

Apollo Tactical Income Fund Inc.  
Form N-CSR  
March 01, 2016

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

**FORM N-CSR**

**CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT**

**INVESTMENT COMPANIES**

Investment Company Act file number 811-22591

Apollo Tactical Income Fund Inc.

(Exact name of registrant as specified in charter)

9 West 57th Street

New York, New York 10019

(Address of principal executive offices) (Zip code)

Joseph Moroney, President

9 West 57th Street

New York, New York 10019

(Name and address of agent for service)

Registrant's telephone number, including area code: (212) 515-3200

Date of fiscal year end: December 31

Date of reporting period: December 31, 2015

**Item 1. Reports to Stockholders.**

The Report to Shareholders is attached herewith.

Apollo Senior Floating Rate Fund Inc. (NYSE: AFT)

Apollo Tactical Income Fund Inc. (NYSE: AIF)

Annual Report

December 31, 2015

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Economic and market conditions change frequently.

There is no assurance that the trends described in this report will continue or commence.

**This report, including the financial information herein, is transmitted to shareholders of the Funds for their information. It is not a prospectus. Past performance results shown in this report should not be considered a representation of future performance. Statements and other information herein are as dated and are subject to change.**

**Apollo Senior Floating Rate Fund Inc.**

**Apollo Tactical Income Fund Inc.**

**Manager Commentary (unaudited)**

**As of December 31, 2015**

Dear Shareholders,

We would like to start by saying thank you for your interest in the Apollo Senior Floating Rate Fund Inc. and the Apollo Tactical Income Fund Inc. (the Funds). We appreciate the trust and confidence you have placed with us through your investment in the Funds.

2015 represented a difficult year in the corporate credit markets as the performance of both leveraged loans and high yield bonds suffered due to a number of mainly macroeconomic oriented factors. The year started favorably, as January brought buyers back to the market after a commodity and outflow related move lower at the end of 2014 was replaced by buyers of quality bonds and loans seeking value at a discount. This more constructive backdrop continued through the spring before fading into the summer and breaking down more fully into year-end mainly as commodity prices moved lower. WTI crude oil hit a 2015 closing high of \$61.43 per barrel on June 10, 2015; from that point it declined very steadily by 39.7% over the balance of the year and saw its weakening accelerate into the beginning of 2016. This topic is important as it relates to discussing the credit markets in 2015 given it represented what has become an increasingly meaningful overhang on performance, despite the fact that exposure to commodities was not the primary focus of the Funds. However, commodity weakness continues to be the major driver of outflows and outflow related selling in the loan and high yield markets. Continued selling has harmed liquidity and created dislocation in the secondary market for loans and bonds. This dislocation has weighed on performance and created more areas of value and opportunity in the secondary market and widened where we have been able to make investments in the primary market in a manner that has been accretive to the Funds.

Last year was for the most part a period of contrasting themes. After turning negative after a prolonged period of inflows in the spring of 2014, steady outflows from leveraged loan funds persisted throughout 2015 with \$16.4 billion eventually pulled from loan funds during the year. These regularly negative flows created bouts of volatility in the secondary market on forced selling from open-ended funds that allowed us to optimize the portfolios and take advantage of weaker holders and buy credits that we liked at a discount. In contrast to mutual fund flows, CLO creation volumes for the year totaled \$109.6 billion, the second highest annual total on record and trailing only the \$131.9 billion in volume during 2014. This, in turn supported healthy volumes of issuance albeit at levels reduced from that in the years prior, with primary loan volumes of \$326 billion compared to \$467 billion the year prior. These reduced numbers are actually more positive for the Funds than the record levels of issuance in years prior in that they included lower levels of refinancing and repricing of loans and bonds to lower outright coupons, and work against trends towards looser structures with reduced levels of lender protection. Coupled with federal regulation that has really begun to limit the banks ability to sell fully or over leveraged deals, 2015 represented a very attractive time for the Funds to put capital to work in good businesses, in defensive industries at attractive rates of return.

However, despite this opportunity set which grew in variety and attractiveness as the year wore on, concerns over the implications of eventual Fed tightening of monetary policy, weakening prices for not only oil and gas but other mining related commodities and the implications of reduced liquidity in the credit markets combined to create what has become a much more punitive backdrop. Given periods of broad based selling by credit investors during periods of stress the investing environment also contains more opportunity than we have seen in much of our time managing the Funds. We anticipate continued volatility in these markets for the various reasons we have outlined and plan on remaining defensive accordingly, while working to identify opportunities within businesses where we see value when

for market related reasons they become available at attractive prices.

We appreciate your interest and support in the Funds. If you have any questions about the Funds, please call 1-888-301-3838, or go to our website at [www.agmfunds.com](http://www.agmfunds.com).

Sincerely,

Apollo Credit Management, LLC

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**Apollo Senior Floating Rate Fund Inc.****Financial Data**

As of December 31, 2015 (unaudited)

**Portfolio Composition (as % of Current Market Value of Investment Securities)**

Loans	95.9%
High Yield Bonds	3.1%
Equity/Other	1.0%

**Portfolio Characteristics <sup>(a)</sup>**

Weighted Average Floating-Rate Spread	4.55%
Weighted Average Fixed-Rate Coupon	8.70%
Weighted Average Maturity (in years) (floating assets)	4.85
Weighted Average Maturity (in years) (fixed assets)	5.07
Weighted Average Modified Duration (in years) (fixed assets)	3.53
Average Position Size	\$ 2,173,635
Number of Positions	200
Weighted Average S&P Rating	B
Weighted Average Rating Factor (Moody's)	2,679

**Credit Quality <sup>(b)</sup>**

BBB	1.2%
BB	17.7%
B	68.7%
CCC+ or Lower	8.3%
Not Rated	4.1%

**Top 5 Industries (as % of Current Market Value of Investment Securities) <sup>(c)</sup>**

Healthcare & Pharmaceuticals	11.9%
Banking, Finance, Insurance & Real Estate	10.5%
High Tech Industries	10.2%
Media: Broadcasting & Subscription	8.7%
Retail	6.4%
<b>Total</b>	<b>47.7%</b>

**Top 10 Issuers (as % of Current Market Value of Investment Securities) <sup>(d)</sup>**

Valeant Pharmaceuticals International, Inc.	1.6%
Amwins Group, LLC	1.4%
WideOpenWest Finance, LLC	1.4%

Asurion, LLC	1.3%
DAE Aviation Holdings, Inc.	1.3%
Avago Technologies, Ltd.	1.2%
Delta 2 (Lux) S.a.r.l.	1.2%
Opal Acquisition, Inc.	1.2%
Neptune Finco Corp.	1.2%
USI, Inc.	1.2%
<b>Total</b>	<b>13.0%</b>

### Performance Comparison

	Year Ended December 31, 2015	Since Inception on February 23, 2011 to December 31, 2015
AFT - Market Price	(1.98)% <sup>(e)</sup>	1.26% <sup>(e)(f)</sup>
AFT - NAV	(0.52)% <sup>(e)</sup>	4.58% <sup>(e)(f)</sup>
S&P/LSTA Leveraged Loan Index <sup>(g)</sup>	(0.69)%	2.95% <sup>(f)</sup>

- (a) Averages based on par value of investment securities, except for the weighted average modified duration, which is based on market value. The weighted average rating factor per Moody's Investors Service (Moody's) excludes securities with no rating or in default as of December 31, 2015.
- (b) Credit quality is calculated as a percentage of fair value of investment securities at December 31, 2015. The quality ratings reflected were issued by Standard & Poor's Ratings Group (S&P), a nationally recognized statistical rating organization. Credit quality ratings reflect the rating agency's opinion of the credit quality of the underlying positions in the Fund's portfolio and not that of the Fund itself. Credit quality ratings are subject to change.
- (c) The industry classifications reported are from widely recognized market indexes or rating group indexes, and/or as defined by Fund management, with the primary source being Moody's, a nationally recognized statistical rating organization.
- (d) Holdings are subject to change and are provided for informational purposes only.
- (e) Performance reflects total return assuming all distributions were reinvested at the dividend reinvestment rate. Past performance does not necessarily indicate how the Fund will perform in the future. The performance information provided does not reflect the deduction of taxes that a shareholder would pay on distributions received from the Fund.
- (f) Annualized.
- (g) The S&P/LSTA Leveraged Loan Index is a broad index designed to reflect the performance of the U.S. Dollar facilities in the leveraged loan market.



**Apollo Tactical Income Fund Inc.****Financial Data**

As of December 31, 2015 (unaudited)

**Portfolio Composition (as % of Current Market Value of Investment Securities)**

Loans	70.5%
High Yield Bonds	19.7%
Structured Products	8.8%
Equity/Other	1.0%

**Portfolio Characteristics <sup>(a)</sup>**

Weighted Average Floating-Rate Spread	5.26%
Weighted Average Fixed-Rate Coupon	8.40%
Weighted Average Maturity (in years) (floating assets)	5.67
Weighted Average Maturity (in years) (fixed assets)	5.36
Weighted Average Modified Duration (in years) (fixed assets)	3.61
Average Position Size	\$ 2,167,004
Number of Positions	188
Weighted Average S&P Rating	B
Weighted Average Rating Factor (Moody's)	2,985

**Credit Quality <sup>(b)</sup>**

BBB	1.2%
BB	14.5%
B	58.2%
CCC+ or Lower	15.5%
Not Rated	10.6%

**Top 5 Industries (as % of Current Market Value of Investment Securities) <sup>(c)</sup>**

High Tech Industries	10.8%
Healthcare & Pharmaceuticals	10.3%
Energy: Oil & Gas	8.3%
Media: Broadcasting & Subscription	6.8%
Banking, Finance, Insurance & Real Estate	6.3%
<b>Total</b>	<b>42.5%</b>

**Top 10 Issuers (as % of Current Market Value of Investment Securities) <sup>(d)</sup>**

Anchorage Capital CLO, Ltd.	1.8%
Neptune Finco Corp.	1.8%

Valeant Pharmaceuticals International, Inc.	1.4%
Land O Lakes Capital Trust I	1.4%
JFIN CLO Ltd.	1.4%
Onex Carestream Finance, L.P.	1.4%
Laureate Education, Inc.	1.3%
Surgery Center Holdings, Inc.	1.3%
American Greetings Corp.	1.3%
BWay Intermediate Company, Inc.	1.3%
<b>Total</b>	<b>14.4%</b>

## Performance Comparison

	Year Ended December 31, 2015	Since Inception on February 25, 2013 to December 31, 2015
AIF - Market Price	(3.65)% <sup>(e)</sup>	(3.89)% <sup>(e)(f)</sup>
AIF - NAV	(2.91)% <sup>(e)</sup>	2.59% <sup>(e)(f)</sup>
S&P/LSTA Leveraged Loan Index <sup>(g)</sup>	(0.69)%	1.66% <sup>(f)</sup>

- (a) Averages based on par value of investment securities, except for the weighted average modified duration, which is based on market value. The weighted average rating factor per Moody's excludes securities with no rating or in default as of December 31, 2015.
- (b) Credit quality is calculated as a percentage of fair value of investment securities at December 31, 2015. The quality ratings reflected were issued by S&P, a nationally recognized statistical rating organization. Credit quality ratings reflect the rating agency's opinion of the credit quality of the underlying positions in the Fund's portfolio and not that of the Fund itself. Credit quality ratings are subject to change.
- (c) The industry classifications reported are from widely recognized market indexes or rating group indexes, and/or as defined by Fund management, with the primary source being Moody's, a nationally recognized statistical rating organization. The Top 5 Industries table above excludes Structured Products which represent 8.8% of the portfolio as of December 31, 2015.
- (d) Holdings are subject to change and are provided for informational purposes only.
- (e) Performance reflects total return assuming all distributions were reinvested at the dividend reinvestment rate. Past performance does not necessarily indicate how the Fund will perform in the future. The performance information provided does not reflect the deduction of taxes that a shareholder would pay on distributions received from the Fund.
- (f) Annualized.
- (g) The S&P/LSTA Leveraged Loan Index is a broad index designed to reflect the performance of the U.S. Dollar facilities in the leveraged loan market.

**Apollo Senior Floating Rate Fund Inc.****Schedule of Investments****December 31, 2015**

	<b>Principal</b>	
	<u>Amount (\$)</u>	<u>Value (\$)</u>
<b>Senior Loans - 146.8%<sup>(a)</sup></b>		
<b>AEROSPACE &amp; DEFENSE - 7.2%</b>		
B/E Aerospace, Inc.		
Term Loan, (LIBOR + 3.25%,		
0.75% Floor), 4.00%, 12/16/21 <sup>(b)</sup>	2,484,238	2,486,722
Camp International Holding Co.		
2013 First Lien Replacement		
Term Loan, (LIBOR + 3.75%,		
1.00% Floor), 4.75%, 05/31/19 <sup>(b)</sup>	2,393,397	2,330,571
2013 Second Lien Replacement		
Term Loan, (LIBOR + 7.25%,		
1.00% Floor), 8.25%, 11/29/19 <sup>(b)</sup>	1,000,000	935,000
DAE Aviation Holdings, Inc.		
Initial Term Loan, (LIBOR +		
4.25%, 1.00% Floor), 5.25%,		
07/07/22 <sup>(b)</sup>	5,097,810	5,083,153
Photonis Technologies SAS		
First Lien Initial Dollar Term		
Loan, (LIBOR + 7.50%, 1.00%		
Floor), 8.50%, 09/18/19 <sup>(b)</sup>	1,965,660	1,887,034
TASC, Inc.		
First Lien New Term Loan,		
(LIBOR + 6.00%, 1.00% Floor),		
7.00%, 05/22/20 <sup>(b)</sup>	458,769	453,034
First Lien Term Loan, (LIBOR +	1,310,202	1,293,824

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6.00%, 1.00% Floor), 7.00%, 05/22/20 <sup>(b)</sup> Second Lien Term Loan,		
12.00%, 05/21/21 <sup>(c)</sup> US Joiner Holding Co. Term Loan, (LIBOR + 6.00%, 1.00% Floor), 7.00%,	2,233,239	2,294,653
04/16/20 <sup>(b)(d)</sup> Vencore, Inc. Second Lien Term Loan, (LIBOR + 8.00%, 1.00% Floor), 9.00%, 05/23/20 <sup>(b)</sup>	1,629,932	1,613,633
	606,000	595,395
		18,973,019
<b>AUTOMOTIVE - 1.4%</b>		
American Tire Distributors, Inc. Initial Term Loan, (LIBOR + 4.25%, 1.00% Floor), 5.25%, 09/01/21 <sup>(b)</sup> U.S. Farathane, LLC Initial Term Loan, (LIBOR + 5.75%, 1.00% Floor), 6.75%, 12/23/21 <sup>(b)(d)(e)</sup>	2,361,072	2,329,599
	1,361,382	1,349,470
		3,679,069
<b>BANKING, FINANCE, INSURANCE &amp; REAL ESTATE - 14.6%</b>		
Alliant Holdings I, LLC Initial Term Loan, (LIBOR + 3.50%, 1.00% Floor), 4.50%, 08/12/22 <sup>(b)</sup> Amwins Group, LLC First Lien New Term Loan, (LIBOR + 4.25%, 1.00% Floor), 5.25%, 09/06/19 <sup>(b)</sup>	3,989,975	3,903,951
	4,347,092	4,343,832

	<b>Principal</b>	
	<u>Amount (\$)</u>	<u>Value (\$)</u>
<b>BANKING, FINANCE, INSURANCE &amp; REAL ESTATE (continued)</b>		
Amwins Group, LLC (continued) Second Lien Term Loan, (LIBOR + 8.50%, 1.00% Floor), 9.50%, 09/04/20 <sup>(b)(e)</sup>	1,129,500	1,121,735
AqGen Island Intermediate Holdings, Inc. First Lien Term Loan, (LIBOR + 4.50%, 1.00% Floor), 5.50%, 12/05/22 <sup>(b)</sup>	2,481,176	2,332,306
Asurion, LLC Incremental Tranche B-1 Term Loan, (LIBOR + 3.75%, 1.25% Floor), 5.00%, 05/24/19 <sup>(b)(e)</sup>	2,490,765	2,340,547
Incremental Tranche B-4 Term Loan, (LIBOR + 4.00%, 1.00% Floor), 5.00%, 08/04/22 <sup>(b)</sup>	1,867,343	1,712,354
Second Lien Term Loan, (LIBOR + 7.50%, 1.00% Floor), 8.50%, 03/03/21 <sup>(b)</sup>	1,399,109	1,203,933
Bats Global Markets, Inc. Term Loan, (LIBOR + 3.75%, 0.00% Floor), 4.18%, 03/13/18 <sup>(b)</sup>	1,761,243	1,763,445
First Data Corp. Term Loan C-1, (LIBOR + 3.50%, 0.00% Floor), 3.92%, 03/23/18 <sup>(b)</sup>	4,000,000	3,954,720
Hyperion Insurance Group, Ltd. (United Kingdom) Initial Term Loan, (LIBOR + 4.50%, 1.00% Floor), 5.50%, 04/29/22 <sup>(b)(f)</sup>	2,031,316	2,011,003
Jefferies Finance, LLC (JFIN Co-Issuer Corp.) Term Loan, (LIBOR + 3.50%, 1.00%	1,514,130	1,504,667

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Floor), 4.50%, 05/14/20 <sup>(b)(d)</sup> Medical Card System, Inc. Term Loan (3.00% PIK), (LIBOR + 10.00%, 2.00% Floor), 11.07%, 03/17/17 <sup>(b)(d)(g)(h)</sup>	4,756,544	3,064,118
MMM Holdings, Inc. MMM Term Loan, (LIBOR + 8.25%, 1.50% Floor), 9.75%, 12/12/17 <sup>(b)(d)</sup>	660,493	393,544
MSO of Puerto Rico, Inc. MSO Term Loan, (LIBOR + 8.25%, 1.50% Floor), 9.75%, 12/12/17 <sup>(b)(d)</sup>	480,175	286,104
National Financial Partners Corp. 2014 Specified Refinancing Term Loan, (LIBOR + 3.50%, 1.00% Floor), 4.50%, 07/01/20 <sup>(b)</sup>	2,511,476	2,419,380
USI, Inc. Initial Term Loan, (LIBOR + 3.25%, 1.00% Floor), 4.25%, 12/27/19 <sup>(b)</sup>	4,987,245	4,843,862

See accompanying Notes to Financial Statements. | 7

**Apollo Senior Floating Rate Fund Inc.****Schedule of Investments (continued)****December 31, 2015**

	<u>Principal Amount (\$)</u>	<u>Value (\$)</u>
<b>Senior Loans<sup>(a)</sup> (continued)</b>		
<b>BANKING, FINANCE, INSURANCE &amp; REAL ESTATE (continued)</b>		
Walter Investment Management Corp. Tranche B Term Loan, (LIBOR +		
3.75%, 1.00% Floor), 4.75%, 12/18/20 <sup>(b)</sup>	1,439,252	1,245,859
		38,445,360
<b>BEVERAGE, FOOD &amp; TOBACCO - 5.4%</b>		
Charger OpCo B.V. (Oak Tea, Inc.) (Netherlands) Term Loan B-1 (USD), (LIBOR +		
3.50%, 0.75% Floor), 4.25%, 07/02/22 <sup>(b)(f)</sup>	3,646,622	3,637,506
Hearthside Group Holdings, LLC Term Loan, (LIBOR + 3.50%, 1.00% Floor), 4.50%, 06/02/21 <sup>(b)</sup>		
Performance Food Group, Inc. Second Lien Initial Term Loan,	4,276,231	4,201,397
(LIBOR + 5.25%, 1.00% Floor), 6.25%, 11/14/19 <sup>(b)</sup>	711,203	711,203
PFS Holding Corp. First Lien Term Loan, (LIBOR +		
3.50%, 1.00% Floor), 4.50%, 01/31/21 <sup>(b)</sup>	2,761,808	2,527,054
Winebow Holdings, Inc. (The Vintner Group, Inc.) First Lien Term Loan, (LIBOR +		
3.75%, 1.00% Floor), 4.75%, 07/01/21 <sup>(b)</sup>	997,468	972,532
Second Lien Term Loan, (LIBOR +		
7.50%, 1.00% Floor), 8.50%, 01/02/22 <sup>(b)(d)</sup>	2,260,897	2,125,243
		14,174,935
<b>CAPITAL EQUIPMENT - 0.9%</b>		

Zebra Technologies Corp. Initial Term Loan, (LIBOR + 4.00%, 0.75% Floor), 4.75%, 10/27/21 <sup>(b)</sup>	2,250,426	2,256,165
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**CHEMICALS, PLASTICS & RUBBER - 3.3%**

Chemstralia Pty, Ltd. ( Chemstralia Finco, LLC) (Australia) Initial Term Loan, (LIBOR + 6.25%, 1.00% Floor), 7.25%, 02/28/22 <sup>(b)(d)(f)</sup>	2,255,682	2,210,568
Magnetation, LLC / Mag Finance Corp. Term Loan (3.00% PIK), 12.00%, 03/07/16 <sup>(c)(d)(h)</sup>	255,929	129,372
PetroChoice Holdings, Inc. First Lien Initial Term Loan, (LIBOR + 5.00%, 1.00% Floor), 6.00%, 08/19/22 <sup>(b)</sup>	1,012,500	997,313

<u>Principal Amount (\$)</u>	<u>Value (\$)</u>
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**CHEMICALS, PLASTICS & RUBBER (continued)**

Trinseo Materials Operating S.C.A. (Trinseo Materials Finance, Inc.)  (Luxembourg) First Lien Term Loan B, (LIBOR + 3.25%, 1.00% Floor), 4.25%, 11/05/21 <sup>(b)(f)</sup>	3,078,959	3,040,472
Univar USA, Inc. Term Loan, (LIBOR + 3.25%, 1.00% Floor), 4.25%, 07/01/22 <sup>(b)</sup>	2,343,073	2,273,425
		8,651,150

**CONSTRUCTION & BUILDING - 0.2%**

Headwaters, Inc. Term Loan B, (LIBOR + 3.50%, 1.00% Floor), 4.50%, 03/24/22 <sup>(b)</sup>	497,500	495,634
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**CONSUMER GOODS: DURABLE - 0.1%**

Britax US Holdings, Inc. Initial Dollar Term Loan, (LIBOR +	459,015	326,426
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3.50%, 1.00% Floor), 4.50%,

10/15/20<sup>(b)</sup>**CONSUMER GOODS: NON-DURABLE - 3.5%**

ABG Intermediate Holdings 2, LLC

First Lien Term Loan, (LIBOR +

4.50%, 1.00% Floor), 5.50%, 05/27/21<sup>(b)</sup>

3,487,876

3,441,382

BRG Sports, Inc.

First Lien Term Loan, (LIBOR +

5.50%, 1.00% Floor), 6.50%, 04/15/21<sup>(b)</sup>

1,359,058

1,343,768

Fender Musical Instruments Corp.

Initial Term Loan, (LIBOR + 4.50%,

1.25% Floor), 5.75%, 04/03/19<sup>(b)</sup>

265,000

262,681

Nine West Holdings, Inc.

Unsecured Initial Term Loan, (LIBOR

+ 5.25%, 1.00% Floor), 6.25%, 01/08/20<sup>(b)</sup>

239,923

121,401

Polyconcept Investments B.V.

Term Loan, (LIBOR + 4.75%,

1.25% Floor), 6.00%, 06/28/19<sup>(b)</sup>

2,893,580

2,875,495

The Topps Company, Inc.

Term Loan, (LIBOR + 6.00%, 1.25%

Floor), 7.25%, 10/02/18<sup>(b)(e)</sup>

1,108,971

1,088,178

9,132,905

**CONTAINERS, PACKAGING & GLASS - 4.8%**

BWay Intermediate Company, Inc.

Initial Term Loan, (LIBOR + 4.50%,

1.00% Floor), 5.50%, 08/14/20<sup>(b)</sup>

4,801,468

4,630,439

Hoover Group, Inc.

Initial Term Loan, (LIBOR + 6.75%,

1.00% Floor), 7.75%, 01/28/21<sup>(b)(d)</sup>

1,480,542

1,384,307

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**Apollo Senior Floating Rate Fund Inc.****Schedule of Investments (continued)****December 31, 2015**

	<u>Principal Amount (\$)</u>	<u>Value (\$)</u>
<b>Senior Loans<sup>(a)</sup> (continued)</b>		
<b>CONTAINERS, PACKAGING &amp; GLASS (continued)</b>		
NVLX Acquisition, LLC First Lien Term Loan, (LIBOR +  5.00%, 1.00% Floor), 6.00%, 12/05/21 <sup>(b)</sup>	2,534,471	2,535,104
Pelican Products, Inc. First Lien Term Loan, (LIBOR +  4.25%, 1.00% Floor), 5.25%, 04/10/20 <sup>(b)</sup>	1,956,212	1,924,424
Tekni-Plex, Inc. First Lien Tranche B-1 Term Loan,  (LIBOR + 3.50%, 1.00% Floor), 4.50%, 06/01/22 <sup>(b)</sup>	2,266,258	2,236,990
		12,711,264
<b>ENERGY: OIL &amp; GAS - 7.0%</b>		
American Energy - Marcellus, LLC First Lien Initial Term Loan, (LIBOR  + 4.25%, 1.00% Floor), 5.25%, 08/04/20 <sup>(b)</sup>	3,061,946	831,829
Azure Midstream Energy, LLC Term Loan, (LIBOR + 6.50%, 1.00%  Floor), 7.50%, 11/15/18 <sup>(b)(d)</sup>	498,651	296,697
BlackBrush Oil & Gas, L.P. Closing Date Second Lien Term  Loan, (LIBOR + 6.50%, 1.00% Floor), 7.50%, 07/30/21 <sup>(b)(e)</sup>	3,700,224	2,987,931
Chelsea Petroleum Products I, LLC Term Loan B, (LIBOR + 4.25%,  1.00% Floor), 5.25%, 10/28/22 <sup>(b)</sup>	1,761,092	1,717,065
Chief Exploration & Development, LLC Second Lien Term Loan, (LIBOR +	1,950,784	1,333,039

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6.50%, 1.00% Floor), 7.50%, 05/16/21 <sup>(b)</sup> Drillships Financing Holding, Inc. Tranche B-1 Term Loan, (LIBOR +		
5.00%, 1.00% Floor), 6.00%, 03/31/21 <sup>(b)</sup> EMG Utica, LLC Term Loan, (LIBOR + 3.75%, 1.00%	2,683,081	1,090,002
Floor), 4.75%, 03/27/20 <sup>(b)</sup> HGIM Corp. Term Loan A, (LIBOR + 4.00%, 1.00% Floor), 5.00%, 06/18/18 <sup>(b)(d)</sup>	2,192,039	1,994,755
Sheridan Investment Partners I, LLC Tranche B-2 Term Loan, (LIBOR + 3.50%, 0.75% Floor), 4.25%, 10/01/19 <sup>(b)(e)</sup>	4,113,802	3,147,058
Sheridan Production Partners I-A, L.P. Tranche B-2 Term Loan, (LIBOR + 3.50%, 0.75% Floor), 4.25%, 10/01/19 <sup>(b)(e)</sup>	474,168	278,574
	62,831	36,913

<b>Principal</b>	
<b><u>Amount (\$)</u></b>	<b><u>Value (\$)</u></b>

**ENERGY: OIL & GAS (continued)**

Sheridan Production Partners I-M, L.P. Tranche B-2 Term Loan, (LIBOR + 3.50%, 0.75% Floor), 4.25%, 10/01/19 <sup>(b)(e)</sup>	38,378	22,547
Southcross Energy Partners, L.P. Initial Term Loan, (LIBOR + 4.25%, 1.00% Floor), 5.25%, 08/04/21 <sup>(b)(d)</sup>	1,573,481	1,125,039
Southcross Holdings Borrower, L.P. Term Loan, (LIBOR + 5.00%, 1.00% Floor), 6.00%, 08/04/21 <sup>(b)</sup>	858,606	463,647
Sprint Industrial Holdings, LLC First Lien Term Loan, (LIBOR + 5.75%, 1.25% Floor), 7.00%, 05/14/19 <sup>(b)</sup>	2,606,105	2,228,220
W3 Co. First Lien Term Loan, (LIBOR + 4.50%, 1.25% Floor), 5.75%, 03/13/20 <sup>(b)</sup>	913,111	771,579
		18,324,895

**ENVIRONMENTAL INDUSTRIES - 1.1%**

Emerald 2, Ltd. (United Kingdom) Facility B-1 Term Loan, (LIBOR + 4.00%, 1.00% Floor), 5.00%, 05/14/21 <sup>(b)(f)</sup>	2,901,337	2,785,283
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**FOREST PRODUCTS & PAPER - 1.5%**

Caraustar Industries, Inc. Incremental Term Loan, (LIBOR + 6.75%, 1.25% Floor), 8.00%, 05/01/19 <sup>(b)</sup>	1,840,192	1,830,228
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Term Loan, (LIBOR + 6.75%, 1.25% Floor), 8.00%, 05/01/19 <sup>(b)</sup>	2,259,641	2,252,580
		4,082,808
<b>HEALTHCARE &amp; PHARMACEUTICALS - 16.9%</b>		
ABB/Con- Cise Optical Group, LLC		
Term Loan B-1, (LIBOR + 3.50%, 1.00% Floor), 4.50%, 02/06/19 <sup>(b)</sup>	1,498,623	1,492,381
Alvogen Pharma US, Inc.		
First Lien Term Loan, (LIBOR + 5.00%, 1.00% Floor), 6.00%, 04/01/22 <sup>(b)</sup>	1,235,351	1,209,100
ATI Holdings, Inc.		
Term Loan, (LIBOR + 4.25%, 1.00% Floor), 5.25%, 12/20/19 <sup>(b)</sup>	1,498,098	1,489,671
Greatbatch, Ltd.		
Term Loan B, (LIBOR + 4.25%, 1.00% Floor), 5.25%, 10/27/22 <sup>(b)</sup>	3,689,270	3,662,763
HC Group Holdings III, Inc.		
First Lien Initial Term Loan, (LIBOR + 5.00%, 1.00% Floor), 6.00%, 04/07/22 <sup>(b)</sup>	498,750	496,880
Iasis Healthcare, LLC		
Term Loan B-2, (LIBOR + 3.25%, 1.25% Floor), 4.50%, 05/03/18 <sup>(b)</sup>	527,512	519,071

See accompanying Notes to Financial Statements. | 9

**Apollo Senior Floating Rate Fund Inc.****Schedule of Investments (continued)****December 31, 2015**

	<u>Principal Amount (\$)</u>	<u>Value (\$)</u>
<b>Senior Loans<sup>(a)</sup> (continued)</b>		
<b>HEALTHCARE &amp; PHARMACEUTICALS (continued)</b>		
InVentiv Health, Inc. Term Loan B-3, (LIBOR + 6.25%, 1.50% Floor), 7.75%, 05/15/18 <sup>(b)</sup>	723,864	717,530
Jaguar Holding Co. II /Pharmaceutical Product Development, LLC Initial Term Loan, (LIBOR + 3.25%, 1.00% Floor), 4.25%, 08/18/22 <sup>(b)</sup>	4,767,670	4,645,499
Lanai Holdings III, Inc. First Lien Term Loan B, (LIBOR + 4.25%, 1.00% Floor), 5.25%, 08/29/22 <sup>(b)(d)</sup>	2,011,364	1,971,137
Opal Acquisition, Inc. Term Loan B, (LIBOR + 4.00%, 1.00% Floor), 5.00%, 11/27/20 <sup>(b)</sup>	5,869,931	4,906,265
Premier Dental Services, Inc. New Term Loan, (LIBOR + 6.50%, 1.00% Floor), 7.50%, 11/01/18 <sup>(b)</sup>	4,728,833	4,149,551
Smile Brands Group, Inc. Term Loan B (1.5% PIK), (LIBOR + 7.75%, 1.25% Floor), 9.00%, 08/16/19 <sup>(b)</sup>	3,607,211	2,611,621
Steward Health Care System, LLC Term Loan, (LIBOR + 5.50%, 1.25% Floor), 6.75%, 04/10/20 <sup>(b)(d)</sup>	2,748,730	2,707,498
Surgery Center Holdings, Inc. First Lien Initial Term Loan, (LIBOR + 4.25%, 1.00% Floor), 5.25%, 11/03/20 <sup>(b)(e)</sup>	2,624,215	2,600,151
Second Lien Initial Term Loan, (LIBOR + 7.50%, 1.00% Floor), 8.50%, 11/03/21 <sup>(b)</sup>	1,509,184	1,433,724

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Team Health, Inc. Term Loan B, (LIBOR + 3.75%, 0.75% Floor), 4.50%, 11/23/22 <sup>(b)</sup>	2,884,165	2,879,666
U.S. Renal Care, Inc. Term Loan B, (LIBOR + 4.25%, 1.00% Floor), 5.25%, 12/30/22 <sup>(b)(e)</sup>	3,775,064	3,751,470
Valeant Pharmaceuticals International, Inc. (Canada) Tranche B Term Loan Series D-2, (LIBOR + 2.75%, 0.75% Floor), 3.50%, 02/13/19 <sup>(b)(e)(f)</sup>	1,276,371	1,234,206
Tranche B Term Loan Series F-1, (LIBOR + 3.25%, 0.75% Floor), 4.00%, 04/01/22 <sup>(b)(f)</sup>	2,205,062	2,126,507
		44,604,691

**HIGH TECH INDUSTRIES - 15.5%**

Avago Technologies Cayman Finance, Ltd. (Cayman Islands) 2022 Tranche B Term Loan, (LIBOR + 3.50%, 0.75% Floor), 4.25%, 11/11/22 <sup>(b)(e)(f)</sup>	5,000,000	4,956,650
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<b>Principal Amount (\$)</b>	<b>Value (\$)</b>
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**HIGH TECH INDUSTRIES (continued)**

Deltek, Inc. First Lien Term Loan, (LIBOR + 4.00%, 1.00% Floor), 5.00%, 06/25/22 <sup>(b)</sup>	2,672,290	2,646,677
Second Lien Term Loan, (LIBOR + 8.50%, 1.00% Floor), 9.50%, 06/26/23 <sup>(b)</sup>	1,124,528	1,114,688
Flexera Software, LLC Second Lien Term Loan, (LIBOR + 7.00%, 1.00% Floor), 8.00%, 04/02/21 <sup>(b)(e)</sup>	1,728,292	1,631,793
GTCR Valor Companies, Inc. First Lien Initial Term Loan, (LIBOR + 5.00%, 1.00% Floor), 6.00%, 05/30/21 <sup>(b)</sup>	2,360,143	2,348,342
Informatica Corp. Dollar Term Loan, (LIBOR + 3.50%, 1.00% Floor), 4.50%, 08/05/22 <sup>(b)</sup>	3,496,252	3,374,513
Kronos, Inc. First Lien Incremental Term		

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Loan, (LIBOR + 3.50%, 1.00% Floor), 4.50%, 10/30/19 <sup>(b)(e)</sup>	3,269,439	3,224,501
Landslide Holdings, Inc. (Crimson Acquisition Corp.) Second Lien Term Loan, (LIBOR + 7.25%, 1.00% Floor), 8.25%, 02/25/21 <sup>(b)(d)</sup>	563,000	517,960
Lanyon Solutions, Inc. (Lanyon, Inc.) First Lien Term Loan, (LIBOR + 4.50%, 1.00% Floor), 5.50%, 11/13/20 <sup>(b)</sup>	1,443,246	1,398,145
MSC.Software Corp. First Lien Initial Term Loan, (LIBOR + 4.00%, 1.00% Floor), 5.00%, 05/29/20 <sup>(b)</sup>	1,763,150	1,727,887
Riverbed Technology, Inc. Term Loan, (LIBOR + 5.00%, 1.00% Floor), 6.00%, 04/25/22 <sup>(b)</sup>	2,065,019	2,059,856
RP Crown Parent, LLC First Lien New Term Loan, (LIBOR + 5.00%, 1.00% Floor), 6.00%, 12/21/18 <sup>(b)</sup>	3,572,602	3,194,924
Second Lien Term Loan, (LIBOR + 10.00%, 1.25% Floor), 11.25%, 12/21/19 <sup>(b)</sup>	1,000,000	825,830
Sophia, L.P. Closing Date Term Loan, (LIBOR + 3.75%, 1.00% Floor), 4.75%, 09/30/22 <sup>(b)</sup>	3,712,809	3,675,681
SS&C Technologies Holdings		
Europe S.a.r.l. (Luxembourg) Term Loan B-2, (LIBOR + 3.25%, 0.75% Floor), 4.00%, 07/08/22 <sup>(b)(f)</sup>	328,956	327,140
SS&C Technologies, Inc. Term Loan B-1, (LIBOR + 3.25%, 0.75% Floor), 4.00%, 07/08/22 <sup>(b)</sup>	2,235,273	2,222,935

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**Apollo Senior Floating Rate Fund Inc.****Schedule of Investments (continued)****December 31, 2015**

	<u>Principal Amount (\$)</u>	<u>Value (\$)</u>
<b>Senior Loans<sup>(a)</sup> (continued)</b>		
<b>HIGH TECH INDUSTRIES (continued)</b>		
TIBCO Software, Inc. Term Loan, (LIBOR + 5.50%, 1.00% Floor), 6.50%, 12/04/20 <sup>(b)(e)</sup>	2,799,157	2,550,732
Vision Solutions, Inc. First Lien Term Loan, (LIBOR + 4.50%, 1.50% Floor), 6.00%, 07/23/16 <sup>(b)(d)</sup>	3,272,933	3,174,745
		40,972,999
<b>HOTEL, GAMING &amp; LEISURE - 9.6%</b>		
CDS U.S. Intermediate Holdings, Inc. First Lien Initial Term Loan, (LIBOR + 4.00%, 1.00% Floor), 5.00%, 07/08/22 <sup>(b)(e)</sup>	2,085,200	1,972,245
Delta 2 (Lux) S.a.r.l. (Luxembourg) Facility B-3 Term Loan (USD), (LIBOR + 3.75%, 1.00% Floor), 4.75%, 07/30/21 <sup>(b)(f)</sup>	5,105,263	4,952,105
Diamond Resorts Corp. Term Loan, (LIBOR + 4.50%, 1.00% Floor), 5.50%, 05/09/21 <sup>(b)</sup>	2,488,546	2,466,772
Equinox Holdings, Inc. First Lien New Initial Term Loan, (LIBOR + 3.75%, 1.25% Floor), 5.00%, 01/31/20 <sup>(b)(e)</sup>	3,711,048	3,680,135
Global Cash Access, Inc. Term Loan B, (LIBOR + 5.25%, 1.00% Floor), 6.25%, 12/18/20 <sup>(b)</sup>	1,419,278	1,327,025
The Intertain Group, Ltd. (The Intertain Group Finance, LLC) (Canada) Initial Term Loan B, (LIBOR + 6.50%, 1.00% Floor), 7.50%,		



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04/08/22 <sup>(b)(f)</sup> Planet Fitness Holdings, LLC Term Loan, (LIBOR + 3.75%, 1.00% Floor), 4.75%, 03/31/21 <sup>(b)</sup>	797,203	795,210
Scientific Games International, Inc. Initial Term Loan B-2, (LIBOR + 5.00%, 1.00% Floor), 6.00%, 10/01/21 <sup>(b)</sup>	3,858,682	3,810,449
Initial Term Loan, (LIBOR + 5.00%, 1.00% Floor), 6.00%, 10/18/20 <sup>(b)</sup>	3,515,980	3,216,489
Seaworld Parks & Entertainment, Inc. Term Loan B-3, (LIBOR + 3.25%, 0.75% Floor), 4.00%, 05/14/20 <sup>(b)(e)</sup>	1,339,314	1,229,537
	1,850,244	1,806,301
		25,256,268

**MEDIA: ADVERTISING, PRINTING & PUBLISHING - 3.4%**

ALM Media, LLC First Lien Term Loan B, (LIBOR + 4.50%, 1.00% Floor), 5.50%, 07/31/20 <sup>(b)(d)</sup>	3,871,288	3,774,506
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<b>Principal Amount (\$)</b>	<b>Value (\$)</b>
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**MEDIA: ADVERTISING, PRINTING & PUBLISHING (continued)**

F & W Media, Inc. Initial Term Loan, (LIBOR + 7.25%, 1.25% Floor), 8.50%, 06/30/19 <sup>(b)</sup>	3,173,407	3,141,673
Information Resources, Inc. Term Loan, (LIBOR + 3.75%, 1.00% Floor), 4.75%, 09/30/20 <sup>(b)</sup>	1,969,773	1,959,924
		8,876,103

**MEDIA: BROADCASTING & SUBSCRIPTION - 11.8%**

Emmis Operating Corp. Term Loan, (LIBOR + 6.00%, 1.00% Floor), 7.00%, 06/10/21 <sup>(b)</sup>	1,487,273	1,301,364
Hargray Communications Group, Inc. (HCP Acquisition, LLC) Initial Term Loan, (LIBOR + 4.25%, 1.00% Floor), 5.25%, 06/26/19 <sup>(b)</sup>	4,154,513	4,144,126
Hemisphere Media Holdings, LLC (Intermedia Espanol, Inc.) New Term Loan B, (LIBOR +		

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4.00%, 1.00% Floor), 5.00%, 07/30/20 <sup>(b)</sup>	2,531,899	2,462,272
Learfield Communications, Inc. Second Lien Initial Term Loan, (LIBOR + 7.75%, 1.00% Floor), 8.75%, 10/08/21 <sup>(b)</sup>	1,102,393	1,091,369
Neptune Finco Corp. Initial Term Loan, (LIBOR + 4.00%, 1.00% Floor), 5.00%, 10/09/22 <sup>(b)(e)</sup>	4,050,012	4,051,288
Numericable U.S., LLC Dollar Denominated Tranche B-1 Term Loan, (LIBOR + 3.75%, 0.75% Floor), 4.50%, 05/21/20 <sup>(b)(e)</sup>	2,061,932	1,991,445
Dollar Denominated Tranche B-2 Term Loan, (LIBOR + 3.75%, 0.75% Floor), 4.50%, 05/21/20 <sup>(b)(e)</sup>	1,783,852	1,722,871
Numericable-SFR Term Loan B-6 (USD), (LIBOR + 4.00%, 0.75% Floor), 4.75%, 02/10/23 <sup>(b)</sup>	1,271,286	1,224,751
SESAC Holdco II, LLC First Lien Term Loan, (LIBOR + 4.25%, 1.00% Floor), 5.25%, 02/07/19 <sup>(b)</sup>	1,955,366	1,932,145
Telecommunications Management, LLC First Lien Initial Term Loan, (LIBOR + 3.75%, 1.00% Floor), 4.75%, 04/30/20 <sup>(b)</sup>	1,121,150	1,098,026
Second Lien Initial Term Loan, (LIBOR + 8.00%, 1.00% Floor), 9.00%, 10/30/20 <sup>(b)(d)</sup>	710,475	692,713

See accompanying Notes to Financial Statements. | 11

**Apollo Senior Floating Rate Fund Inc.****Schedule of Investments (continued)****December 31, 2015**

	<u>Principal Amount (\$)</u>	<u>Value (\$)</u>
<b>Senior Loans<sup>(a)</sup> (continued)</b>		
<b>MEDIA: BROADCASTING &amp; SUBSCRIPTION (continued)</b>		
WideOpenWest Finance, LLC Replacement Term Loan B, (LIBOR + 3.50%, 1.00% Floor), 4.50%, 04/01/19 <sup>(b)</sup>	5,553,990	5,368,293
William Morris Endeavor Entertainment, LLC (IMG Worldwide Holdings, LLC) First Lien Term Loan, (LIBOR + 4.25%, 1.00% Floor), 5.25%, 05/06/21 <sup>(b)</sup>	3,978,681	3,919,001
		30,999,664
<b>MEDIA: DIVERSIFIED &amp; PRODUCTION - 1.7%</b>		
Tech Finance & Co S.C.A. (Luxembourg) U.S. Term Loan, (LIBOR + 4.00%, 1.00% Floor), 5.00%, 07/11/20 <sup>(b)(f)</sup>	4,620,741	4,564,137
<b>METALS &amp; MINING - 0.8%</b>		
FMG Resources (August 2006) Pty, Ltd. (FMG America Finance, Inc.) (Australia) Term Loan, (LIBOR + 3.25%, 1.00% Floor), 4.25%, 06/30/19 <sup>(b)(e)(f)</sup>	2,992,347	2,233,907
<b>RETAIL - 9.8%</b>		
Academy, Ltd. Initial Term Loan, (LIBOR + 4.00%, 1.00% Floor), 5.00%, 07/01/22 <sup>(b)(e)</sup>	2,992,044	2,894,174
Albertson s, LLC Term Loan B-2, (LIBOR + 4.50%,		

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1.00% Floor), 5.50%, 03/21/19 <sup>(b)(e)</sup>	1,154,431	1,152,267
Term Loan B-5, (LIBOR + 4.50%, 1.00% Floor), 5.50%, 12/21/22 <sup>(b)(e)</sup>	2,821,062	2,808,367
At Home Holding III, Inc. Term Loan, (LIBOR + 4.00%, 1.00% Floor), 5.00%, 06/03/22 <sup>(b)(d)</sup>	474,553	460,316
Bass Pro Group, LLC 2015 New Term Loan, (LIBOR + 3.25%, 0.75% Floor), 4.00%, 06/05/20 <sup>(b)(e)</sup>	1,712,678	1,654,156
Belk, Inc. Closing Date First Lien Term Loan, (LIBOR + 4.75%, 1.00% Floor), 5.75%, 12/12/22 <sup>(b)</sup>	2,330,709	2,062,677
Charming Charlie, LLC Initial Term Loan, (LIBOR + 8.00%, 1.00% Floor), 9.00%, 12/24/19 <sup>(b)</sup>	5,255,297	4,467,003

**Principal  
Amount (\$)**

**Value (\$)**

**RETAIL (continued)**

David s Bridal, Inc. Initial Term Loan, (LIBOR + 4.00%, 1.25% Floor), 5.25%, 10/11/19 <sup>(b)</sup>	1,174,845	978,646
HMK Intermediate Holdings, LLC Term Loan, (LIBOR + 4.00%, 1.00% Floor), 5.00%, 03/30/19 <sup>(b)</sup>	1,098,972	1,096,225
Mattress Holding Corp. Initial Term Loan, (LIBOR + 4.00%, 1.00% Floor), 5.00%, 10/20/21 <sup>(b)</sup>	2,659,285	2,640,444
PetSmart, Inc. Tranche B-1 Term Loan, (LIBOR + 3.25%, 1.00% Floor), 4.25%, 03/11/22 <sup>(b)</sup>	2,662,863	2,599,287
Sears Roebuck Acceptance Corp. (KMART Corp.) 2015 Term Loan, (LIBOR + 4.50%, 1.00% Floor), 5.50%, 06/30/18 <sup>(b)</sup>	2,974,709	2,803,663
Vince, LLC (Vince Intermediate Holding, LLC)		

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Term Loan B, (LIBOR + 4.75%, 1.00% Floor), 5.75%, 11/27/19 <sup>(b)(d)</sup>	373,918	342,135
		25,959,360

**SERVICES: BUSINESS - 8.8%**

Americold Realty Operating Partnership, L.P. Term Loan B, (LIBOR + 5.50%, 1.00% Floor), 6.50%, 12/01/22 <sup>(b)</sup>	1,459,459	1,452,162
Brock Holdings III, Inc. First Lien Term Loan, (LIBOR + 4.50%, 1.50% Floor), 6.00%, 03/16/17 <sup>(b)</sup>	602,045	562,912
Carecore National, LLC Term Loan, (LIBOR + 4.50%, 1.00% Floor), 5.50%, 03/05/21 <sup>(b)</sup>	1,398,869	1,217,016
EIG Investors Corp. Term Loan, (LIBOR + 4.00%, 1.00% Floor), 5.00%, 11/09/19 <sup>(b)</sup>	3,627,325	3,543,443
Element Materials Technology Group U.S. Holdings, Inc. (Element Materials Technology Holding U.K., Ltd.) Term Loan B, (LIBOR + 4.00%, 1.00% Floor), 5.00%, 08/06/21 <sup>(b)</sup>	641,655	641,655
Evergreen Skills Lux S.a.r.l. First Lien Initial Term Loan, (LIBOR + 4.75%, 1.00% Floor), 5.75%, 04/28/21 <sup>(b)</sup>	2,019,462	1,585,278
Second Lien Initial Term Loan, (LIBOR + 8.25%, 1.00% Floor), 9.25%, 04/28/22 <sup>(b)</sup>	1,000,000	667,500
GCA Services Group, Inc. Second Lien Initial Term Loan, (LIBOR + 8.00%, 1.25% Floor), 9.25%, 11/02/20 <sup>(b)</sup>	834,400	823,970

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**Apollo Senior Floating Rate Fund Inc.****Schedule of Investments (continued)****December 31, 2015**

	<u>Principal Amount (\$)</u>	<u>Value (\$)</u>
<b>Senior Loans<sup>(a)</sup> (continued)</b>		
<b>SERVICES: BUSINESS (continued)</b>		
Genex Holdings, Inc. First Lien Term Loan B, (LIBOR + 4.25%, 1.00% Floor), 5.25%, 05/28/21 <sup>(b)</sup>	1,907,204	1,878,596
IBC Capital, Ltd. First Lien Initial Term Loan, (LIBOR + 3.75%, 1.00% Floor), 4.75%, 09/09/21 <sup>(b)</sup>	1,985,000	1,809,655
Infogroup, Inc. Term Loan B, (LIBOR + 5.50%, 1.50% Floor), 7.00%, 05/26/18 <sup>(b)</sup>	3,471,523	3,269,011
Onex Carestream Finance, L.P. Second Lien Term Loan, (LIBOR + 8.50%, 1.00% Floor), 9.50%, 12/07/19 <sup>(b)</sup>	2,415,389	2,155,734
Packers Holdings, LLC Term Loan B, (LIBOR + 4.00%, 1.00% Floor), 5.00%, 12/02/21 <sup>(b)</sup>	495,000	494,072
SGS Cayman, L.P. Initial Cayman Term Loan, (LIBOR + 5.00%, 1.00% Floor), 6.00%, 04/23/21 <sup>(b)</sup>	428,241	427,170
Sutherland Global Services, Inc. Initial U.S. Term Loan, (LIBOR + 5.00%, 1.00% Floor), 6.00%, 04/23/21 <sup>(b)</sup>	1,839,701	1,835,102
Tyche Holdings, LLC Term Loan B-1, (LIBOR + 3.75%, 1.00% Floor), 4.75%, 11/12/21 <sup>(b)(e)</sup>	735,938	731,339

23,094,615

**SERVICES: CONSUMER - 3.2%**

Laureate Education, Inc. 2018 New Series Extended Term Loan, (LIBOR + 3.75%, 1.25% Floor), 5.00%, 06/15/18 <sup>(b)</sup>	5,161,910	4,303,742
NVA Holdings, Inc. First Lien Term Loan, (LIBOR + 3.75%, 1.00% Floor), 4.75%, 08/14/21 <sup>(b)(e)</sup>	3,172,601	3,156,738
Second Lien Term Loan, (LIBOR + 7.00%, 1.00% Floor), 8.00%, 08/14/22 <sup>(b)</sup>	955,026	939,110
		8,399,590

**TELECOMMUNICATIONS - 7.0%**

Avaya, Inc. Replacement Term Loan B-6, (LIBOR + 5.50%, 1.00% Floor), 6.50%, 03/31/18 <sup>(b)</sup>	2,037,195	1,549,969
Global Tel*Link Corp. First Lien Term Loan, (LIBOR + 3.75%, 1.25% Floor), 5.00%, 05/23/20 <sup>(b)</sup>	5,482,469	4,033,042

<u>Principal Amount (\$)</u>	<u>Value (\$)</u>
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**TELECOMMUNICATIONS (continued)**

Grande Communications Networks, LLC Initial Term Loan, (LIBOR + 3.50%, 1.00% Floor), 4.50%, 05/29/20 <sup>(b)</sup>	3,995,796	3,935,859
LTS Buyer LLC ( Sidera Networks, Inc.) First Lien Term Loan B,  (LIBOR + 3.25%, 0.75%  Floor), 4.00%, 04/13/20 <sup>(b)</sup>	2,351,577	2,296,314
Second Lien Term Loan,  (LIBOR + 6.75%, 1.25%	2,388,172	2,312,061

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Floor), 8.00%, 04/12/21 <sup>(b)</sup> Securus Technologies Holdings, Inc. First Lien Initial Term Loan,  (LIBOR + 3.50%,  1.25% Floor), 4.75%,  04/30/20 <sup>(b)</sup>	2,427,203	1,765,790
Second Lien Initial Term Loan,  (LIBOR + 7.75%,  1.25% Floor), 9.00%, 04/30/21 <sup>(b)</sup>	2,800,000	1,584,800
U.S. TelePacific Corp. Advance Term Loan, (LIBOR + 5.00%, 1.00% Floor), 6.00%,  11/25/20 <sup>(b)</sup>	1,010,609	964,818
		18,442,653
<b>TRANSPORTATION: CARGO - 1.4%</b>		
Carrix, Inc. Term Loan, (LIBOR + 3.50%, 1.00% Floor), 4.50%, 01/07/19 <sup>(b)</sup>	3,869,743	3,618,209
<b>TRANSPORTATION: CONSUMER - 2.8%</b>		
Blue Bird Body Co. Facility Term Loan, (LIBOR + 5.50%, 1.00% Floor), 6.50%,  06/26/20 <sup>(b)</sup>	905,068	898,846
Envision Healthcare Corp. Tranche B-2 Term Loan,  (LIBOR + 3.50%, 1.00%  Floor), 4.50%, 10/28/22 <sup>(b)</sup>	2,260,704	2,251,096
Landmark Aviation FBO Canada, Inc. (Canada) Canadian Term Loan, (LIBOR + 3.75%, 1.00% Floor), 4.75%, 10/25/19 <sup>(b)(f)</sup>	85,886	85,645
LM U.S. Member, LLC (LM U.S. Corp Acquisition, Inc.) First Lien Initial Term Loan,		



(LIBOR + 3.75%, 1.00% Floor), 4.75%, 10/25/19 <sup>(b)</sup>	2,336,075	2,329,510
Travel Leaders Group, LLC Additional Tranche B Term Loan, (LIBOR + 6.00%, 1.00% Floor), 7.00%, 12/07/20 <sup>(b)</sup>	1,786,401	1,768,537
		7,333,634

See accompanying Notes to Financial Statements. | 13

**Apollo Senior Floating Rate Fund Inc.****Schedule of Investments (continued)****December 31, 2015**

	<u>Principal Amount (\$)</u>	<u>Value (\$)</u>
<b>Senior Loans<sup>(a)</sup> (continued)</b>		
<b>UTILITIES: ELECTRIC - 3.1%</b>		
Calpine Corp. Term Loan B-6, (LIBOR + 3.00%, 1.00% Floor), 4.00%, 01/15/23 <sup>(b)(e)</sup>	2,886,076	2,773,043
Granite Acquisition, Inc. Second Lien Term Loan B, (LIBOR + 7.25%, 1.00% Floor), 8.25%, 12/19/22 <sup>(b)</sup>	1,112,864	868,034
Panda Sherman Power, LLC Construction Term Loan Advances, (LIBOR + 7.50%, 1.50% Floor), 9.00%, 09/14/18 <sup>(b)(d)</sup>	1,185,374	1,072,764
Pike Corp. First Lien Initial Term Loan, (LIBOR + 4.50%, 1.00% Floor), 5.50%, 12/22/21 <sup>(b)</sup>	2,530,675	2,518,022
Second Lien Initial Term Loan, (LIBOR + 8.50%, 1.00% Floor), 9.50%, 06/22/22 <sup>(b)</sup>	1,000,000	980,830
		8,212,693
<b>Total Senior Loans (Cost \$410,684,748)</b>		<b>386,607,436</b>

**Corporate Notes and Bonds - 4.7%<sup>(c)</sup>**

**CHEMICALS, PLASTICS & RUBBER - 0.0%**Magnetation, LLC / Mag Finance  
Corp.11.00%, 05/15/18<sup>(d)(i)(j)</sup> 639,000 35,465**CONTAINERS, PACKAGING & GLASS - 0.4%**

Reynolds Group Holdings, Inc.

6.88%, 02/15/21 996,000 1,028,370

**HEALTHCARE & PHARMACEUTICALS - 1.2%**Valeant Pharmaceuticals  
International, Inc. (Canada)7.50%, 07/15/21<sup>(f)(j)</sup> 3,200,000 3,208,000**MEDIA: ADVERTISING, PRINTING & PUBLISHING - 0.5%**

Acosta, Inc.

7.75%, 10/01/22<sup>(i)</sup> 1,600,000 1,416,000**MEDIA: BROADCASTING & SUBSCRIPTION - 1.6%**Columbus International, Inc.  
(Barbados)7.38%, 03/30/21<sup>(f)(j)</sup> 1,285,000 1,276,969

Neptune Finco Corp.

10.13%, 01/15/23<sup>(i)</sup> 105,000 109,72510.88%, 10/15/25<sup>(i)</sup> 687,000 721,350

Radio One, Inc.

7.38%, 04/15/22<sup>(i)</sup> 882,000 788,2879.25%, 02/15/20<sup>(i)</sup> 1,484,000 1,179,780

4,076,111

**Principal  
Amount****Value (\$)****MEDIA: DIVERSIFIED & PRODUCTION - 1.0%**

SiTV, Inc.

10.38%, 07/01/19<sup>(i)</sup> 3,420,000 2,753,100**Total Corporate Notes and  
Bonds****(Cost \$14,300,902) 12,517,046****Value (\$)**

**Share  
Quantity**

**Preferred Stock - 1.5%****BANKING, FINANCE, INSURANCE & REAL ESTATE - 1.5%**

Watford Holdings, Ltd. (Bermuda)

8.50% <sup>(d)(f)</sup>

160,000

3,826,088

**Total Preferred Stock****(Cost \$3,920,000)****3,826,088****Warrants - 0.0%****BANKING, FINANCE, INSURANCE & REAL ESTATE - 0.0%**

Medical Card System, Inc.

07/26/18<sup>(d)(k)</sup>

54,913

**Total Warrants****(Cost \$ )****Total Investments-153.0%****(Cost of \$428,905,650) <sup>(l)</sup>****402,950,570****Other Assets & Liabilities,****Net-3.7%****9,717,763****Loan Outstanding-(56.7)% <sup>(m)(n)</sup>****(149,230,295)****Net Assets (Applicable to****Common Shares)-100.0%****263,438,038**

14 | See accompanying Notes to Financial Statements.

**Apollo Senior Floating Rate Fund Inc.****Schedule of Investments (continued)****December 31, 2015**

- (a) Senior Loans are senior, secured loans made to companies whose debt is rated below investment grade and investments with similar characteristics. Senior Loans typically hold a first lien priority and pay interest at rates that are determined periodically on the basis of a floating base lending rate plus a spread. Unless otherwise identified, all Senior Loans carry a variable rate of interest. These base lending rates are primarily the London Interbank Offered Rate ( LIBOR ) and secondarily the prime rate offered by one or more major U.S. banks and the certificate of deposit rate used by commercial lenders. The rates shown represent the weighted average rate at December 31, 2015. Senior Loans are generally not registered under the Securities Act of 1933 (the 1933 Act ) and often contain certain restrictions on resale and cannot be sold publicly. Senior Loans often require prepayments from excess cash flow or permit the borrower to repay at its election. The degree to which borrowers repay, whether as a contractual requirement or at their election, cannot be predicted with accuracy. As a result, the actual maturity may be substantially less than the stated maturity shown.
- (b) The interest rate on this Senior Loan is subject to a base rate plus 1 month or 3 month LIBOR, which at December 31, 2015 was 0.43% and 0.61%, respectively. As the interest rate is subject to a minimum LIBOR floor which was greater than the 1 month or 3 month LIBOR rate at December 31, 2015, the prevailing rate in effect at December 31, 2015 was the base rate plus the LIBOR floor, except as otherwise indicated.
- (c) Fixed rate asset.
- (d) Fair Value Level 3 security. All remaining securities are categorized as Level 2.
- (e) All or a portion of this Senior Loan position has not settled. Full contract rates do not take effect until settlement date, therefore, are subject to change.
- (f) Foreign issuer traded in U.S. dollars.
- (g) The issuer is in default of its payment obligations as of January 30, 2015, as such, income is no longer being accrued. Subsequent to year end, the issuer sent a notification of restructuring effective January 20, 2016 and is no longer in default.
- (h) Represents a payment-in-kind ( PIK ) security which may pay interest in additional principal amount.
- (i) The issuer is in default of its payment obligations as of May 5, 2015, as such, income is no longer being accrued. Subsequent to year end, the issuer paid a cash dividend to all shareholders on record as of January 6, 2016 which was recorded as a cost basis adjustment.
- (j) Securities exempt from registration pursuant to Rule 144A under the 1933 Act. These securities may only be resold in transactions exempt from registration to qualified institutional buyers. At December 31, 2015, these securities amounted to \$11,488,676, or 4.4% of net assets.
- (k) Non-income producing asset.
- (l) The aggregate cost of securities for federal income tax purposes was \$429,118,442. Cost for U.S. federal income tax purposes differs from book basis primarily due to the deferral of losses from wash sales and defaulted security interest adjustments. Unrealized appreciation and depreciation on investments were as follows:

Gross unrealized appreciation	\$	927,102
Gross unrealized depreciation		(27,094,974)

Net unrealized depreciation	\$ (26,167,872)
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- (m) The Fund has granted a security interest in substantially all of its assets in the event of default under the credit facility.
- (n) Principal \$149,269,000 less unamortized deferred financing costs of \$38,705.

See accompanying Notes to Financial Statements. | 15

**Apollo Tactical Income Fund Inc.****Schedule of Investments****December 31, 2015**

	<u>Principal Amount (\$)</u>	<u>Value (\$)</u>
<b>Senior Loans - 109.9%<sup>(a)</sup></b>		
<b>AEROSPACE &amp; DEFENSE - 5.4%</b>		
Camp International Holding Co. 2013 Second Lien Replacement Term Loan, (LIBOR + 7.25%, 1.00% Floor), 8.25%, 11/29/19 <sup>(b)</sup>	1,350,000	1,262,250
DAE Aviation Holdings, Inc. Initial Term Loan, (LIBOR + 4.25%, 1.00% Floor), 5.25%, 07/07/22 <sup>(b)</sup>	3,165,843	3,156,741
Photonis Technologies SAS First Lien Initial Dollar Term Loan, (LIBOR + 7.50%, 1.00% Floor), 8.50%, 09/18/19 <sup>(b)</sup>	1,965,660	1,887,034
TASC, Inc. First Lien New Term Loan, (LIBOR + 6.00%, 1.00% Floor), 7.00%, 05/22/20 <sup>(b)</sup>	458,769	453,034
First Lien Term Loan, (LIBOR + 6.00%, 1.00% Floor), 7.00%, 05/22/20 <sup>(b)</sup>	1,310,202	1,293,824
Second Lien Term Loan, 12.00%, 05/21/21 <sup>(c)</sup>	2,233,239	2,294,653
US Joiner Holding Co. Term Loan, (LIBOR + 6.00%, 1.00% Floor), 7.00%, 04/16/20 <sup>(b)(d)</sup>	1,629,932	1,613,633
Vencore, Inc. Second Lien Term Loan, (LIBOR + 8.00%, 1.00% Floor), 9.00%, 05/23/20 <sup>(b)</sup>	606,000	595,395
		12,556,564

**AUTOMOTIVE - 1.4%**

American Tire Distributors, Inc.

Initial Term Loan, (LIBOR + 4.25%, 1.00% Floor), 5.25%, 09/01/21 <sup>(b)</sup>	1,862,328	1,837,503
U.S. Farathane, LLC Initial Term Loan, (LIBOR + 5.75%, 1.00% Floor), 6.75%, 12/23/21 <sup>(b)(d)(e)</sup>	1,361,382	1,349,470
		3,186,973

**BANKING, FINANCE, INSURANCE & REAL ESTATE - 6.0%**

AqGen Island Intermediate Holdings, Inc. First Lien Term Loan, (LIBOR + 4.50%, 1.00% Floor), 5.50%, 12/05/22 <sup>(b)</sup>	2,481,176	2,332,306
Asurion, LLC Incremental Tranche B-1 Term Loan, (LIBOR + 3.75%, 1.25% Floor), 5.00%, 05/24/19 <sup>(b)(e)</sup>	280,909	263,968
Incremental Tranche B-4 Term Loan, (LIBOR + 4.00%, 1.00% Floor), 5.00%, 08/04/22 <sup>(b)</sup>	193,503	177,442
Second Lien Term Loan, (LIBOR + 7.50%, 1.00% Floor), 8.50%, 03/03/21 <sup>(b)</sup>	4,141,792	3,564,012

<u>Principal</u>	<u>Value (\$)</u>
<u>Amount (\$)</u>	<u>Value (\$)</u>

**BANKING, FINANCE, INSURANCE & REAL ESTATE (continued)**

Hyperion Insurance Group, Ltd. (United Kingdom) Initial Term Loan, (LIBOR + 4.50%, 1.00% Floor), 5.50%, 04/29/22 <sup>(b)(f)</sup>	2,031,316	2,011,003
Jefferies Finance, LLC (JFIN Co-Issuer Corp.) Term Loan, (LIBOR + 3.50%, 1.00% Floor), 4.50%, 05/14/20 <sup>(b)(d)</sup>	1,514,130	1,504,667
Medical Card System, Inc. Term Loan (3.00% PIK), (LIBOR + 10.00%, 2.00% Floor), 11.07%, 03/17/17 <sup>(b)(d)(g)(h)</sup>	4,390,656	2,828,417
MMM Holdings, Inc. MMM Term Loan, (LIBOR + 8.25%, 1.50% Floor), 9.75%, 12/12/17 <sup>(b)(d)</sup>	1,138,536	678,378
MSO of Puerto Rico, Inc.		



MSO Term Loan, (LIBOR + 8.25%, 1.50% Floor), 9.75%, 12/12/17 <sup>(b)(d)</sup>	827,710	493,177
		13,853,370

**BEVERAGE, FOOD & TOBACCO - 3.8%**

Charger OpCo B.V. (Oak Tea, Inc.) (Netherlands) Term Loan B-1 (USD), (LIBOR + 3.50%, 0.75% Floor), 4.25%, 07/02/22 <sup>(b)(f)</sup>	3,646,622	3,637,506
Hearthside Group Holdings, LLC Term Loan, (LIBOR + 3.50%, 1.00% Floor), 4.50%, 06/02/21 <sup>(b)</sup> PFS Holding Corp. Second Lien Term Loan, (LIBOR + 7.25%, 1.00% Floor), 8.25%, 01/31/22 <sup>(b)</sup>	1,554,819	1,527,610
Winebow Holdings, Inc. (The Vintner Group, Inc.) First Lien Term Loan, (LIBOR + 3.75%, 1.00% Floor), 4.75%, 07/01/21 <sup>(b)</sup> Second Lien Term Loan, (LIBOR + 7.50%, 1.00% Floor), 8.50%, 01/02/22 <sup>(b)(d)</sup>	499,800	354,858
	997,468	972,532
	2,505,795	2,355,447
		8,847,953

**CAPITAL EQUIPMENT - 1.0%**

Zebra Technologies Corp. Initial Term Loan, (LIBOR + 4.00%, 0.75% Floor), 4.75%, 10/27/21 <sup>(b)</sup>	2,250,426	2,256,165
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**CHEMICALS, PLASTICS & RUBBER - 1.6%**

Chemstralia Pty, Ltd. ( Chemstralia Finco, LLC) (Australia) Initial Term Loan, (LIBOR + 6.25%, 1.00% Floor), 7.25%, 02/28/22 <sup>(b)(d)(f)</sup>	2,255,682	2,210,568
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16 | See accompanying Notes to Financial Statements.

**Apollo Tactical Income Fund Inc.****Schedule of Investments (continued)****December 31, 2015**

	<u>Principal Amount (\$)</u>	<u>Value (\$)</u>
<b>Senior Loans<sup>(a)</sup> (continued)</b>		
<b>CHEMICALS, PLASTICS &amp; RUBBER (continued)</b>		
Magnetation, LLC / Mag Finance Corp. Term Loan (3.00% PIK), 12.00%, 03/07/16 <sup>(c)(d)(h)</sup>	1,176,347	594,644
PetroChoice Holdings, Inc. First Lien Initial Term Loan, (LIBOR + 5.00%, 1.00% Floor), 6.00%, 08/19/22 <sup>(b)</sup>	1,012,500	997,313
		3,802,525
 <b>CONSUMER GOODS: NON-DURABLE - 3.9%</b>		
ABG Intermediate Holdings 2, LLC First Lien Term Loan, (LIBOR + 4.50%, 1.00% Floor), 5.50%, 05/27/21 <sup>(b)</sup>	3,487,876	3,441,382
BRG Sports, Inc. First Lien Term Loan, (LIBOR + 5.50%, 1.00% Floor), 6.50%, 04/15/21 <sup>(b)</sup>	1,359,058	1,343,768
Fender Musical Instruments Corp. Initial Term Loan, (LIBOR + 4.50%, 1.25% Floor), 5.75%, 04/03/19 <sup>(b)</sup>	265,000	262,681
Nine West Holdings, Inc. Unsecured Initial Term Loan, (LIBOR + 5.25%, 1.00% Floor), 6.25%, 01/08/20 <sup>(b)</sup>	658,474	333,188
Polyconcept Investments B.V. Term Loan, (LIBOR + 4.75%, 1.25% Floor), 6.00%, 06/28/19 <sup>(b)</sup>	2,538,880	2,523,012
The Topps Company, Inc.		

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Term Loan, (LIBOR + 6.00%, 1.25% Floor), 7.25%, 10/02/18 <sup>(b)</sup>	1,108,971	1,088,178
		8,992,209

**CONTAINERS, PACKAGING & GLASS - 4.0%**

BWay Intermediate Company, Inc. Initial Term Loan, (LIBOR + 4.50%, 1.00% Floor), 5.50%, 08/14/20 <sup>(b)</sup>	4,771,373	4,601,417
Hoover Group, Inc. Initial Term Loan, (LIBOR + 6.75%, 1.00% Floor), 7.75%, 01/28/21 <sup>(b)(d)</sup>	769,432	719,419
NVLX Acquisition, LLC First Lien Term Loan, (LIBOR + 5.00%, 1.00% Floor), 6.00%, 12/05/21 <sup>(b)</sup>	2,038,221	2,038,730
Pelican Products, Inc. First Lien Term Loan, (LIBOR + 4.25%, 1.00% Floor), 5.25%, 04/10/20 <sup>(b)</sup>	1,956,212	1,924,424
		9,283,990

**ENERGY: OIL & GAS - 7.0%**

American Energy - Marcellus, LLC First Lien Initial Term Loan, (LIBOR + 4.25%, 1.00% Floor), 5.25%, 08/04/20 <sup>(b)</sup>	1,561,946	424,329
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<b>Principal</b>	
<b><u>Amount (\$)</u></b>	<b><u>Value (\$)</u></b>

**ENERGY: OIL & GAS (continued)**

Azure Midstream Energy, LLC Term Loan, (LIBOR + 6.50%, 1.00% Floor), 7.50%, 11/15/18 <sup>(b)(d)</sup>	498,651	296,697
BlackBrush Oil & Gas, L.P. Closing Date Second Lien Term Loan, (LIBOR + 6.50%, 1.00% Floor), 7.50%, 07/30/21 <sup>(b)(e)</sup>	3,700,224	2,987,931
Chelsea Petroleum Products I, LLC Term Loan B, (LIBOR + 4.25%,		

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1.00% Floor), 5.25%, 10/28/22 <sup>(b)</sup> Chief Exploration & Development, LLC Second Lien Term Loan, (LIBOR + 6.50%, 1.00% Floor), 7.50%, 05/16/21 <sup>(b)</sup>	1,761,092	1,717,065
Drillships Financing Holding, Inc. Tranche B-1 Term Loan, (LIBOR + 5.00%, 1.00% Floor), 6.00%, 03/31/21 <sup>(b)</sup> EMG Utica, LLC Term Loan, (LIBOR + 3.75%, 1.00% Floor), 4.75%, 03/27/20 <sup>(b)</sup>	2,926,177	1,999,559
HGIM Corp. Term Loan A, (LIBOR + 4.00%, 1.00% Floor), 5.00%, 06/18/18 <sup>(b)(d)</sup>	2,683,081	1,090,002
Sheridan Investment Partners I, LLC Tranche B-2 Term Loan, (LIBOR + 3.50%, 0.75% Floor), 4.25%, 10/01/19 <sup>(b)(e)</sup>	1,849,136	1,682,714
Sheridan Production Partners I-A, L.P. Tranche B-2 Term Loan, (LIBOR + 3.50%, 0.75% Floor), 4.25%, 10/01/19 <sup>(b)(e)</sup>	612,675	468,696
Sheridan Production Partners I-M, L.P. Tranche B-2 Term Loan, (LIBOR + 3.50%, 0.75% Floor), 4.25%, 10/01/19 <sup>(b)(e)</sup>	474,168	278,574
Southcross Energy Partners, L.P. Initial Term Loan, (LIBOR + 4.25%, 1.00% Floor), 5.25%, 08/04/21 <sup>(b)(d)</sup>	62,831	36,913
Southcross Holdings Borrower, L.P. Term Loan, (LIBOR + 5.00%, 1.00% Floor), 6.00%, 08/04/21 <sup>(b)</sup>	38,378	22,547
Sprint Industrial Holdings, LLC First Lien Term Loan, (LIBOR + 5.75%, 1.25% Floor), 7.00%, 05/14/19 <sup>(b)</sup>	1,573,481	1,125,039
Targa Resources Corp. Term Loan, (LIBOR + 4.75%, 1.00% Floor), 5.75%, 02/27/22 <sup>(b)</sup>	858,606	463,647
	2,606,105	2,228,220
	371,251	361,042

See accompanying Notes to Financial Statements. | 17

**Apollo Tactical Income Fund Inc.****Schedule of Investments (continued)****December 31, 2015**

	<u>Principal Amount (\$)</u>	<u>Value (\$)</u>
<b>Senior Loans<sup>(a)</sup> (continued)</b>		
<b>ENERGY: OIL &amp; GAS (continued)</b>		
W3 Co.		
First Lien Term Loan, (LIBOR + 4.50%, 1.25% Floor), 5.75%, 03/13/20 <sup>(b)</sup>	1,095,589	925,773
		16,108,748
<b>ENVIRONMENTAL INDUSTRIES - 1.2%</b>		
Emerald 2, Ltd. (United Kingdom)		
Facility B-1 Term Loan, (LIBOR + 4.00%, 1.00% Floor), 5.00%, 05/14/21 <sup>(b)(f)</sup>	2,901,337	2,785,283
<b>FOREST PRODUCTS &amp; PAPER - 1.8%</b>		
Caraustar Industries, Inc.		
Incremental Term Loan, (LIBOR + 6.75%, 1.25% Floor), 8.00%, 05/01/19 <sup>(b)</sup>	1,338,322	1,331,075
Term Loan, (LIBOR + 6.75%, 1.25% Floor), 8.00%, 05/01/19 <sup>(b)</sup>	2,711,090	2,702,618
		4,033,693
<b>HEALTHCARE &amp; PHARMACEUTICALS - 14.1%</b>		
Alvogen Pharma US, Inc.		
First Lien Term Loan, (LIBOR + 5.00%, 1.00% Floor), 6.00%, 04/01/22 <sup>(b)</sup>	1,235,351	1,209,100
Greatbatch, Ltd.		
Term Loan B, (LIBOR + 4.25%, 1.00% Floor), 5.25%, 10/27/22 <sup>(b)</sup>	3,689,270	3,662,763
HC Group Holdings III, Inc.		
First Lien Initial Term Loan,		

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(LIBOR + 5.00%, 1.00% Floor), 6.00%, 04/07/22 <sup>(b)</sup>	498,750	496,880
Jaguar Holding Co. II /Pharmaceutical Product Development, LLC Initial Term Loan, (LIBOR + 3.25%, 1.00% Floor), 4.25%, 08/18/22 <sup>(b)</sup>	2,569,041	2,503,209
Lanai Holdings III, Inc. First Lien Term Loan B, (LIBOR + 4.25%, 1.00% Floor), 5.25%, 08/29/22 <sup>(b)(d)</sup>	2,011,364	1,971,137
Opal Acquisition, Inc. Term Loan B, (LIBOR + 4.00%, 1.00% Floor), 5.00%, 11/27/20 <sup>(b)</sup>	4,460,896	3,728,550
Premier Dental Services, Inc. New Term Loan, (LIBOR + 6.50%, 1.00% Floor), 7.50%, 11/01/18 <sup>(b)</sup>	3,363,933	2,951,851
Smile Brands Group, Inc. Term Loan B (1.5% PIK), (LIBOR + 7.75%, 1.25% Floor), 9.00%, 08/16/19 <sup>(b)</sup>	3,607,211	2,611,621
Steward Health Care System, LLC Term Loan, (LIBOR + 5.50%, 1.25% Floor), 6.75%, 04/10/20 <sup>(b)(d)</sup>	1,269,919	1,250,870

<b>Principal</b>
<b><u>Amount (\$)</u></b>
<b><u>Value (\$)</u></b>

**HEALTHCARE & PHARMACEUTICALS (continued)**

Surgery Center Holdings, Inc. First Lien Initial Term Loan, (LIBOR + 4.25%, 1.00% Floor), 5.25%, 11/03/20 <sup>(b)(e)</sup>	3,140,556	3,111,757
Second Lien Initial Term Loan, (LIBOR + 7.50%, 1.00% Floor), 8.50%, 11/03/21 <sup>(b)</sup>	1,760,714	1,672,679
Team Health, Inc. Term Loan B, (LIBOR + 3.75%, 0.75% Floor), 4.50%, 11/23/22 <sup>(b)</sup>	2,884,165	2,879,666
U.S. Renal Care, Inc. Term Loan B, (LIBOR + 4.25%, 1.00% Floor), 5.25%, 12/30/22 <sup>(b)(e)</sup>	2,612,245	2,595,918
Valeant Pharmaceuticals International, Inc. (Canada) Tranche B Term Loan Series D-2, (LIBOR + 2.75%, 0.75%		

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Floor), 3.50%, 02/13/19 <sup>(b)(e)(f)</sup>	731,402	707,240
Tranche B Term Loan Series F-1, (LIBOR + 3.25%, 0.75% Floor), 4.00%, 04/01/22 <sup>(b)(f)</sup>	1,263,573	1,218,558
		32,571,799

**HIGH TECH INDUSTRIES - 14.3%**

Avago Technologies Cayman Finance, Ltd. (Cayman Islands) 2022 Tranche B Term Loan, (LIBOR + 3.50%, 0.75% Floor), 4.25%, 11/11/22 <sup>(b)(e)(f)</sup>	4,253,087	4,216,213
Deltek, Inc. First Lien Term Loan, (LIBOR + 4.00%, 1.00% Floor), 5.00%, 06/25/22 <sup>(b)</sup>	1,850,162	1,832,428
Second Lien Term Loan, (LIBOR + 8.50%, 1.00% Floor), 9.50%, 06/26/23 <sup>(b)</sup>	1,124,528	1,114,688
Flexera Software, LLC Second Lien Term Loan, (LIBOR + 7.00%, 1.00% Floor), 8.00%, 04/02/21 <sup>(b)(e)</sup>	2,628,292	2,481,541
GTCR Valor Companies, Inc. First Lien Initial Term Loan, (LIBOR + 5.00%, 1.00% Floor), 6.00%, 05/30/21 <sup>(b)</sup>	2,360,143	2,348,342
Informatica Corp. Dollar Term Loan, (LIBOR + 3.50%, 1.00% Floor), 4.50%, 08/05/22 <sup>(b)</sup>	1,969,754	1,901,167
Landslide Holdings, Inc. (Crimson Acquisition Corp.) Second Lien Term Loan, (LIBOR + 7.25%, 1.00% Floor), 8.25%, 02/25/21 <sup>(b)(d)</sup>	1,682,000	1,547,440

18 | See accompanying Notes to Financial Statements.

**Apollo Tactical Income Fund Inc.****Schedule of Investments (continued)****December 31, 2015**

	<u>Principal Amount (\$)</u>	<u>Value (\$)</u>
<b>Senior Loans<sup>(a)</sup> (continued)</b>		
<b>HIGH TECH INDUSTRIES (continued)</b>		
Lanyon Solutions, Inc. (Lanyon, Inc.) First Lien Term Loan, (LIBOR + 4.50%, 1.00% Floor), 5.50%, 11/13/20 <sup>(b)</sup>	576,827	558,801
Second Lien Term Loan, (LIBOR + 8.50%, 1.00% Floor), 9.50%, 11/15/21 <sup>(b)</sup>	2,219,037	2,082,200
MSC Software Corp. First Lien Initial Term Loan, (LIBOR + 4.00%, 1.00% Floor), 5.00%, 05/29/20 <sup>(b)</sup>	887,485	869,735
Second Lien Initial Term Loan, (LIBOR + 7.50%, 1.00% Floor), 8.50%, 05/31/21 <sup>(b)(d)</sup>	2,550,000	2,244,000
Riverbed Technology, Inc. Term Loan, (LIBOR + 5.00%, 1.00% Floor), 6.00%, 04/25/22 <sup>(b)</sup>	2,065,019	2,059,856
RP Crown Parent, LLC First Lien New Term Loan, (LIBOR + 5.00%, 1.00% Floor), 6.00%, 12/21/18 <sup>(b)</sup>	3,075,140	2,750,051
Second Lien Term Loan, (LIBOR + 10.00%, 1.25% Floor), 11.25%, 12/21/19 <sup>(b)</sup>	1,000,000	825,830
Sophia, L.P. Closing Date Term Loan, (LIBOR + 3.75%, 1.00% Floor), 4.75%, 09/30/22 <sup>(b)</sup>	3,712,809	3,675,681
TIBCO Software, Inc. Term Loan, (LIBOR + 5.50%, 1.00% Floor), 6.50%, 12/04/20 <sup>(b)(e)</sup>	2,799,157	2,550,732
		33,058,705



**HOTEL, GAMING & LEISURE - 5.5%**

CDS U.S. Intermediate Holdings, Inc. First Lien Initial Term Loan, (LIBOR + 4.00%, 1.00% Floor), 5.00%, 07/08/22 <sup>(b)(e)</sup>	2,085,200	1,972,245
Delta 2 (Lux) S.a.r.l. (Luxembourg) Facility B3 Term Loan (USD), (LIBOR + 3.75%, 1.00% Floor), 4.75%, 07/30/21 <sup>(b)(f)</sup>	3,586,635	3,479,036
Diamond Resorts Corp. Term Loan, (LIBOR + 4.50%, 1.00% Floor), 5.50%, 05/09/21 <sup>(b)</sup>	2,488,546	2,466,772
Global Cash Access, Inc. Term Loan B, (LIBOR + 5.25%, 1.00% Floor), 6.25%, 12/18/20 <sup>(b)</sup>	1,104,023	1,032,262
The Intertain Group, Ltd. (The Intertain Group Finance, LLC) (Canada) Initial Term Loan B, (LIBOR + 6.50%, 1.00% Floor), 7.50%, 04/08/22 <sup>(b)(f)</sup>	797,203	795,210

<u>Principal</u>	<u>Amount (\$)</u>	<u>Value (\$)</u>
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**HOTEL, GAMING & LEISURE (continued)**

Planet Fitness Holdings, LLC Term Loan, (LIBOR + 3.75%, 1.00% Floor), 4.75%, 03/31/21 <sup>(b)</sup>	1,808,851	1,786,241
Scientific Games International, Inc. Initial Term Loan, (LIBOR + 5.00%, 1.00% Floor), 6.00%, 10/18/20 <sup>(b)</sup>	1,340,445	1,230,576
		12,762,342

**MEDIA: ADVERTISING, PRINTING & PUBLISHING - 3.0%**

ALM Media, LLC First Lien Term Loan B, (LIBOR + 4.50%, 1.00% Floor), 5.50%, 07/31/20 <sup>(b)(d)</sup>	3,871,288	3,774,506
F & W Media, Inc. Initial Term Loan, (LIBOR + 7.25%, 1.25% Floor), 8.50%, 06/30/19 <sup>(b)</sup>	3,173,407	3,141,673
		6,916,179

**MEDIA: BROADCASTING & SUBSCRIPTION - 6.9%**

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Emmis Operating Corp. Term Loan, (LIBOR + 6.00%, 1.00% Floor), 7.00%, 06/10/21 <sup>(b)</sup>	1,487,273	1,301,364
Hemisphere Media Holdings, LLC (Intermedia Espanol, Inc.) New Term Loan B, (LIBOR + 4.00%, 1.00% Floor), 5.00%, 07/30/20 <sup>(b)</sup>	2,531,899	2,462,272
Learfield Communications, Inc. Second Lien Initial Term Loan, (LIBOR + 7.75%, 1.00% Floor), 8.75%, 10/08/21 <sup>(b)</sup>	1,102,393	1,091,369
Neptune Finco Corp. Initial Term Loan, (LIBOR + 4.00%, 1.00% Floor), 5.00%, 10/09/22 <sup>(b)(e)</sup>	4,050,012	4,051,288
Numericable-SFR (France) Term Loan B-6 (USD), (LIBOR + 4.00%, 0.75% Floor), 4.75%, 02/10/23 <sup>(b)(f)</sup>	1,271,286	1,224,751
SESAC Holdco II, LLC First Lien Term Loan, (LIBOR + 4.25%, 1.00% Floor), 5.25%, 02/07/19 <sup>(b)</sup>	1,943,116	1,920,041
Telecommunications Management, LLC Second Lien Initial Term Loan, (LIBOR + 8.00%, 1.00% Floor), 9.00%, 10/30/20 <sup>(b)(d)</sup>	1,065,712	1,039,069
William Morris Endeavor Entertainment, LLC (IMG Worldwide Holdings, LLC) First Lien Term Loan, (LIBOR + 4.25%, 1.00% Floor), 5.25%, 05/06/21 <sup>(b)</sup>	2,988,170	2,943,348
		16,033,502

See accompanying Notes to Financial Statements. | 19

**Apollo Tactical Income Fund Inc.****Schedule of Investments (continued)****December 31, 2015**

	<u>Principal Amount (\$)</u>	<u>Value (\$)</u>
<b>Senior Loans<sup>(a)</sup> (continued)</b>		
<b>MEDIA: DIVERSIFIED &amp; PRODUCTION - 1.7%</b>		
Tech Finance & Co S.C.A. (Luxembourg) U.S. Term Loan, (LIBOR + 4.00%, 1.00% Floor), 5.00%, 07/11/20 <sup>(b)(f)</sup>	3,926,640	3,878,539
<b>METALS &amp; MINING - 1.0%</b>		
FMG Resources (August 2006) Pty, Ltd. (FMG America Finance, Inc.) (Australia) Term Loan, (LIBOR + 3.25%, 1.00% Floor), 4.25%, 06/30/19 <sup>(b)(e)(f)</sup>	2,992,347	2,233,907
<b>RETAIL - 6.7%</b>		
Academy, Ltd. Initial Term Loan, (LIBOR + 4.00%, 1.00% Floor), 5.00%, 07/01/22 <sup>(b)</sup>	2,176,033	2,104,855
Albertson s, LLC Term Loan B-2, (LIBOR + 4.50%, 1.00% Floor), 5.50%, 03/21/19 <sup>(b)(e)</sup>	334,987	334,359
Term Loan B-5, (LIBOR + 4.50%, 1.00% Floor), 5.50%, 12/21/22 <sup>(b)(e)</sup>	910,531	906,434
At Home Holding III, Inc. Term Loan, (LIBOR + 4.00%, 1.00% Floor), 5.00%, 06/03/22 <sup>(b)(d)</sup>	474,553	460,316
Bass Pro Group, LLC 2015 New Term Loan, (LIBOR + 3.25%, 0.75% Floor), 4.00%,		

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06/05/20 <sup>(b)(e)</sup> Belk, Inc. Closing Date First Lien Term Loan, (LIBOR + 4.75%, 1.00% Floor), 5.75%, 12/12/22 <sup>(b)</sup>	1,712,678	1,654,156
Charming Charlie, LLC Initial Term Loan, (LIBOR + 8.00%, 1.00% Floor), 9.00%, 12/24/19 <sup>(b)</sup>	2,330,709	2,062,677
David s Bridal, Inc. Initial Term Loan, (LIBOR + 4.00%, 1.25% Floor), 5.25%, 10/11/19 <sup>(b)</sup>	1,208,489	1,027,216
Mattress Holding Corp. Initial Term Loan, (LIBOR + 4.00%, 1.00% Floor), 5.00%, 10/20/21 <sup>(b)</sup>	1,174,845	978,646
Sears Roebuck Acceptance Corp. (K MART Corp.) 2015 Term Loan, (LIBOR + 4.50%, 1.00% Floor), 5.50%, 06/30/18 <sup>(b)</sup>	2,659,285	2,640,444
	3,126,498	2,946,724

<b>Principal</b>	
<b><u>Amount (\$)</u></b>	<b><u>Value (\$)</u></b>

**RETAIL (continued)**

Vince, LLC (Vince Intermediate Holding, LLC) Term Loan B, (LIBOR + 4.75%, 1.00% Floor), 5.75%, 11/27/19 <sup>(b)(d)</sup>	373,918	342,135
		15,457,962

**SERVICES: BUSINESS - 9.0%**

Americold Realty Operating Partnership, L.P. Term Loan B, (LIBOR + 5.50%, 1.00% Floor), 6.50%, 12/01/22 <sup>(b)</sup>	1,459,459	1,452,162
Carecore National, LLC Term Loan, (LIBOR + 4.50%, 1.00% Floor), 5.50%, 03/05/21 <sup>(b)</sup>	989,925	861,234
EIG Investors Corp. Term Loan, (LIBOR + 4.00%, 1.00% Floor), 5.00%, 11/09/19 <sup>(b)</sup>	1,861,541	1,818,493
Element Materials Technology Group U.S. Holdings, Inc. (Element Materials Technology Holding U.K., Ltd.)		

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Term Loan B, (LIBOR + 4.00%, 1.00% Floor), 5.00%, 08/06/21 <sup>(b)</sup> Evergreen Skills Lux S.a.r.l.	641,655	641,655
First Lien Initial Term Loan, (LIBOR + 4.75%, 1.00% Floor), 5.75%, 04/28/21 <sup>(b)</sup>	992,462	779,083
Second Lien Initial Term Loan, (LIBOR + 8.25%, 1.00% Floor), 9.25%, 04/28/22 <sup>(b)</sup> Genex Holdings, Inc.	1,000,000	667,500
First Lien Term Loan B, (LIBOR + 4.25%, 1.00% Floor), 5.25%, 05/28/21 <sup>(b)</sup> Infogroup, Inc.	1,907,204	1,878,596
Term Loan B, (LIBOR + 5.50%, 1.50% Floor), 7.00%, 05/26/18 <sup>(b)</sup> Onex Carestream Finance, L.P.	3,350,297	3,154,857
Second Lien Term Loan, (LIBOR + 8.50%, 1.00% Floor), 9.50%, 12/07/19 <sup>(b)</sup> SGS Cayman, L.P.	5,448,718	4,862,981
Initial Cayman Term Loan, (LIBOR + 5.00%, 1.00% Floor), 6.00%, 04/23/21 <sup>(b)</sup> SMG	428,241	427,170
2014 Second Lien Term Loan, (LIBOR + 8.25%, 1.00% Floor), 9.25%, 02/27/21 <sup>(b)(d)</sup>	2,490,000	2,502,450
Sutherland Global Services, Inc. Initial U.S. Term Loan, (LIBOR + 5.00%, 1.00% Floor), 6.00%, 04/23/21 <sup>(b)</sup>	1,839,701	1,835,102
		20,881,283
<b>SERVICES: CONSUMER - 2.0%</b>		
Laureate Education, Inc. 2018 New Series Extended Term Loan, (LIBOR + 3.75%, 1.25% Floor), 5.00%, 06/15/18 <sup>(b)</sup>	4,297,355	3,582,920

20 | See accompanying Notes to Financial Statements.

**Apollo Tactical Income Fund Inc.****Schedule of Investments (continued)****December 31, 2015**

	<u>Principal Amount (\$)</u>	<u>Value (\$)</u>
<b>Senior Loans<sup>(a)</sup> (continued)</b>		
<b>SERVICES: CONSUMER (continued)</b>		
NVA Holdings, Inc. Second Lien Term Loan, (LIBOR + 7.00%, 1.00% Floor), 8.00%, 08/14/22 <sup>(b)</sup>	955,026	939,110
		4,522,030
<b>TELECOMMUNICATIONS - 3.0%</b>		
Avaya, Inc. Term Loan B-3, (LIBOR + 4.50%, 0.00% Floor), 4.93%, 10/26/17 <sup>(b)(e)</sup>	559,825	432,815
Global Tel*Link Corp. First Lien Term Loan, (LIBOR + 3.75%, 1.25% Floor), 5.00%, 05/23/20 <sup>(b)</sup>	1,192,030	876,887
LTS Buyer LLC ( Sidera Networks, Inc.) Second Lien Term Loan, (LIBOR + 6.75%, 1.25% Floor), 8.00%, 04/12/21 <sup>(b)</sup>	1,931,507	1,869,950
Securus Technologies Holdings, Inc. Second Lien Initial Term Loan, (LIBOR + 7.75%, 1.25% Floor), 9.00%, 04/30/21 <sup>(b)</sup>	5,000,000	2,830,000
U.S. TelePacific Corp. Advance Term Loan, (LIBOR + 5.00%, 1.00% Floor), 6.00%, 11/25/20 <sup>(b)</sup>	1,010,609	964,818
		6,974,470
<b>TRANSPORTATION: CARGO - 1.6%</b>		

Carrix, Inc. Term Loan, (LIBOR + 3.50%, 1.00% Floor), 4.50%, 01/07/19 <sup>(b)</sup>	3,869,743	3,618,209
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**TRANSPORTATION: CONSUMER - 2.1%**

Blue Bird Body Co. Facility Term Loan, (LIBOR + 5.50%, 1.00% Floor), 6.50%, 06/26/20 <sup>(b)</sup>	905,068	898,846
Envision Healthcare Corp. Tranche B-2 Term Loan, (LIBOR + 3.50%, 1.00% Floor), 4.50%, 10/28/22 <sup>(b)</sup>	2,260,704	2,251,096
Travel Leaders Group, LLC Additional Tranche B Term Loan, (LIBOR + 6.00%, 1.00% Floor), 7.00%, 12/07/20 <sup>(b)</sup>	1,786,401	1,768,537
		4,918,479

**UTILITIES: ELECTRIC - 1.9%**

Granite Acquisition, Inc. Second Lien Term Loan B, (LIBOR + 7.25%, 1.00% Floor), 8.25%, 12/19/22 <sup>(b)</sup>	1,112,864	868,034
Pike Corp. First Lien Initial Term Loan, (LIBOR + 4.50%, 1.00% Floor), 5.50%, 12/22/21 <sup>(b)</sup>	2,530,675	2,518,022

<u>Principal</u> <u>Amount (\$)</u>	<u>Value (\$)</u>
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**UTILITIES: ELECTRIC (continued)**

Second Lien Initial Term Loan, (LIBOR + 8.50%, 1.00% Floor), 9.50%, 06/22/22 <sup>(b)</sup>	1,000,000	980,830
		4,366,886

<b>Total Senior Loans</b> <b>(Cost \$273,532,216)</b>		<b>253,901,765</b>
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**Corporate Notes and Bonds - 30.7%<sup>(c)</sup>**

**AUTOMOTIVE - 0.4%**

American Tire Distributors, Inc. 10.25%, 03/01/22 <sup>(i)</sup>	1,028,000	945,760
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**BANKING, FINANCE, INSURANCE & REAL ESTATE - 2.2%**

National Financial Partners Corp. 9.00%, 07/15/21 <sup>(i)</sup>	4,000,000	3,675,000
SquareTwo Financial Corp. 11.63%, 04/01/17	2,647,000	1,522,025
		5,197,025

**BEVERAGE, FOOD & TOBACCO - 4.0%**

Chiquita Brands International, Inc. / LLC 7.88%, 02/01/21	2,462,000	2,588,177
Land O Lakes Capital Trust I 7.45%, 03/15/28 <sup>(i)</sup>	4,719,000	5,025,735
NBTY, Inc. 9.00%, 10/01/18	1,625,000	1,649,196
		9,263,108

**CAPITAL EQUIPMENT - 1.1%**

Optimas OE Solutions Holding, LLC 8.63%, 06/01/21 <sup>(i)</sup>	3,000,000	2,580,000
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**CHEMICALS, PLASTICS & RUBBER - 1.8%**

Magnetation, LLC / Mag Finance Corp. 11.00%, 05/15/18 <sup>(d)(i)(j)</sup>	2,937,000	163,003
TPC Group, Inc. (Texas Petrochemical) 8.75%, 12/15/20 <sup>(i)</sup>	6,000,000	3,930,000
		4,093,003

**CONSUMER GOODS: NON-DURABLE - 2.1%**

American Greetings Corp. 7.38%, 12/01/21	4,529,000	4,749,789
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**CONTAINERS, PACKAGING & GLASS - 0.4%**

Reynolds Group Holdings, Inc. 6.88%, 02/15/21	996,000	1,028,370
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**ENERGY: OIL & GAS - 5.9%**

Carrizo Oil & Gas, Inc. 7.50%, 09/15/20	2,158,000	1,896,342
CITGO Holding, Inc. 10.75%, 02/15/20 <sup>(i)</sup>	3,000,000	2,913,750



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Northern Oil and Gas, Inc. 8.00%, 06/01/20	1,519,000	1,017,730
ONEOK, Inc. 7.50%, 09/01/23	3,417,000	2,853,195
Sidewinder Drilling, Inc. 9.75%, 11/15/19 <sup>(d)(i)</sup>	6,000,000	2,670,000

See accompanying Notes to Financial Statements. | 21

**Apollo Tactical Income Fund Inc.****Schedule of Investments (continued)****December 31, 2015**

	<u>Principal Amount (\$)</u>	<u>Value (\$)</u>
<b>Corporate Notes and Bonds<sup>(c)</sup> (continued)</b>		
<b>ENERGY: OIL &amp; GAS (continued)</b>		
Summit Midstream Holdings, LLC / Summit Midstream Finance Corp. 7.50%, 07/01/21	2,700,000	2,308,500
		13,659,517
<b>HEALTHCARE &amp; PHARMACEUTICALS - 2.1%</b>		
Team Health Holdings, Inc. 7.25%, 12/15/23 <sup>(i)</sup>	1,473,000	1,528,237
Valeant Pharmaceuticals International, Inc. (Canada) 7.50%, 07/15/21 <sup>(f)(i)</sup>	3,200,000	3,208,000
		4,736,237
<b>HIGH TECH INDUSTRIES - 2.5%</b>		
Cimpres NV (Netherlands) 7.00%, 04/01/22 <sup>(f)(i)</sup>	4,000,000	3,855,000
Riverbed Technology, Inc. 8.88%, 03/01/23 <sup>(i)</sup>	2,000,000	1,857,500
		5,712,500
<b>MEDIA: ADVERTISING, PRINTING &amp; PUBLISHING - 0.6%</b>		
Acosta, Inc. 7.75%, 10/01/22 <sup>(i)</sup>	1,600,000	1,416,000
<b>MEDIA: BROADCASTING &amp; SUBSCRIPTION - 3.7%</b>		
Columbus International, Inc. (Barbados) 7.38%, 03/30/21 <sup>(f)(i)</sup>	3,285,000	3,264,469

Neptune Finco Corp. 10.13%, 01/15/23 <sup>(i)</sup>	317,000	331,265
10.88%, 10/15/25 <sup>(i)</sup>	2,053,000	2,155,650
Radio One, Inc. 7.38%, 04/15/22 <sup>(i)</sup>	882,000	788,287
9.25%, 02/15/20 <sup>(i)</sup>	2,484,000	1,974,780
		8,514,451
<b>MEDIA: DIVERSIFIED &amp; PRODUCTION - 1.2%</b>		
SiTV, Inc. 10.38%, 07/01/19 <sup>(i)</sup>	3,420,000	2,753,100
<b>SERVICES: CONSUMER - 0.5%</b>		
Laureate Education, Inc. 9.25%, 09/01/19 <sup>(i)</sup>	2,000,000	1,247,500
<b>TELECOMMUNICATIONS - 2.2%</b>		
Altice US Finance I Corp. 5.38%, 07/15/23 <sup>(i)</sup>	1,333,000	1,339,665
Avaya, Inc. 9.00%, 04/01/19 <sup>(i)</sup>	4,922,000	3,802,245
		5,141,910
<b>Total Corporate Notes and Bonds</b> <b>(Cost \$86,152,620)</b>		<b>71,038,270</b>

	<u>Principal Amount (\$)</u>	<u>Value (\$)</u>
<b>Structured Products - 13.7%<sup>(k)</sup></b>		
Anchorage Capital CLO, Ltd. (Cayman Islands) Series 2015-6A, Class E2, 7.16%, 04/15/27 <sup>(d)(f)(i)(l)</sup>	4,400,000	3,909,426
Series 2015-7A, Class E2, 7.50%, 10/15/27 <sup>(d)(f)(i)(l)</sup>	3,000,000	2,737,839
Atlas Senior Loan Fund, Ltd. (Cayman Islands) Series 2012-1A, Class B3L, 7.86%, 08/15/24 <sup>(d)(f)(i)(l)</sup>	5,000,000	4,470,970
Cent CLO, L.P. (Cayman Islands) Series 2013-17A, Class D, 6.32%, 01/30/25 <sup>(d)(f)(i)(l)</sup>	4,000,000	3,380,928
ECP CLO, Ltd. (Cayman Islands)		

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Series 2014-6, 6.87%, 07/15/26 <sup>(d)(f)(i)(l)</sup>	4,000,000	2,960,000
Ivy Hill Middle Market Credit Fund, Ltd. 10 (Cayman Islands) 7.58%, 07/18/27 <sup>(d)(f)(i)</sup>	2,350,000	2,121,486
JFIN CLO, Ltd. (Cayman Islands) Series 2013-II, Class E, 6.32%, 01/20/25 <sup>(d)(f)(l)</sup>	2,000,000	1,262,200
Series 2015-1A, Class E, 5.51%, 03/15/26 <sup>(f)(i)(l)</sup>	4,500,000	3,619,800
NXT Capital CLO, LLC Series 2014-1, 5.82%,  04/23/26 <sup>(i)(l)</sup>	5,000,000	4,072,600
OCP CLO, Ltd. (Cayman Islands) Series 2014-5A, Class E, 5.57%, 04/26/26 <sup>(d)(f)(i)(l)</sup>	3,000,000	1,651,770
Octagon Investment Partners XIV, Ltd. (Cayman Islands) Series 2012-1A, Class E, 6.82%, 01/15/24 <sup>(d)(f)(i)(l)</sup>	2,200,000	1,429,230
<b>Total Structured Products</b> <b>(Cost \$37,641,648)</b>		<b>31,616,249</b>

	<u>Share Quantity</u>	<u>Value (\$)</u>
<b>Preferred Stock - 1.7%</b>		
<b>BANKING, FINANCE, INSURANCE &amp; REAL ESTATE - 1.7%</b>		
Watford Holdings, Ltd. (Bermuda) 8.50% <sup>(d)(f)</sup>	160,000	3,826,088
<b>Total Preferred Stock</b> <b>(Cost \$3,920,000)</b>		<b>3,826,088</b>
<b>Warrants - 0.0%</b>		
<b>BANKING, FINANCE, INSURANCE &amp; REAL ESTATE - 0.0%</b>		
Medical Card System, Inc. 07/26/18 <sup>(d)(m)</sup>	50,689	
<b>Total Warrants</b> <b>(Cost \$ )</b>		
<b>Total Investments-156.0%</b> <b>(Cost of \$401,246,484) <sup>(n)</sup></b>		<b>360,382,372</b>
<b>Other Assets &amp; Liabilities,</b>		

<b>Net-3.7%</b>	<b>8,599,751</b>
<b>Loan Outstanding-(59.7)%<sup>(o)(p)</sup></b>	<b>(137,986,912)</b>
<b>Net Assets -100.0%</b>	<b>230,995,211</b>

22 | See accompanying Notes to Financial Statements.

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**Apollo Tactical Income Fund Inc.**

**Schedule of Investments (continued)**

**December 31, 2015**

- (a) Senior Loans are senior, secured loans made to companies whose debt is rated below investment grade and investments with similar characteristics. Senior Loans typically hold a first lien priority and pay interest at rates that are determined periodically on the basis of a floating base lending rate plus a spread. Unless otherwise identified, all Senior Loans carry a variable rate of interest. These base lending rates are primarily the LIBOR and secondarily the prime rate offered by one or more major U.S. banks and the certificate of deposit rate used by commercial lenders. The rates shown represent the weighted average rate at December 31, 2015. Senior Loans are generally not registered under the 1933 Act and often contain certain restrictions on resale and cannot be sold publicly. Senior Loans often require prepayments from excess cash flow or permit the borrower to repay at its election. The degree to which borrowers repay, whether as a contractual requirement or at their election, cannot be predicted with accuracy. As a result, the actual maturity may be substantially less than the stated maturity shown.
- (b) The interest rate on this Senior Loan is subject to a base rate plus 1 month or 3 month LIBOR, which at December 31, 2015 was 0.43% and 0.61%, respectively. As the interest rate is subject to a minimum LIBOR floor which was greater than the 1 month or 3 month LIBOR rate at December 31, 2015, the prevailing rate in effect at December 31, 2015 was the base rate plus the LIBOR floor, except as otherwise indicated.
- (c) Fixed rate asset.
- (d) Fair Value Level 3 security. All remaining securities are categorized as Level 2.
- (e) All or a portion of this Senior Loan position has not settled. Full contract rates do not take effect until settlement date, therefore, are subject to change.
- (f) Foreign issuer traded in U.S. dollars.
- (g) The issuer is in default of its payment obligations as of January 30, 2015, as such, income is no longer being accrued. Subsequent to year end, the issuer sent a notification of restructuring effective January 20, 2016 and is no longer in default.
- (h) Represents a PIK security which may pay interest in additional principal amount.
- (i) Securities exempt from registration pursuant to Rule 144A under the 1933 Act. These securities may only be resold in transactions exempt from registration to qualified institutional buyers. At December 31, 2015, these securities amounted to \$81,778,995, or 35.4% of net assets.
- (j) The issuer is in default of its payment obligations as of May 5, 2015, as such, income is no longer being accrued. Subsequent to year end, the issuer paid a cash dividend to all shareholders on record as of January 6, 2016 which was recorded as a cost basis adjustment.
- (k) Structured Products include collateralized loan obligations ( CLOs ). A CLO typically takes the form of a financing company (generally called a special purpose vehicle or SPV ), created to reappportion the risk and return characteristics of a pool of assets. While the assets underlying CLOs are often Senior Loans or corporate notes and bonds, the assets may also include (i) subordinated loans; (ii) debt tranches of other CLOs; and (iii) equity securities incidental to investments in Senior Loans. The Fund may invest in lower tranches of CLOs, which typically experience a lower recovery, greater risk of loss or deferral or non-payment of interest than more senior tranches of the CLO. A key feature of the CLO structure is the prioritization of the cash flows from a pool of debt securities among the several classes of the CLO. The SPV is a company founded for the purpose of securitizing payment claims arising out of this asset pool. On this basis, marketable securities are issued by the SPV and the

redemption of these securities typically takes place at maturity out of the cash flow generated by the collected claims.

- (l) Floating rate asset. The interest rate shown reflects the rate in effect at December 31, 2015.
- (m) Non-income producing asset.
- (n) The aggregate cost of securities for federal income tax purposes was \$401,610,361. Cost for U.S. federal income tax purposes differs from book basis primarily due to the deferral of losses from wash sales and defaulted security interest adjustments. Unrealized appreciation and depreciation on investments were as follows:

Gross unrealized appreciation	\$ 1,593,632
Gross unrealized depreciation	(42,821,621)
Net unrealized depreciation	\$ (41,227,989)

- (o) The Fund has granted a security interest in substantially all of its assets in the event of default under the credit facility.
- (p) Principal \$138,000,000 less unamortized deferred financing costs of \$13,088.

See accompanying Notes to Financial Statements. | 23

**Apollo Senior Floating Rate Fund Inc.****Apollo Tactical Income Fund Inc.****Statements of Assets and Liabilities****December 31, 2015**

	<b>Apollo Senior Floating Rate  Fund Inc.</b>	<b>Apollo Tactical Income  Fund Inc.</b>
<b>Assets:</b>		
Investment securities at fair value (cost \$428,905,650 and \$401,246,484, respectively)	\$ 402,950,570	\$ 360,382,372
Cash and cash equivalents	34,972,197	14,397,263
Interest and dividends receivable	2,222,191	3,684,155
Receivable for investment securities sold	8,452,555	9,096,618
Prepaid expenses	78,804	78,913
<b>Total Assets</b>	<b>\$ 448,676,317</b>	<b>\$ 387,639,321</b>
<b>Liabilities:</b>		
Borrowings under credit facility (principal \$149,269,000 and \$138,000,000, respectively, less unamortized deferred financing costs of \$38,705 and \$13,088, respectively) (Note 8)	\$ 149,230,295	\$ 137,986,912
Payable for investment securities purchased	34,935,618	17,629,777
Interest payable	334,196	348,834
Distributions payable to common shareholders	104,093	102,753
Investment advisory fee payable	353,348	319,185
Other payables and accrued expenses due to affiliates	3,863	5,618
Other payables and accrued expenses	276,866	251,031
<b>Total Liabilities</b>	<b>185,238,279</b>	<b>156,644,110</b>
<b>Commitments and Contingencies (Note 9)</b>		
<b>Net Assets (Applicable to Common Shareholders)</b>	<b>\$ 263,438,038</b>	<b>\$ 230,995,211</b>



**Net Assets Consist of:**

Paid-in capital (\$0.001 par value, 999,998,466 and 1,000,000,000 common shares authorized, respectively, and 15,573,061 and 14,464,026 issued and outstanding, respectively) (Note 6)	\$ 296,704,310	\$ 275,624,904
Undistributed net investment income	421,196	210,201
Accumulated net realized loss from investments	(7,732,388)	(3,975,782)
Net unrealized depreciation on investments	(25,955,080)	(40,864,112)
<b>Net Assets (Applicable to Common Shareholders)</b>	<b>\$ 263,438,038</b>	<b>\$ 230,995,211</b>
<b>Number of Common Shares outstanding</b>	<b>15,573,061</b>	<b>14,464,026</b>
<b>Net Asset Value, per Common Share</b>	<b>\$ 16.92</b>	<b>\$ 15.97</b>

24 | See accompanying Notes to Financial Statements.

**Apollo Senior Floating Rate Fund Inc.****Apollo Tactical Income Fund Inc.****Statements of Operations****For the Year Ended December 31, 2015**

	<b>Apollo Senior Floating Rate Fund Inc.</b>	<b>Apollo Tactical Income Fund Inc.</b>
<b>Investment Income:</b>		
Interest	\$ 27,171,745	\$ 28,716,433
Dividends	340,000	340,000
Total Investment Income	27,511,745	29,056,433
<b>Expenses:</b>		
Investment advisory fee (Note 3)	4,322,406	3,976,577
Interest and commitment fee expense (Note 8)	2,255,869	1,881,561
Professional fees	381,399	357,430
Administrative services of the Adviser (Note 3)	615,047	593,820
Fund administration and accounting services (Note 3)	259,384	259,057
Insurance expense	346,828	346,828
Amortization of deferred financing costs (Note 8)	104,649	64,254
Board of Directors fees (Note 3)	99,819	104,819
Other operating expenses (Note 3)	142,856	130,966
Total Expenses	8,528,257	7,715,312
Expense reimbursement waived by the Adviser (Note 3)		
Net Expenses	8,528,257	7,715,312
<b>Net Investment Income</b>	<b>18,983,488</b>	<b>21,341,121</b>
<b>Net Realized and Unrealized Loss on Investments</b>		

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Net realized loss on investments	(4,222,202)	(3,938,152)
Net change in unrealized appreciation/(depreciation) on investments and unfunded transactions (Note 9)	(17,211,938)	(27,305,029)
Net realized and unrealized loss on investments	(21,434,140)	(31,243,181)
<b>Net Decrease in Net Assets, Applicable to Common Shareholders, Resulting From Operations</b>	<b>\$ (2,450,652)</b>	<b>\$ (9,902,060)</b>

See accompanying Notes to Financial Statements. | 25

**Apollo Senior Floating Rate Fund Inc.****Statements of Changes in Net Assets**

	<b>Year Ended December 31, 2015</b>	<b>Year Ended December 31, 2014</b>
<b>Increase/(Decrease) in Net Assets:</b>		
<b>From Operations</b>		
Net investment income	\$ 18,983,488	\$ 18,404,508
Net realized (loss)/gain on investments	(4,222,202)	1,508,772
Net change in unrealized appreciation/(depreciation) on investments and unfunded transactions	(17,211,938)	(13,230,681)
Distributions to preferred shareholders		(244,641)
Net (decrease)/increase in net assets from operations	(2,450,652)	6,437,958
<b>Distributions to Common Shareholders</b>		
From net investment income	(19,103,474)	(19,176,667)
Total distributions to common shareholders	(19,103,474)	(19,176,667)
Total decrease in net assets	\$ (21,554,126)	\$ (12,738,709)
<b>Net Assets Applicable to Common Shares</b>		
Beginning of year	284,992,164	297,730,873
End of year	\$ 263,438,038	\$ 284,992,164
Undistributed net investment income	\$ 421,196	\$ 534,942

26 | See accompanying Notes to Financial Statements.

**Apollo Tactical Income Fund Inc.****Statements of Changes in Net Assets**

	<b>Year Ended December 31, 2015</b>	<b>Year Ended December 31, 2014</b>
<b>Increase/(Decrease) in Net Assets:</b>		
<b>From Operations</b>		
Net investment income	\$ 21,341,121	\$ 21,617,971
Net realized (loss)/gain on investments	(3,938,152)	2,163,995
Net change in unrealized appreciation/(depreciation) on investments and unfunded transactions	(27,305,029)	(18,578,584)
Net (decrease)/increase in net assets from operations	(9,902,060)	5,203,382
<b>Distributions to Common Shareholders</b>		
From net investment income	(22,324,878)	(21,593,489)
From realized gains on investments	(205,727)	(2,358,946)
Total distributions to common shareholders	(22,530,605)	(23,952,435)
Total decrease in net assets	\$ (32,432,665)	\$ (18,749,053)
<b>Net Assets Applicable to Common Shares</b>		
Beginning of year	263,427,876	282,176,929
End of year	\$ 230,995,211	\$ 263,427,876
Undistributed net investment income	\$ 210,201	\$ 1,160,978

See accompanying Notes to Financial Statements. | 27

**Apollo Senior Floating Rate Fund Inc.****Statement of Cash Flows****For the Year Ended December 31, 2015****Cash Flows From Operating Activities:**

Net decrease in net assets from operations	\$ (2,450,652)
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**Adjustments to Reconcile Net Decrease in Net Assets from Operations to Net Cash Flows Provided by Operating Activities:**

Net realized loss on investments	4,222,202
Net change in unrealized (appreciation)/depreciation on investments and unfunded transactions	17,211,938
Net amortization/(accretion) of premium/(discount)	(947,492)
Purchase of investment securities	(278,043,332)
Proceeds from disposition of investment securities and principal paydowns	282,678,303
Payment-in-kind interest	(131,506)
Amortization of deferred financing costs	104,649

**Changes in Operating Assets and Liabilities:**

Decrease in interest and dividends receivable	161,849
Decrease in prepaid expenses	3,134
Increase in interest payable	47,600
Decrease in investment advisory fee payable	(17,336)
Decrease in other payables and accrued expenses due to affiliates	(194,409)
Increase in other payables and accrued expenses	52,500

Net cash flows provided by operating activities	22,697,448
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**Cash Flows From Financing Activities:**

Distributions paid to common shareholders (net of change in distributions payable to common shareholders) .	(19,132,499)
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Net cash flows used in financing activities	(19,132,499)
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<b>Net Increase in Cash and Cash Equivalents</b>	<b>3,564,949</b>
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Cash and cash equivalents, beginning of year	31,407,248
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Cash and cash equivalents, end of year	\$ 34,972,197
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**Supplemental Disclosure of Cash Flow Information**

Cash paid during the year for interest	\$ 2,208,269
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28 | See accompanying Notes to Financial Statements.

**Apollo Tactical Income Fund Inc.****Statement of Cash Flows****For the Year Ended December 31, 2015****Cash Flows From Operating Activities:**

Net decrease in net assets from operations	\$ (9,902,060)
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**Adjustments to Reconcile Net Decrease in Net Assets from Operations to Net Cash Flows Provided by Operating Activities:**

Net realized loss on investments	3,938,152
Net change in unrealized (appreciation)/depreciation on investments and unfunded transactions	27,305,029
Net amortization/(accretion) of premium/(discount)	(756,366)
Purchase of investment securities	(265,209,849)
Proceeds from disposition of investment securities and principal paydowns	264,637,700
Payment-in-kind interest	(192,402)
Amortization of deferred financing costs	64,254

**Changes in Operating Assets and Liabilities:**

Increase in interest and dividends receivable	(133,881)
Decrease in prepaid expenses	3,025
Increase in interest payable	128,337
Decrease in investment advisory fee payable	(26,782)
Decrease in other payables and accrued expenses due to affiliates	(192,284)
Increase in other payables and accrued expenses	13,301

Net cash flows provided by operating activities	19,676,174
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**Cash Flows From Financing Activities:**

Deferred financing costs	(43,331)
Distributions paid to common shareholders (net of change in distributions payable to common shareholders) .	(22,625,000)

Net cash flows used in financing activities	(22,668,331)
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<b>Net Decrease in Cash and Cash Equivalents</b>	<b>(2,992,157)</b>
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Cash and cash equivalents, beginning of year	17,389,420
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Cash and cash equivalents, end of year	\$ 14,397,263
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**Supplemental Disclosure of Cash Flow Information**

Cash paid during the year for interest	\$ 1,753,224
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See accompanying Notes to Financial Statements. | 29

**Apollo Senior Floating Rate Fund Inc.****Financial Highlights**

For a Common Share outstanding throughout the period

	For the Year Ended December 31, 2015	For the Year Ended December 31, 2014	For the Year Ended December 31, 2013	For the Year Ended December 31, 2012	For the Period Ended December 31, 2011 <sup>(a)</sup>
<b>Per Common Share Operating Performance:</b>					
<b>Net Asset Value, Beginning of Period</b>	\$ 18.30	\$ 19.12	\$ 18.73	\$ 17.68	\$ 19.10 <sup>(b)</sup>
<b>Income from Investment Operations:</b>					
Net investment income <sup>(c)</sup>	1.22	1.18	1.34	1.39	1.00
Net realized and unrealized gain/(loss) on investments	(1.37)	(0.75)	0.35	1.10	(1.46)
Distributions from net investment income to Series A Preferred Shareholders		(0.02)	(0.04)	(0.05)	(0.02)
Total from investment operations	(0.15)	0.41	1.65	2.44	(0.48)
<b>Less Distributions Paid to Common Shareholders from:</b>					
Net investment income	(1.23)	(1.23)	(1.26)	(1.38)	(0.88)
Net realized gain on investments				(0.01)	(0.02)
	(1.23)	(1.23)	(1.26)	(1.39)	(0.90)

Total distributions  
paid to Common  
Shareholders

Common Share offering charges to paid-in capital					(0.04)
<b>Net Asset Value, End of Period</b>	\$ 16.92	\$ 18.30	\$ 19.12	\$ 18.73	\$ 17.68
<b>Market Value, End of Period</b>	\$ 15.15	\$ 16.63	\$ 18.10	\$ 18.77	\$ 16.01
Total return based on net asset value <sup>(d)</sup>	(0.52)%	2.63%	9.19%	14.23%	(2.43)% <sup>(e)</sup>
Total return based on market value <sup>(d)</sup>	(1.98)%	(1.48)%	3.14%	26.41%	(15.62)% <sup>(e)</sup>
<b>Ratios to Average Net Assets Applicable to Common Shareholders:</b>					
Ratio of total expenses to average net assets	3.01%	3.07%	3.00%	3.21%	2.99% <sup>(f)</sup>
Ratio of net expenses to average net assets	3.01%	3.07%	3.00%	3.18%	2.88% <sup>(f)</sup>
Ratio of net investment income to average net assets	6.71%	6.22% <sup>(g)</sup>	7.03% <sup>(g)</sup>	7.51% <sup>(g)</sup>	6.49% <sup>(f)(g)</sup>
Ratio of net investment income to average net assets net of distributions to Series A Preferred Shareholders		6.13%	6.80%	7.25%	6.33% <sup>(f)</sup>
<b>Supplemental Data:</b>					
Portfolio turnover rate	66.1%	80.0%	72.0%	66.6%	41.5% <sup>(e)</sup>
Net assets at end of period (000 s)	\$263,438	\$284,992	\$297,731	\$290,822	\$273,650
<b>Senior Securities:</b>					
Total Series A Preferred Shares outstanding			1,534	1,534	1,534
Liquidation and market value per Series A Preferred Shares			\$ 20,000	\$ 20,000	\$ 20,000
			\$294,078	\$289,574	\$278,380

Asset coverage per share <sup>(h)</sup>					
Principal loan outstanding (in 000 s)	\$149,269	\$149,269	\$122,705	\$122,705	\$122,705
Asset coverage per \$1,000 of loan outstanding	\$ 2,765 <sup>(i)</sup>	\$ 2,909 <sup>(i)</sup>	\$ 3,676 <sup>(i)</sup>	\$ 3,620 <sup>(i)</sup>	\$ 3,480 <sup>(j)</sup>

- (a) From February 23, 2011 (commencement of operations) to December 31, 2011.
- (b) Net of sales load of \$0.90 per share of initial offering.
- (c) Based on weighted average outstanding shares.
- (d) Total return based on net asset value and total return based on market value assuming all distributions reinvested at reinvestment rate.
- (e) Not annualized.
- (f) Annualized.
- (g) Net investment income ratio does not reflect payment to preferred shareholders.
- (h) Calculated by subtracting the Fund's total liabilities (not including the Series A Preferred Shares and borrowings outstanding) from the Fund's total assets, and dividing this by the number of Series A Preferred Shares outstanding.
- (i) Calculated by subtracting the Fund's total liabilities (not including the borrowings outstanding) from the Fund's total assets, and dividing this by the amount of borrowings outstanding.
- (j) Calculated by subtracting the Fund's total liabilities (not including the Series A Preferred Shares and borrowings outstanding) from the Fund's total assets, and dividing this by the amount of borrowings outstanding.

30 | See accompanying Notes to Financial Statements.

## Apollo Tactical Income Fund Inc.

## Financial Highlights

For a Common Share outstanding throughout the period

	For the Year Ended December 31, 2015	For the Year Ended December 31, 2014	For the Period Ended December 31, 2013 <sup>(a)</sup>
<b>Per Common Share Operating Performance:</b>			
<b>Net Asset Value, Beginning of Period</b>	\$ 18.21	\$ 19.51	\$ 19.10 <sup>(b)</sup>
<b>Income from Investment Operations:</b>			
Net investment income <sup>(c)</sup>	1.48	1.50	1.03
Net realized and unrealized gain/(loss) on investments	(2.16)	(1.14)	0.39
<b>Total from investment operations</b>	<b>(0.68)</b>	<b>0.36</b>	<b>1.42</b>
<b>Less Distributions Paid to Common Shareholders from:</b>			
Net investment income	(1.55)	(1.50)	(0.96)
Net realized gain on investments	(0.01)	(0.16)	(0.01)
<b>Total distributions paid to Common Shareholders</b>	<b>(1.56)</b>	<b>(1.66)</b>	<b>(0.97)</b>
Common share offering charges to paid-in capital			(0.04)
<b>Net Asset Value, End of Period</b>	<b>\$ 15.97</b>	<b>\$ 18.21</b>	<b>\$ 19.51</b>
<b>Market Value, End of Period</b>	<b>\$ 13.89</b>	<b>\$ 15.96</b>	<b>\$ 18.00</b>
Total return based on net asset value <sup>(d)</sup>	(2.91)%	2.63%	7.94% <sup>(e)</sup>
Total return based on market value <sup>(d)</sup>	(3.65)%	(2.51)%	(4.90)% <sup>(e)</sup>
<b>Ratios to Average Net Assets Applicable to Common Shareholders:</b>			
Ratio of total expenses to average net assets	2.97%	2.90%	2.58% <sup>(f)</sup>
Ratio of net expenses to average net assets	2.97%	2.90%	2.55% <sup>(f)</sup>
Ratio of net investment income to average net assets	8.22%	7.63%	6.38% <sup>(f)</sup>
<b>Supplemental Data:</b>			
Portfolio turnover rate	67.6%	78.7%	72.4% <sup>(e)</sup>
Net assets at end of period (000 s)	\$230,995	\$263,428	\$282,177
<b>Senior Securities:</b>			
Principal loan outstanding (in 000 s)	\$138,000	\$138,000	\$138,000
Asset coverage per \$1,000 of loan outstanding <sup>(g)</sup>	\$2,674	\$2,909	\$ 3,045

- (a) From February 25, 2013 (commencement of operations) to December 31, 2013.
- (b) Net of sales load of \$0.90 per share of initial offering.
- (c) Based on weighted average outstanding shares.
- (d) Total return based on net asset value and total return based on market value assuming all distributions reinvested at reinvestment rate.
- (e) Not annualized.
- (f) Annualized.
- (g) Calculated by subtracting the Fund's total liabilities (not including the borrowings outstanding) from the Fund's total assets, and dividing this by the amount of borrowings outstanding.

See accompanying Notes to Financial Statements. | 31

**Apollo Senior Floating Rate Fund Inc.**

**Apollo Tactical Income Fund Inc.**

**Notes to Financial Statements**

**December 31, 2015**

**Note 1. Organization and Operations**

Apollo Senior Floating Rate Fund Inc. ( AFT ) and Apollo Tactical Income Fund Inc. ( AIF ) (individually, a Fund or together, the Funds ) are corporations organized under the laws of the State of Maryland and registered with the U.S. Securities and Exchange Commission (the SEC ) under the Investment Company Act of 1940 (the Investment Company Act ) as non-diversified, closed-end management investment companies. AFT and AIF commenced operations on February 23, 2011 and February 25, 2013, respectively. Prior to that, the Funds had no operations other than matters relating to their organization and the sale and issuance of 5,236 shares of common stock in each Fund to Apollo Credit Management, LLC (the Adviser ) at a price of \$19.10 per share. The Adviser serves as the Funds investment adviser and is an affiliate of Apollo Global Management, LLC ( AGM ). The Funds common shares are listed on the New York Stock Exchange ( NYSE ) and trade under the symbols AFT and AIF , respectively.

**Investment Objective**

AFT s investment objective is to seek current income and preservation of capital. AFT seeks to achieve its investment objective by investing primarily in senior, secured loans made to companies whose debt is rated below investment grade ( Senior Loans ) and investments with similar characteristics. Senior Loans typically hold a first lien priority and pay interest at rates that are determined periodically on the basis of a floating base lending rate plus a spread. These base lending rates are primarily the London Interbank Offered Rate ( LIBOR ), and secondarily the prime rate offered by one or more major United States banks and the certificate of deposit rate used by commercial lenders. Senior Loans are typically made to U.S. and, to a limited extent, non-U.S. corporations, partnerships and other business entities ( Borrower(s) ) that operate in various industries and geographical regions. AFT seeks to generate current income and preservation of capital through a disciplined approach to credit selection and under normal market conditions will invest at least 80% of its managed assets in floating rate Senior Loans and investments with similar economic characteristics. This policy and AFT s investment objective are not fundamental and may be changed by the board of directors of AFT with at least 60 days prior written notice provided to shareholders. Part of AFT s investment objective is to seek preservation of capital. AFT s ability to achieve capital preservation may be limited by its investment in credit instruments that have speculative characteristics. There can be no assurance that AFT will achieve its investment objective.

AIF s primary investment objective is to seek current income with a secondary objective of preservation of capital. AIF seeks to achieve its investment objectives primarily by allocating its assets among different types of credit instruments based on absolute and relative value considerations and its analysis of the credit markets. This ability to dynamically allocate AIF s assets may result in AIF s portfolio becoming concentrated in a particular type of credit instrument (such as Senior Loans or high yield corporate bonds) and substantially less invested in other types of credit instruments. Under normal market conditions, at least 80% of AIF s managed assets will be invested in credit instruments and investments with similar economic characteristics. For purposes of this policy, credit instruments will include Senior Loans, subordinated loans, high yield corporate bonds, notes, bills, debentures, distressed securities, mezzanine securities, structured products (including, without limitation, collateralized debt obligations ( CDOs ), collateralized loan obligations ( CLOs ) and asset-backed securities), bank loans, corporate loans, convertible and preferred securities, government and municipal obligations, mortgage-backed securities, repurchase agreements, and other fixed-income instruments of a similar nature that may be represented by derivatives such as options, forwards,

futures contracts or swap agreements. This policy and AIF's investment objectives are not fundamental and may be changed by the board of directors of AIF (together with the board of directors of AFT, the Board of Directors or Board ) with at least 60 days' prior written notice provided to shareholders. AIF will seek to preserve capital to the extent consistent with its primary investment objective. AIF's ability to achieve capital preservation may be limited by its investment in credit instruments that have speculative characteristics. There can be no assurance that AIF will achieve its investment objectives.

The Funds are classified as non-diversified under the Investment Company Act. As a result, each Fund can invest a greater portion of its assets in obligations of a single issuer than a diversified fund. Each Fund may therefore be more susceptible than a diversified fund to being adversely affected by any single corporate, economic, political or regulatory occurrence.

## **Note 2. Significant Accounting Policies**

The Funds are investment companies that follow the accounting and reporting guidance of Accounting Standards Codification Topic 946 applicable to investment companies. The Funds' financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ( U.S. GAAP ), which require management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results may differ from those estimates and these differences could be material.



**Apollo Senior Floating Rate Fund Inc.**

**Apollo Tactical Income Fund Inc.**

**Notes to Financial Statements (continued)**

**December 31, 2015**

**Fund Valuation**

Each Fund's net asset value (NAV) per share will be determined daily generally as of 4:00 pm on each day that the NYSE is open for trading, or at other times as determined by the Board. The NAV of each Fund's common shares is the total assets of the Fund (including all securities, cash and other assets) minus the sum of the Fund's total liabilities (including accrued expenses, dividends payable, borrowings and the liquidation value of any preferred stock) divided by the total number of common shares of the Fund outstanding.

**Security Valuation**

The Funds value their investments primarily using the mean of the bid and ask prices provided by a nationally recognized security pricing service or broker. Senior Loans, corporate notes and bonds, structured products, preferred stock and warrants are priced based on valuations provided by an approved independent pricing service or broker, if available. If market or broker quotations are not available, or a price is not available from an independent pricing service or broker, or if the price provided by the independent pricing service or broker is believed to be unreliable, the security will be fair valued pursuant to procedures adopted by the Board. In general, the fair value of a security is the amount that the Funds might reasonably expect to receive upon the sale of an asset or pay to transfer a liability in an orderly transaction between willing market participants at the reporting date. Fair value procedures generally take into account any factors deemed relevant, which may include, among others, (i) the nature and pricing history of the security, (ii) the liquidity or illiquidity of the market for the particular security, (iii) recent purchases or sales transactions for the particular security or similar securities and (iv) press releases and other information published about the issuer. In these cases, a Fund's NAV will reflect the affected portfolio securities' fair value as determined in the judgment of the Board or its designee instead of being determined by the market. Using a fair value pricing methodology to value securities may result in a value that is different from a security's most recent sale price and from the prices used by other investment companies to calculate their NAV. Determination of fair value is uncertain because it involves subjective judgments and estimates. There can be no assurance that a Fund's valuation of a security will not differ from the amount that it realizes upon the sale of such security.

**Fair Value Measurements**

Each Fund has performed an analysis of all existing investments to determine the significance and character of all inputs to their fair value determination. The levels of fair value inputs used to measure the Funds' investments are characterized into a fair value hierarchy. The three levels of the fair value hierarchy are described below:

*Level 1* Quoted unadjusted prices for identical assets and liabilities in active markets to which the Funds have access at the date of measurement;

*Level 2* Quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, but are valued based on executed trades, broker quotations that constitute an executable price, and alternative pricing sources supported by observable inputs which, in each case, are either

directly or indirectly observable for the asset in connection with market data at the measurement date; and

*Level 3* Model derived valuations in which one or more significant inputs or significant value drivers are unobservable. In certain cases, investments classified within Level 3 may include securities for which the Funds have obtained indicative quotes from broker-dealers that do not necessarily represent prices the broker may be willing to trade on, as such quotes can be subject to material management judgment. Unobservable inputs are those inputs that reflect the Funds' own assumptions that market participants would use to price the asset or liability based on the best available information.

At the end of each reporting period, management evaluates the Level 2 and Level 3 assets, if any, for changes in liquidity, including but not limited to: whether a broker is willing to execute at the quoted price, the depth and consistency of prices from independent pricing services, and the existence of contemporaneous, observable trades in the market.

**Apollo Senior Floating Rate Fund Inc.****Apollo Tactical Income Fund Inc.****Notes to Financial Statements (continued)****December 31, 2015**

The valuation techniques used by the Funds to measure fair value at December 31, 2015 maximized the use of observable inputs and minimized the use of unobservable inputs. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. Transfers into and out of the levels are recognized at the value at the end of the period. Summaries of the Funds' investments categorized in the fair value hierarchy as of December 31, 2015 are as follows:

**Apollo Senior Floating Rate Fund Inc.**

Assets	Total Fair Value at December 31, 2015	Level 1 Quoted Price	Level 2 Significant Observable Inputs	Level 3 Significant Unobservable Inputs
Cash and Cash Equivalents	\$ 34,972,197	\$34,972,197	\$	\$
Senior Loans	386,607,436		353,605,977	33,001,459
Corporate Notes and Bonds	12,517,046		12,481,581	35,465
Preferred Stock	3,826,088			3,826,088
Warrants				
<b>Total Assets</b>	<b>\$437,922,767</b>	<b>\$34,972,197</b>	<b>\$366,087,558</b>	<b>\$36,863,012</b>

The following is a reconciliation of Level 3 holdings for which significant unobservable inputs were used in determining fair value as of December 31, 2015:

**Apollo Senior Floating Rate  
Fund Inc.**

Total Fair Value	Corporate Notes and Bonds	Common Stock	Preferred Stock	Warrants
\$ 87,829,716	\$ 82,651,446	\$ 1,255,250	\$ 3,920,000	\$ 3,020

Total Fair Value, beginning of year						
Purchases, including capitalized PIK	17,027,951	17,027,951				
Sales	(40,318,487)	(39,176,210)		(1,142,277)		
Accretion/(amortization) of discounts/(premiums)	189,686	189,686				
Net realized gain/(loss)	(3,816,017)	254,564		(4,070,581)		
Change in net unrealized appreciation/(depreciation)	916,436	(2,944,240)		3,957,608	(93,912)	(3,020)
Transfers into Level 3	553,425	517,960	35,465			
Transfers out of Level 3						
	(25,519,698)	(25,519,698)				
Total Fair Value, end of year	\$ 36,863,012	\$ 33,001,459	\$ 35,465	\$	\$ 3,826,088	\$

Assets were transferred from Level 2 to Level 3 or from Level 3 to Level 2 as a result of changes in levels of liquid market observability when subject to various criteria as discussed previously or due to changes in application of internal leveling criteria. There were no transfers between Level 1 and Level 2 fair value measurement during the year shown. The net change in unrealized appreciation/(depreciation) attributable to Level 3 investments still held at December 31, 2015 was \$(2,369,993) for AFT.

**Apollo Senior Floating Rate Fund Inc.****Apollo Tactical Income Fund Inc.****Notes to Financial Statements (continued)****December 31, 2015**

The following table provides quantitative measures used to determine the fair values of the Level 3 investments as of December 31, 2015:

Apollo Senior Floating Rate Fund Inc.				
Assets	Fair Value at		Range of Unobservable	
	December 31, 2015	Valuation Technique(s)	Unobservable Input(s)	Input(s) Utilized
Senior Loans	\$29,807,969	Independent pricing service and/or broker quotes	Vendor and/or broker quotes	N/A
	3,064,118	Market Comparable Approach <sup>(a)</sup>	Total enterprise value/EBITDA <sup>(a)</sup>	6.8x
	129,372	Recoverability <sup>(b)</sup>	Recovery %	18.8%
Corporate Notes and Bonds	35,465	Recoverability <sup>(b)</sup>	Recovery %	18.8%
Preferred Stock	3,826,088	Discounted cash flow <sup>(c)</sup>	Discount rate <sup>(c)</sup>	8.89%
Warrants		Market comparable approach <sup>(a)</sup>	Total enterprise value/EBITDA <sup>(a)</sup>	6.8x
Total Fair Value	\$36,863,012			

<sup>(a)</sup> The Fund utilized a market comparable approach to fair value this security. The significant unobservable inputs used in the valuation model were total enterprise value and earnings before interest, taxes, depreciation and

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amortization ( EBITDA ) based on comparable multiples for a similar investment with similar risks. Significant increases or decreases in either of these inputs in isolation may result in a significantly higher or lower fair value measurement.

- (b) The Fund utilized a recoverability approach to fair value this security, specifically a liquidation analysis. There are various, company specific inputs used in the valuation analysis that relate to the liquidation value of the company's assets, which were estimated by a third party financial advisor as part of restructuring proceedings. The estimated fair value of the recoverable assets after deducting expenses was approximately 18.8% of the book value of the assets.
- (c) The Fund utilized a discounted cash flow model to fair value this security. The significant unobservable input used in the valuation model was the discount rate, which was determined based on the market rates an investor would expect for a similar investment with similar risks. The discount rate was applied to present value the projected cash flows in the valuation model. Significant increases in the discount rate may significantly lower the fair value of an investment; conversely, significant decreases in the discount rate may significantly increase the fair value of an investment.

Apollo Tactical Income Fund Inc.

Assets	Total Fair Value		Level 3
	at	Level 1	Significant
	December 31,	Quoted Price	Unobservable
	2015		Inputs
Cash and Cash Equivalents	\$ 14,397,263	\$14,397,263	