NB Global Floating Rate Income Fund Limited

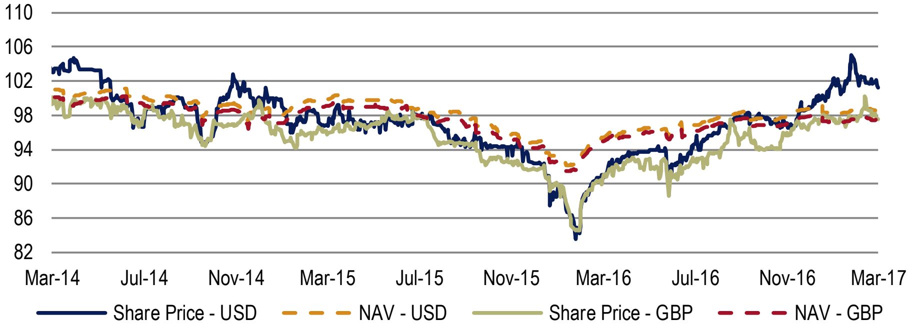
March 31, 2017

FUND OBJECTIVE

The NB Global Floating Rate Income Fund Limited's (the "Fund") investment objective is to provide its shareholders with regular dividends, at levels that are sustainable, whilst preserving the capital value of its investment portfolio, utilising the investment skills of the portfolio managers.

The Fund's managers seek to generate this yield by investing in a global portfolio of below investment grade senior secured corporate loans with selective use of senior secured bonds, diversified by both borrower and industry. The Fund is managed by four experienced portfolio managers backed by what we believe to be one of the largest and most experienced credit teams in the industry.

FUND PERFORMANCE



QUARTERLY COMMENTARY[1]

Performance Highlights

In the first quarter of 2017 the Fund continued to allocate towards better quality issues relative to the S&P/LSTA Leveraged Loan Index (the "Index") and as such the Fund's gross of fee performance of 1.08% underperformed the Index by seven basis points over the quarter. From a sector perspective, the largest contributors for the quarter were security selection within financial intermediaries, retailers, and telecoms. Conversely, security selection within the electronics and the oil & gas sectors detracted the most from performance.

Market Context

The Index returned 1.15% in the first quarter and 0.08% for March, marking the thirteenth straight positive month for the asset class. At the end of the quarter, approximately 66.85% of the Index names were trading at bid prices of par or above, marginally down on the 68.31% at the end of 2016.

Better quality credit has continued to struggle to outperform CCC rated loans, which returned 5.02% in the past three months as opposed to B and BB returns of 1.14% and 0.66% respectively. The top performing sectors over the quarter included oil and gas (+4.70%), radio and television (+3.13%) and nonferrous metals and minerals (+2.63%). The bottom performing sectors were non-food and drug retailers (-1.97%) and retailers (-0.49%).

From a demand perspective, loan funds reported inflows of $11.4 billion during the first quarter. CLO issuance was below the $25.2 billion posted last quarter, with $17.5 billion recorded, however it was far greater than that of Q1 2016 ($8.2 billion). The par amount outstanding of the Index ended the quarter at $889 billion, representing a slight increase for the three month period.

Gross institutional issuance stands at $169 billion year-to-date, outpacing the $102 billion issued in Q4 of 2016. Additionally, repricing activity in the US market totalled $225 billion in the quarter, of which $54 billion was re-syndicated repricing, meaning that new institutional issuance (excluding repricing) was $115 billion for the first three months of the year, 34% of total market activity. With an increase in demand in the asset class, as well as expectations for further rate hikes, yields at issue have fallen to 4.80% down from 5.48% as of 30th June 2016.

The European loan market as measured by the S&P European Leveraged Loan Index (the "ELLI") returned 1.20% for the quarter (all numbers excluding currency). As is typical in a risk-on environment, single Bs outperformed BB rated loans, returning 1.25% and 0.41% respectively for the quarter. The average bid finished at 98.86 a slight increase over the quarter.

Year-to-date European institutional loan issuance was €29.2 billion for the quarter, versus €11.1 billion in the first quarter of 2016. Additionally, as we saw in the US, repricing activity also increased during the quarter. Over the past twelve months just over half of the ELLI has been repriced, with the amount outstanding currently being €112 billion. Since June 2016, new issue yield to maturities for single Bs have reduced to 4.07%, down from 5.50% as at 30th June 2016.

The default rate of the Index by principal amount stands at 1.49% at the end of March, slightly down on the 1.56% recorded at the end of 2016. In Europe, the trailing 12-month default rate stands at 1.73%, a ten month low.

FUND MANAGERS

JOSEPH LYNCH
19 years' investment experience

STEPHEN CASEY
20 years' investment experience

MARTIN ROTHERAM
14 years' investment experience

DAN DOYLE
30 years' investment experience

KEY METRICS

NAV	GBP	97.60
	USD	98.83
Share Price	GBP	97.50
	USD	101.25
Share Price Premium / (Discount)	GBP	-0.10%
	USD	2.45%
Total Return YTD[2]		1.08%
Total Return 1 YR[2]		8.80%
Total Return Since Inception[2]		33.75%
Market Cap		$1,238m

KEY STATISTICS

Current Portfolio Yield*	4.38% [3]
Number of Investments	334
Number of Issuers	258

KEY INFORMATION

Fund Type:	Closed-ended Investment Company
Admission Date:	20 April 2011
NAV Frequency:	Daily
Dividend Policy:	Quarterly
Domicile:	Guernsey
Market:	Main market of the London Stock Exchange
Year End:	31 December
Management Fee:	0.75%
Bloomberg Tickers:	NBLU:LN (USD) NBLS:LN (GBP)
ISIN:	GG00B3P7S359 (USD) GG00B3KX4Q34 (GBP)
Website:	www.nbgfrif.com

Source: U.S. Bancorp (Guernsey) Limited and Bloomberg.
Data as at March 31, 2017. Past performance is not indicative of future returns.

1. *Data Source: S&P LCD.*
2. *Total return: Cumulative $ NAV based returns including dividends (gross of fees).*
3. *Gross of fees and expenses.*

* *Please see disclaimer on reverse.*

QUARTERLY COMMENTARY[1] (Continued)

Portfolio Positioning

Over the past quarter, the portfolio has remained very much weighted towards USD issuance which accounts for 90% of the portfolio at the end of March. The bond allocation remained well below the 20% of NAV permitted, at 6.4%, of which half are floating rate, as we remained focused on keeping duration low and limiting potential areas of volatility. We continue to allocate to better rated assets, and the BBB/BB weighting ended the quarter at 53.1%. With regards to sector allocation, we maintain a strong overweight to the cable television, as well as the containers & glass sectors. Conversely we maintain an underweight to the electronics, insurance and retail sectors.

Outlook

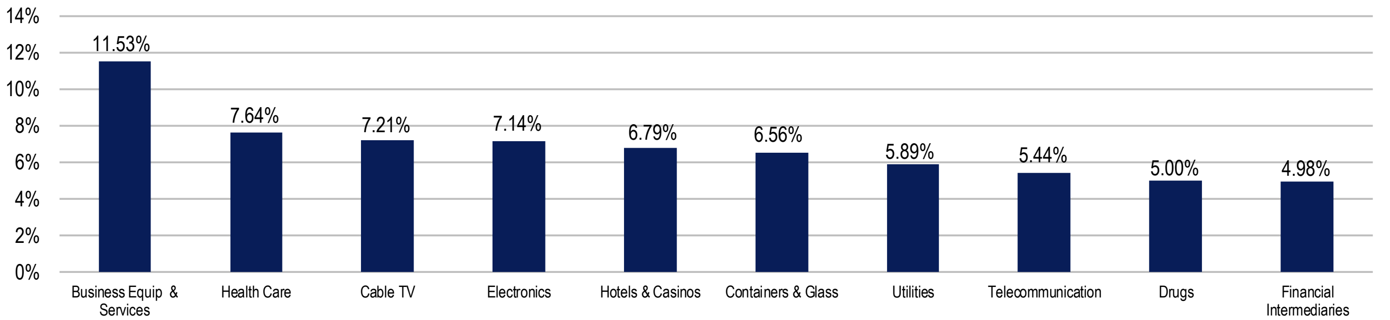
Our outlook for the loan market remains positive. Generally we feel that issuers are performing steadily, leverage is being controlled and cash cover metrics are strong. The market today is pricing in approximately a 2.7% imputed default rate, which is in line with our 2017 expectations of 2-3%. The Federal Reserve raised rates in March 2017, and we believe it will take a measured approach in terms of further rate hikes, as economic data continues to be supportive. Finally, we feel there could be periods of increased volatility as the year progresses, possibly driven by uncertainties regarding future fiscal and monetary policy, global economic growth and geopolitical developments.

We continue to believe that loans are attractive given the returns on offer compared to other risk asset classes of similar duration.

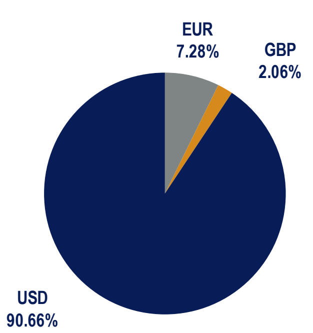
TOP 10 ISSUERS

Issuer	Sector	Weight
Valeant Pharmaceuticals	Drugs	2.50%
First Data	Business Equipment & Services	1.94%
Univision	Broadcast Radio & TV	1.30%
Intelsat	Telecommunications	1.15%
Vistra Energy	Utilities	1.10%
Virgin Media	Cable TV	1.07%
Endo Pharmaceutical	Drugs	1.04%
Community Health Systems	Health Care	1.02%
Reynolds Group	Containers & Glass	0.97%
American Airlines	Air Transport	0.96%

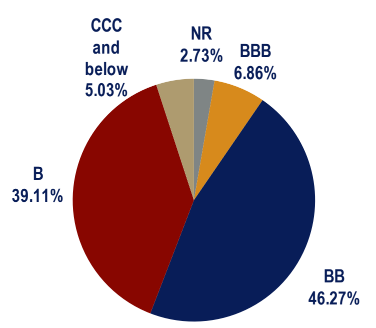
TOP 10 S&P SECTORS



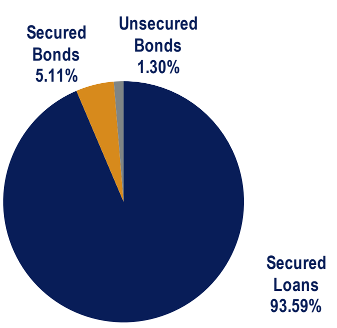
CURRENCY BREAKDOWN



RATING BREAKDOWN[2]



SECURITY BREAKDOWN



Source: Neuberger Berman, U.S. Bancorp (Guernsey) Limited and Bloomberg. Data as at March 31, 2017 and excludes cash.

1. *Source: Standard & Poor's.*
2. *Source: S&P LCD.*

The Fund's Current Portfolio Yield is a market-value weighted average of the current yields of the holdings in the portfolio, calculated as the coupon (base rate plus spread) divided by current price. The calculation does not take into account any fees, fund expenses or sales charges paid, which would reduce the results. The Current Yield for the Fund will fluctuate from month to month. The Current Yield should be regarded as an estimate of the Fund's rate of investment income, and it may not equal the realized distribution rate for each share class. You should consult the Fund's prospectus for additional information about the Fund's dividends and distributions policy.* ***Past performance is no guarantee of future results.*