 12/31/2013 of \$15.04 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

- Last three months have generally been characterized by ongoing tightening in spreads
 - Market resiliency and reduced volatility
 - Long term rates remain stable
 - Inflows into both loan and bond funds continue to be significant

- 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
 - Leverage facilities **not** subject to margin calls

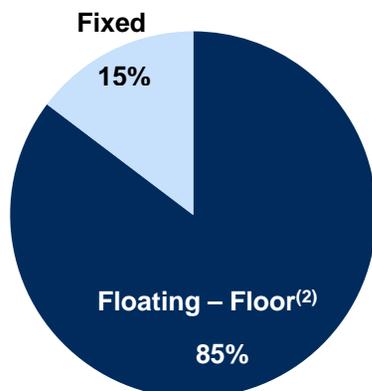
Credit Market Conditions – Interest Rates

(unaudited)

Floating vs. Fixed

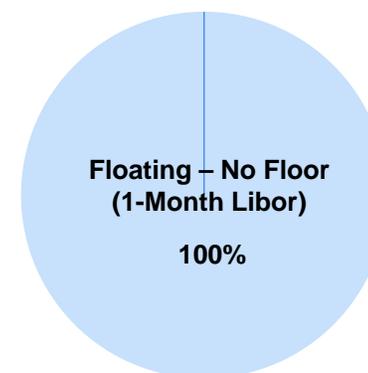
Assets

(Aggregate par value of \$1,106.3 million as of December 31, 2013)⁽¹⁾



Liabilities

(\$436.5 million drawn as of December 31, 2013)



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	(4.34%)	(\$0.06)
+200 bps	0.17%	\$0.00
+300 bps	5.60%	\$0.08
+400 bps	11.02%	\$0.15



NEW MOUNTAIN FINANCE CORPORATION

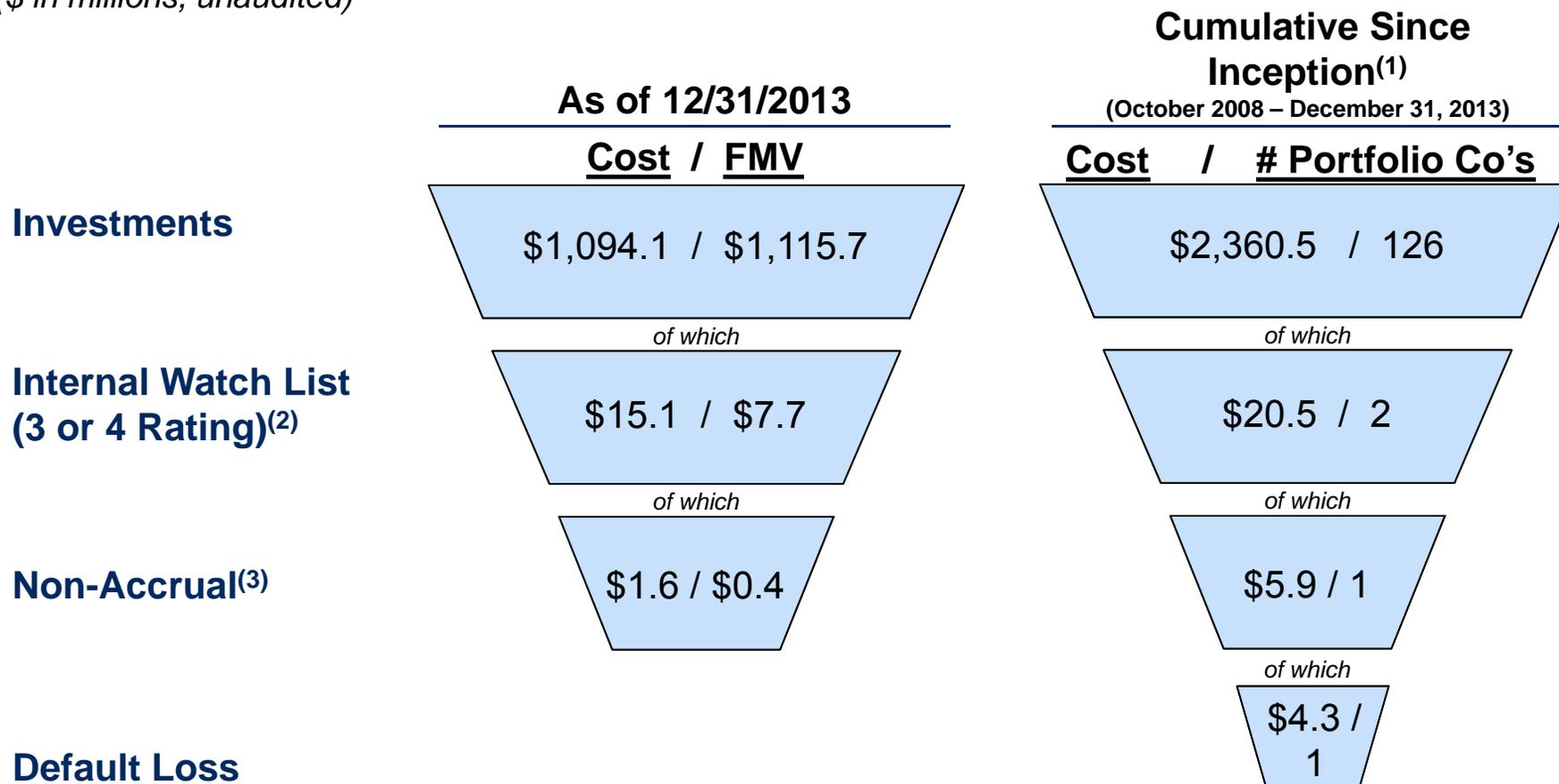
¹ Based on par values (excludes assets on non-accrual, revolvers and non-interest bearing equity investments)

² Includes assets on Prime contracts

³ These hypothetical calculations are based on a model of the investments in our portfolio, held as of December 31, 2013, and are only adjusted for assumed changes in the underlying base interest rates. Assumes constant share count

Credit Performance

(\$ in millions, unaudited)



¹ Since inception of predecessor entity in 10/2008 through 12/31/2013

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	4.1x	4.1x	-
Company B	5.9x	5.8x	0.1x
Company C	5.9x	5.1x	0.9x
Company D	5.8x	6.3x	(0.5x)
Company E	5.9x	5.7x	0.2x
Company F	3.5x	3.5x	-
Company G	3.4x	3.1x	0.3x
Company H	4.6x	5.7x	(1.1x)
Company I	5.7x	5.3x	0.4x
Company J	4.1x	3.8x	0.3x
Company K	4.8x	4.8x	0.0x
Company L	5.6x	5.4x	0.2x
Company M	6.3x	5.4x	0.9x
Company N	6.3x	6.3x	-
Company O	5.1x	5.3x	(0.1x)
Company P	6.8x	5.6x	1.2x
Company Q	5.3x	5.1x	0.2x
Company R	2.9x	4.0x	(1.1x)
Company S	4.5x	4.2x	0.3x
Company T	5.1x	4.9x	0.2x
Company U	3.7x	3.8x	(0.1x)
Company V	6.1x	5.6x	0.5x
Company W	4.9x	3.6x	1.3x
Company X	1.2x	1.2x	0.0x
Company Y	5.6x	5.7x	(0.1x)
Company Z	6.7x	5.6x	1.1x
Company AA	3.8x	3.8x	-
Company AB	3.3x	3.6x	(0.3x)
Company AC	4.9x	4.9x	-
Company AD	6.0x	6.1x	(0.1x)
Weighted Average (12/31/2013)⁽³⁾	4.9x	4.7x	0.1x
Memo: Weighted Average (9/30/2013)	4.9x	4.8x	0.1x
Memo: Weighted Average (6/30/2013)	4.8x	4.8x	0.1x
Memo: Weighted Average (3/31/2013)	4.9x	4.6x	0.2x

¹ Current positions with an initial cost greater than \$7.5mm as of 12/31/2013 (represents 91% of non-70% advance rate asset cost and 90% 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 third calendar quarter of 2013, 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 AE	2.1x	2.1x	-
Company AF	2.0x	1.3x	0.7x
Company AG	3.2x	10.9x	(7.7x)
Company AH	4.1x	3.5x	0.6x
Company AI	3.4x	2.8x	0.5x
Company AJ	3.7x	3.5x	0.2x
Company AK	4.3x	3.3x	1.0x
Company AL	3.3x	3.0x	0.3x
Company AM	4.0x	6.0x	(1.9x)
Company AN	1.2x	1.2x	-
Company AO	3.1x	3.1x	0.0x
Company AP	3.2x	2.7x	0.5x
Company AQ	3.3x	3.1x	0.1x
Company AR	3.8x	3.6x	0.2x
Company AS	3.8x	3.6x	0.2x
Company AT	3.8x	3.9x	(0.0x)
Company AU	2.7x	3.1x	(0.4x)
Company AV	3.2x	4.3x	(1.2x)
Weighted Average (12/31/2013)⁽³⁾	3.2x	3.5x	(0.2x)
Memo: Weighted Average (9/30/2013)	3.4x	3.7x	(0.2x)
Memo: Weighted Average (6/30/2013)	3.5x	3.6x	(0.1x)
Memo: Weighted Average (3/31/2013)	3.5x	3.5x	0.0x

¹ Current positions with an initial cost greater than \$7.5mm as of 12/31/2013 (represents 92% of 70% advance rate cost and 91% of 70% advance rate 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 third calendar quarter of 2013, if available, or otherwise, the most recently reported fiscal quarter

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

SBIC Process

- On January 27, 2014, we announced that we received a “green light” letter from the U.S. Small Business Administration (“SBA”) inviting NMFC to continue its application process to obtain a Small Business Investment Company (“SBIC”) license
 - License application submitted and accepted by the SBA
 - No assurance or indication from the SBA that we will receive an SBIC license, or of the timeframe in which we would receive a license, should one ultimately be granted
 - Average license application processing time of approximately six months⁽¹⁾

- We believe an SBIC license would benefit NMFC
 - Accretive economics
 - Incremental source of attractive long-term capital

- 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

Share Ownership Migration

(shares in millions)⁽¹⁾

	<u>IPO - May-11</u>	<u>2012 Offerings</u>		<u>2013 & 2014 Offerings⁽⁴⁾</u>	
	<u>Issuances</u>	<u>Issuances</u>	<u>Cumulative</u>	<u>Issuances</u>	<u>Cumulative</u>
Public Shares ("PubCo")	10.7	13.6 ⁽²⁾⁽³⁾	24.3	23.6 ⁽²⁾⁽³⁾	47.9
<i>% of Total</i>	34.6%		60.0%		100.0%
NMC Fund Shares ("AIV Holdings")	20.2	(4.0)	16.2	(16.2)	-
<i>% of Total</i>	65.4%		40.0%		0.0%
Total Shares	30.9	9.6	40.5	7.3	47.9

- NMFC is now 100% owned by management and public shareholders
- NMC Fund exit will allow us to simplify our corporate structure in the coming quarters

¹ Numbers may not add due to rounding

² Includes shares issued in connection with over-allotment option

³ Includes shares issued in connection with dividend reinvestment program

⁴ Includes secondary equity offering completed on February 3, 2014

Performance Since IPO

(\$ in millions, unaudited)⁽¹⁾

	IPO -	2013				
	12/31/2011 ⁽²⁾	2012	3/31/2013	6/30/2013	9/30/2013	12/31/2013
Regular Dividend	\$26.6	\$46.6	\$13.8	\$14.5	\$15.2	\$16.3
Cumulative Regular Dividend	26.6	73.2	87.0	101.5	116.7	133.0
Adj. NII	26.5	46.1	13.8	16.5 ⁽³⁾	15.6 ⁽³⁾	16.2 ⁽³⁾
Cumulative Adj. NII	26.5	72.7	86.5	102.9	118.5	134.8
Dividend Coverage (Cumulative Adj. NII / Dividend)	100%	99%	99%	101%	102%	101%
Adj. Realized Gains	\$1.6	\$13.9	\$1.4	\$6.7 ⁽⁴⁾	\$3.3 ⁽⁴⁾	\$2.4 ⁽⁴⁾
Adj. Realized Credit & Other Losses	(\$0.8)	(2.0)	(0.8)	(0.9)	(0.0)	(4.3)
Total Adj. Realized Gains / (Losses)	0.9	11.9	0.6	5.8	3.3	(1.9)
Cumulative Adj. Realized Gains / (Losses)	0.9	12.8	13.4	19.1	22.5	20.5
Adj. Change in Unrealized Appreciation	17.0	46.5	16.1	8.0	8.6 ⁽⁵⁾	13.3
Adj. Change in Unrealized Depreciation	(28.1)	(26.1)	(3.3)	(17.1)	(5.8)	(7.8)
Total Adj. Change in Unrealized Appreciation / (Depreciation)	(11.1)	20.4	12.8	(9.1)	2.8	5.5
Cumulative Adj. Change in Unrealized Appreciation / (Depreciation)	(11.1)	9.3	22.1	13.0	15.8	21.3
Cumulative Net Realized and Unrealized Gains and Appreciation	(\$10.2)	\$22.0	\$35.4	\$32.1	\$38.2	\$41.7

¹ Numbers may not add due to rounding; see footnote 2 on pg. 25 for "Adjustments"

² 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

³ Reflects Pro-Forma Adjusted Net Investment Income (see pg. 26)

⁴ Includes net YP distribution (net of incentive fee) and subsequent change in tax estimates of \$5.1 million, (\$0.4) million and \$0.2 million, respectively. Refer to pg. 25 for current quarter and annual impact

⁵ Includes net YP distribution (net of incentive fee) reclassification of \$0.4 million from change in tax estimate, refer to pg. 25 for current quarter and annual impact

Q4 Originations

(\$ 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
10/15/13	 CROWLEY	Distribution & Logistics	\$35.0	\$200	Preferred Equity	N/A	12.6%	12.6%
11/1/13	 Vitera HEALTHCARE SOLUTIONS	Software	\$2.0 / \$6.9	\$360 / \$180	1 st Lien / 2 nd Lien	70% / 25%	7.6% / 11.3%	16.5% / 13.5%
11/26/13	 Compass Learning	Education	\$29.3	\$60	Unitranche	45%	9.4%	14.1%
12/5/13	 Deltek	Software	\$11.3	\$305	2 nd Lien	25%	10.7%	12.7%
12/17/13	 School Education	Education	\$21.8	\$250	1 st Lien	70%	7.7%	16.9%
12/18/13	 HARLEY MARINE	Distribution & Logistics	\$8.8	\$45	2 nd Lien	25%	12.4%	15.2%
12/19/13	 SIERRA HAMILTON	Energy	\$25.0	\$110	1 st Lien	45%	12.8%	20.3%
12/19/13	 Global Knowledge	Education	\$17.2	\$41	2 nd Lien	45%	12.1%	18.9%
	Other		\$23.0				10.3%	12.7%
Total			\$180.3				Non-70%: 11.6% / 70%: 7.6%⁽⁴⁾	Non-70%: 14.1% / 70%: 16.7%⁽⁴⁾



NEW MOUNTAIN FINANCE CORPORATION

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

Originations and Repayments

(\$ in millions, unaudited)

Quarterly Portfolio Originations (\$'s Invested)

	FY 2013				FY 2012			
	Q4 2013	Q3 2013	Q2 2013	Q1 2013	Q4 2012	Q3 2012	Q2 2012	Q1 2012
Total Originations	\$180.3	\$87.1	\$150.3	\$112.0	\$266.7	\$173.4	\$126.4	\$106.7
Repayments	(\$106.9)	(\$111.9)	(\$114.9)	(\$61.6)	(\$108.7)	(\$63.6)	(\$104.4)	(\$22.9)
Net Originations	\$73.4	(\$24.8)	\$35.4	\$50.4	\$158.0	\$109.8	\$22.0	\$83.8
Sales ⁽¹⁾	(\$3.0)	—	(\$1.4)	(\$23.5)	(\$46.8)	(\$1.0)	(\$26.4)	(\$48.8)
Net Originations less Sales	\$70.4	(\$24.8)	\$34.0	\$26.9	\$111.2	\$108.8	(\$4.4)	\$35.0

Annual Portfolio Originations (\$'s Invested)

	2013	2012	2011 (IPO ⁽²⁾ – 12/31/2011)	Cumulative (IPO ⁽²⁾ – 12/31/2013)
Total Originations	\$529.7	\$673.2	\$379.3	\$1,582.2
Repayments	(\$395.3)	(\$299.6)	(\$86.5)	(\$781.4)
Net Originations	\$134.4	\$373.6	\$292.8	\$800.8
Sales	(\$27.9)	(\$123.0)	(\$45.7)	(\$196.6)
Net Originations less Sales	\$106.5	\$250.6	\$247.1	\$604.2



Investment Activity Since Quarter End (Through 3/5/14)

(\$ 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
1/27/14		Education	\$14.9	\$408	1 st Lien	70%	7.2%	15.9%
2/12/14		Media	\$7.5	\$86	1 st Lien	70%	11.1%	30.5%
2/13/14		Media	\$15.0	\$690	1 st Lien	45%	8.7%	12.7%
2/21/14		Media	\$12.4	\$315	1 st Lien	45%	9.3%	13.6%
2/27/14		Specialty Chemicals & Materials	\$19.9	\$330	1 st Lien	70%	8.2%	15.4%
2/27/14		Business Services	\$9.9	\$1,700	2 nd Lien	25% ⁽⁵⁾	10.3%	12.3%
3/5/14	Company X*	Business Services	\$29.7	\$108	Unitranche	45%	10.9%	16.6%
Other			\$19.8				Non-70%: 10.4%	Non-70%: 14.4%
Total Originations			\$129.1				70%: 8.1%⁽⁴⁾	70%: 17.2%⁽⁴⁾
Repayments			(\$24.2)					
Net Originations			\$104.9					
Sales			(\$26.8)					
Net Originations less Sales			\$78.1					

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

Investment Pipeline

- Over \$65 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; where multiple trade dates, the first trade date is listed

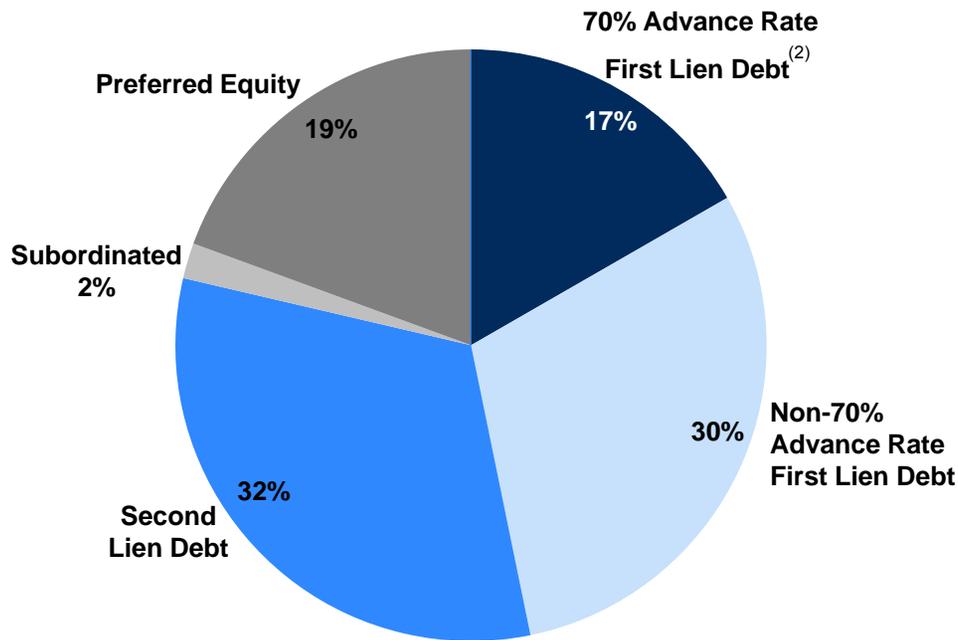
³ Assumes that investments are purchased at purchase price on settlement date and held until their respective maturities with no prepayments or losses and are exited at par at maturity. The actual yield to maturity may be higher or lower due to the future selection of LIBOR contracts by the individual companies in our portfolio or other factors. See "Important Notice and Safe Harbor Statement."

⁴ Weighted average YTM; 70% includes all assets with 70% advance rate and assumes LIBOR + 2.00% interest rate on that debt

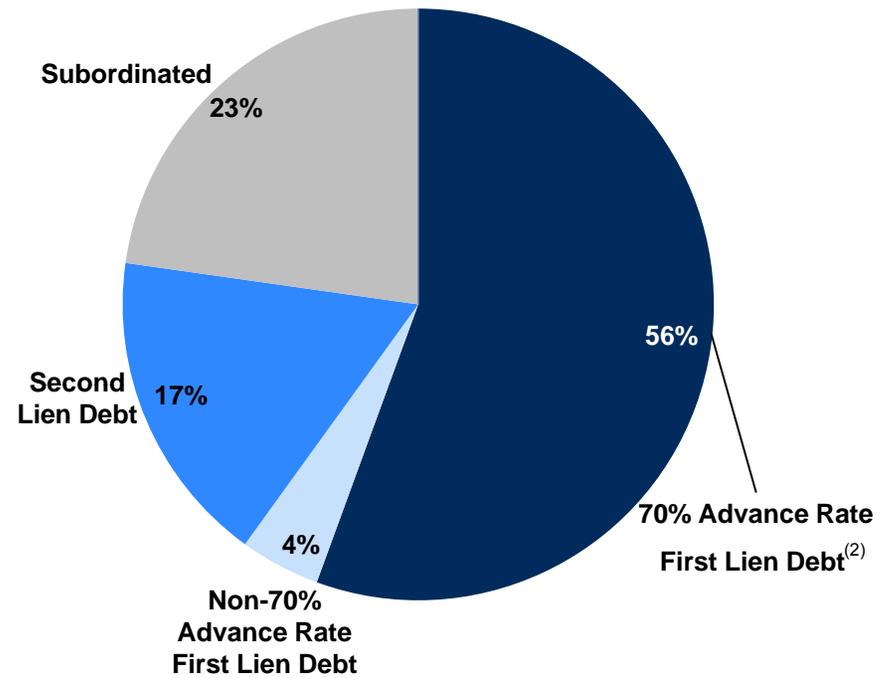
⁵ Assumed leverage – not yet approved in credit facility; assumption based on advance rate for comparable assets

Q4 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

Q4 Investment Activity Roll

(\$ in millions, unaudited)

Originations⁽¹⁾

Name	Amount (\$'s Invested)	YTM at Purchase ⁽³⁾
 CROWLEY	\$35.0	12.6%
 Vitera HEALTHCARE SOLUTIONS	\$2.0 / \$6.9	7.6% / 11.3%
 CompassLearning	\$29.3	9.4%
 Deltek	\$11.3	10.7%
 McGraw Hill Education	\$21.8	7.7%
 SIERRA HAMILTON	\$8.8	12.4%
 SIERRA HAMILTON	\$25.0	12.8%
 Global Knowledge	\$17.2	12.1%
Other	\$23.0	10.3%
Total Originations	\$180.3	11.0%

Sales / Repayments⁽²⁾

Name	Amount (\$'s Sold/Repaid)	YTM at Cost ⁽⁴⁾
 Six3 Systems	\$19.9	8.4%
 ascensus™	\$16.9	9.4%
 Insight Global A Staffing Services Company	\$15.0	12.1%
 Centerplate	\$14.8	12.7%
 PODS	\$12.6 / \$6.4	8.3% / 23.4%
 Global Knowledge	\$5.8	7.1%
Other	\$18.5	10.1%
Total Sales /Repayments	\$109.9	10.7%

	As of 9/30/13	Pro Forma 9/30/13 (Adj. for change in forward LIBOR curve)	Q4 Originations	Q4 Sales / Repayments	As of 12/31/13
Cost	\$1,025.3	\$1,025.3	\$180.3	(\$109.9)	\$1,094.1 ⁽⁵⁾
YTM at Purchase / Cost	10.8%	10.9%	11.0%	10.7%	11.0%

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

² Sales and repayments over \$5.0m shown, sales and repayments less than \$5.0m included in "Other", also excludes return of capital of \$1.2m

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 9/30/13 or the settlement date (see footnote 2 on pg. 25 for "Adjustments") and the LIBOR curve as of 12/31/13 is used for all periods shown

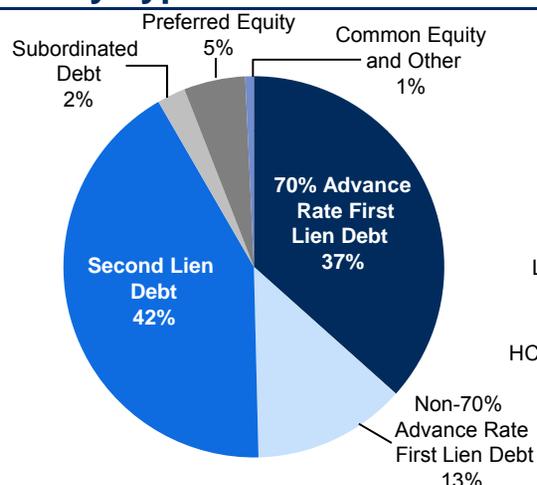
⁵ Will not sum across due to amortization, PIK, realized gain / loss, and revolvers

Investment Portfolio Review

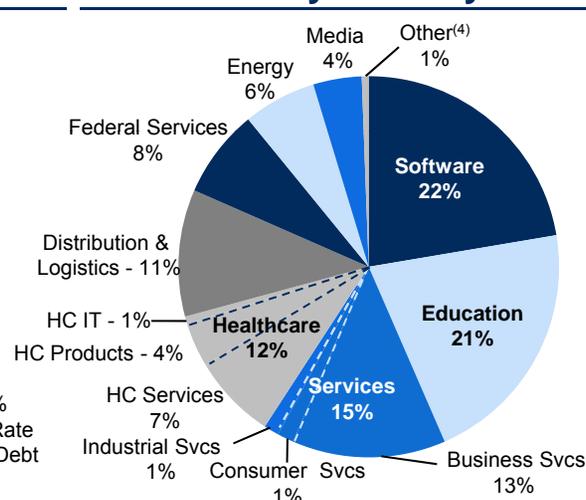
(unaudited)	12/31/13	9/30/13	6/30/13	3/31/13	IPO - 6/30/11 ⁽⁵⁾
Fair Value	\$1,116 million	\$1,041 million	\$1,059 million	\$1,031 million	\$544 million
YTM ⁽¹⁾	10.6%	10.4%	10.3%	9.8%	10.4%
YTM at Cost ⁽²⁾	11.0%	10.9%	10.7%	10.7%	9.7%
# Portfolio Companies	59	57	59	61	47
Middle Market Focus (EBITDA / Facility Size) ⁽³⁾	67% / 73%	71% / 71%	70% / 72%	75% / 77%	80% / 85%

Fair Value as of 12/31/13

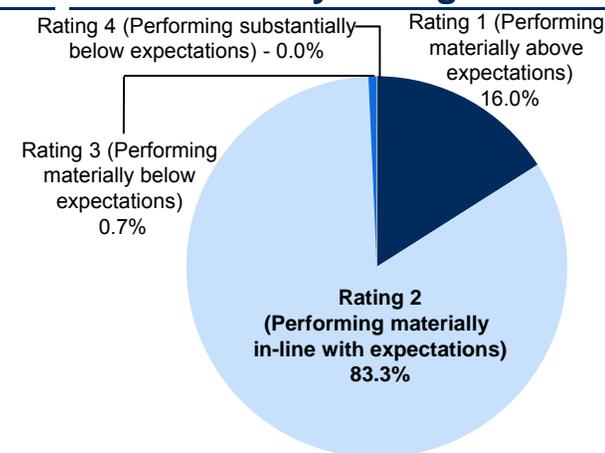
By Type of Investment



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 pg. 25 for "Adjustments") and the LIBOR curve as of 12/31/13 is used for all periods shown. YTM at Cost using the original LIBOR curves are: 9/30/13 – 10.8%, 6/30/13 – 10.7%, 3/31/13 – 10.4%, 6/30/11 – 10.5%

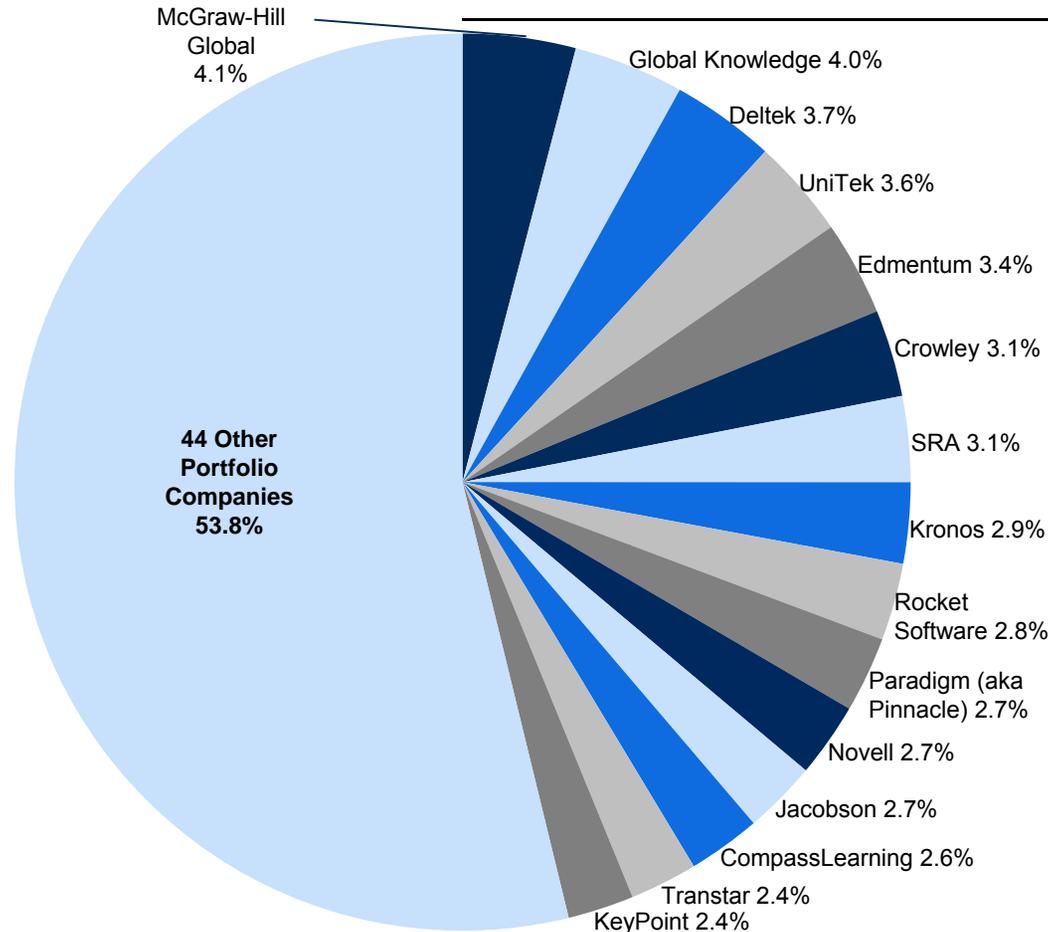
³ Defined as the % of portfolio companies fair value with LTM EBITDA at the time of investment less than \$100m and facility sizes as of 12/31/13 less than \$300m

⁴ Includes 1% information technology

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

Investment Portfolio Review – As of 12/31/2013

Portfolio Names By Fair Value



Top 15 portfolio companies represent \$515.4 million, or 46.2%, of consolidated investments

Memo: Top 15 Portfolio Companies

	As of		
	9/30/2013	6/30/13	3/31/13
	\$476.6m	\$483.1m	\$463.8m
	45.8%	45.6%	45.0%

Net Asset Value – As of 12/31/2013

(\$ in millions, unaudited)

Net Asset Value

Portfolio	\$1,115.7
Cash & Equivalents	15.0
Other Assets ⁽¹⁾	17.1
Total Assets	<u>1,147.8</u>
Less: Total Debt	(436.5)
Less: Other Liabilities ⁽²⁾	(22.8)
NAV	<u>\$688.5</u>
Shares Outstanding (<i>millions</i>)	47.9
NAV / Share	\$14.38
Debt / Equity	0.63x

- Given the investment activity for Q1 2014 to date, we are fully levered

¹ Includes interest and dividends receivable of \$10.5m, deferred credit facility costs of \$4.7m, receivable from affiliates of \$0.4m and other assets of \$1.5m

² Includes payable for unsettled securities of \$3.7m, incentive fee payable of \$4.1m, capital gains incentive fee payable of \$7.6m, management fee payable of \$3.9m, interest payable of \$0.8m, payable to affiliate of \$0.1m and other liabilities of \$2.6m

Historical NAV / Share and Leverage Trends

(unaudited)

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

Pro-Forma Adjusted Net Investment Income Reconciliation

(\$ in millions except per unit data, unaudited)⁽¹⁾

	Three months ended December 31, 2013		Year ended December 31, 2013	
	Amount	Per Weighted Average Unit	Amount	Per Weighted Average Unit
GAAP net investment income ("NII")	\$15.8	\$0.33	\$63.7	\$1.45
Non-cash amortization adjustment ⁽²⁾	(0.1)	(0.00)	(0.9)	(0.02)
Non-cash capital gains incentive fee ⁽³⁾	0.7	0.02	3.2	0.07
Adjusted NII	\$16.4	\$0.35	\$66.0	\$1.50
Non-recurring net YP, LLC distribution ⁽⁴⁾	(0.2)	(0.01)	(3.9)	(0.09)
Pro-forma adjusted NII	\$16.2	\$0.34	\$62.1	\$1.41

¹ Numbers may not add due to rounding

² Adjustment to effectively step-up the cost basis of the Operating Company's existing investments to fair market value at the IPO date. Under GAAP, the Operating Company did not step-up the cost basis of the Operating Company's existing investments to fair market value at the IPO date. Since the total value of the 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 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 Operating 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 the Operating Company's investments as if each investment was purchased at the date of the IPO, or stepped up to fair market value. The Operating 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

³ Reclassification of the non-cash capital gains incentive fee out of net investment income and into net change in members' capital resulting from operations

⁴ Adjustment related to the NII impact (net of incentive fee) from the non-recurring YP, LLC distribution; three months ended December 31, 2013 reflects change in tax estimate

Adjusted Consolidated Income Statement by Quarter

(\$ in millions, except per unit data, unaudited)⁽¹⁾

	Pro-Forma Adj. Three Months Ended ⁽²⁾ 12/31/2013	Pro-Forma Adj. Three Months Ended ⁽²⁾ 9/30/2013	Pro-Forma Adj. Three Months Ended ⁽²⁾ 6/30/2013	Adj. Three Months Ended 3/31/2013
Investment income				
Interest income	\$27.4	\$27.1	\$27.1	\$24.5
Dividend income	0.0	0.2	-	-
Other income	0.9	0.2	1.4	0.3
Total investment income	28.3	27.5	28.5	24.8
Expenses				
Incentive fee	4.1	3.9	4.1	3.5
Management fee	3.8	3.8	3.7	3.6
Interest and other credit facility expenses	3.1	3.2	3.1	3.1
Administrative expenses	1.0	0.7	0.9	0.7
Professional fees	0.7	0.5	0.6	0.6
Other general and administrative expenses	0.4	0.4	0.4	0.4
Total expenses	13.1	12.5	12.8	11.8
Less: expenses waived and reimbursed	(1.0)	(0.6)	(0.8)	(0.8)
Net expenses	12.1	11.9	12.0	11.0
Net investment income	16.2	15.6	16.5	13.8
Net realized (losses) gains on investments	(1.9)	3.7	0.6	0.6
Net change in unrealized appreciation (depreciation) of investments	5.5	2.4	(9.1)	12.8
Capital gains incentive fee	(0.7)	(1.2)	1.7	(2.7)
Net increase in members' capital resulting from operations	\$19.1	\$20.5	\$9.7	\$24.6
Adjusted NII per weighted average unit	\$0.34	\$0.35	\$0.38	\$0.34



Adjusted Investment Income Detail

(\$ in millions, unaudited)⁽¹⁾

	Pro-Forma Adj. Three Months Ended ⁽²⁾	Pro-Forma Adj. Year Ended ⁽²⁾	Year Ended
	12/31/2013	12/31/2013	12/31/2012
Cash interest	\$24.3	\$94.5	\$71.9
Non-cash interest	1.0	3.4	2.2
Amortization of purchase discounts (premiums) and fees	0.7	2.5	2.5
Subtotal	26.0	100.4	76.6
Prepayment Fees	1.4	5.7	3.6
Total Interest Income	27.4	106.1	80.2
Dividend Income	0.0	0.2	0.8
Other Income	0.9	2.8	1.3
Total Investment Income	\$28.3	\$109.1	\$82.3
% of Total Investment Income that is Non-cash⁽³⁾	6%	7%	6%
Total Interest Income as % of Total Investment Income			
Excluding Prepayment Fees	92%	92%	93%
Including Prepayment Fees	97%	97%	97%

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



¹ Numbers may not add due to rounding

² Excludes gross impact of non-recurring YP, LLC distribution; refer to pg. 25 for current quarter and annual net amounts

³ Non-cash includes non-cash interest, amortization of purchase discounts (premiums) and fees, and other non-cash items included in other income

Adjusted Consolidated Income Statement By Year

(\$ in millions, except per unit data, unaudited)⁽¹⁾

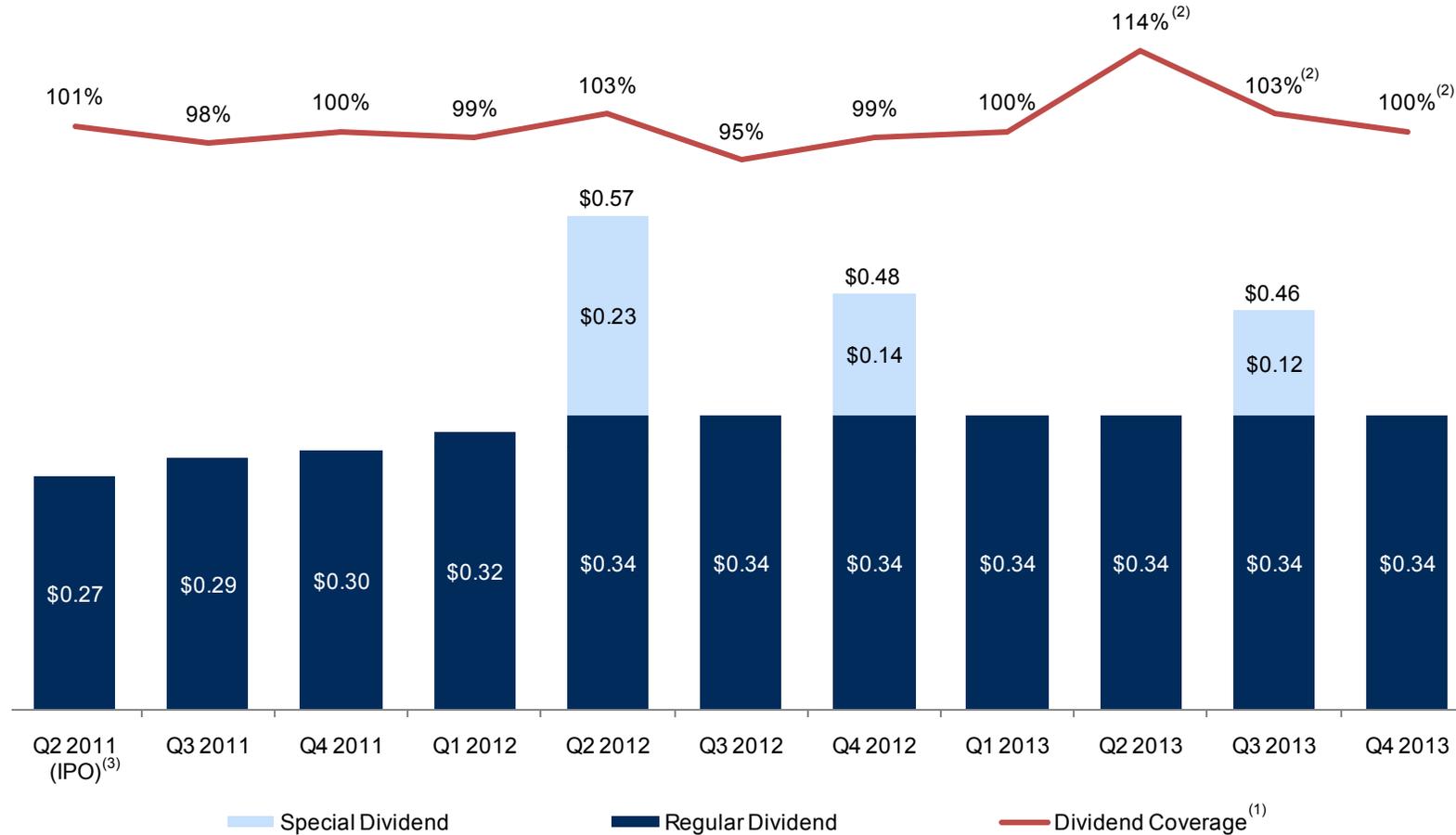
	Pro-Forma Adj. Year Ended ⁽²⁾ 12/31/2013	Adj. Year Ended 12/31/2012
Investment income		
Interest income	\$106.1	\$80.2
Dividend and other income	3.0	2.1
Total investment income	109.1	82.3
Expenses		
Incentive fee	15.5	11.5
Management fee	14.9	11.1
Interest and other credit facility expenses	12.5	10.1
Administrative expenses	3.4	2.5
Professional fees	2.3	2.1
Other general and administrative expenses	1.6	1.4
Total expenses	50.2	38.7
Less: expenses waived and reimbursed	(3.2)	(2.5)
Net expenses	47.0	36.2
Net investment income	62.1	46.1
Net realized gains on investments	3.0	11.9
Net change in unrealized appreciation of investments	11.6	20.4
Capital gains incentive fees	(2.9)	(4.4)
Net increase in members' capital resulting from operations	\$73.8	\$74.0
Adjusted NII per weighted average share	\$1.41	\$1.36

¹ Numbers may not add due to rounding

² Excludes non-recurring net impact of YP distribution; for the year ended December 31, 2013, the impact of the non-recurring YP distribution to net investment income (net of incentive fee), realized gain on investments, net change in unrealized appreciation of investments and capital gains incentive fee was approximately \$3.9 million, \$1.1 million, \$0.4million and (\$0.3 million), respectively

Dividend Summary and Coverage

We believe our Q1 2014 Adjusted 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 Calculated as Adjusted Net Investment Income / regular dividend

² Based on Pro Forma Adjusted NII, which excludes net impact of non-recurring YP, LLC distribution

³ NMFC priced its initial public offering on 5/19/2011



**NEW MOUNTAIN FINANCE
CORPORATION**

Appendix A: Structure Chart⁽¹⁾

