



NEW MOUNTAIN FINANCE  
CORPORATION



# Earnings Presentation

*Q4 2022*

*February 28, 2023*

# Important Notices and Safe Harbor Statement

This presentation contains forward looking statements, which are not guarantees of future performance, conditions or results, and involve substantial risks and uncertainties, including the impact of COVID-19, the current conflict between Russia and Ukraine, and related changes in base interest rates and significant volatility on our business, portfolio companies, our industry, and the global economy. 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"), including those listed in the "Risk Factors" section of our filings with the United States 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. 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 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.

Past performance is not indicative nor a guarantee of future returns, the realization of which is dependent on many factors, many of which are beyond the control of NMFC. There can be no assurances that future dividends will match or exceed historic ones, or that they will be made at all. Net returns give effect to all fees and expenses. Unless otherwise noted, information included herein is presented as of the date indicated on the cover page and may change at any time without notice. NMFC is subject to certain significant risks relating to our business and investment objective. For more detailed information on risks relating to NMFC, see the latest Form 10-K and subsequent quarterly reports filed on Form 10-Q.

Investment portfolio related activity, metrics and disclosures on slides 6, 7, 9, 10, 12, 14, 18, 19, 20, 21, 22, 23, 25, 24, 25, 32, and 33 include the underlying collateral from securities purchased under collateralized agreements to resell and exclude the PPVA Black Elk (Equity) LLC investment. Figures shown herein are unaudited and may not add due to rounding.

This presentation contains 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. However, these non-GAAP measures should not be considered in isolation or as a substitute for or superior to any measures of financial performance calculated and presented in accordance with GAAP. Other companies may calculate this or similarly titled non-GAAP measures differently than we do.

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 C at the end of this presentation.**

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, SOFR, and SONIA 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, SOFR, and/or SONIA contracts by the individual companies in our portfolio or other factors.

The S&P 500 Stock Index (the “S&P 500”) is an unmanaged index of 500 widely held, large-capitalization stocks from a broad variety of industries that is recognized by investors to be generally representative of the performance of the broad domestic economy. The S&P 500 Total Return Index reflects the reinvestment of all dividends and distributions. Please note an investor cannot invest directly in this index. References to the S&P 500 Total Return Index are for illustrative purposes only. The S&P 500 Financial Index comprises those companies included in the S&P 500 that are classified as members of the GICS financial sectors. The S&P 500 Total Return Index and the S&P Financials Index may not be the most appropriate comparison because the indices are unmanaged and significantly more diversified than NMFC. NMFC’s investments and portfolio holdings are materially different from the companies represented in the indices. Additionally, due to the allocation differences between the indices and NMFC, NMFC may experience more investment volatility than the unmanaged S&P 500 Index and the S&P 500 Financial Index, which may have accounted for the results of the comparison.

Relevant credit benchmarks include the Credit Suisse Leveraged Loan Index, the Credit Suisse HY Index II and the BDC Index (together, the “Benchmarks”). The Credit Suisse Leveraged Loan Index is an unmanaged market value weighted index designed to represent the universe of U.S. dollar-denominated leveraged loan markets. The Credit Suisse HY Index II is an unmanaged index designed to mirror the investable universe of U.S. dollar-denominated high yield debt market. The loans and other investments held by NMFC may be materially different in composition and diversification as compared to the loans comprising each of the Benchmarks described above. The BDC Index is not a tracked index and includes the median of other business development companies that have been public for as long as NMFC, equal-weighted. The portfolio of loans and other investments held by the BDC Index and relevant Peer Group referenced herein may be materially different in composition and risk profile than that of NMFC. The volatility of an index may be materially different from the performance attained by NMFC. In addition, NMFC’s holdings may differ significantly from the securities that comprise the indices. You cannot invest directly in these indices.

Throughout the document, Senior Advisors are included in all references to staff members, team members, investment professionals or operating partners/executives unless stated otherwise. Generally, New Mountain Senior Advisors are similar to "Operating Partners" who provide general or specific industry expertise on particular projects or transactions. All persons listed in the Senior Advisors (Full Access) category are designated “access persons” pursuant to Rule 204A-1 under the Investment Advisers Act of 1940, as amended, and are subject to New Mountain’s Code of Ethics, which therefore allows them to be fully included in New Mountain’s investment reviews. Based on a variety of factors, Senior Advisers for Special Projects are designated as “non-access persons” and are not subject to New Mountain’s Code of Ethics.

# Experienced Management Team + Scaled Platform



**Steven B. Klinsky**  
Founder & Chairman



**Robert A. Hamwee**  
Vice Chairman



**John R. Kline**  
President & CEO



**Laura C. Holson**  
COO



**Shiraz Y. Kajee**  
CFO

Years at 

22

14

14

13

7

## DEEPLY EXPERIENCED CREDIT TEAM LEVERAGING THE FULL POWER OF THE NEW MOUNTAIN PLATFORM

**215** New Mountain Capital employees and Senior  
Advisors and over **100** industry executives<sup>(1)</sup>

**\$37bn** AUM across private equity, credit, and net  
lease<sup>(2)</sup>

**22-year** operating history

Extensive research capabilities spanning defensive  
growth sectors and **80** companies across the platform<sup>(3)</sup>

### Defensive Growth Industry-focus



Enterprise  
Software



Healthcare  
Services



Healthcare  
IT



Tech Enabled  
Business Services



Financial  
Services

1 Includes Executive Advisors and CEOs for current portfolio companies as of 2/1/2023

2 Includes asset valuations and remaining commitments (if applicable) as of 9/30/2022

3 Includes current and formerly owned portfolio companies across the private equity platform as of 2/1/2023

## Earnings, Book Value, Dividend Policy & Shareholder Alignment

- Q4 2022 adjusted net investment income (“NII”) of \$0.35 per share, more than covered our dividend of \$0.32 per share paid on December 30, 2022
  
- December 31, 2022 net asset value (“NAV”) of \$13.02 per share
  - Decrease of only 1.4%, or \$0.18, from \$13.20 per share on September 30, 2022
  - Book value change depicts widening market spreads in the direct lending market; despite considerable economic volatility, our portfolio continues to be well positioned due to our defensive growth investment strategy
  
- Q1 2023 regular dividend of \$0.32 per share, payable on March 31, 2023 to holders of record as of March 17, 2023
  - We expect rising base rates to continue to be an earnings tailwind for the quarter
  - Current annualized dividend yield of 10%<sup>(1)</sup>
  
- Starting Q1 2023, NMFC will commence a formal supplemental dividend program
  - 50% of quarterly adjusted NII in excess of the regular dividend, rounded to the nearest penny
  - Based on Q1 2023 earnings expectations, we believe the Q1 supplemental dividend to be 2-3 cents per share
  - Residual excess earnings will accrue to book value or be paid out as one-time special dividends
  
- New Mountain employees continue to be the largest shareholder of the Company, with ownership of ~11%

<sup>1</sup> Based on annualized dividend of \$0.32 per share and closing stock price of \$12.88 per share on 2/24/2023

# Key Highlights

## Financial Highlights

	Quarter Ended				12/31/2022
	12/31/2021	3/31/2022	6/30/2022	9/30/2022	
Adjusted NII Per Share	\$0.31	\$0.30	\$0.31	\$0.32	\$0.35
NAV Per Share	\$13.49	\$13.56	\$13.42	\$13.20	\$13.02
Dividends Per Share	\$0.30	\$0.30	\$0.30	\$0.30	\$0.32
Share Count - End of Period (mm)	97.9	99.5	100.7	100.9	100.9
Shares Owned by New Mountain Employees (mm / %) <sup>(1)</sup>	11.6 / 12%	11.6 / 12%	12.0 / 12%	12.1 / 12%	11.2 / 11%
Value of Shares Owned by New Mountain Employees (mm) <sup>(1)(2)</sup>	\$159	\$161	\$142	\$139	\$139

## Portfolio Highlights

	Quarter Ended				12/31/2022
	12/31/2021	3/31/2022	6/30/2022	9/30/2022	
Fair Value of Investments (\$mm)	\$3,185.4	\$3,267.0	\$3,310.2	\$3,244.5	\$3,229.8
Number of Portfolio Companies	106	107	107	106	107
Middle Market Focus (EBITDA / Facility Size) <sup>(3)</sup>	74% / 62%	75% / 64%	74% / 60%	74% / 61%	72% / 59%
Current Yield at Cost <sup>(4)</sup>	8.8%	8.8%	9.7%	11.0%	11.7%
YTM at Cost <sup>(5)</sup>	9.1%	9.8%	10.3%	11.3%	11.3%

### Portfolio Activity (\$mm)<sup>(6)</sup>

Gross Originations	\$355.3	\$153.7	\$220.4	\$123.0	\$93.9
(-) Repayments	(147.3)	(44.1)	(102.8)	(142.4)	(93.0)
<b>Net Originations</b>	<b>\$208.0</b>	<b>\$109.6</b>	<b>\$117.6</b>	<b>(\$19.4)</b>	<b>\$0.9</b>
(-) Sales	(102.5)	(30.1)	(34.4)	(25.0)	(8.1)
<b>Net Originations Less Sales</b>	<b>\$105.5</b>	<b>\$79.5</b>	<b>\$83.2</b>	<b>(\$44.5)</b>	<b>(\$7.2)</b>

1 Includes members of senior management and other New Mountain employees; excludes independent directors; ownership % based on total shares outstanding at the end of the respective period

2 Based on NMFC's closing price of \$13.70, \$13.85, \$11.91, \$11.53, and \$12.37 per share on 12/31/2021, 3/31/2022, 6/30/2022, 9/30/2022, and 12/31/2022 respectively

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 III ("SLP III"), NMFC Senior Loan Program IV ("SLP IV") and investments held by New Mountain Net Lease Corporation ("Net Lease")

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 Please reference Important Notices and Safe Harbor Statement Disclosures for detail on YTM at Cost

6 Originations exclude PIK ("payment-in-kind" interest); originations, repayments, and sales excludes revolvers, unfunded commitments, bridges, return of capital, and realized gains

## New Mountain Finance

**\$3.2bn<sup>(1)</sup>**

Portfolio Size

**14**

Year History

**Baa3 / Stable**

Moody's Credit Rating

## Best-in-class Credit Quality

**91% Green<sup>(1)(2)</sup>**

Portfolio Risk Rating

**41%<sup>(3)</sup>**

Avg. Loan to Value

**6 bps<sup>(4)</sup>**

Annual Net Realized Loss Rate

## Strong Return Profile

**~10%<sup>(5)</sup>**

Annual Div. Yield

**~10%<sup>(6)</sup>**

Annual Return Since IPO

**89%<sup>(7)</sup>**

Floating Rate Loans

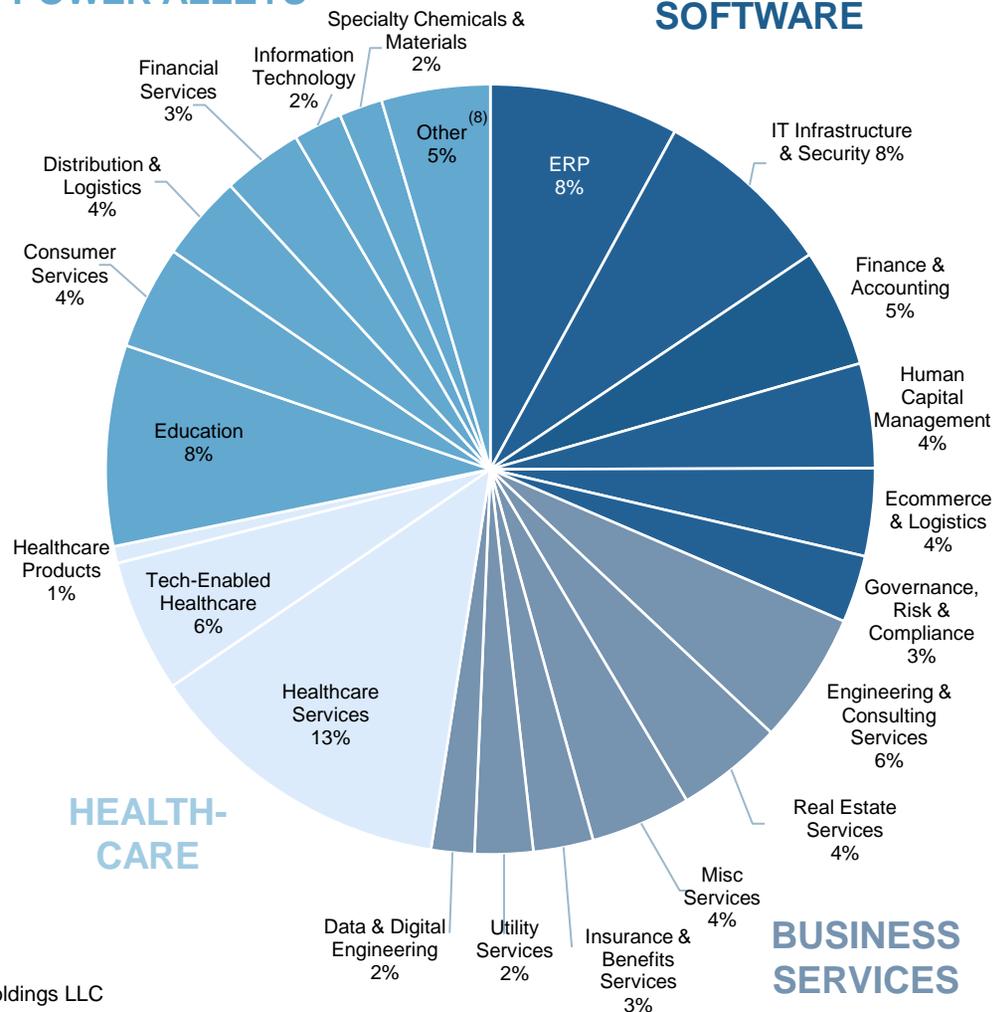


## ACYCLICAL SECTORS<sup>(1)(2)</sup>

where NMC has deep expertise

### OTHER NMC POWER ALLEYS

### SOFTWARE



1 Based on fair value as of 12/31/2022

2 Excludes SLP III, SLP IV, and Net Lease; includes tax liability associated with Haven Midstream Holdings LLC

3 Weighted average based on fair value as of 12/31/2022 and excludes non-interest bearing equity investments

4 Includes investments since NMFC's IPO (5/19/2011) through 12/31/2022. Excludes investments / associated realized gains in Net Lease, SLPs, and investments made prior to the IPO

5 Based on NMFC's closing price of \$12.88 per share on 2/24/2023

6 See page 16 for details

7 See page 12 for details

8 Includes Energy, Packaging, Consumer Products, and Business Products

New Mountain Finance Corporation is a business development company focused on lending to middle market companies that operate in “defensive growth” industries

## DIFFERENTIATED, DEFENSIVE GROWTH APPROACH TO LENDING



### “Defensive Growth” Strategy

- Focused on investing in strong businesses in acyclical sectors
- Achieving superior risk-adjusted returns despite economic volatility

### A Better Research & Underwriting Model

- In-house industry resources and deep bench of industry executives
- Superior analytical platform compared to standalone credit platforms
- 215 New Mountain Capital employees and Senior Advisors and over 100 industry executives<sup>(1)</sup>

### Shareholder Alignment

- New Mountain employees are NMFC's largest shareholder group (11%+ s/o)<sup>(2)</sup>
- Dividend protection program remains in place through December 31, 2023

## PROVEN TRACK RECORD OF EXECUTION



### Consistent Outperformance

**+208%** Total return since IPO<sup>(3)</sup>

BDC Index (+72%)  
CS High Yield Index (+71%)



### Stable Income Opportunity

**~\$1 bn** Dividends paid since IPO<sup>(4)</sup>

Consistent history of attractive dividends fully covered by NII



### Strong Credit Performance

**6 bps** Annual net realized loss rate<sup>(5)</sup>

of \$9.9B total investments since inception

1 Includes Executive Advisors and CEOs for current portfolio companies as of February 1, 2023

2 Includes members of senior management and other New Mountain employees; excludes independent directors; ownership % based on total shares outstanding on 12/31/2022

3 See page 16 for details

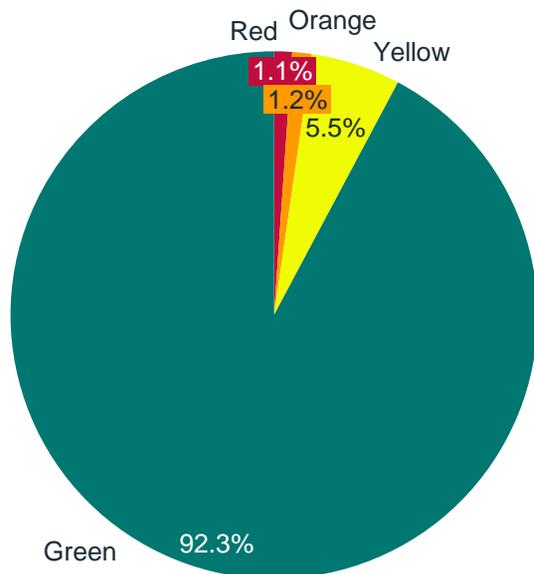
4 See page 15 for details

5 Includes investments since NMFC's IPO (May 19, 2011) through 12/31/2022. Excludes investments / associated realized gains in Net Lease, SLPS, and investments made prior to the IPO

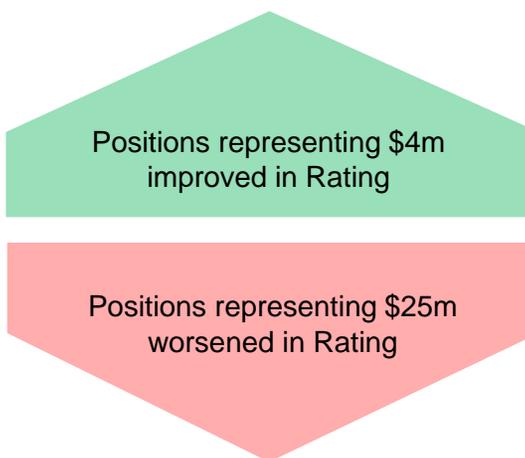
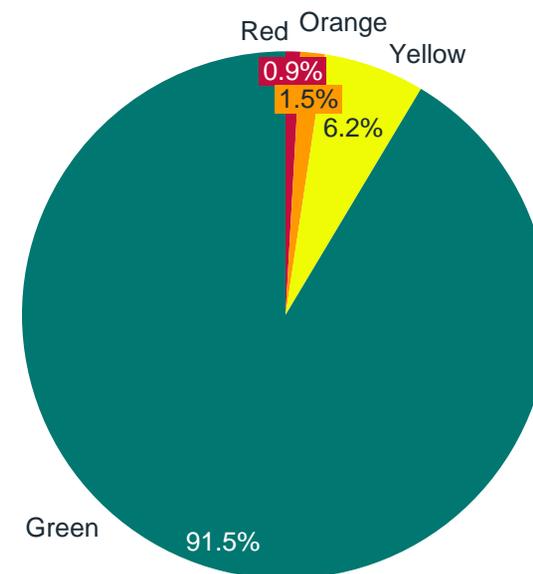
# Summary of Changes in Portfolio<sup>(1)(2)</sup>

- Overall portfolio remains relatively flat from a “Risk Rating” standpoint in Q4 2022 from Q3 2022
  - As of Q4 2022, 91.5% of the portfolio is characterized as “Green” (down from 92.3% based on Q3 2022 categorizations)
  - One company improved in Risk Rating and two companies worsened in Risk Rating from Q3 2022

**Q3 2022 Risk Ratings  
(FMV as of 9/30/2022)**

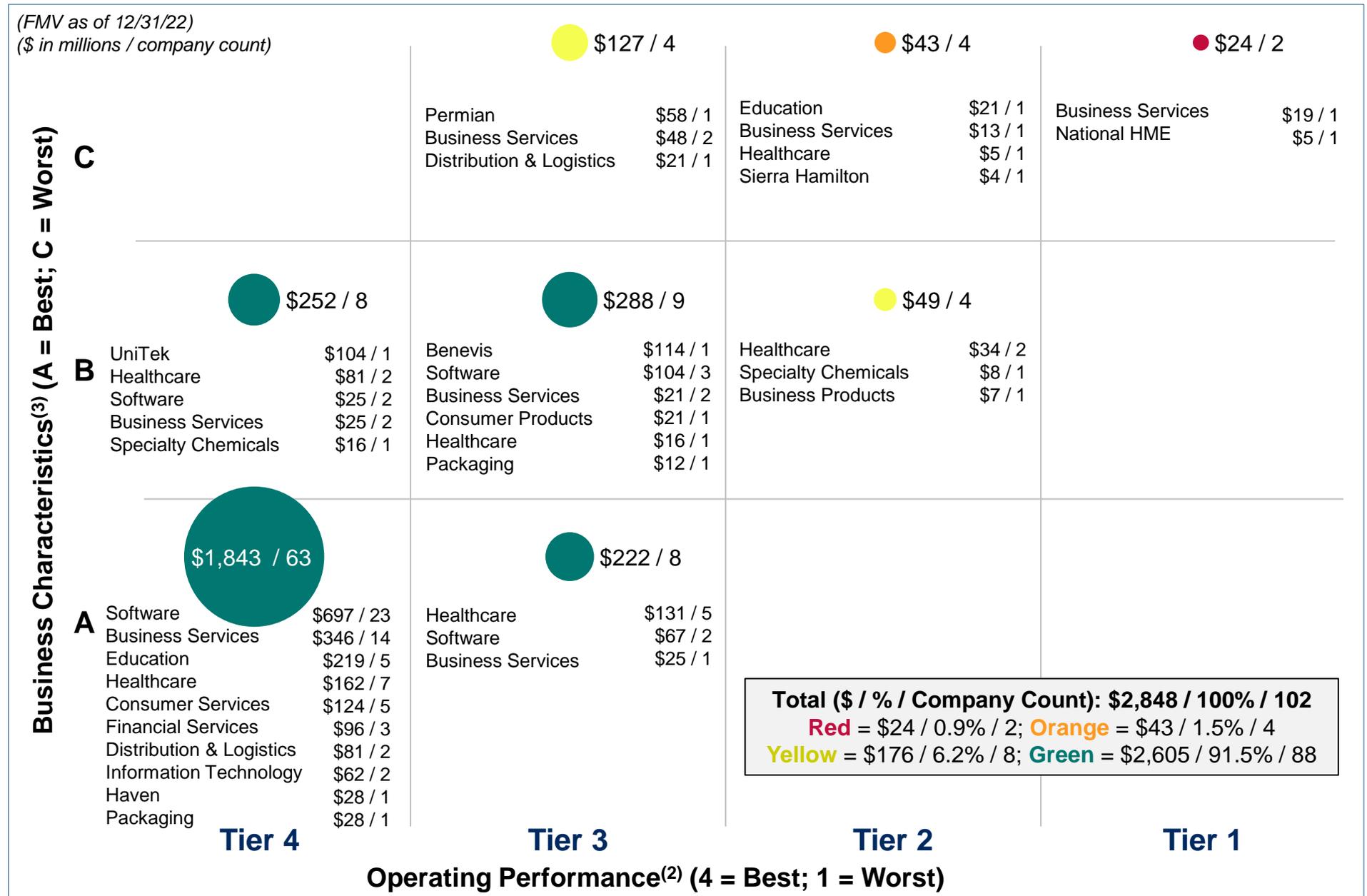


**Q4 2022 Risk Ratings  
(FMV as of 12/31/2022)**



1 Risk Rating migration reflected as 9/30/2022 Risk Rating using 9/30/2022 FMV; 12/31/2022 Risk Rating using 12/31/2022 FMV. Excludes Green to Green migration  
2 Excludes SLP III, SLP IV, and Net Lease; includes tax liability associated with Haven Midstream Holdings LLC

# NMFC Portfolio – Risk Ratings<sup>(1)</sup>



1 Excludes SLP III, SLP IV, and Net Lease; includes tax liability associated with Haven Midstream Holdings LLC

2 "Operating Performance" definition: Tier 1 – Severe business underperformance and/or severe market headwinds, Tier 2 – Significant business underperformance and/or significant market headwinds, Tier 3 – Moderate business underperformance and/or moderate market headwinds, Tier 4 – Business performance is in-line or above expectations and/or industry is stable or growing

3 "Business Characteristics," based on a combination of 3 sub-metrics: Business quality, Balance sheet quality, Sponsor support

## General Investing Environment

- Direct lending market continues to be one of the most resilient asset classes
  - Private credit loans benefit from secured debt structures, floating base rates, and attractive spreads
  - Federal Reserve rate hikes HARM valuation of stocks, bonds and real estate but SUPPORT the valuation of performing floating rate loans

## Direct Lending Opportunities

- New sponsor-backed transactions have become even more compelling
  - Loan economics have improved, with spreads widening ~150 bps, higher upfront fees and increased call protection
  - Sponsor equity checks represent 60-80% of TEV in most quality deals
- Add-on opportunities to existing, well performing portfolio companies look attractive
- Continued deal flow supporting public to private transactions
- Continued secular shift toward direct lending

## Base Rate Updates

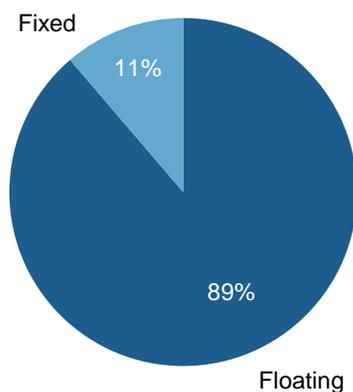
- Base rates have increased since our last call
  - 3-month LIBOR is at 495 bps as of February 24, 2023 compared to 455 bps as of November 4, 2022
  - 3-month SOFR is at 489 bps as of February 24, 2023 compared to 421 bps as of November 4, 2022

# Positively Exposed to Rising Base Rates

- Rising base rates provide a sustained uplift to core earnings power, especially as the rate environment stabilizes
- Immediate positive impact lags as base rates reset more frequently on liabilities compared to assets

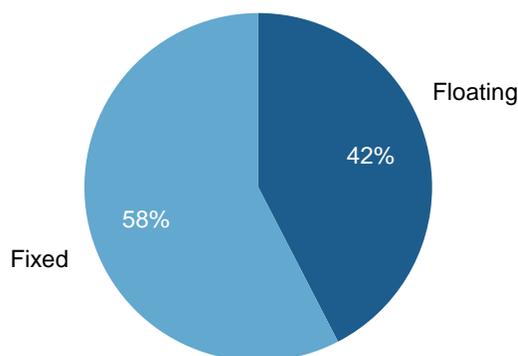
## Asset Mix

(Aggregate par value of \$2,656 million as of 12/31/2022)<sup>(1)</sup>

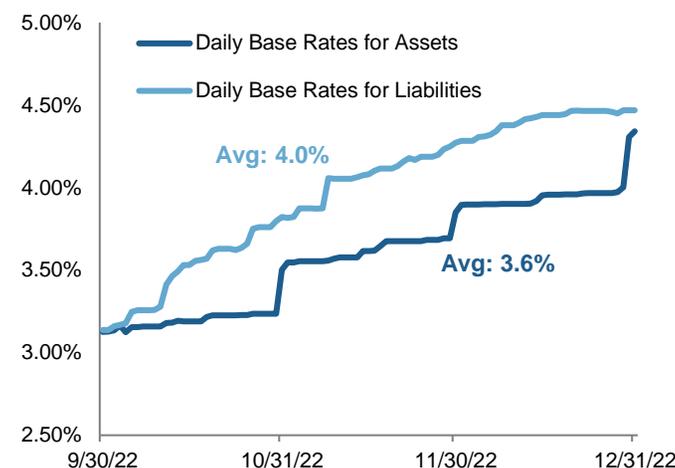


## Liability Mix

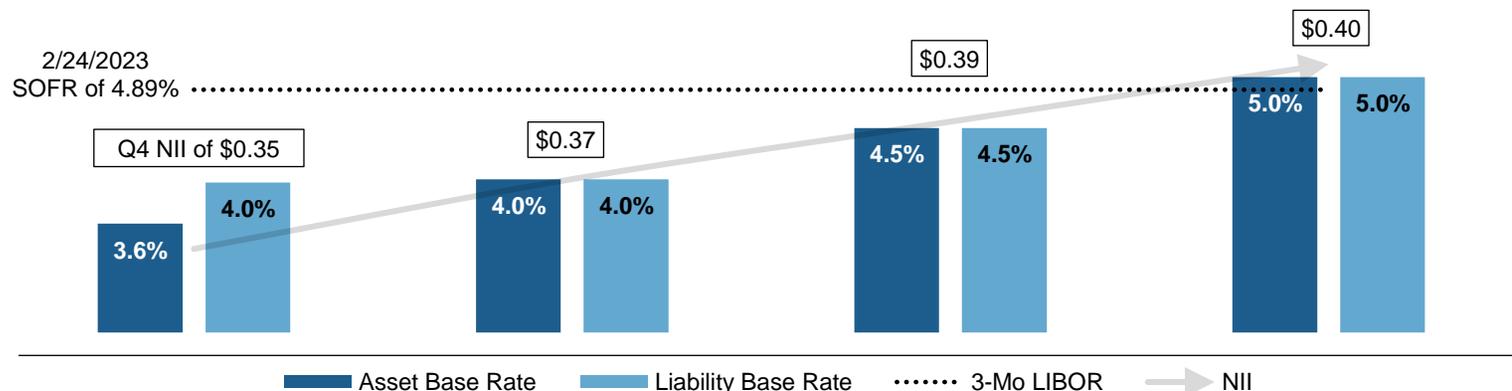
(\$1,994 million drawn as of 12/31/2022)<sup>(2)</sup>



## Impact of Rising Rates in Q4 2022<sup>(3)</sup>



## Illustrative NII Impact Under Normalized Rate Environment<sup>(4)</sup>



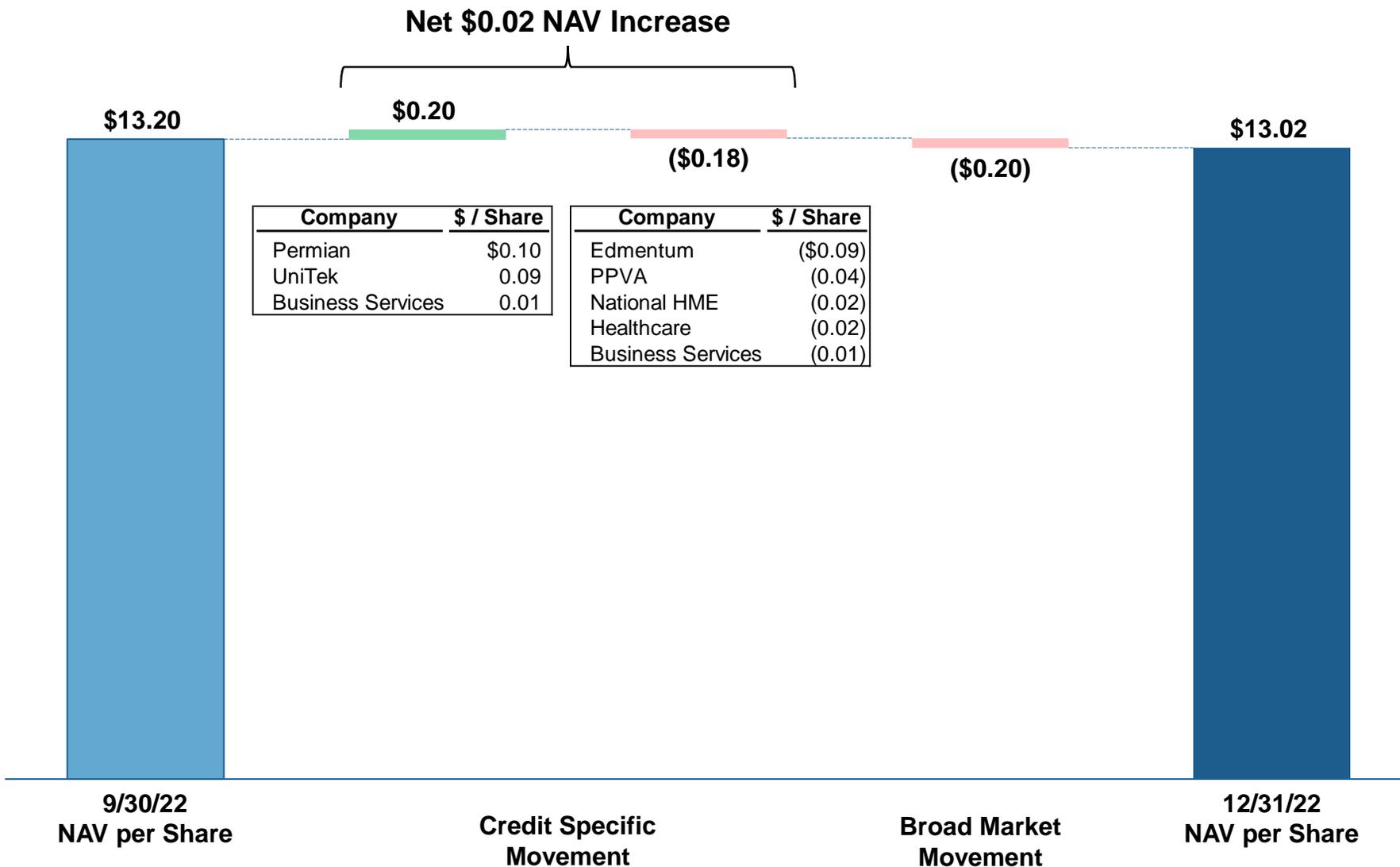
1 Based on outstanding par balance (excludes assets on non-accrual, unfunded commitments, and non-interest-bearing equity investments); includes £22.9m converted at 1.21 GBP/USD exchange rate as of 12/31/2022 and €0.7m converted at 1.07 EUR/USD exchange rate as of 12/31/2022

2 Excludes \$3.8m NMNLC Credit Facility II balance

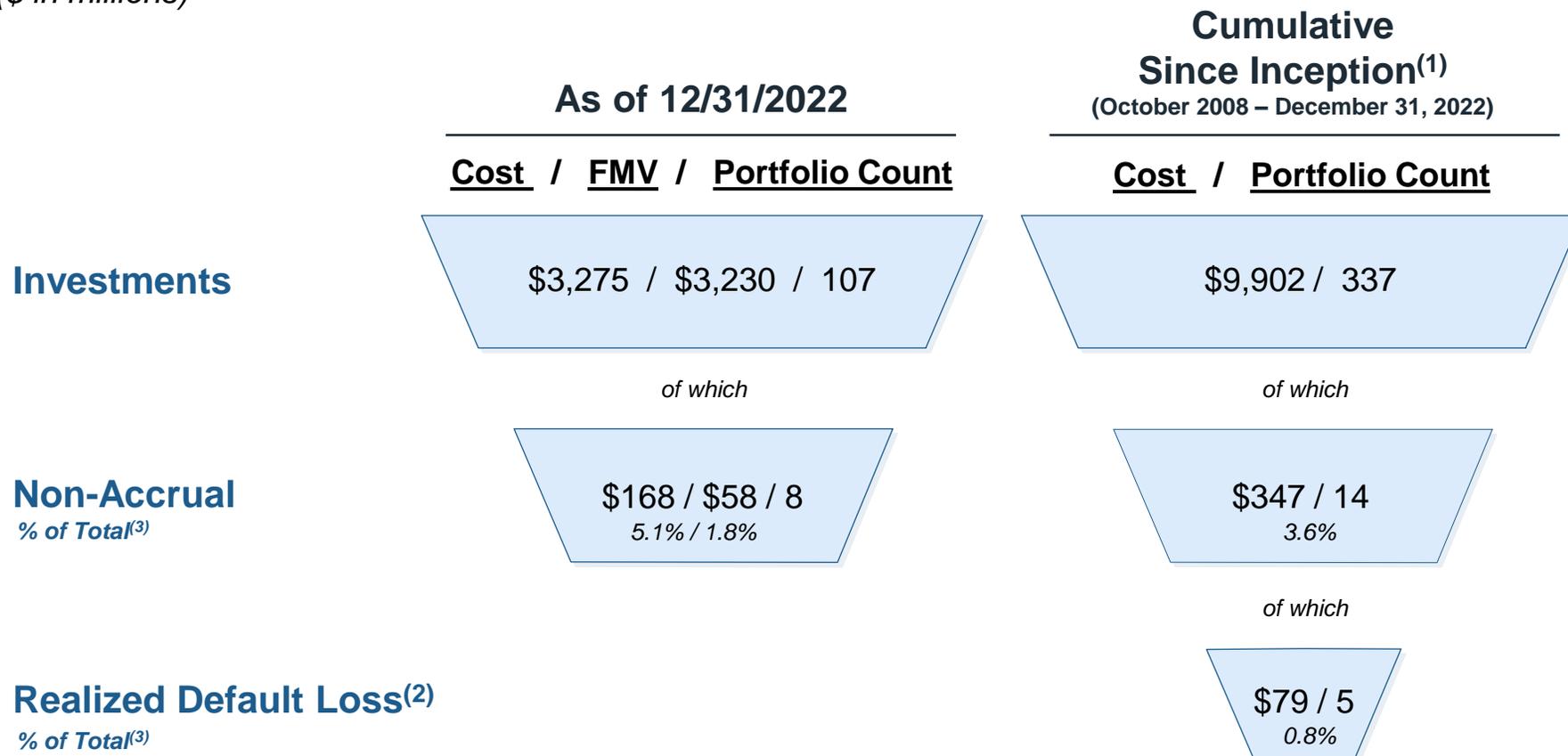
3 Daily base rates for assets and daily base rates for liabilities are calculated as the weighted average base rate of outstanding floating investments and drawn floating debt, respectively

4 Illustrative calculations based on Q4 2022 portfolio and changing the base rates for floating assets and liabilities; all other assumptions are held constant

Q4 2022 NAV declined by \$0.18 per share, or 1.4%, primarily driven by market spread widening, slightly offset by net positive credit specific movement



(\$ in millions)



1 Since inception of predecessor entity in 10/2008 through 12/31/2022

2 Realized default loss represents positions, or portions of positions, where no recovery is expected; excludes Net Lease

3 Percent of total for cost is calculated as the amount divided by the Investments Cost. The percent of total FMV is calculated as the amount divided by the Investments FMV

# Performance Since IPO

(\$ in millions)

	IPO - 12/31/2017 <sup>(1)</sup>	2018	2019	2020	2021	2022
Regular Dividend	\$475.1	\$103.4	\$117.4	\$120.1	\$116.5	\$122.4
Cumulative Regular Dividend	475.1	578.5	695.9	816.0	932.5	1,054.9
Adj. NII <sup>(2)</sup>	477.5	103.2	116.8	117.2	114.9	128.1
Cumulative Adj. NII	477.5	580.7	697.5	814.7	929.6	1,057.7
<b>Dividend Coverage (Cumulative Adj. NII / Dividend)</b>	<b>101%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<hr/>						
Adj. Realized Gains	\$69.7 <sup>(3)</sup>	\$12.4	\$1.0	\$5.2	\$6.1	\$37.8
Adj. Realized Credit & Other Losses	(57.6)	(7.1)	(0.1)	(44.9)	0.0	(1.1)
Total Adj. Realized Gains / (Losses)	12.3	5.3	0.9	(39.8)	6.1	36.7
Cumulative Adj. Realized Gains / (Losses)	12.3	17.5	18.4	(21.4)	(15.3)	21.4
Adj. Δ in Unrealized Appreciation	317.8	17.1	51.3	78.0	157.6	89.6
Adj. Δ in Unrealized Depreciation <sup>(4)</sup>	(340.9)	(56.1)	(56.8)	(96.4)	(79.8)	(170.0)
Total Adj. Δ in Unrealized Appreciation / (Depreciation)	(23.2)	(39.0)	(5.5)	(18.3)	77.8	(80.4)
Cumulative Adj. Δ in Unrealized Appreciation / (Depreciation)	(23.2)	(62.2)	(67.7)	(86.0)	(8.2)	(88.6)
<b>Cumulative Net Realized and Unrealized (Losses) / Gains</b>	<b>(\$11.0)</b>	<b>(\$44.7)</b>	<b>(\$49.3)</b>	<b>(\$107.4)</b>	<b>(\$23.5)</b>	<b>(\$67.2)</b>

1 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

2 Includes non-recurring interest and incentive fee adjustment related to PPVA of (\$1.2m) in 2016, (\$1.2m) in 2017, (\$1.4m) in 2018 and \$3.8m in 2019, non-recurring dividend, interest, and incentive fee adjustments related to Permian of (\$0.2m) in 2016, (\$1.1m) in 2017, (\$1.1m) in 2018, (\$1.7m) in 2019, and \$4.1m in 2020, and non-recurring interest, other income, other general and administrative expense, and incentive fee adjustments related to National HME of (\$0.3m) in 2018, (\$2.4m) in 2019, (\$3.4m) in 2020, (\$3.4m) in 2021, and \$9.5m in 2022

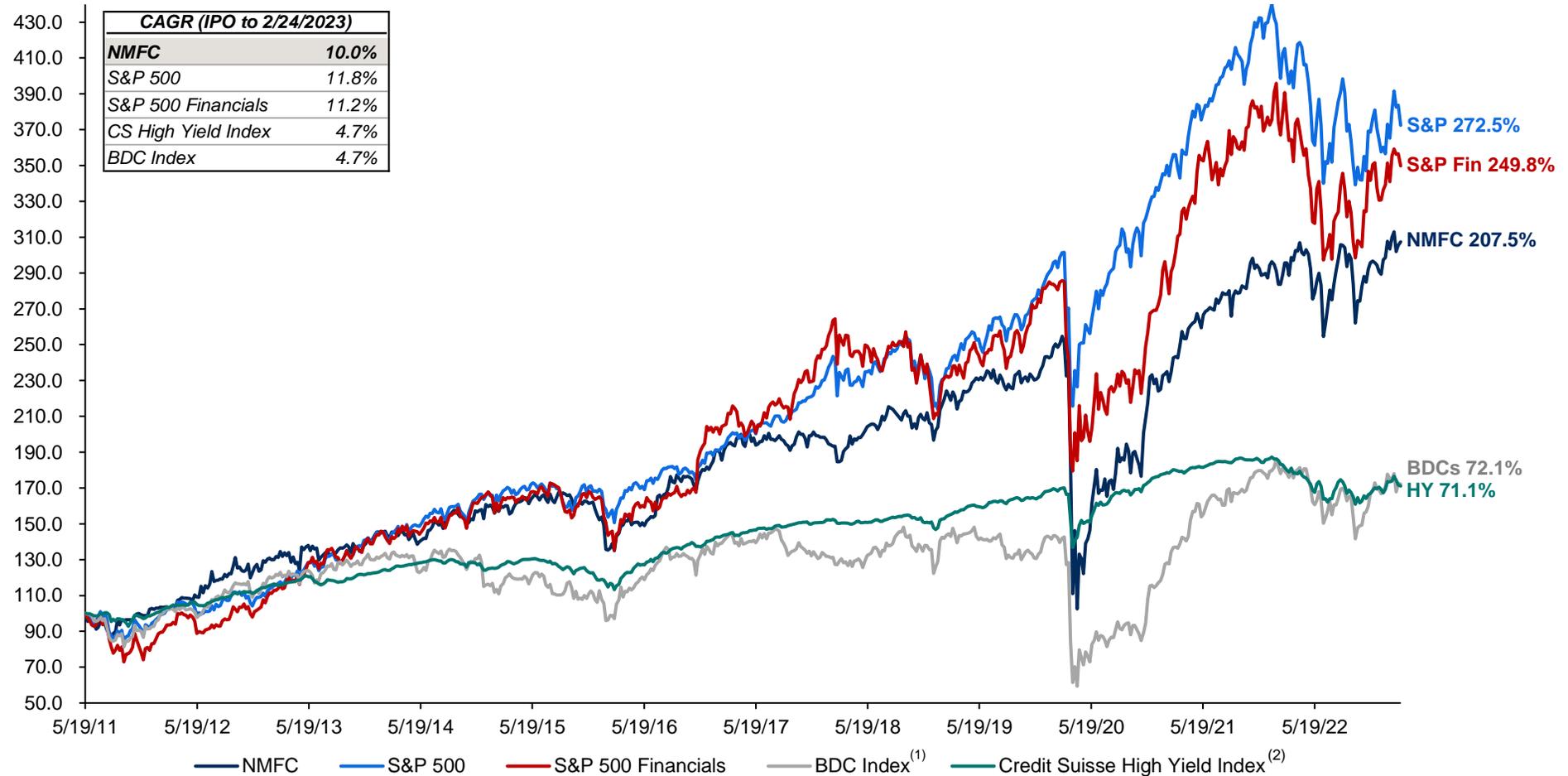
3 Includes net YP distribution (net of incentive fee) and subsequent change in tax estimates of \$4.9m in 2013, \$0.2m in 2014 and \$0.5m in 2015

4 From 2014 onwards, includes provision for income tax

# NMFC Relative Return Performance – Indexed Total Return

May 19, 2011 (IPO) – February 24, 2023

## Indexed Total Return



Source: Capital IQ, Credit Suisse Research & Analytics

- 1 The BDC Index includes publicly-traded, externally-managed BDCs that have been publicly traded since NMFC's IPO (5/19/2011) with market capitalizations greater than \$300 million as of December 31, 2014, when NMFC began tracking this peer set. The BDC index includes median of Ares, MidCap Financial Investment Corporation (f.k.a. Apollo Investment Corporation), Prospect, SLR (f.k.a. Solar), Blackrock Capital, Pennant Park, Golub, First Eagle Alternative Capital (f.k.a. THL Credit), Oaktree Specialty Lending Corporation, and PhenixFIN (f.k.a. Medley); equal-weighted, who may invest in assets with a materially different risk profile than NMFC. Refer to the Benchmarks disclosure on slide 2
- 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

## Portfolio Originations<sup>(1)</sup>

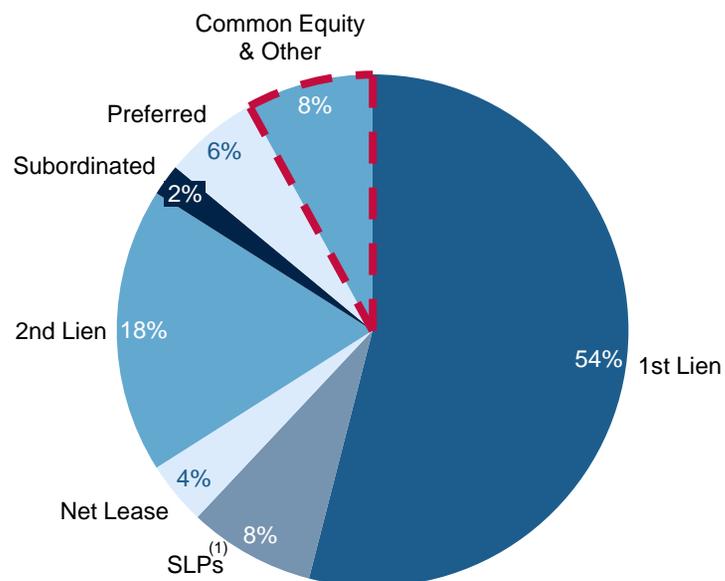
(\$ in millions)

Company	Industry	Amount (\$'s Invested)	Type of Investment	Spread
Avalara	Software - Governance, Risk & Compliance	\$34.9	First Lien	S + 7.25%
Mercer Advisors	Financial Services	12.2	First Lien	L + 5.50%
Drake Software	Software - Finance & Accounting	7.4	First Lien	S + 7.00%
iCIMS	Software - Human Capital Management	7.3	First Lien	S + 7.25%
WEG	Financial Services	6.2	First Lien	S + 6.00%
Alliance Animal Health	Consumer Services	5.1	First Lien	L + 5.50%
DDTL Draws & Other		20.7		
<b>Total Originations</b>		<b>\$93.9</b>		
Repayments		(93.0)		
<b>Net Originations</b>		<b>\$0.9</b>		
Sales		(8.1)		
<b>Net Originations Less Sales</b>		<b>(\$7.2)</b>		

<sup>1</sup> Origination commitments over \$5.0m shown, originations less than \$5.0m included in "DDTL Draws & Other". Originations exclude PIK; originations, repayments, and sales excludes revolvers, unfunded commitments, bridges, return of capital, and realized gains

# Portfolio Mix by Type (Fair Value as of 12/31/2022)

## Total Portfolio



**Total: \$3,221.5 million<sup>(2)</sup>**

## Common Equity & Other Positions<sup>(2)(3)</sup>

(\$ in millions, except per share data)

Company	FMV
Edmentum	\$110.3
UniTek	62.5
Benevis	50.7
Haven	27.5
Permian	26.0
Equity Co-invests	13.4
Other	4.2
<b>Total Equity</b>	<b>\$294.6</b>

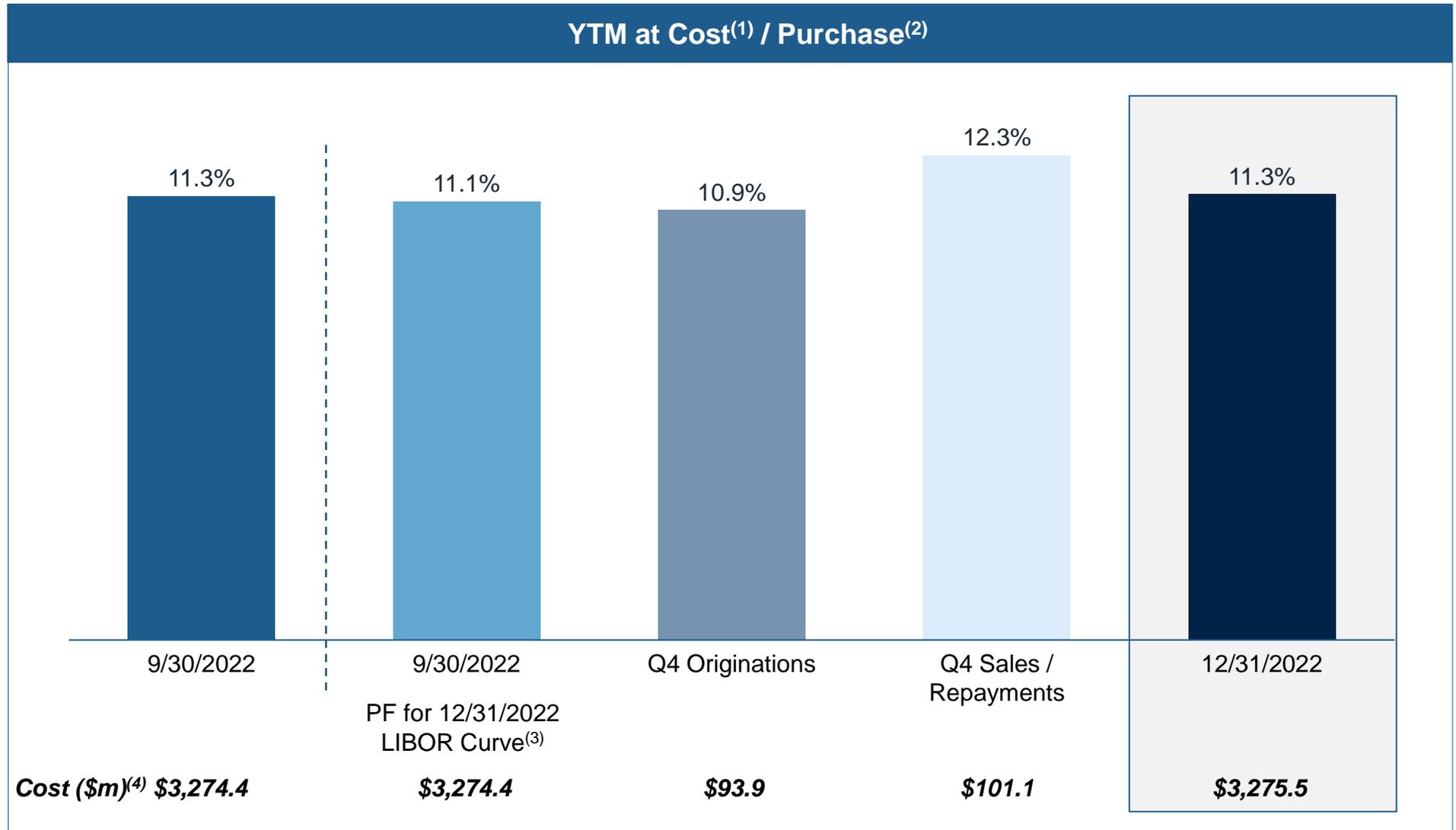
A **10%** change in the FMV of our equity positions impacts book value by **\$0.29 / share**

1 Includes SLP III and SLP IV

2 Includes tax liability associated with Haven Midstream Holdings LLC

3 Excludes SLP III, SLP IV, and Net Lease; includes UniTek's preferred equity securities

# Q4 2022 Investment Activity Roll



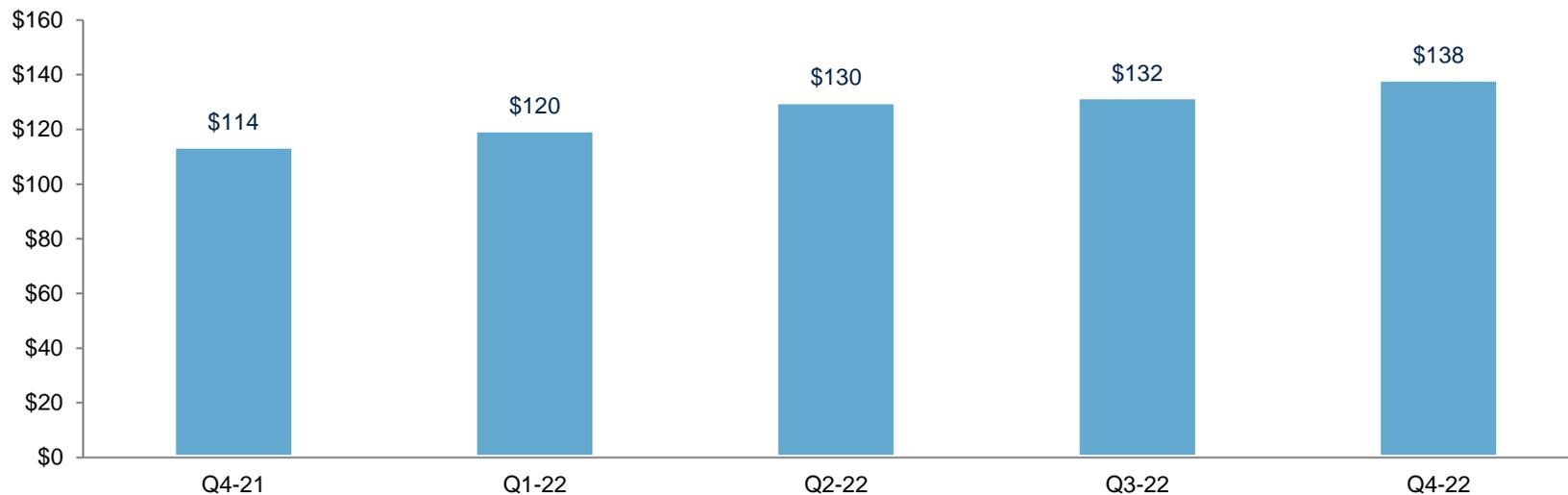
1 Assumes that investments are purchased at cost and held until their respective maturities with no prepayments or losses and are exited at par at maturity. The actual yield to maturity may be higher or lower due to the future selection of LIBOR contracts by the individual companies in our portfolio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

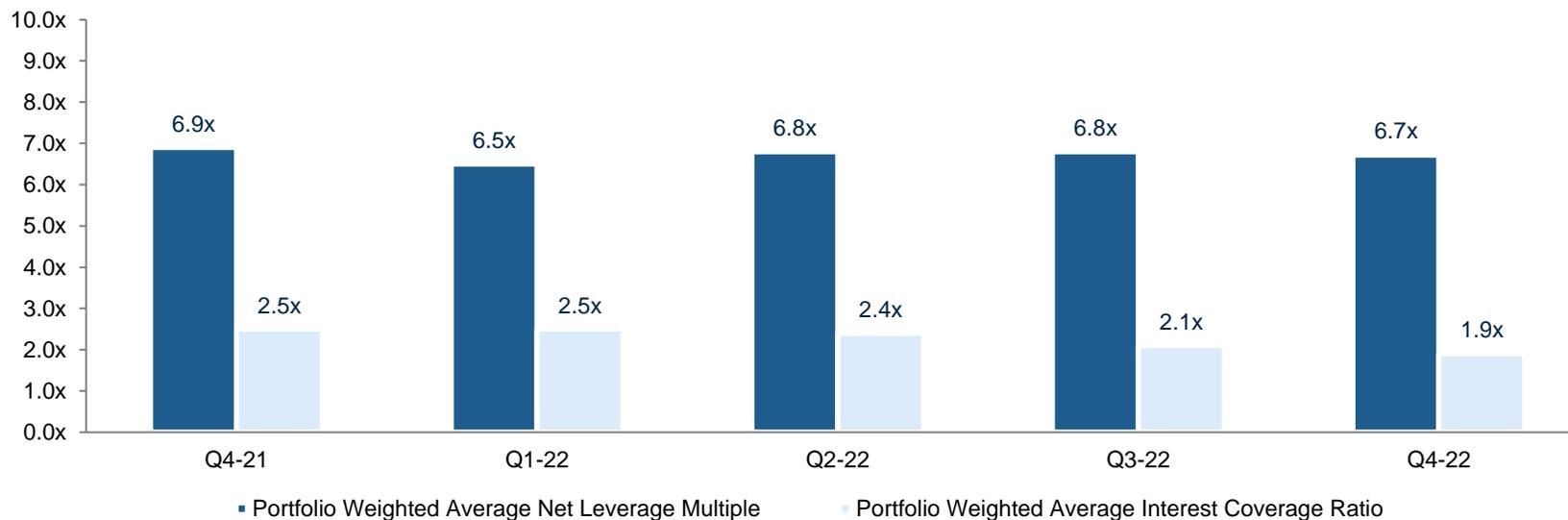
3 9/30/2022 investments presented pro forma for 12/31/2022 LIBOR, SOFR, and SONIA curves, as applicable to the terms of each borrower

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

## Portfolio Weighted Average EBITDA<sup>(1)</sup>



## Portfolio Credit Statistics<sup>(2)(3)</sup>



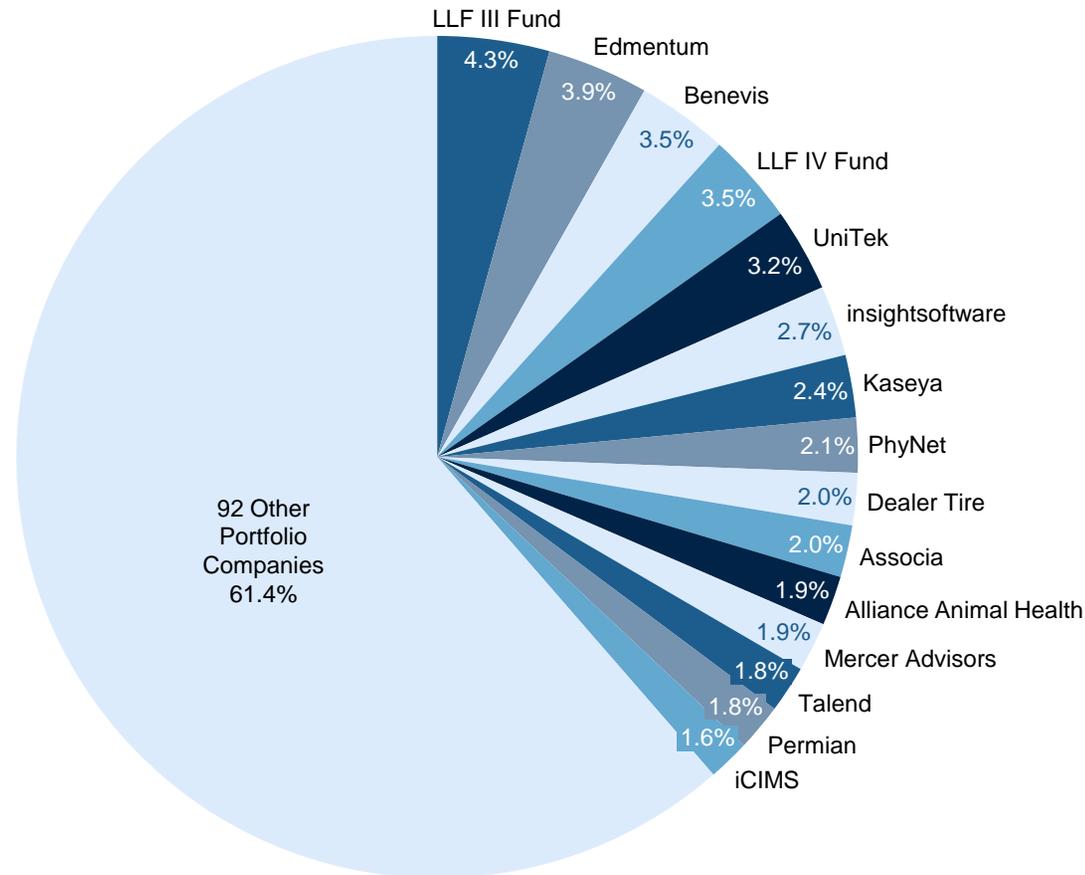
1 Weighted averages based on fair value of debt investments for each respective quarter, excluding revolvers, non-accrual positions, and recurring revenue loans

2 Net leverage multiple defined as total debt through NMFC's investment less total cash for the period, divided by LTM EBITDA for the period. Financial metrics as of the most recently reported fiscal quarter for the underlying investments as of 12/31/2022, and each quarter prior for the prior periods

3 Interest coverage ratio defined as LTM EBITDA for the period divided by annualized interest expense for the period. Financial metrics as of the most recently reported fiscal quarter for the underlying investments as of 12/31/2022, and each quarter prior for the prior periods.

# Diverse Portfolio (By Fair Value as of 12/31/2022)<sup>(1)</sup>

## Portfolio Names By Fair Value



Top 15 portfolio companies<sup>(2)</sup> represent \$1,250.5 million, or 38.6%, of consolidated investments

1 Includes tax liability associated with Haven Midstream Holdings LLC

2 Excludes Net Lease, representing 3.8% as of 12/31/2022

# Balance Sheet Highlights

(\$ in millions, except per share data)	Quarter Ended				12/31/2022
	12/31/2021	3/31/2022	6/30/2022	9/30/2022	
<b>Assets</b>					
Portfolio	\$3,185.4	\$3,267.0	\$3,310.2	\$3,244.5	\$3,229.8
Cash & Equivalents	58.0	35.4	40.7	48.9	71.2
Other Assets <sup>(1)</sup>	52.4	59.4	53.9	54.6	54.0
<b>Total Assets</b>	<b>\$3,295.8</b>	<b>\$3,361.8</b>	<b>\$3,404.8</b>	<b>\$3,348.0</b>	<b>\$3,355.0</b>
<b>Liabilities</b>					
Statutory Debt	\$1,626.9	\$1,660.5	\$1,716.4	\$1,680.0	\$1,697.9
SBA-Guaranteed Debentures	300.0	300.0	300.0	300.0	300.0
Other Liabilities <sup>(2)</sup>	47.7	51.9	36.8	36.0	42.6
<b>Total Liabilities</b>	<b>\$1,974.6</b>	<b>\$2,012.4</b>	<b>\$2,053.2</b>	<b>\$2,016.0</b>	<b>\$2,040.5</b>
<b>NAV</b>	<b>\$1,321.2</b>	<b>\$1,349.4</b>	<b>\$1,351.6</b>	<b>\$1,332.0</b>	<b>\$1,314.5</b>
Shares Outstanding - Ending Balance (mm)	97.9	99.5	100.7	100.9	100.9
<b>NAV / Share</b>	<b>\$13.49</b>	<b>\$13.56</b>	<b>\$13.42</b>	<b>\$13.20</b>	<b>\$13.02</b>
<b>Statutory Debt / Equity<sup>(3)</sup></b>	<b>1.23x</b>	<b>1.23x</b>	<b>1.27x</b>	<b>1.26x</b>	<b>1.29x</b>
<b>Pro Forma Statutory Debt / Equity<sup>(4)</sup></b>	<b>1.20x</b>	<b>1.21x</b>	<b>1.25x</b>	<b>1.23x</b>	<b>1.25x</b>

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, non-controlling interest in NMNLC, 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 1940 Act asset coverage test

4 Pro forma statutory debt / equity calculation is net of available cash

# Income Statement Highlights (Quarterly)

(\$ in millions, except per share data)

	Quarter Ended				12/31/2022
	12/31/2021	3/31/2022	6/30/2022	9/30/2022	
<b>Investment Income</b>					
Interest income <sup>(1)</sup>	\$46.7	\$46.8	\$50.3	\$58.8	\$66.4
Dividend income	14.8	16.4	15.7	15.5	17.1
Other income	5.2	4.3	6.8	3.8	3.2
<b>Total investment income</b>	<b>\$66.7</b>	<b>\$67.5</b>	<b>\$72.8</b>	<b>\$78.1</b>	<b>\$86.7</b>
<b>Expenses</b>					
Management fee <sup>(2)</sup>	\$10.2	\$10.5	\$10.6	\$10.6	\$10.5
Incentive fee <sup>(1)</sup>	7.3	7.3	7.9	8.2	8.9 <sup>(3)</sup>
Interest and other financing expenses	18.2	18.6	20.7	24.6	28.4
Net administrative, professional, other G&A expenses and income taxes <sup>(4)</sup>	2.3	2.4	2.2	2.2	3.4
<b>Total net expenses</b>	<b>\$38.0</b>	<b>\$38.8</b>	<b>\$41.4</b>	<b>\$45.6</b>	<b>\$51.2</b>
<b>Adjusted net investment income</b>	<b>\$28.8</b>	<b>\$28.7</b>	<b>\$31.4</b>	<b>\$32.5</b>	<b>\$35.5</b>
<b>Gain / Loss</b>					
Net realized gains (losses) on investments	(\$16.5)	\$17.6	\$14.8	(\$0.4)	\$17.4
Net change in unrealized appreciation (depreciation) of investments <sup>(5)</sup>	39.1	(11.0)	(30.4)	(24.4)	(27.5)
<b>Net increase (decrease) in net assets resulting from operations</b>	<b>\$52.2</b>	<b>\$36.2</b>	<b>\$15.8</b>	<b>\$7.7</b>	<b>\$25.4</b>
Weighted average shares outstanding (mm)	97.2	98.4	100.6	100.8	100.9
<b>Adjusted NII per weighted average share</b>	<b>\$0.31</b>	<b>\$0.30</b>	<b>\$0.31</b>	<b>\$0.32</b>	<b>\$0.35</b>
Memo: Annualized Effective Management Fee	1.25%	1.25%	1.25%	1.25%	1.25%

1 Includes non-recurring interest and incentive fee adjustments related to National HME of (\$1.0m) and (\$0.2m) on 12/31/2021, and (\$1.1m) and (\$0.2m) on 3/31/2022, respectively

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

3 12/31/2022 gross incentive fee of \$8.9m; actual incentive fee is \$6.3m, net of \$2.6m fee rebate

4 Net of expense waivers and reimbursements

5 Includes any benefit (provision) for income tax

# Income Statement Highlights (Annual)

	Year Ended – Adjusted		
	12/31/2020	12/31/2021	12/31/2022
<i>(\$ in millions, except per share data)</i>			
<b>Investment Income</b>			
Interest income	\$210.0	\$185.9	\$222.3
Dividend income	51.0	61.0	64.8
Other income	12.7	18.5	18.1
<b>Total investment income</b>	<b>\$273.7</b>	<b>\$265.4</b>	<b>\$305.2</b>
<b>Expenses</b>			
Management fee <sup>(1)</sup>	\$40.7	\$39.9	\$42.2
Incentive fee <sup>(1)</sup>	28.8	28.9	32.3
Interest and other financing expenses	78.1	72.3	92.3
Net administrative, professional, other G&A expenses and income taxes <sup>(2)</sup>	8.9	9.4	10.3
<b>Total net expenses</b>	<b>\$156.5</b>	<b>\$150.5</b>	<b>\$177.1</b>
<b>Adjusted net investment income</b>	<b>\$117.2</b>	<b>\$114.9</b>	<b>\$128.1</b>
<b>Gain / Loss</b>			
Net realized gains (losses) on investments	(\$2.8)	(\$3.8)	\$49.5
Net change in unrealized (depreciation) appreciation of investments <sup>(3)</sup>	(55.3)	87.7	(93.3)
<b>Net increase in net assets resulting from operations</b>	<b>\$59.1</b>	<b>\$198.8</b>	<b>\$84.3</b>
Weighted average shares outstanding (mm)	96.8	97.0	100.2
<b>Adjusted NII per weighted average share</b>	<b>\$1.25</b>	<b>\$1.22</b>	<b>\$1.28</b>

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

2 Net of expense waivers and reimbursements

3 Includes any benefit (provision) for income tax

# Investment Income Detail

(\$ in millions)	Quarter Ended				12/31/2022
	12/31/2021	3/31/2022	6/30/2022	9/30/2022	
<b>Investment Income Build</b>					
Cash Interest and Dividend Income	\$39.4	\$38.4	\$41.5	\$51.2	\$57.8
SLP and Net Lease Income <sup>(1)</sup>	10.0	11.3	10.4	9.6	10.8
<b>Recurring Cash Investment Income</b>	<b>\$49.4</b>	<b>\$49.7</b>	<b>\$51.9</b>	<b>\$60.8</b>	<b>\$68.6</b>
Non-cash Interest and Dividend Income <sup>(2)</sup>	\$10.0	\$12.5	\$12.6	\$12.1	\$12.8
Amortization of Purchase Discounts (Premiums)	1.3	1.3	1.3	1.1	1.1
<b>Recurring Non-cash Investment Income</b>	<b>\$11.3</b>	<b>\$13.8</b>	<b>\$13.9</b>	<b>\$13.2</b>	<b>\$13.9</b>
<b>Total Recurring Investment Income</b>	<b>\$60.7</b>	<b>\$63.5</b>	<b>\$65.8</b>	<b>\$74.0</b>	<b>\$82.5</b>
Prepayment Fees (Cash)	\$1.1	\$0.1	\$0.8	\$0.8	\$1.4
Other Cash Fee Income	4.2	3.0	4.6	2.6	1.7
<b>Non-recurring Cash Investment Income</b>	<b>\$5.3</b>	<b>\$3.1</b>	<b>\$5.4</b>	<b>\$3.4</b>	<b>\$3.1</b>
Other Non-cash Fee Income <sup>(2)</sup>	\$0.7	\$0.9	\$1.6	\$0.7	\$1.1
<b>Non-recurring Non-Cash Investment Income</b>	<b>\$0.7</b>	<b>\$0.9</b>	<b>\$1.6</b>	<b>\$0.7</b>	<b>\$1.1</b>
<b>Total Non-recurring Investment Income</b>	<b>\$6.0</b>	<b>\$4.0</b>	<b>\$7.0</b>	<b>\$4.1</b>	<b>\$4.2</b>
<b>Total Adjusted Investment Income</b>	<b>\$66.7</b>	<b>\$67.5</b>	<b>\$72.8</b>	<b>\$78.1</b>	<b>\$86.7</b>
<b>Total Cash Investment Income</b>	<b>\$54.7</b>	<b>\$52.8</b>	<b>\$57.3</b>	<b>\$64.2</b>	<b>\$71.7</b>
<b>Key Statistics</b>					
% of Total Investment Income that is Recurring	91%	94%	90%	95%	95%
% of Total Investment Income that is Cash	81%	77%	79%	82%	83%

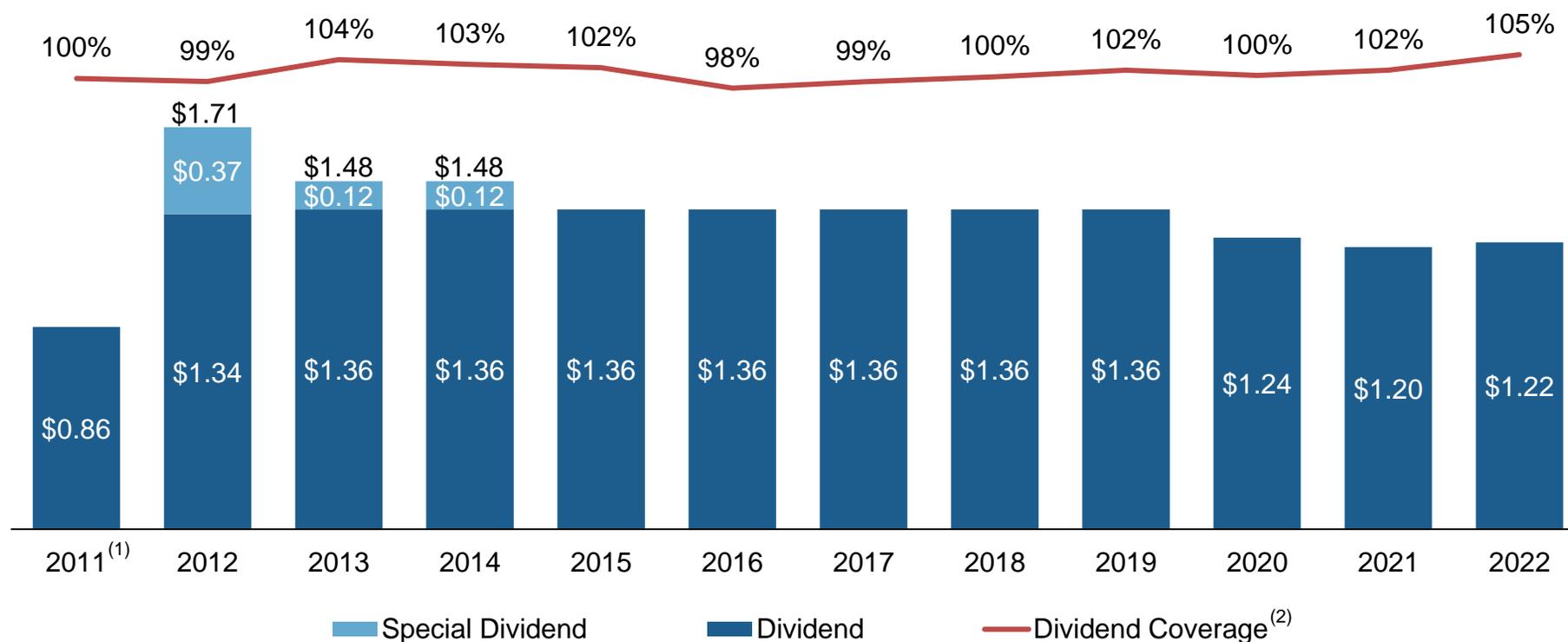
Our investment income continues to be predominantly paid in cash and generated by stable and predictable sources

1 Includes recurring distributions associated with SLP III, SLP IV, and Net Lease

2 Includes non-recurring interest and incentive fee adjustments related to National HME of (\$1.0m) and (\$0.2m) on 12/31/2021, and (\$1.1m) and (\$0.2m) on 3/31/2022, respectively

# Dividend Summary and Coverage

- Q1 2023 core dividend of \$0.32 per share, more than covered by our estimated adjusted NII
- For Q1 2023, new supplemental dividend anticipated to be \$0.02 to \$0.03 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<sup>(1)</sup>

<i>(As of 12/31/2022, \$ in millions)</i>	<b>Amount Outstanding / Facility Size</b>	<b>Interest Rate</b>	<b>Maturity</b>
Wells Fargo Credit Facility <i>(Wells Fargo / Raymond James / State Street / CIT Bank / Old Second / Fifth Third)</i>	\$619 / \$730	Broadly syndicated 1 <sup>st</sup> lien loans <sup>(2)</sup> : L + 1.60% All other: L + 2.10% (0.00% LIBOR floor)	April 2026
Deutsche Bank Credit Facility <i>(Deutsche Bank / KeyBank / Customers Bank / Hitachi / Citizens Bank)</i>	\$186 / \$280	L + 2.60% <sup>(3)</sup> (0.00% LIBOR floor)	March 2026
NMFC Credit Facility <i>(Goldman Sachs / Morgan Stanley / Stifel / MUFG)</i>	\$40 <sup>(4)</sup> / \$199	L + 2.10% (No LIBOR floor)	June 2026
2018 Convertible Notes	\$117 / \$117	5.75%	August 2023
2022 Convertible Notes	\$200 / \$200	7.50%	October 2025
SBA I Guaranteed Debentures <sup>(5)</sup>	\$150 / \$150	3.26% weighted average rate <sup>(6)</sup>	March 2025 or later
SBA II Guaranteed Debentures <sup>(5)</sup>	\$150 / \$150	2.14% weighted average rate <sup>(6)</sup>	Sept. 2028 or later
Series 2018A Unsecured Notes	\$90 / \$90	4.87%	January 2023
Series 2018B Unsecured Notes	\$50 / \$50	5.36%	June 2023
Series 2019A Unsecured Notes	\$117 / \$117	5.49%	April 2024
Series 2021A Unsecured Notes	\$200 / \$200	3.88%	January 2026
Series 2022A Unsecured Notes	\$75 / \$75	5.90%	June 2027
Unsecured Management Company Revolver	– / \$50	4.00%	December 2024
<b>Total<sup>(6)</sup></b>	<b>\$1,994 / \$2,407</b>	<b>Wtd. Avg. 5.55%</b>	

- Wells Fargo and Deutsche Bank credit facilities' 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 27, 2023, repaid \$90 Series 2018A Unsecured Notes

1 Excludes \$3.7m NMNLC Credit Facility II draw

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

3 Inclusive of a 25bps facility agent fee

4 Includes £22.9m converted at 1.21 GBP/USD exchange rate as of 12/31/2022 and €0.7m converted at 1.07 EUR/USD exchange rate as of 12/31/2022

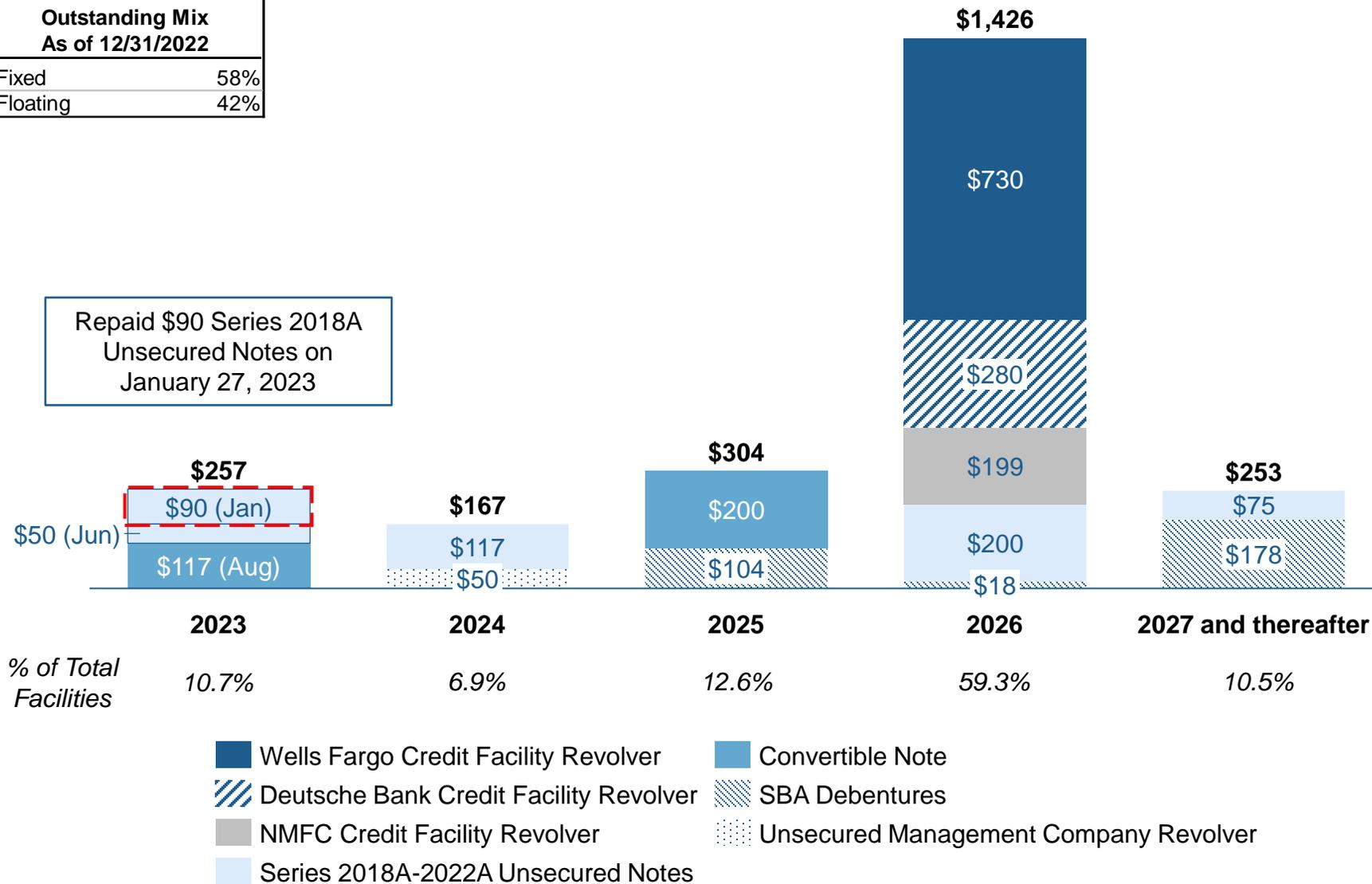
5 SBA-guaranteed debentures are fully funded, non-recourse, asset-backed securities, excluded by SEC exemptive order from the definition of "senior securities" under the 1940 Act asset coverage test

6 QTD weighted average interest rate shown for SBA I and SBA II guaranteed debentures reflects pooled interest rates and SBA's annual charges

# Leverage Maturity Schedule<sup>(1)</sup>

(As of 12/31/2022, \$ in millions, based on total facility size)

Floating vs. Fixed Debt Outstanding Mix As of 12/31/2022	
Fixed	58%
Floating	42%



1 Excludes \$10m NMNLC Credit Facility II

# Broad Industry Analyst Coverage



**Bank of America Securities**

Derek Hewett



**B Riley**

Bryce Rowe



**Hovde Group**

Erik Zwick



**Janney Montgomery Scott**

John Rowan



**Keefe, Bruyette & Woods**

Ryan Lynch



**Oppenheimer & Co.**

Mitchel Penn



**Wells Fargo Securities**

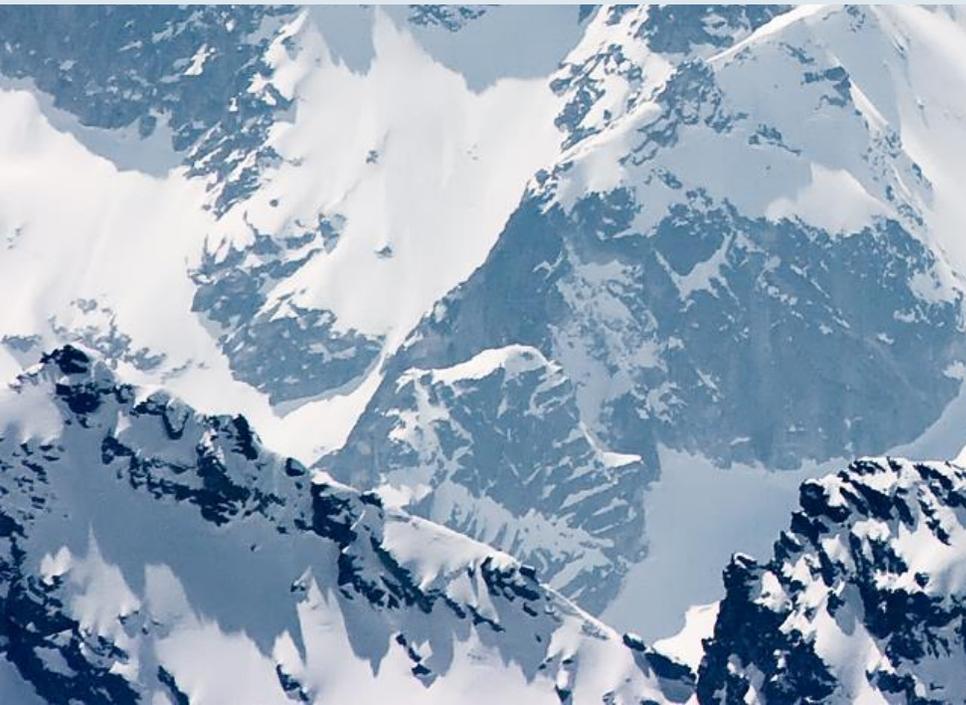
Finian O'Shea



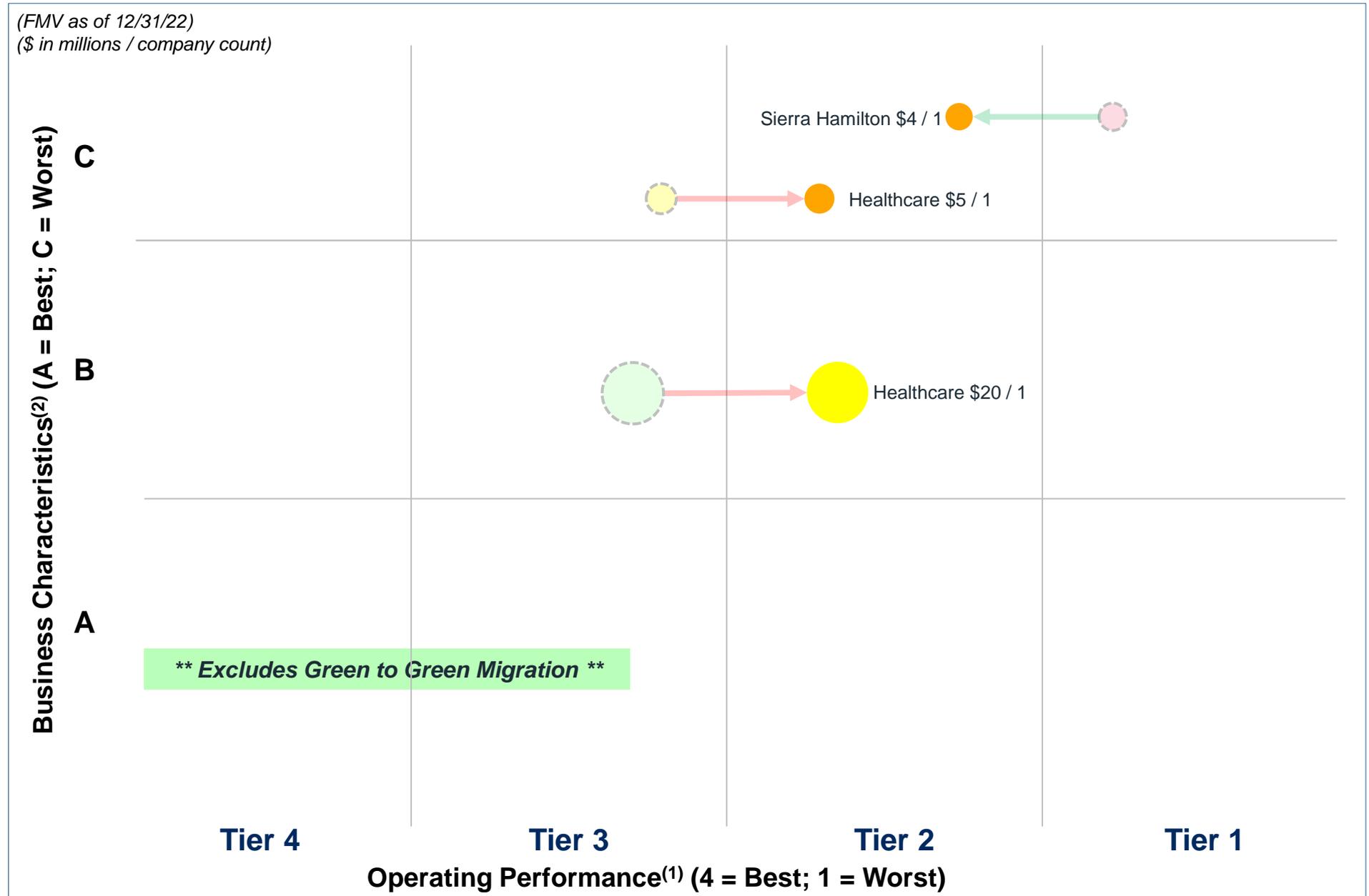
NEW MOUNTAIN FINANCE  
CORPORATION



## Appendix



# Appendix A: NMFC Portfolio – Risk Rating Migration from Q3 2022



1 "Operating Performance" definition: Tier 1 – Severe business underperformance and/or severe market headwinds, Tier 2 – Significant business underperformance and/or significant market headwinds, Tier 3 – Moderate business underperformance and/or moderate market headwinds, Tier 4 – Business performance is in-line or above expectations and/or industry is stable or growing

2 "Business Characteristics," based on a combination of 3 sub-metrics: Business quality, Balance sheet quality, Sponsor support

# Appendix B: Credit Performance

Company (Vintage) <sup>(1)</sup>	NMFC Leverage Ratio <sup>(2)</sup>			Company (Vintage) <sup>(1)</sup>	NMFC Leverage Ratio <sup>(2)</sup>			Company (Vintage) <sup>(1)</sup>	NMFC Leverage Ratio <sup>(2)</sup>		
	Purchase	Current	Variance + / (-)		Purchase	Current	Variance + / (-)		Purchase	Current	Variance + / (-)
Company A (2017)	9.5x	7.1x	2.4x	Company AD (2022)	5.5x	5.1x	0.4x	Company BH (2018)	7.7x	8.6x	(0.9x)
Company B (2021)	8.0x	5.7x	2.3x	Company AE (2022)	7.2x	6.8x	0.4x	Company BI (2017)	6.1x	7.1x	(1.0x)
Company C (2018)	7.0x	4.8x	2.2x	Company AF (2021)	4.5x	4.2x	0.3x	Company BJ (2021)	4.6x	5.6x	(1.0x)
Company D (2022)	10.7x	8.8x	2.0x	Company AG (2021)	7.0x	6.9x	0.2x	Company BK (2020)	5.0x	6.1x	(1.0x)
Company E (2021)	7.3x	5.4x	1.9x	Company AH (2018)	5.4x	5.3x	0.1x	Company BL (2021)	6.1x	7.3x	(1.2x)
Company F (2019)	4.7x	2.8x	1.9x	Company AI (2021)	8.3x	8.3x	0.0x	Company BM (2021)	5.1x	6.4x	(1.3x)
Company G (2020)	5.9x	4.2x	1.7x	Company AJ (2022)	5.7x	5.6x	0.0x	UniTek TLB (2018)	2.0x	3.4x	(1.4x)
Company H (2021)	7.0x	5.5x	1.4x	Company AK (2018)	7.0x	7.0x	0.0x	Company BN (2021)	6.0x	7.5x	(1.5x)
Company I (2021)	7.1x	5.8x	1.4x	Company AL (2022)	7.7x	7.7x	-	Company BO (2019)	7.4x	8.9x	(1.5x)
Company J (2021)	6.7x	5.4x	1.3x	Company AM (2022)	10.3x	10.3x	-	Benevis TL (2020)	4.6x	6.1x	(1.5x)
Company K (2018)	5.5x	4.3x	1.3x	Company AN (2022)	9.5x	9.5x	-	Company BP (2021)	6.1x	7.6x	(1.5x)
Company L (2019)	6.1x	4.9x	1.2x	Company AO (2021)	8.0x	8.0x	(0.1x)	Company BQ (2021)	4.5x	6.1x	(1.6x)
Company M (2020)	8.8x	7.7x	1.1x	Company AP (2020)	5.1x	5.2x	(0.1x)	Company BR (2019)	6.5x	8.1x	(1.6x)
Company N (2021)	6.5x	5.4x	1.1x	Company AQ (2022)	7.2x	7.3x	(0.1x)	Company BS (2018)	7.3x	9.0x	(1.7x)
Company O (2021)	8.2x	7.1x	1.0x	Company AR (2021)	6.5x	6.7x	(0.2x)	UniTek Super Sr. II Pref. (2019)	3.6x	5.3x	(1.7x)
Company P (2018)	6.0x	4.9x	1.0x	Company AS (2019)	7.0x	7.2x	(0.2x)	Company BT (2021)	7.1x	8.8x	(1.8x)
UniTek 2L (2020)	5.5x	4.5x	1.0x	Company AT (2019)	7.4x	7.6x	(0.2x)	Benevis Jr. PIK (2020)	5.3x	7.1x	(1.8x)
Company Q (2018)	4.4x	3.5x	0.9x	Company AU (2018)	6.4x	6.7x	(0.3x)	Permian TL (2020)	4.0x	6.2x	(2.2x)
Company R (2021)	6.0x	5.0x	0.9x	Company AV (2021)	9.8x	10.1x	(0.3x)	Company BU (2019)	5.2x	7.6x	(2.4x)
Company S (2020)	8.0x	7.1x	0.9x	Company AW (2019)	7.5x	7.8x	(0.3x)	Company BV (2020)	3.0x	5.7x	(2.6x)
Company T (2021)	11.7x	10.9x	0.9x	Company AX (2021)	6.4x	6.9x	(0.4x)	Company BW (2021)	3.6x	6.4x	(2.8x)
Company U (2019)	6.5x	5.6x	0.9x	Company AY (2019)	7.5x	7.9x	(0.5x)	Company BX (2016)	3.7x	6.7x	(3.0x)
Company V (2021)	7.0x	6.2x	0.8x	Company AZ (2021)	6.4x	7.0x	(0.6x)	Company BY (2019)	4.5x	8.4x	(3.9x)
Company W (2021)	6.7x	6.0x	0.7x	Company BA (2018)	5.8x	6.4x	(0.6x)	UniTek Super Sr. Pref. (2018)	2.5x	6.5x	(4.0x)
Company X (2021)	8.3x	7.6x	0.7x	Company BB (2021)	6.9x	7.6x	(0.7x)	Company BZ (2016)	6.0x	10.2x	(4.2x)
Company Y (2021)	7.2x	6.6x	0.6x	Company BC (2021)	6.3x	6.9x	(0.7x)	Company CA (2015)	4.5x	9.5x	(5.0x)
Company Z (2019)	7.5x	6.9x	0.6x	Company BD (2021)	6.3x	7.0x	(0.8x)	Company CB (2018)	6.9x	14.3x	(7.4x)
Company AA (2021)	7.3x	6.7x	0.6x	Company BE (2019)	7.1x	7.9x	(0.8x)	Company CC (2021)	6.0x	17.0x	(10.9x)
Company AB (2021)	7.3x	6.8x	0.6x	Company BF (2021)	7.2x	8.1x	(0.8x)				
Company AC (2021)	6.2x	5.8x	0.4x	Company BG (2020)	7.3x	8.2x	(0.9x)				

Note: Companies color-coded according to Risk Rating

- The investments shown above represent 82% of cost and 84% of fair value of the interest-bearing portfolio; includes current positions with a cost greater than \$7.5m as of 12/31/2022 and excludes unfunded commitments, revolvers, a project finance investment, non-accruals, and eight investments made based on recurring revenue and a >60% equity cushion
- 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 TTM EBITDA; current multiple as of the fourth calendar quarter of 2022, if available, or otherwise, the most recently reported fiscal quarter

# Appendix C: NMFC Income Reconciliation

(in millions, except per share data)  
(unaudited)

	Year Ended					
	IPO - 12/31/17	12/31/18	12/31/19	12/31/20	12/31/21	12/31/22
<b>GAAP net investment income ("NII")</b>	<b>\$490.5</b>	<b>\$106.0</b>	<b>\$117.2</b>	<b>\$117.3</b>	<b>\$118.8</b>	<b>\$119.6</b>
Non-controlling interest in NMNLC related to NII	–	–	–	(0.8)	(1.3)	(1.1)
Non-cash adjustment <sup>(1)</sup>	(6.8)	–	–	–	–	–
Non-cash capital gains incentive fee	1.1	–	–	–	–	–
Non-recurring interest adjustment (NHME, Permian & PPVA)	(3.4)	(2.0)	3.7	(1.5)	(3.7)	10.1
Non-recurring other income adjustment (NHME)	–	–	–	(1.0)	(0.5)	1.5
Non-recurring dividend adjustment (Permian)	(1.2)	(1.1)	(1.2)	3.4	–	–
Non-recurring incentive fee adjustment (NHME, Permian & PPVA)	0.9	0.6	(0.5)	(0.2)	0.8	(2.4)
Non-recurring interest expense adjustment	–	–	–	–	0.8	0.1
Non-recurring other general and administrative expenses	–	–	–	–	–	0.3
<b>Adjusted NII</b>	<b>\$481.1</b>	<b>\$103.5</b>	<b>\$119.2</b>	<b>\$117.2</b>	<b>\$114.9</b>	<b>\$128.1</b>
Non-recurring tax adjustment <sup>(2)</sup>	(3.7)	–	–	–	–	–
<b>Pro forma adjusted NII</b>	<b>\$477.4</b>	–	–	–	–	–
<b>GAAP realized gains (losses) on investments</b>	<b>(\$30.8)</b>	<b>(\$9.7)</b>	<b>\$0.9</b>	<b>(\$2.8)</b>	<b>(\$3.8)</b>	<b>\$53.5</b>
Non-controlling interest in NMNLC related to realized gains	–	–	–	–	–	(4.0)
Non-cash adjustment <sup>(1)</sup>	(13.5)	–	–	–	–	–
Reclass of UniTek, Edmentum, Transtar, Permian, Sierra, Benevis, NHME & Haven <sup>(3)</sup>	52.9	15.0	–	(37.0)	9.9	(12.8)
Non-recurring tax adjustment <sup>(2)</sup>	3.7	–	–	–	–	–
<b>Adj. realized gains (losses) on investments</b>	<b>\$12.3</b>	<b>\$5.3</b>	<b>\$0.9</b>	<b>(\$39.8)</b>	<b>\$6.1</b>	<b>\$36.7</b>
<b>GAAP net change in unrealized (depreciation) appreciation</b>	<b>\$9.6</b>	<b>(\$24.0)</b>	<b>(\$5.5)</b>	<b>(\$52.7)</b>	<b>\$92.2</b>	<b>(\$98.6)</b>
Non-controlling interest in NMNLC related to unrealized appreciation (depreciation)	–	–	–	(\$2.6)	(\$4.5)	\$5.4
Non-cash adjustment <sup>(1)</sup>	20.1	–	–	–	–	–
Reclass of UniTek, Edmentum, Transtar, Permian, Sierra, Benevis, NHME & Haven <sup>(3)</sup>	(52.9)	(15.0)	–	37.0	(9.9)	12.8
<b>Adj. net change in unrealized (depreciation) appreciation</b>	<b>(\$23.2)</b>	<b>(\$39.0)</b>	<b>(\$5.5)</b>	<b>(\$18.3)</b>	<b>\$77.8</b>	<b>(\$80.4)</b>

	Quarter Ended									
	12/31/2021		3/31/2022		6/30/2022		9/30/2022		12/31/2022	
	\$m	Per Share								
<b>GAAP net investment income ("NII")</b>	<b>\$29.6</b>	<b>\$0.31</b>	<b>\$29.6</b>	<b>\$0.30</b>	<b>\$31.4</b>	<b>\$0.31</b>	<b>\$32.5</b>	<b>\$0.32</b>	<b>\$25.0</b>	<b>\$0.25</b>
Non-recurring interest, other income & incentive fee adjustment (NHME)	–	–	–	–	–	–	–	–	10.1	0.10
Non-recurring other general and administrative expenses (NHME)	–	–	–	–	–	–	–	–	0.3	0.00
Non-recurring interest expense adjustment	–	–	–	–	–	–	–	–	0.1	0.00
<b>Adjusted NII</b>	<b>\$29.6</b>	<b>\$0.31</b>	<b>\$29.6</b>	<b>\$0.30</b>	<b>\$31.4</b>	<b>\$0.31</b>	<b>\$32.5</b>	<b>\$0.32</b>	<b>\$35.5</b>	<b>\$0.35</b>

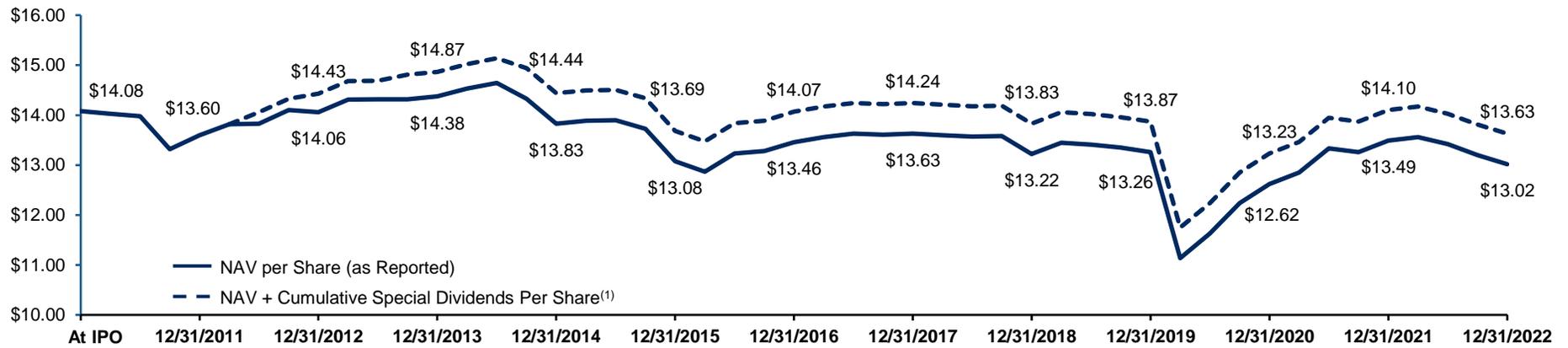
1 See "Important Notices and Safe Harbor Statement" for discussion on adjustments due to NMFC's IPO

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

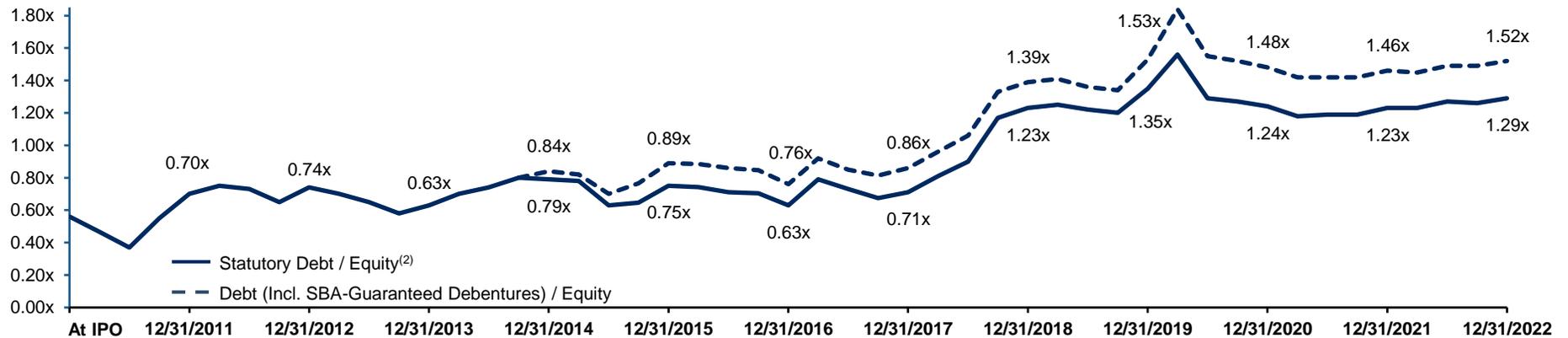
3 Reclassification of UniTek material modification of \$12.8m and Edmentum material modification of \$15.2m from realized loss to unrealized depreciation during the year ended 2015, \$10.5m reclassification from realized loss to unrealized depreciation related to Permian in 2016, which was reversed in 2020, along with an additional \$3.0m reclassification from unrealized depreciation to realized loss, \$27.1m reclassification from unrealized depreciation to realized loss related to Transtar in 2016, which was reversed in 2017, \$14.5m reclassification from realized loss to unrealized depreciation related to Sierra Hamilton in 2017, which was reversed in 2020, along with an additional \$4.8m reclassification from unrealized depreciation to realized loss, \$15.0m reclassification from realized loss to unrealized depreciation related to National HME in 2018, \$13.9m reclassification from realized gain to unrealized appreciation related to Edmentum in 2020, and \$9.7m reclassification from realized loss to unrealized depreciation related to Benevis in 2020, \$12.2m reclassification from realized loss to unrealized depreciation related to Permian in 2021, \$20.5m reclassification from realized gain to unrealized appreciation related to Edmentum in 2021, and \$18.2m reclassification from realized loss to unrealized depreciation related to Tenawa/Haven in 2021, of which \$12.8m was reversed in 2022

# Appendix D: Historical NAV / Share and Leverage Trends

## NAV / Share



## Debt / Equity



1 Assumes shares purchased at IPO

2 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 1940 Act asset coverage test



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