

Apollo Tactical Income Fund Inc.
Form N-Q
November 19, 2018

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-Q

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED
MANAGEMENT INVESTMENT COMPANY**

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: September 30, 2018

Item 1. Schedule of Investments.

The Schedule of Investments is attached herewith.

Apollo Tactical Income Fund Inc.**Schedule of Investments****September 30, 2018 (unaudited)**

| | Principal | |
|--|--------------------|------------------------|
| | <u>Amount (\$)</u> | <u>Value (\$)</u> |
| Senior Loans - 119.7%^(a) | | |
| AEROSPACE & DEFENSE - 3.5% | | |
| MRO Holdings, Inc. | | |
| Initial Term Loan, (LIBOR + 5.25%, 1.00% Floor), 7.64%, 10/25/23 ^(b) | 595,500 | 600,711 |
| PAE Holding Corp. | | |
| First Lien Initial Term Loan, (LIBOR + 5.50%, 1.00% Floor), 7.89%, 10/20/22 ^(b) | 1,886,938 | 1,897,552 |
| Second Lien Initial Term Loan, (LIBOR + 9.50%, 1.00% Floor), 11.89%, 10/20/23 ^(b) | 1,404,834 | 1,411,858 |
| Photonis Technologies SAS (France) | | |
| First Lien Initial Dollar Term Loan, (LIBOR + 7.50%, 1.00% Floor), 9.89%, 09/18/19 ^{(b)(c)(d)} | 3,152,510 | 2,935,775 |
| StandardAero Aviation Holdings, Inc. | | |
| Initial Term Loan, (LIBOR + 3.75%, 1.00% Floor), 5.99%, 07/07/22 ^(b) | 1,994,859 | 2,008,104 8,854,000 |
| AUTOMOTIVE - 3.1% | | |
| AP Exhaust Acquisition, LLC | | |
| First Lien Initial Term Loan, (LIBOR + 5.00%, 1.00% Floor), 7.32%, 05/10/24 ^{(b)(d)} | 6,158,162 | 5,588,532 |
| Innovative XCessories & Services, LLC | | |
| Term Loan, (LIBOR + 4.75%, 1.00% Floor), 6.97%, 11/29/22 ^(b) | 2,226,026 | 2,228,808 |
| | | 7,817,340 |
| BANKING, FINANCE, INSURANCE & REAL ESTATE - 8.0% | | |
| AIS Holdco, LLC | | |
| First Lien Term Loan, (LIBOR + 5.00%, 0.00% Floor), 7.31%, 08/15/25 ^{(b)(e)} | 2,222,222 | 2,219,444 |
| Alera Group Intermediate Holdings, Inc. | | |
| Term Loan B, (LIBOR + 4.50%, 0.00% Floor), 6.74%, 08/01/25 ^(b) | 1,242,170 | 1,260,802 |
| Aretec Group, Inc. | | |
| First Lien Term Loan, (LIBOR + 4.25%, 0.00% Floor), 4.25%, 08/15/25 ^{(b)(d)} | 1,447,254 | 1,461,727 |
| Asurion, LLC | | |
| New Term Loan B-7, (LIBOR + 3.00%, 0.00% Floor), 5.24%, 11/03/24 ^(b) | 2,992,500 | 3,017,053 |
| Replacement Term Loan B-6, (LIBOR + 3.00%, 0.00% Floor), 5.24%, 11/03/23 ^{(b)(d)} | 1,595,859 | 1,609,575 |

Edgar Filing: Apollo Tactical Income Fund Inc. - Form N-Q

Second Lien Replacement Term Loan B-2, (LIBOR + 6.50%, 0.00% Floor), 8.74%,
08/04/25^(b) 1,594,072 1,641,400

Principal

Amount (\$)

Value (\$)

BANKING, FINANCE, INSURANCE & REAL ESTATE (continued)

| | | |
|---|-----------|------------|
| Mayfield Agency Borrower, Inc. First Lien Term Loan B, (LIBOR + 4.50%, 0.00% Floor), 6.74%, 02/28/25 ^(b) | 1,791,988 | 1,805,428 |
| Medical Card System, Inc. Term Loan, (LIBOR + 4.50%, 1.00% Floor), 5.50%, 09/02/19 ^{(b)(e)} | 4,651,939 | 4,163,131 |
| Mitchell International, Inc. Second Lien Initial Term Loan, (LIBOR + 7.25%, 0.00% Floor), 9.49%, 12/01/25 ^(b) | 1,000,000 | 1,002,000 |
| SG Acquisition, Inc. Initial Term Loan, (LIBOR + 5.00%, 1.00% Floor), 7.39%, 03/29/24 ^(b) | 1,894,982 | 1,902,088 |
| SquareTwo Financial Corp. Closing Date Term Loan, (LIBOR + 10.00%, 1.00% Floor), 11.00%, 05/24/19 ^{(b)(e)(f)(g)} | 1,003,755 | 36,326 |
| | | 20,118,974 |

BEVERAGE, FOOD & TOBACCO - 2.3%

| | | |
|---|-----------|-----------|
| 8th Avenue Food & Provisions, Inc. First Lien Term Loan, (LIBOR + 3.75%, 0.00% Floor), 3.75%, 10/01/25 ^{(b)(d)} | 975,000 | 985,057 |
| Winebow Holdings, Inc. First Lien Term Loan, (LIBOR + 3.75%, 1.00% Floor), 5.99%, 07/01/21 ^{(b)(d)} | 3,093,207 | 2,899,881 |
| Second Lien Term Loan, (LIBOR + 7.50%, 1.00% Floor), 9.74%, 01/02/22 ^(b) | 2,505,795 | 1,866,817 |
| | | 5,751,755 |

CAPITAL EQUIPMENT - 1.5%

| | | |
|--|-----------|-----------|
| Altra Industrial Motion Corp. Term Loan, (LIBOR + 2.00%, 0.00% Floor), 2.00%, 09/26/25 ^{(b)(d)} | 1,462,857 | 1,468,569 |
| Safe Fleet Holdings, LLC First Lien Initial Term Loan, (LIBOR + 3.00%, 1.00% Floor), 5.11%, 02/03/25 ^(b) | 997,494 | 989,394 |
| Second Lien Initial Term Loan, (LIBOR + 6.75%, 1.00% Floor), 8.86%, 02/02/26 ^(b) | 1,403,846 | 1,393,317 |
| | | 3,851,280 |

CHEMICALS, PLASTICS, & RUBBER - 6.0%

| | | |
|--|-----------|-----------|
| Archroma Finance S.A.R.L (Luxembourg) Facility B-2, (LIBOR + 4.25%, 0.00% Floor), 6.58%, 08/12/24 ^{(b)(c)} | 2,105,952 | 2,111,216 |
| Diamond (BC) B.V. Initial Term Loan, (LIBOR + 3.00%, 0.00% Floor), 5.24%, 09/06/24 ^(b) | 4,973,600 | 4,893,823 |

See accompanying Notes to Schedule of Investments. | 1

Apollo Tactical Income Fund Inc.**Schedule of Investments (continued)****September 30, 2018 (unaudited)**

| | Principal | |
|---|--------------------|-------------------|
| | <u>Amount (\$)</u> | <u>Value (\$)</u> |
| Senior Loans^(a) (continued) | | |
| CHEMICALS, PLASTICS, & RUBBER (continued) | | |
| Polar US Borrower, LLC | | |
| First Lien Term Loan, (LIBOR + 4.75%, 0.00% Floor), 4.75%, 08/17/25 ^{(b)(d)} | 3,000,000 | 3,018,750 |
| Starfruit US Holdco, LLC | | |
| Term Loan, (LIBOR + 3.25%, 0.00% Floor), 3.25%, 09/19/25 ^{(b)(d)} | 5,011,718 | 5,038,856 |
| | | 15,062,645 |
| CONSTRUCTION & BUILDING - 3.3% | | |
| Associated Asphalt Partners, LLC | | |
| Tranche B Term Loan, (LIBOR + 5.25%, 1.00% Floor), 7.49%, 04/05/24 ^(b) | 1,991,062 | 1,997,294 |
| KBR, Inc. | | |
| Term Loan B, (LIBOR + 3.75%, 0.00% Floor), 5.99%, 04/25/25 ^{(b)(e)} | 4,428,579 | 4,481,168 |
| Terra Millennium Corp. | | |
| First Out Term Loan, (LIBOR + 6.25%, 1.00% Floor), 8.50%, 10/31/22 ^{(b)(e)} | 1,912,500 | 1,926,844 |
| | | 8,405,306 |
| CONSUMER GOODS: DURABLE - 0.9% | | |
| PT Holdings, LLC | | |
| First Lien Term Loan B, (LIBOR + 4.00%, 1.00% Floor), 6.39%, 12/09/24 ^(b) | 1,615,117 | 1,618,154 |
| Second Lien Initial Loan, (LIBOR + 8.00%, 1.00% Floor), 10.39%, 12/08/25 ^{(b)(e)} | 625,000 | 634,375 |
| | | 2,252,529 |
| CONSUMER GOODS: NON-DURABLE - 1.4% | | |
| American Greetings Corp. | | |
| Initial Term Loan, (LIBOR + 4.50%, 1.00% Floor), 6.74%, 04/06/24 ^(b) | 3,403,691 | 3,421,781 |
| CONTAINERS, PACKAGING & GLASS - 3.3% | | |
| | 5,255,965 | 4,746,425 |

Edgar Filing: Apollo Tactical Income Fund Inc. - Form N-Q

Anchor Glass Container Corp.

July 2017 Additional Term Loan, (LIBOR + 2.75%, 1.00% Floor), 4.99%,
12/07/23^{(b)(d)}

Hoover Group, Inc.

First Lien Initial Term Loan, (LIBOR + 7.25%, 1.00% Floor), 9.56%, 01/28/21^(b) 750,105 742,604

SMI Acquisition, Inc.

First Lien Initial Term Loan, (LIBOR + 3.75%, 1.00% Floor), 6.09%, 11/01/24^(b) 2,885,613 2,765,384

8,254,413

Principal

Amount (\$)

Value (\$)

ENERGY: OIL & GAS - 0.3%

Ascent Resources - Marcellus, LLC

Exit Term Loan, (LIBOR + 6.50%, 1.00% Floor), 8.62%, 03/30/23^(b) 230,586 231,642

Sheridan Investment Partners I, LLC

Deferred Principal Facility I, 10/01/19^{(e)(g)} 4,749 3,325

Tranche B-2 Term Loan, (LIBOR + 3.50%, 0.75% Floor), 5.83%, 10/01/19^(b) 391,542 361,524

Sheridan Production Partners I-A, L.P.

Deferred Principal Facility I-A,
10/01/19^{(e)(g)} 629 441

Tranche B-2 Term Loan, (LIBOR + 3.50%, 0.75% Floor), 5.83%, 10/01/19^(b) 51,883 47,905

Sheridan Production Partners I-M, L.P.

Deferred Principal Facility I-M,
10/01/19^{(e)(g)} 384 269

Tranche B-2 Term Loan, (LIBOR + 3.50%, 0.75% Floor), 5.83%, 10/01/19^(b) 31,689 29,260

Southcross Holdings Borrower, L.P.

Tranche B Term Loan (5.50% PIK), 9.00%, 04/13/23^{(h)(i)} 130,376 123,368

797,734

HEALTHCARE & PHARMACEUTICALS - 19.5%

Akorn, Inc.

Term Loan, (LIBOR + 4.75%, 1.00% Floor), 7.00%, 04/16/21^(b) 3,769,533 3,661,159

Auris Luxembourg III S.A.R.L (Luxembourg)

Term Loan, (LIBOR + 3.75%, 0.00% Floor), 3.75%, 07/24/25^{(b)(c)(d)} 1,887,324 1,913,284

Bausch Health Companies, Inc. (Canada)

Initial Term Loan, (LIBOR + 3.00%, 0.00% Floor), 5.10%, 06/02/25^{(b)(c)} 975,000 981,050

BioClinica Holding I, LP

First Lien Initial Term Loan, (LIBOR + 4.25%, 1.00% Floor), 6.63%, 10/20/23^(b) 2,201,022 2,097,860

BW NHHC HoldCo, Inc.

First Lien Initial Term Loan, (LIBOR + 5.00%, 0.00% Floor), 7.16%, 05/15/25^(b) 2,038,295 2,009,005

Community Health Systems, Inc.

Incremental 2021 Term Loan H, (LIBOR + 3.25%, 1.00% Floor), 5.56%, 01/27/21^(b) 3,766,060 3,725,330

2 | See accompanying Notes to Schedule of Investments.

Apollo Tactical Income Fund Inc.**Schedule of Investments (continued)****September 30, 2018 (unaudited)**

| | Principal | |
|--|---------------------------|--------------------------|
| | <u>Amount (\$)</u> | <u>Value (\$)</u> |
| Senior Loans^(a) (continued) | | |
| HEALTHCARE & PHARMACEUTICALS (continued) | | |
| CT Technologies Intermediate Hldgs, Inc. Initial Term Loan, (LIBOR + 4.25%, 1.00% Floor), 6.49%, 12/01/21 ^(b) | 3,957,561 | 3,734,948 |
| Endo Luxembourg Finance I Co. S.A.R.L. Initial Term Loan, (LIBOR + 4.25%, 0.75% Floor), 6.50%, 04/29/24 ^(b) | 2,984,887 | 3,009,452 |
| Hanger, Inc. Term Loan B, (LIBOR + 3.50%, 0.00% Floor), 5.74%, 03/06/25 ^{(b)(d)(e)} | 2,361,955 | 2,359,003 |
| Inovalon Holdings, Inc. Term Loan, (LIBOR + 3.50%, 0.00% Floor), 5.63%, 04/02/25 ^(b) | 2,781,866 | 2,790,559 |
| Lanai Holdings II, Inc. First Lien Initial Term Loan, (LIBOR + 4.75%, 1.00% Floor), 7.09%, 08/29/22 ^(b) | 2,718,561 | 2,623,412 |
| Lanai Holdings III, Inc. Second Lien Initial Term Loan, (LIBOR + 8.50%, 1.00% Floor), 10.84%, 08/28/23 ^(b) | 869,565 | 830,435 |
| Lantheus Medical Imaging, Inc. New Term Loan B 2017, (LIBOR + 3.75%, 1.00% Floor), 5.99%, 06/30/22 ^(b) | 1,035,590 | 1,035,590 |
| Medical Solutions Holdings, Inc. First Lien Closing Date Term Loan, (LIBOR + 3.75%, 1.00% Floor), 5.99%, 06/14/24 ^(b) | 2,243,362 | 2,251,775 |
| Second Lien Closing Date Loan, (LIBOR + 8.25%, 1.00% Floor), 10.49%, 06/16/25 ^(b) | 2,000,000 | 2,007,500 |
| MModal, Inc. Term Loan B, (LIBOR + 4.75%, 1.00% Floor), 7.27%, 02/13/23 ^(b) | 2,025,535 | 2,026,812 |
| One Call Corp. First Lien Extended Term Loan, (LIBOR + 5.25%, 1.00% Floor), 7.38%, 11/27/22 ^(b) | 3,024,156 | 2,877,106 |
| Onex Schumacher Finance, LP First Lien Initial Term Loan, (LIBOR + 4.00%, 1.00% Floor), 6.24%, 07/29/22 ^(b) | 2,000,000 | 2,020,000 |
| Radiology Partners, Inc. First Lien Term Loan B, (LIBOR + 4.25%, 0.00% Floor), 6.59%, 07/09/25 ^(b) | 2,497,569 | 2,516,301 |
| Team Health Holdings, Inc. Initial Term Loan, (LIBOR + 2.75%, 1.00% Floor), 4.99%, 02/06/24 ^(b) | 2,900,952 | 2,826,615 |
| | Principal | <u>Value (\$)</u> |
| | <u>Amount (\$)</u> | |

HEALTHCARE & PHARMACEUTICALS (continued)

U.S. Renal Care, Inc.

| | | |
|--|-----------|------------|
| First Lien Initial Term Loan, (LIBOR + 4.25%, 1.00% Floor), 6.64%, 12/30/22 ^(b) | 1,885,787 | 1,842,178 |
| | | 49,139,374 |

HIGH TECH INDUSTRIES - 17.6%

DigiCert, Inc.

| | | |
|---|-----------|-----------|
| First Lien Term Loan, (LIBOR + 4.00%, 1.00% Floor), 6.24%, 10/31/24 ^{(b)(d)} | 4,265,745 | 4,283,085 |
|---|-----------|-----------|

| | | |
|---|-----------|-----------|
| Second Lien Term Loan, (LIBOR + 8.00%, 1.00% Floor), 10.24%, 10/31/25 ^(b) | 3,014,727 | 3,012,843 |
|---|-----------|-----------|

Flexera Software, LLC

| | | |
|--|-----------|-----------|
| First Lien Initial Term Loan, (LIBOR + 3.25%, 1.00% Floor), 5.50%, 02/26/25 ^{(b)(d)} | 1,250,435 | 1,255,905 |
|--|-----------|-----------|

Help/Systems Holdings, Inc.

| | | |
|--|-----------|-----------|
| First Lien Term Loan, (LIBOR + 3.75%, 0.00% Floor), 5.99%, 03/28/25 ^(b) | 2,592,098 | 2,611,539 |
|--|-----------|-----------|

ION Trading Finance, Ltd. (Ireland)

| | | |
|---|-----------|-----------|
| Initial Dollar Term Loan, (LIBOR + 4.00%, 1.00% Floor), 6.39%, 11/21/24 ^{(b)(c)(d)} | 6,483,668 | 6,466,454 |
|---|-----------|-----------|

Ivanti Software, Inc.

| | | |
|--|-----------|-----------|
| First Lien Term Loan, (LIBOR + 4.25%, 1.00% Floor), 6.33%, 01/20/24 ^(b) | 3,969,058 | 4,007,081 |
|--|-----------|-----------|

MA FinanceCo., LLC

| | | |
|---|---------|---------|
| Tranche B-3 Term Loan, (LIBOR + 2.50%, 0.00% Floor), 4.74%, 06/21/24 ^(b) | 256,667 | 256,293 |
|---|---------|---------|

Ocean Bidco, Inc.

| | | |
|--|-----------|-----------|
| Initial Dollar Term Loan, (LIBOR + 5.00%, 1.00% Floor), 7.39%, 03/21/25 ^{(b)(d)} | 1,332,902 | 1,339,014 |
|--|-----------|-----------|

Riverbed Technology, Inc.

| | | |
|---|-----------|-----------|
| First Amendment Term Loan, (LIBOR + 3.25%, 1.00% Floor), 5.50%, 04/24/22 ^(b) | 3,987,813 | 3,987,574 |
|---|-----------|-----------|

Seattle SpinCo, Inc.

| | | |
|---|-----------|-----------|
| Initial Term Loan, (LIBOR + 2.50%, 0.00% Floor), 4.74%, 06/21/24 ^(b) | 1,733,333 | 1,730,811 |
|---|-----------|-----------|

SS&C European Holdings, S.A.R.L (Luxembourg)

| | | |
|---|---------|---------|
| Term Loan B-4, (LIBOR + 2.25%, 0.00% Floor), 4.49%, 04/16/25 ^{(b)(c)(d)} | 545,495 | 546,689 |
|---|---------|---------|

SS&C Technologies, Inc.

| | | |
|--|-----------|-----------|
| Term Loan B-3, (LIBOR + 2.25%, 0.00% Floor), 4.49%, 04/16/25 ^{(b)(d)} | 1,405,311 | 1,408,389 |
|--|-----------|-----------|

See accompanying Notes to Schedule of Investments. | 3

Apollo Tactical Income Fund Inc.**Schedule of Investments (continued)****September 30, 2018 (unaudited)**

| | Principal | |
|---|--------------------|-------------------|
| | <u>Amount (\$)</u> | <u>Value (\$)</u> |
| Senior Loans^(a) (continued) | | |
| HIGH TECH INDUSTRIES (continued) | | |
| Syncsort, Inc. | | |
| First Lien Initial Term Loan, (LIBOR + 5.00%, 1.00% Floor), 7.26%, 08/16/24 ^{(b)(d)} | 3,480,221 | 3,492,402 |
| Second Lien Initial Term Loan, (LIBOR + 9.00%, 1.00% Floor), 11.24%, 08/18/25 ^(b) | 2,500,000 | 2,508,337 |
| Triple Point Group Holdings, Inc. | | |
| First Lien Term Loan, (LIBOR + 4.25%, 1.00% Floor), 6.64%, 07/10/20 ^(b) | 3,929,782 | 3,523,305 |
| Vertafore, Inc. | | |
| First Lien Initial Term Loan, (LIBOR + 3.25%, 0.00% Floor), 5.49%, 07/02/25 ^{(b)(d)} | 3,000,000 | 3,016,335 |
| Second Lien Initial Term Loan, (LIBOR + 7.25%, 0.00% Floor), 9.49%, 07/02/26 ^(b) | 1,000,000 | 1,010,630 |
| | | 44,456,686 |
| HOTEL, GAMING & LEISURE - 0.2% | | |
| Mohegan Tribal Gaming Authority | | |
| Term Loan A, (LIBOR + 3.75%, 0.00% Floor), 5.99%, 10/13/21 ^(b) | 478,421 | 471,604 |
| MEDIA: ADVERTISING, PRINTING & PUBLISHING - 3.7% | | |
| Acosta, Inc. | | |
| Tranche B-1 Loan, (LIBOR + 3.25%, 1.00% Floor), 5.49%, 09/26/21 ^(b) | 997,423 | 747,444 |
| Advantage Sales & Marketing, Inc. | | |
| First Lien Initial Term Loan, (LIBOR + 3.25%, 1.00% Floor), 5.49%, 07/23/21 ^(b) | 1,808,697 | 1,679,375 |
| Incremental Term Loan B-2, (LIBOR + 3.25%, 1.00% Floor), 5.49%, 07/23/21 ^{(b)(d)} | 2,186,434 | 2,019,719 |
| Second Lien Term Loan, (LIBOR + 6.50%, 1.00% Floor), 8.74%, 07/25/22 ^(b) | 2,002,715 | 1,694,798 |
| F & W Media, Inc. | | |
| Term Loan B-1 (8.75% PIK), (LIBOR + 6.50%, 1.50% Floor), 8.75%, 05/24/22 ^{(b)(e)(i)} | 332,809 | 332,809 |
| Term Loan B-2 (12.25% PIK), (LIBOR + 10.00%, 1.50% Floor), 12.25%, 05/24/22 ^{(b)(e)(i)} | 911,862 | 7,389 |

Edgar Filing: Apollo Tactical Income Fund Inc. - Form N-Q

| | | |
|---|-----------|-----------|
| Getty Images, Inc. Initial Term Loan, (LIBOR + 3.50%, 1.25% Floor), 5.74%, 10/18/19 ^(b) | 2,822,840 | 2,807,131 |
| | | 9,288,665 |

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

MEDIA: BROADCASTING & SUBSCRIPTION - 5.4%

| | | |
|--|-----------|------------|
| Altice France S.A. (France) USD Term Loan B-12, (LIBOR + 3.69%, 0.00% Floor), 5.85%, 01/31/26 ^{(b)(c)} | 1,000,000 | 990,270 |
| USD Incremental Term Loan B-13, (LIBOR + 4.00%, 0.00% Floor), 6.16%, 08/14/26 ^{(b)(c)} | 4,114,432 | 4,090,918 |
| Emmis Operating Co. Term Loan, (LIBOR + 7.00%, 1.00% Floor), 9.25%, 04/18/19 ^{(b)(e)} | 227,950 | 226,526 |
| Global Eagle Entertainment, Inc. Initial Term Loan, (LIBOR + 7.50%, 1.00% Floor), 10.02%, 01/06/23 ^(b) | 4,887,208 | 5,046,042 |
| Univision Communications, Inc. 2017 Replacement Term Loan, (LIBOR + 2.75%, 1.00% Floor), 4.99%, 03/15/24 ^(b) | 1,987,554 | 1,936,623 |
| Urban One, Inc. Initial Term Loan, (LIBOR + 4.00%, 1.00% Floor), 6.25%, 04/18/23 ^(b) | 1,431,812 | 1,405,259 |
| | | 13,695,638 |

MEDIA: DIVERSIFIED & PRODUCTION - 0.9%

| | | |
|--|-----------|-----------|
| A-L Parent, LLC Second Lien Initial Term Loan, (LIBOR + 7.25%, 1.00% Floor), 9.50%, 12/02/24 ^(b) | 375,000 | 378,750 |
| DHX Media, Ltd. (Canada) Initial Term Loan, (LIBOR + 3.75%, 1.00% Floor), 5.99%, 12/29/23 ^{(b)(c)} | 2,010,687 | 1,971,730 |
| | | 2,350,480 |

METALS & MINING - 0.0%

| | | |
|--|-----------|--|
| Magnetation, LLC / Mag Finance Corp. DIP Term Loan, 12.00%, 10/14/16 ^{(e)(g)(h)} | 1,127,504 | |
|--|-----------|--|

RETAIL - 7.6%

| | | |
|---|-----------|-----------|
| Academy, Ltd. Initial Term Loan, (LIBOR + 4.00%, 1.00% Floor), 6.10%, 07/01/22 ^{(b)(d)} | 4,158,428 | 3,245,050 |
| Charming Charlie, LLC Term Loan A (5.00% PIK), (LIBOR + 10.00%, 1.00% Floor), 12.34%, 04/24/23 ^{(b)(e)(i)} | 236,447 | 69,631 |
| Term Loan B (9.00% PIK), (LIBOR + 10.00%, 1.00% Floor), 12.34%, 04/24/23 ^{(b)(e)(i)} | 286,570 | 84,391 |
| Vendor Payment Financing Facility, 20.00%, 05/15/19 ^{(e)(h)} | 14,010 | 14,010 |

Edgar Filing: Apollo Tactical Income Fund Inc. - Form N-Q

| | | |
|--|-----------|-----------|
| EG America, LLC | | |
| Additional Facility Loan, (LIBOR + 4.00%, 0.00% Floor), 6.39%, 02/07/25 ^(b) | 2,502,395 | 2,510,616 |

4 | See accompanying Notes to Schedule of Investments.

Apollo Tactical Income Fund Inc.**Schedule of Investments (continued)****September 30, 2018 (unaudited)**

| | Principal | |
|---|--------------------|-------------------|
| | <u>Amount (\$)</u> | <u>Value (\$)</u> |
| Senior Loans^(a) (continued) | | |
| RETAIL (continued) | | |
| General Nutrition Centers, Inc. Extended Term Loan B, (LIBOR + 9.25%, 0.75% Floor), 11.50%, 03/04/21 ^{(b)(d)} | 984,332 | 972,028 |
| First In Last Out Term Loan, (LIBOR + 7.00%, 0.00% Floor), 9.25%, 12/31/22 ^(b) | 3,072,350 | 3,158,115 |
| J.C. Penney Corp. Term Loan B, (LIBOR + 4.25%, 1.00% Floor), 6.57%, 06/23/23 ^(b) | 993,421 | 915,437 |
| Neiman Marcus Group, Inc. Other Term Loan, (LIBOR + 3.25%, 1.00% Floor), 5.37%, 10/25/20 ^{(b)(d)} | 3,000,000 | 2,793,420 |
| Petco Animal Supplies, Inc. Term Loan, (LIBOR + 3.25%, 1.00% Floor), 5.59%, 01/26/23 ^{(b)(d)} | 3,791,674 | 3,085,020 |
| PetSmart, Inc. Tranche B-2 Loan, (LIBOR + 3.00%, 1.00% Floor), 5.12%, 03/11/22 ^(b) | 2,636,974 | 2,308,249 |
| | | 19,155,967 |
| SERVICES: BUSINESS - 14.2% | | |
| Air Medical Group Holdings, Inc. 2017-2 New Term Loan, (LIBOR + 4.25%, 1.00% Floor), 6.42%, 03/14/25 ^(b) | 2,992,462 | 2,984,682 |
| Electro Rent Corp. First Lien Initial Term Loan, (LIBOR + 5.00%, 1.00% Floor), 7.19%, 01/31/24 ^(b) | 2,250,247 | 2,276,508 |
| Enterprise Merger Sub, Inc. Term Loan, (LIBOR + 3.75%, 0.00% Floor), 3.75%, 09/26/25 ^{(b)(d)} | 4,922,121 | 4,898,273 |
| Evergreen Skills Lux S.A.R.L (Luxembourg) First Lien Initial Term Loan, (LIBOR + 4.75%, 1.00% Floor), 6.99%, 04/28/21 ^{(b)(c)} | 4,164,818 | 3,972,195 |
| Second Lien Initial Term Loan, (LIBOR + 8.25%, 1.00% Floor), 10.49%, 04/28/22 ^{(b)(c)} | 1,000,000 | 853,125 |
| GI Revelation Acquisition, LLC First Lien Term Loan, (LIBOR + 5.00%, 0.00% Floor), 7.24%, 04/16/25 ^(b) | 1,995,000 | 2,002,481 |
| Michael Baker International, LLC Initial Term Loan, (LIBOR + 4.50%, 1.00% Floor), 6.74%, 11/21/22 ^(b) | 918,955 | 923,550 |

Edgar Filing: Apollo Tactical Income Fund Inc. - Form N-Q

National Intergovernmental Purchasing Alliance Co.

First Lien Initial Term Loan, (LIBOR + 3.75%, 0.00% Floor), 6.14%,

05/23/25^(b)

1,557,764

1,565,553

Principal

Amount (\$)

Value (\$)

SERVICES: BUSINESS (continued)

Onex Carestream Finance, L.P.

Second Lien Term Loan, (LIBOR + 8.50%, 1.00% Floor), 10.74%,

12/07/19^(b)

1,000,000

998,250

Parker Private Merger Sub, Inc.

First Lien Term Loan B, (LIBOR + 3.75%, 0.00% Floor), 3.75%,

09/17/25^{(b)(d)}

1,116,164

1,124,535

R1 RCM, Inc.

Initial Term Loan, (LIBOR + 5.25%, 0.00% Floor), 7.43%, 05/08/25^{(b)(e)}

1,428,571

1,432,142

Refinitiv US Holdings, Inc.

Term Loan B, (LIBOR + 3.75%, 0.00% Floor), 3.75%, 10/01/25^{(b)(d)}

4,137,385

4,133,082

SGS Cayman, L.P.

Initial Cayman Term Loan, (LIBOR + 5.38%, 1.00% Floor), 7.76%, 04/23/21^(b)

778,268

746,815

STG-Fairway Acquisitions, Inc.

First Lien Term Loan, (LIBOR + 5.25%, 1.00% Floor), 7.59%, 06/30/22^(b)

2,577,911

2,581,134

Sutherland Global Services, Inc.

Initial U.S. Term Loan, (LIBOR + 5.38%, 1.00% Floor), 7.76%, 04/23/21^(b)

3,343,403

3,208,279

Verscend Holding Corp.

Term Loan B, (LIBOR + 4.50%, 0.00% Floor), 6.74%, 08/27/25^(b)

2,000,000

2,020,420

35,721,024

SERVICES: CONSUMER - 1.9%

Laureate Education, Inc.

Series 2024 Term Loan, (LIBOR + 3.50%, 1.00% Floor), 5.74%, 04/26/24^(b)

2,219,334

2,232,417

USS Ultimate Holdings, Inc.

Second Lien Initial Term Loan, (LIBOR + 7.75%, 1.00% Floor), 9.99%,

08/25/25^{(b)(d)}

2,500,000

2,512,500

4,744,917

TELECOMMUNICATIONS - 12.4%

CenturyLink, Inc.

Initial Term Loan B, (LIBOR + 2.75%, 0.00% Floor), 4.99%, 01/31/25^{(b)(d)}

3,982,462

3,959,563

Flight Bidco, Inc.

First Lien Initial Term Loan, (LIBOR + 3.50%, 0.00% Floor), 5.84%,

07/23/25^{(b)(d)}

3,092,364

3,096,229

Frontier Communications Corp.

Initial Term Loan, (LIBOR + 2.75%, 0.00% Floor), 5.00%, 03/31/21^{(b)(d)}

2,730,282

2,685,069

Term Loan, (LIBOR + 4.38%, 0.00% Floor), 6.63%, 10/12/21^(b)

4,403,714

4,333,034

See accompanying Notes to Schedule of Investments. | 5

Apollo Tactical Income Fund Inc.**Schedule of Investments (continued)****September 30, 2018 (unaudited)**

| | Principal | |
|---|--------------------|--------------------|
| | <u>Amount (\$)</u> | <u>Value (\$)</u> |
| Senior Loans^(a) (continued) | | |
| TELECOMMUNICATIONS (continued) | | |
| Intelsat Jackson Holdings S.A. (Luxembourg) | | |
| Tranche B-4 Term Loan, (LIBOR + 4.50%, 1.00% Floor), 6.73%, 01/02/24 ^{(b)(c)} | 3,406,019 | 3,589,109 |
| Tranche B-5 Term Loan, 6.63%, 01/02/24 ^{(c)(h)} | 3,820,586 | 3,991,557 |
| Securus Technologies Holdings, Inc. | | |
| First Lien Initial Term Loan, (LIBOR + 4.50%, 1.00% Floor), 6.74%, 11/01/24 ^(b) | 1,703,263 | 1,710,076 |
| TDC A/S (Denmark) | | |
| Facility B2, (LIBOR + 3.50%, 0.00% Floor), 5.84%, 06/04/25 ^{(b)(c)} | 3,076,358 | 3,111,736 |
| U.S. TelePacific Corp. | | |
| Advance Term Loan, (LIBOR + 5.00%, 1.00% Floor), 7.39%, 05/02/23 ^(b) | 2,560,538 | 2,525,331 |
| Zacapa, LLC | | |
| Initial Term Loan, (LIBOR + 5.00%, 0.75% Floor), 7.39%, 07/02/25 ^(b) | 2,333,333 | 2,350,833 |
| | | 31,352,537 |
| TRANSPORTATION: CARGO - 0.8% | | |
| Savage Enterprises, LLC | | |
| Initial Term Loan, (LIBOR + 4.50%, 0.00% Floor), 6.60%, 08/01/25 ^(b) | 1,983,570 | 2,013,730 |
| TRANSPORTATION: CONSUMER - 0.9% | | |
| Travel Leaders Group, LLC | | |
| 2018 Refinancing Term Loan, (LIBOR + 4.00%, 0.00% Floor), 6.16%, 01/25/24 ^(b) | 2,217,893 | 2,247,003 |
| UTILITIES: ELECTRIC - 1.0% | | |
| Brookfield WEC Holdings, Inc. | | |
| First Lien Initial Term Loan, (LIBOR + 3.75%, 0.75% Floor), 5.99%, 08/01/25 ^(b) | 2,534,984 | 2,569,371 |
| Total Senior Loans | | |
| (Cost \$303,393,618) | | 301,794,753 |

Corporate Notes and Bonds - 19.7%^(h)**AEROSPACE & DEFENSE - 0.5%**

BBA U.S. Holdings, Inc.

5.38%, 05/01/26^(j)

1,240,000

1,244,650

BANKING, FINANCE, INSURANCE & REAL ESTATE - 1.0%

Greystar Real Estate Partners, LLC

5.75%, 12/01/25^(j)

1,500,000

1,466,250

NFP Corp.

6.88%, 07/15/25^(j)

1,000,000

1,005,000

2,471,250

PrincipalAmount (\$)Value (\$)**BEVERAGE, FOOD & TOBACCO - 1.5%**

JBS, S.A.

6.75%, 02/15/28^(j)

2,000,000

1,990,000

Sigma Holdco B.V. (Netherlands)

7.88%, 05/15/26^{(c)(j)}

2,000,000

1,885,000

3,875,000

CAPITAL EQUIPMENT - 0.8%

Stevens Holding Co., Inc.

6.13%, 10/01/26^(j)

2,000,000

2,037,500

CHEMICALS, PLASTICS & RUBBER - 0.4%

Starfruit US Holdco, LLC (Netherlands)

8.00%, 10/01/26^{(c)(j)}

1,000,000

1,016,250

CONTAINERS, PACKAGING & GLASS - 0.4%

Reynolds Group Holdings, Inc.

6.88%, 02/15/21

1,069,414

1,082,782

ENERGY: OIL & GAS - 1.9%

Moss Creek Resources Holdings, Inc.

7.50%, 01/15/26^(j)

4,762,000

4,779,857

HEALTHCARE & PHARMACEUTICALS - 3.5%

Bausch Health Companies, Inc. (Canada)

5.63%, 12/01/21^{(c)(j)}

2,389,000

2,389,000

Edgar Filing: Apollo Tactical Income Fund Inc. - Form N-Q

| | | |
|-----------------------------------|-----------|-----------|
| 5.88%, 05/15/23 ^{(c)(i)} | 1,111,000 | 1,087,391 |
| 6.50%, 03/15/22 ^{(c)(i)} | 500,000 | 521,250 |
| Centene Escrow I Corp. | | |
| 5.38%, 06/01/26 ⁽ⁱ⁾ | 2,000,000 | 2,052,700 |
| Community Health Systems, Inc. | | |
| 8.63%, 01/15/24 ⁽ⁱ⁾ | 1,005,000 | 1,043,944 |
| Team Health Holdings, Inc. | | |
| 6.38%, 02/01/25 ⁽ⁱ⁾ | 2,000,000 | 1,765,000 |
| | | 8,859,285 |

HIGH TECH INDUSTRIES - 1.2%

| | | |
|--------------------------------|-----------|-----------|
| Infor Software Parent, LLC | | |
| 7.13%, 05/01/21 ⁽ⁱ⁾ | 1,000,000 | 1,013,740 |
| Riverbed Technology, Inc. | | |
| 8.88%, 03/01/23 ⁽ⁱ⁾ | 2,000,000 | 1,892,500 |
| | | 2,906,240 |

HOTEL, GAMING & LEISURE - 2.7%

| | | |
|--------------------------------------|-----------|-----------|
| Churchill Downs, Inc. | | |
| 4.75%, 01/15/28 ⁽ⁱ⁾ | 3,000,000 | 2,820,000 |
| Hilton Grand Vacations Borrower, LLC | | |
| 6.13%, 12/01/24 | 1,100,000 | 1,126,125 |
| Scientific Games Corp. | | |
| 5.00%, 10/15/25 ⁽ⁱ⁾ | 3,000,000 | 2,857,500 |
| | | 6,803,625 |

MEDIA: BROADCASTING & SUBSCRIPTION - 2.8%

| | | |
|---------------------------------|-----------|-----------|
| CSC Holdings, LLC | | |
| 5.38%, 02/01/28 ⁽ⁱ⁾ | 1,000,000 | 955,000 |
| 10.88%, 10/15/25 ⁽ⁱ⁾ | 477,000 | 555,705 |
| Univision Communications, Inc. | | |
| 5.13%, 05/15/23 ⁽ⁱ⁾ | 2,500,000 | 2,393,750 |
| 5.13%, 02/15/25 ⁽ⁱ⁾ | 2,500,000 | 2,343,750 |

6 | See accompanying Notes to Schedule of Investments.

Apollo Tactical Income Fund Inc.**Schedule of Investments (continued)**

September 30, 2018 (unaudited)

| | <u>Share</u> | |
|--|-----------------|-------------------|
| | <u>Quantity</u> | <u>Value (\$)</u> |
| Corporate Notes and Bonds^(h) (continued) | | |
| MEDIA: BROADCASTING & SUBSCRIPTION (continued) | | |
| Urban One, Inc. 7.38%, 04/15/22 ⁽ⁱ⁾ | 787,000 | 783,065 |
| | | 7,031,270 |
| METALS & MINING - 0.0% | | |
| ERP Iron Ore, LLC LIBOR + 8.00%, 12/31/19 ^{(e)(g)(k)} | 121,662 | 14,095 |
| Magnetation, LLC / Mag Finance Corp. 11.00%, 05/15/18 ^{(e)(g)(j)(l)} | 2,937,000 | |
| | | 14,095 |
| RETAIL - 0.3% | | |
| PetSmart, Inc. 5.88%, 06/01/25 ⁽ⁱ⁾ | 145,000 | 119,580 |
| 8.88%, 06/01/25 ⁽ⁱ⁾ | 717,000 | 519,682 |
| | | 639,262 |
| SERVICES: BUSINESS - 1.0% | | |
| Refinitiv US Holdings, Inc. 6.25%, 05/15/26 ⁽ⁱ⁾ | 2,000,000 | 2,009,880 |
| 8.25%, 11/15/26 ⁽ⁱ⁾ | 500,000 | 498,220 |
| | | 2,508,100 |
| SERVICES: CONSUMER - 0.4% | | |
| NVA Holdings, Inc. 6.88%, 04/01/26 ⁽ⁱ⁾ | 1,000,000 | 1,002,500 |

TELECOMMUNICATIONS - 1.3%

| | | |
|---|-----------|-----------|
| Orbcomm, Inc. 8.00%, 04/01/24 ⁽ⁱ⁾ | 3,194,000 | 3,401,610 |
|---|-----------|-----------|

**Total Corporate Notes and Bonds
(Cost \$49,629,256)****49,673,276****Structured Products - 10.8%^(m)**

| | | |
|--|-----------|-----------|
| Anchorage Capital CLO, Ltd. (Cayman Islands) Series 2015-6A, Class ER, 8.69%, 07/15/30 ^{(c)(j)(n)} | 4,400,000 | 4,413,134 |
| Babson CLO Ltd. (Cayman Islands) Series 2014-IA, Class E, 8.00%, 07/20/25 ^{(c)(j)(n)} | 1,110,000 | 1,067,715 |
| Fortress Credit Opportunities CLO, Ltd. (Cayman Islands) Series 2018-11A, Class E, 9.50%, 04/15/31 ^{(c)(j)(n)} | 4,000,000 | 3,859,440 |
| Guggenheim 1828 CLO, LLC (Cayman Island) Series 2016-1A, Class D, 9.34%, 04/15/28 ^{(c)(j)(n)} | 4,000,000 | 4,002,592 |
| JFIN CLO, Ltd. (Cayman Islands) Series 2015-1A, Class E, 7.33%, 03/15/26 ^{(c)(j)(n)} | 4,500,000 | 4,322,857 |

Share**Quantity****Value (\$)**

| | | |
|--|-----------|-----------|
| TIAA Churchill Middle Market CLO (Cayman Islands) Series 2016-1A, Class E2, 10.35%, 10/20/28 ^{(c)(j)(n)} | 2,000,000 | 2,000,716 |
| Series 2017-1A, Class E, 9.64%, 01/24/30 ^{(c)(j)(n)} | 4,000,000 | 3,858,260 |
| Voya CLO, Ltd. (Cayman Islands) Series 2015-3A, Series E, 8.85%, 10/20/27 ^{(c)(j)(n)} | 1,000,000 | 969,582 |
| Zais CLO, Ltd. (Cayman Islands) Series 2016-2A, Series D, 9.34%, 10/15/28 ^{(c)(j)(n)} | 1,000,000 | 1,000,263 |
| Series 2017-2A, Series E, 9.49%, 04/15/30 ^{(c)(j)(n)} | 1,750,000 | 1,753,061 |

**Total Structured Products
(Cost \$26,446,185)****27,247,620****Common Stocks - 0.3%****BANKING, FINANCE, INSURANCE & REAL ESTATE - 0.0%**

| | | |
|---|---------|--------|
| Medical Card System, Inc. ^{(e)(g)} | 914,981 | 44,944 |
|---|---------|--------|

ENERGY: OIL & GAS - 0.3%

| | | |
|--|---------|---------|
| Ascent Resources Marcellus Holdings, Inc. ^(g) | 165,654 | 530,093 |
| HGIM Corp. ^{(e)(g)} | 1,463 | 79,002 |
| Southcross Holdings Borrower, GP LLC ^{(e)(g)} | 129 | |
| Southcross Holdings Borrower, LP, Class A-II ^{(e)(g)} | 129 | 33,056 |

| | | |
|---|-----------|----------------------|
| | | 642,151 |
| MEDIA: ADVERTISING, PRINTING & PUBLISHING - 0.0% | | |
| F & W Media, Inc. ^{(e)(g)} | 9,510 | |
| RETAIL - 0.0% | | |
| Charming Charlie, LLC ^{(e)(g)} | 2,679,190 | |
| Total Common Stock (Cost \$729,082) | | 687,095 |
| Preferred Stock - 1.6% | | |
| BANKING, FINANCE, INSURANCE & REAL ESTATE - 1.6% | | |
| Watford Holdings, Ltd. (Bermuda) 8.50%, ^{(c)(e)(j)} | 160,000 | 3,897,596 |
| Total Preferred Stock (Cost \$3,920,000) | | 3,897,596 |
| Warrants - 0.0% | | |
| ENERGY: OIL & GAS - 0.0% | | |
| Ascent Resources Marcellus Holdings, Inc. ^{(e)(g)} | 42,889 | 1,287 |
| Total Warrants (Cost \$4,289) | | 1,287 |
| Total Investments-152.1% (Cost of \$384,122,430) | | 383,301,627 |
| Other Assets & Liabilities, Net-(2.0)% | | (5,040,091) |
| Loan Outstanding-(50.1)%^{(o)(p)} | | (126,227,384) |
| Net Assets -100.0% | | 252,034,152 |

See accompanying Notes to Schedule of Investments. | 7

Apollo Tactical Income Fund Inc.**Schedule of Investments (continued)****September 30, 2018 (unaudited)**

- (a) Senior Loans are senior, secured loans made to companies whose debt is below investment grade as well as investments with similar economic characteristics. Senior Loans typically hold a first lien priority and, unless otherwise indicated, are required to pay interest at floating rates that are periodically reset by reference to a base lending rate plus a spread. In some instances, the rates shown represent the weighted average rate as of September 30, 2018. Senior Loans are generally not registered under the Securities Act of 1933 (the 1933 Act) and often incorporate 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.
- (b) The interest rate on this Senior Loan is subject to a 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 U.S. banks (Prime). The interest rate is subject to a minimum floor, which may be less than or greater than the prevailing period end LIBOR/Prime rate. As of September 30, 2018, the 1, 2, 3 and 6 month LIBOR rates were 2.26%, 2.31%, 2.40% and 2.60%, respectively, and the Prime lending rate was 5.25%. Senior Loans may contain multiple contracts of the same issuer which may be subject to base lending rates of both LIBOR and Prime (Variable) in addition to the stated spread.
- (c) Foreign issuer traded in U.S. dollars.
- (d) All or a portion of this Senior Loan position has not settled. Full contract rates do not take effect until settlement date and therefore are subject to change.
- (e) Fair Value Level 3 security.
- (f) The issuer is in default of its payment obligations as of March 19, 2017, as such, income is no longer being accrued.
- (g) Non-income producing asset.
- (h) Fixed rate asset.
- (i) Represents a payment-in-kind (PIK) security, which may pay interest in additional principal amount.
- (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 September 30, 2018, these securities amounted to \$78,595,490, or 31.18% of net assets.
- (k) The issuer is in default of its payment obligations as of July 5, 2018, as such, income is no longer being accrued.
- (l) The issuer is in default of its payment obligations as of May 5, 2015, as such, income is no longer being accrued.
- (m) 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.

- (n) Floating rate asset. The interest rate shown reflects the rate in effect at September 30, 2018.
- (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 \$126,500,000 less unamortized deferred financing costs of \$272,616.

8 | See accompanying Notes to Schedule of Investments.

Apollo Tactical Income Fund Inc.

Notes to Schedule of Investments

September 30, 2018 (unaudited)

Security Valuation

Apollo Tactical Income Fund Inc. (the Fund) values its 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, common stock, 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 Fund's board of directors (the Board). In general, the fair value of a security is the amount that the Fund 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, the Fund's net asset value (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 the Fund's valuation of a security will not differ from the amount that it realizes upon the sale of such security.

Fair Value Measurements

The 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 Fund's 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 Fund has 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 Fund has 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 Fund's 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 Tactical Income Fund Inc.**Notes to Schedule of Investments (continued)****September 30, 2018 (unaudited)**

The valuation techniques used by the Fund to measure fair value at September 30, 2018 maximized the use of observable inputs and minimized the use of unobservable inputs. The inputs or methodologies 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. A summary of the Fund's investments categorized in the fair value hierarchy as of September 30, 2018 is as follows:

Apollo Tactical Income Fund Inc.

| | Total Fair Value at September 30, 2018 | Level 1 Quoted Price | Level 2 Significant Observable Inputs | Level 3 Significant Unobservable Inputs |
|---|---|-------------------------|--|--|
| Assets: | | | | |
| Cash and Cash Equivalents | \$ 14,092,983 | \$ 14,092,983 | \$ | \$ |
| Senior Loans | 301,794,753 | | 283,803,529 | 17,991,224 |
| Corporate Notes and Bonds | 49,673,276 | | 49,659,181 | 14,095 |
| Structured Products | 27,247,620 | | 27,247,620 | |
| Common Stock | 687,095 | | 530,093 | 157,002 |
| Preferred Stock | 3,897,596 | | | 3,897,596 |
| Warrants | 1,287 | | | 1,287 |
| Unrealized appreciation on Unfunded Loan Commitments | 1,279 | | 1,279 | |
| Total Assets | \$ 397,395,889 | \$ 14,092,983 | \$ 361,241,702 | \$ 22,061,204 |

The following is a reconciliation of Level 3 holdings for which significant unobservable inputs were used in determining fair value for the period January 1, 2018 through September 30, 2018:

Apollo Tactical Income Fund Inc.

| | Total | Senior Loans | Corporate Notes and Bonds | Common Stock | Preferred Stock | Warrants |
|--|---------------|-----------------|---------------------------------|-----------------|--------------------|----------|
| Total Fair Value, beginning of the period | \$ 23,768,803 | \$ 19,745,730 | \$ 40,335 | \$ 67,513 | \$ 3,915,225 | \$ |
| Purchases, including capitalized PIK | 10,910,632 | 10,767,475 | | 138,868 | | 4,289 |
| Sales/Paydowns | (10,122,020) | (10,089,225) | (32,795) | | | |
| Accretion/(amortization) of discounts/(premiums) | 332,532 | 322,191 | 10,341 | | | |
| Net realized gain/(loss) | 261,591 | 243,430 | 18,161 | | | |
| Change in net unrealized appreciation/(depreciation) | (963,064) | (871,107) | (21,947) | (49,379) | (17,629) | (3,002) |
| Transfer into Level 3 | 860,901 | 860,901 | | | | |
| Transfers out of Level 3 | (2,988,171) | (2,988,171) | | | | |
| Total Fair Value, end of period | \$ 22,061,204 | \$ 17,991,224 | \$ 14,095 | \$ 157,002 | \$ 3,897,596 | \$ 1,287 |

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. There were no transfers between Level 1 and Level 2 fair value measurement during the period shown. The net change in unrealized appreciation/(depreciation) attributable to Level 3 investments still held at September 30, 2018 was \$(336,431).

Apollo Tactical Income Fund Inc.

Notes to Schedule of Investments (continued)

September 30, 2018 (unaudited)

The following table provides quantitative measures used to determine the fair values of the Level 3 investments as of September 30, 2018:

Apollo Tactical Income Fund Inc.

| Assets | Fair Value at September 30, 2018 | Valuation Technique(s) ^(a) | Unobservable Input(s) | Range of Unobservable Input(s) Utilized |
|---------------------------|-------------------------------------|--|--|---|
| Senior Loans | \$ 13,297,547 | Independent pricing service and/or broker quotes | Vendor and/or broker quotes | N/A |
| | 4,163,131 | Discounted Cash Flow ^(b) | Discount Rate ^(b) | 22.6% |
| | 154,022 | Recoverability ^{(c)(d)} | Liquidation Proceeds ^(c) | \$33.5m - \$39.9m |
| | | | EBITDA / EV Multiple ^(d) | \$12m / 3.0x |
| | 340,198 | Recoverability ^(c) | Liquidation Proceeds ^(c) | \$15.2m |
| | | | Recoverability ^(c) | \$0 |
| | 36,326 | Discounted Cash Flow ^(b) Recoverability ^(e) | Discount Rate ^(b) Estimated Transaction Value ^(e) | 2.87% N/A |
| Corporate Notes and Bonds | 14,095 | Recoverability ^(c) | Liquidation Proceeds ^(c) | \$10.9m |
| | | Recoverability ^(c) | Liquidation Proceeds ^(c) | \$0 |
| Common Stock | | Recoverability ^{(c)(d)} | Liquidation Proceeds ^(c) EBITDA / EV Multiple ^(d) | \$33.5m - \$39.9m \$12m / 3.0x |
| | | Recoverability ^(c) | Liquidation Proceeds ^(c) | \$15.2m |
| | 44,944 | Option Model ^(f) | Volatility ^(f) | 20.7% |
| | 112,058 | Independent pricing service and/or broker quotes | Vendor and/or broker quotes | N/A |
| Preferred Stock | 3,897,596 | Discounted Cash Flow ^(b) | Discount Rate ^(b) | 8.72% |

| | | | | |
|------------------|---------------|---|-----------------------------|-----|
| Warrants | 1,287 | Independent pricing service and/or broker quotes | Vendor and/or broker quotes | N/A |
| Total Fair Value | \$ 22,061,204 | | | |

- (a) For the assets which have multiple valuation techniques, the Fund may rely on the techniques individually or in aggregate based on a weight ranging from 0-100%.
- (b) 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.
- (c) 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 a company's assets. The significant unobservable inputs used in the valuation model were liquidation proceeds. Significant increases or decreases in the input in isolation may result in a significantly higher or lower fair value measurement.
- (d) The Fund utilized a recoverability approach to fair value these securities. The significant unobservable inputs used in the valuation model were EBITDA and enterprise value multiple. Significant increases or decreases in the input in isolation may result in a significantly higher or lower fair value measurement.
- (e) The Fund utilized a recoverability approach to fair value this security. The significant unobservable input used in the valuation model was an estimated transaction value. Significant increases or decreases in the input in isolation may result in a significantly higher or lower fair value measurement.
- (f) The Fund utilized a Black-Scholes options pricing model to fair value this security. The significant unobservable input used in the valuation model was volatility. Significant increases or decreases in the input in isolation may result in a significantly higher or lower fair value measurement.

Apollo Tactical Income Fund Inc.**Notes to Schedule of Investments (continued)****September 30, 2018 (unaudited)****Federal Tax Information**

Cost for U.S federal income tax purposes differs from book basis primarily due to the deferral of losses from wash sales. Unrealized appreciation and depreciation on investments as of September 30, 2018 were as follows:

| | Apollo Tactical Income Fund Inc. |
|--|---|
| Federal tax basis, cost | \$ 384,625,756 |
| Unrealized appreciation | \$ 4,262,844 |
| Unrealized depreciation | (5,586,974) |
| Net unrealized appreciation/(depreciation) | \$ (1,324,130) |

General Commitments and Contingencies

As of September 30, 2018, the Fund had unfunded loan commitments outstanding, which could be extended at the option of the borrower, as detailed below:

| Borrower | Unfunded Loan Commitments |
|-------------------------------------|--------------------------------------|
| Charming Charlie, LLC | \$ 172,787 |
| Securus Technologies Holdings, Inc. | 299,063 |
| Total unfunded loan commitments | \$ 471,850 |

For more information with regard to significant accounting policies, see the Fund's most recent semi-annual report filed with the Securities and Exchange Commission.

Item 2. Controls and Procedures.

- (a) The Fund's principal executive and principal financial officers, or persons performing similar functions, have concluded that the Fund's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the "1940 Act")) are effective as of a date within 90 days of the filing date of this report, based on the evaluation of these controls and procedures required by Rule 30a-3(b) under the 1940 Act and Rules 13a-15(b) or 15d-15(b) under the Securities Exchange Act of 1934, as amended.

- (b) There were no changes in the Fund's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act) that occurred during the Fund's last fiscal quarter that have materially affected, or are reasonably likely to materially affect, the Fund's internal control over financial reporting.

Item 3. Exhibits.

- (a) Certifications pursuant to Rule 30a-2(a) under the 1940 Act are attached hereto.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

(Registrant) Apollo Tactical Income Fund Inc.

By (Signature and Title) /s/ Joseph Moroney

Joseph Moroney, President

(principal executive officer)

Date 11/15/18

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By (Signature and Title) /s/ Joseph Moroney

Joseph Moroney, President

(principal executive officer)

Date 11/15/18

By (Signature and Title) /s/ Frank Marra

Frank Marra, Treasurer and Chief Financial Officer

(principal financial officer)

Date 11/15/18