June 3, 2019

New Mountain Finance Corporation Announces Offering of Additional 5.75% Convertible Notes due 2023

NEW YORK--(BUSINESS WIRE)-- New Mountain Finance Corporation (the "Company") (NYSE:NMFC) announced today that it intends to commence an underwritten public offering, subject to market and other conditions, of $50 million in aggregate principal amount of additional 5.75% unsecured convertible notes due 2023 (the "Notes"). In addition, the Company expects to grant the underwriters of the Notes an option to purchase up to an additional $7.5 million in aggregate principal amount of the Notes. The Notes constitute a further issuance of, rank equally in right of payment with, and form a single series with the $115 million in aggregate principal amount of Notes that the Company issued in August 2018.

The Notes will mature on August 15, 2023, unless previously converted in accordance with their terms. The Notes will be convertible into shares of the Company's common stock. Interest on the Notes will be payable semi-annually in arrears on February 15 and August 15 of each year, commencing on August 15, 2019.

The Company intends to use the net proceeds from the sale of the Notes to repay outstanding indebtedness under its credit facilities. However, through re-borrowing under such credit facilities, the Company intends to make new investments in accordance with its investment objective and strategies and use available capital for other general corporate purposes, including working capital requirements. The Notes have no restrictions related to the type and security of assets in which the Company might invest.

Morgan Stanley & Co. LLC and Wells Fargo Securities, LLC are serving as joint-lead bookrunners for the offering.

Investors are advised to carefully consider the investment objectives, risks and charges and expenses of the Company before investing. The preliminary prospectus supplement, dated June 3, 2019, and accompanying prospectus, dated April 29, 2019, each of which has been filed with the Securities and Exchange Commission, contain a description of these matters and other important information about the Company and should be read carefully before investing.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy the Notes, nor shall there be any sale of these securities, in any state in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any state.

A shelf registration statement relating to these securities is on file with and has been declared effective by the Securities and Exchange Commission. The offering may be made only by means of a prospectus and a related prospectus supplement, copies of which may be obtained, when available, from Morgan Stanley & Co. LLC, Attention: Prospectus Department, 180 Varick Street, 2nd Floor, New York, NY 10014, or by calling (800) 584-6837; or Wells Fargo Securities, LLC, Attention: Equity Syndicate Department, 375 Park Avenue, New York, NY 10152-4077, or by calling (800) 326-5897, or by email: cmclientsupport@wellsfargo.com.

About New Mountain Finance Corporation

New Mountain Finance Corporation is a closed-end, non-diversified and externally managed investment company that has elected to be regulated as a business development company under the Investment Company Act of 1940, as amended. The Company's investment objective is to generate current income and capital appreciation through the sourcing and origination of debt securities at all levels of the capital structure, including first and second lien debt, notes, bonds and mezzanine securities. The Company's first lien debt may include traditional first lien senior secured loans or unitranche loans. Unitranche loans combine characteristics of traditional first lien senior secured loans as well as second lien and subordinated loans. Unitranche loans will expose the Company to the risks associated with second lien and subordinated loans to the extent it invests in the "last out" tranche. In some cases, the investments may also include small equity interests. The Company's investment activities are managed by its Investment Adviser, New Mountain Finance Advisers BDC, L.L.C., which is an investment adviser registered under the Investment Advisers Act of 1940, as amended.

Forward-Looking Statements

Statements included herein may constitute "forward-looking statements", which relate to future events or our future operations, performance or financial condition. Forward-looking statements include statements regarding our intentions related to the offering discussed in this press release, including the use of proceeds from the offering. These statements are not guarantees of future performance, condition or results and involve a number of risks and uncertainties. Actual results and outcomes may differ materially from those anticipated in the forward-looking statements as a result of a variety of factors, including those described from time to time in our filings with the Securities and Exchange Commission or factors that are beyond our control. The Company undertakes no obligation to publicly update or revise any forward-looking statements made herein, unless required to do so by law. All forward-looking statements speak only as of the time of this press release.

View source version on businesswire.com:
https://www.businesswire.com/news/home/20190603005823/en/

New Mountain Finance Corporation
Shiraz Y. Kajee, Authorized Representative
NMFCIR@newmountaincapital.com
(212) 220-3505

Source: New Mountain Finance Corporation