

Apollo Tactical Income Fund Inc.  
Form N-Q  
May 23, 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: March 31, 2018

**Item 1. Schedule of Investments.**

The Schedule of Investments is attached herewith.

**Apollo Tactical Income Fund Inc.****Schedule of Investments****March 31, 2018 (unaudited)**

	<b>Principal</b>	
	<b>Amount (\$)</b>	<b>Value (\$)</b>
<b>Senior Loans - 123.6%<sup>(a)</sup></b>		
<b>AEROSPACE &amp; DEFENSE - 2.6%</b>		
MRO Holdings, Inc. Initial Term Loan, (LIBOR + 5.25%, 1.00% Floor), 7.55%, 10/25/23 <sup>(b)</sup>	598,500	605,981
PAE Holding Corp. First Lien Initial Term Loan, (LIBOR + 5.50%, 1.00% Floor), 7.49%, 10/20/22 <sup>(b)</sup>	1,916,940	1,931,318
Second Lien Initial Term Loan, (LIBOR + 9.50%, 1.00% Floor), 11.49%, 10/20/23 <sup>(b)</sup>	1,404,834	1,416,543
Photonis Technologies SAS (France) First Lien Initial Dollar Term Loan, (LIBOR + 7.50%, 1.00% Floor), 9.80%, 09/18/19 <sup>(b)(c)(d)</sup>	2,856,480	2,540,839 6,494,681
<b>AUTOMOTIVE - 3.2%</b>		
AP Exhaust Acquisition, LLC First Lien Initial Term Loan, (LIBOR + 5.00%, 1.00% Floor), 6.81%, 05/10/24 <sup>(b)</sup>	5,317,799	5,327,770
CH Hold Corp. Second Lien Initial Term Loan, (LIBOR + 7.25%, 1.00% Floor), 9.13%, 02/03/25 <sup>(b)</sup>	500,000	508,750
Innovative XCcessories & Services, LLC Term Loan, (LIBOR + 4.75%, 1.00% Floor), 6.58%, 11/29/22 <sup>(b)</sup>	2,237,326	2,259,699 8,096,219
<b>BANKING, FINANCE, INSURANCE &amp; REAL ESTATE - 5.0%</b>		
Asurion, LLC Second Lien Replacement Term Loan B-2, (LIBOR + 6.00%, 0.00% Floor), 7.88%, 08/04/25 <sup>(b)</sup>	1,017,647	1,047,159
CRCI Holdings, Inc. Initial Term Loan, (LIBOR + 5.50%, 1.00% Floor), 8.17%, 08/31/23 <sup>(b)</sup>	2,086,480	2,097,789
Mayfield Agency Borrower, Inc. First Lien Term Loan B, (LIBOR + 4.50%, 0.00% Floor), 6.38%, 02/28/25 <sup>(b)(d)</sup>	2,398,239	2,419,224
Medical Card System, Inc.		

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Term Loan, (LIBOR + 0.50%, 1.00% Floor), 1.50%, 05/31/19 <sup>(b)(e)</sup> Mitchell International, Inc.	4,913,829	4,181,882
Second Lien Initial Term Loan, (LIBOR + 7.25%, 0.00% Floor), 9.14%, 12/01/25 <sup>(b)</sup> SG Acquisition, Inc.	1,636,979	1,650,484
Initial Term Loan, (LIBOR + 5.00%, 1.00% Floor), 7.30%, 03/29/24 <sup>(b)</sup>	1,297,637	1,304,125

	Principal	
	Amount (\$)	Value (\$)

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

SquareTwo Financial Corp. Closing Date Term Loan, (LIBOR +10.00%, 1.00% Floor), 11.00%, 05/24/19 <sup>(b)(e)(f)(g)</sup>	1,003,755	35,729 12,736,392
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**BEVERAGE, FOOD & TOBACCO - 2.4%**

The Chef s Warehouse, Inc. Term Loan, (LIBOR + 4.00%, 1.00% Floor), 5.88%, 06/22/22 <sup>(b)</sup> PFS Holding Corp.	1,073,550	1,083,615
First Lien Term Loan, (LIBOR + 3.50%, 1.00% Floor), 5.38%, 01/31/21 <sup>(b)</sup> Winebow Holdings, Inc. (The Vintner Group, Inc.)	1,193,058	814,262
First Lien Term Loan, (LIBOR + 3.75%, 1.00% Floor), 5.63%, 07/01/21 <sup>(b)</sup> Second Lien Term Loan, (LIBOR + 7.50%, 1.00% Floor), 9.38%, 01/02/22 <sup>(b)(e)</sup>	1,878,864 2,505,795	1,847,159 2,342,918 6,087,954

**CAPITAL EQUIPMENT - 0.3%**

Swordfish Merger Sub, LLC Second Lien Initial Term Loan, (LIBOR + 6.75%, 1.00% Floor), 8.53%, 02/02/26 <sup>(b)</sup>	807,692	822,331
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**CHEMICALS, PLASTICS & RUBBER - 2.3%**

Archroma Finance S.A.R.L (Luxembourg) Facility B-2, (LIBOR + 4.25%, 0.00% Floor), 5.97%, 08/12/24 <sup>(b)(c)</sup> PetroChoice Holdings, Inc.	2,116,588	2,104,026
First Lien Initial Term Loan, (LIBOR + 5.00%, 1.00% Floor), 6.79%, 08/19/22 <sup>(b)</sup> Vantage Specialty Chemicals, Inc.	989,662 1,603,125	999,559 1,619,822

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First Lien Closing Date Term Loan, (LIBOR + 4.00%, 1.00% Floor), 6.30%, 10/28/24 <sup>(b)</sup>		
Second Lien Initial Loan, (LIBOR + 8.25%, 1.00% Floor), 10.02%, 10/27/25 <sup>(b)</sup>	1,000,000	1,005,000 5,728,407
<b>CONSTRUCTION &amp; BUILDING - 4.2%</b>		
Associated Asphalt Partners, LLC		
Tranche B Term Loan, (LIBOR + 5.25%, 1.00% Floor), 7.13%, 04/05/24 <sup>(b)</sup>	2,177,897	2,099,852
Henry Company, LLC		
Initial Term Loan, (LIBOR + 4.00%, 1.00% Floor), 5.88%, 10/05/23 <sup>(b)</sup>	1,257,779	1,277,041

See accompanying Notes to Schedule of Investments. | 1

**Apollo Tactical Income Fund Inc.****Schedule of Investments (continued)****March 31, 2018 (unaudited)**

	Principal Amount (\$)	Value (\$)
<b>Senior Loans<sup>(a)</sup> (continued)</b>		
<b>CONSTRUCTION &amp; BUILDING (continued)</b>		
KBR, Inc. Term Loan B, (LIBOR + 3.75%, 0.00% Floor), 3.75%, 03/28/25 <sup>(b)(d)</sup>	4,439,678	4,436,903
Morsco, Inc. Initial Term Loan, (LIBOR + 7.00%, 1.00% Floor), 8.88%, 10/31/23 <sup>(b)</sup>	949,367	966,574
Terra Millenium Corp. First Out Term Loan, (LIBOR + 6.25%, 1.00% Floor), 8.19%, 10/31/22 <sup>(b)(e)</sup>	1,937,500	1,952,031
		10,732,401
<b>CONSUMER GOODS: DURABLE - 0.7%</b>		
PT Holdings, LLC First Lien Term Loan B, (LIBOR + 4.00%, 1.00% Floor), 6.30%, 12/09/24 <sup>(b)</sup>	997,500	1,009,969
Second Lien Initial Loan, (LIBOR + 8.00%, 1.00% Floor), 10.30%, 12/08/25 <sup>(b)(e)</sup>	625,000	634,375
		1,644,344
<b>CONSUMER GOODS: NON-DURABLE - 4.0%</b>		
ABG Intermediate Holdings 2, LLC First Lien Initial Term Loan, (LIBOR + 3.50%, 1.00% Floor), 5.80%, 09/27/24 <sup>(b)</sup>	2,454,163	2,467,452
Second Lien Initial Term Loan, (LIBOR + 7.75%, 1.00% Floor), 10.05%, 09/29/25 <sup>(b)</sup>	507,286	515,529
LTI Holdings, Inc. First Lien Initial Term Loan, (LIBOR + 4.75%, 1.00% Floor), 6.63%, 05/16/24 <sup>(b)</sup>	4,027,519	4,050,174
First Lien Second Amendment Incremental Term Loan, (LIBOR + 3.50%, 1.00% Floor), 5.38%, 05/16/24 <sup>(b)</sup>	1,231,167	1,235,784
Parfums Holding Co., Inc. First Lien Initial Term Loan, (LIBOR + 4.75%, 1.00% Floor), 7.05%, 06/30/24 <sup>(b)</sup>	1,759,075	1,783,262
		10,052,201
<b>CONTAINERS, PACKAGING &amp; GLASS - 3.8%</b>		

Anchor Glass Container Corp. July 2017 Additional Term Loan, (LIBOR + 2.75%, 1.00% Floor), 4.63%, 12/07/23 <sup>(b)(d)</sup>	2,242,691	2,182,778
Second Lien Term Loan, (LIBOR + 7.75%, 1.00% Floor), 9.49%, 12/07/24 <sup>(b)</sup>	1,083,333	1,049,024
Hoover Group, Inc. First Lien Initial Term Loan, (LIBOR + 7.25%, 1.00% Floor), 9.15%, 01/28/21 <sup>(b)(e)</sup>	753,966	678,569

**Principal****Amount (\$)****Value (\$)****CONTAINERS, PACKAGING & GLASS (continued)**

SMI Acquisition, Inc. First Lien Initial Term Loan, (LIBOR + 3.75%, 1.00% Floor), 5.52%, 11/01/24 <sup>(b)</sup>	1,047,375	1,055,230
Sprint Industrial Holdings, LLC First Lien Term Loan, (LIBOR + 5.75%, 1.25% Floor), 8.05%, 05/14/19 <sup>(b)</sup>	4,847,303	4,574,642 9,540,243

**ENERGY: OIL & GAS - 0.5%**

Ascent Resources - Marcellus, LLC Exit Term Loan, (Prime + 5.50%, 1.00% Floor), 10.25%, 03/30/23 <sup>(b)</sup>	230,586	230,586
Azure Midstream Energy, LLC Term Loan, (LIBOR + 6.50%, 1.00% Floor), 8.38%, 11/15/18 <sup>(b)</sup>	402,376	395,000
HGIM Corp. Senior Secured Term Loan A, (Prime + 3.25%, 1.00% Floor), 8.00%, 06/18/18 <sup>(b)(g)(h)</sup>	398,725	174,442
Sheridan Investment Partners I, LLC Deferred Principal Facility I, 10/01/19 <sup>(e)(g)</sup>	4,749	2,850
Tranche B-2 Term Loan, (LIBOR + 3.50%, 0.75% Floor), 5.53%, 10/01/19 <sup>(b)</sup>	441,873	375,225
Sheridan Production Partners I-A, L.P. Deferred Principal Facility I-A, 10/01/19 <sup>(e)(g)</sup>	629	378
Tranche B-2 Term Loan, (LIBOR + 3.50%, 0.75% Floor), 5.53%, 10/01/19 <sup>(b)</sup>	58,552	49,720
Sheridan Production Partners I-M, L.P. Deferred Principal Facility I-M, 10/01/19 <sup>(e)(g)</sup>	384	231
Tranche B-2 Term Loan, (LIBOR + 3.50%, 0.75% Floor), 5.53%, 10/01/19 <sup>(b)</sup>	35,763	30,369
Southcross Holdings Borrower, LP Tranche B Term Loan (5.50% PIK), 9.00%, 04/13/23 <sup>(i)(i)</sup>	126,789	125,521 1,384,322

**ENVIRONMENTAL INDUSTRIES - 1.2%**

Emerald 2, Ltd. (United Kingdom)

Facility B-1, (LIBOR + 4.00%, 1.00% Floor), 6.45%, 05/14/21 <sup>(b)(c)</sup>	3,091,110	3,093,057
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**HEALTHCARE & PHARMACEUTICALS - 23.2%**

Amneal Pharmaceuticals, LLC

First Lien Term Loan B, (LIBOR + 3.50%, 0.00% Floor), 3.50%, 03/21/25 <sup>(b)(d)</sup>	2,017,845	2,021,628
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2 See accompanying Notes to Schedule of Investments.



**Apollo Tactical Income Fund Inc.****Schedule of Investments (continued)****March 31, 2018 (unaudited)**

	<b>Principal</b>	
	<b>Amount (\$)</b>	<b>Value (\$)</b>
<b>Senior Loans<sup>(a)</sup> (continued)</b>		
<b>HEALTHCARE &amp; PHARMACEUTICALS (continued)</b>		
Argon Medical Devices Holdings, Inc. First Lien Initial Term Loan, (LIBOR + 3.75%, 0.00% Floor), 6.05%, 01/23/25 <sup>(b)</sup>	1,563,830	1,574,581
BioClinica Holding I, LP First Lien Initial Term Loan, (LIBOR + 4.25%, 1.00% Floor), 6.00%, 10/20/23 <sup>(b)</sup>	2,212,223	2,167,979
Community Health Systems, Inc. Incremental 2021 Term Loan H, (LIBOR + 3.00%, 1.00% Floor), 5.23%, 01/27/21 <sup>(b)(d)</sup>	6,067,726	5,844,828
CT Technologies Intermediate Hldgs, Inc. Initial Term Loan, (LIBOR + 4.25%, 1.00% Floor), 6.13%, 12/01/21 <sup>(b)</sup>	3,978,014	3,971,390
Diplomat Pharmacy, Inc. Initial Term Loan B, (LIBOR + 4.50%, 1.00% Floor), 6.38%, 12/20/24 <sup>(b)</sup>	741,847	749,730
Endo Luxembourg Finance I Co. S.A.R.L. Initial Term Loan, (LIBOR + 4.25%, 0.75% Floor), 6.19%, 04/29/24 <sup>(b)(d)</sup>	4,071,805	4,070,950
Hanger, Inc. Term Loan B, (LIBOR + 3.50%, 0.00% Floor), 5.38%, 03/06/25 <sup>(b)(d)(e)</sup>	1,932,648	1,939,895
Lanai Holdings II, Inc. First Lien Initial Term Loan, (LIBOR + 4.75%, 1.00% Floor), 6.54%, 08/29/22 <sup>(b)</sup>	3,687,726	3,586,313
Lanai Holdings III, Inc. Second Lien Initial Term Loan, (LIBOR + 8.50%, 1.00% Floor), 10.29%, 08/28/23 <sup>(b)</sup>	869,565	834,782
Lantheus Medical Imaging, Inc. New Term Loan B 2017, (LIBOR + 3.75%, 1.00% Floor), 5.63%, 06/30/22 <sup>(b)</sup>	1,040,846	1,048,866
Medical Solutions Holdings, Inc. First Lien Closing Date Term Loan, (LIBOR + 3.75%, 1.00% Floor), 5.63%, 06/14/24 <sup>(b)(d)</sup>	6,116,375	6,143,165
Second Lien Closing Date Loan, (LIBOR + 8.25%, 1.00% Floor), 10.13%, 06/16/25 <sup>(b)</sup>	2,000,000	2,005,000
MModal, Inc. Term Loan B, (LIBOR + 4.75%, 1.00% Floor), 6.52%, 02/13/23 <sup>(b)</sup>	2,035,714	2,023,836
NMSC Holdings, Inc. Initial Term Loan, (LIBOR + 5.00%, 1.00% Floor), 7.45%, 04/19/23 <sup>(b)</sup>	561,524	558,015

	Principal Amount (\$)	Value (\$)
<b>HEALTHCARE &amp; PHARMACEUTICALS (continued)</b>		
Onex TSG Intermediate Corp. First Lien Initial Term Loan, (LIBOR + 4.00%, 1.00% Floor), 5.88%, 07/29/22 <sup>(b)(d)</sup>	2,725,619	2,659,182
Opal Acquisition, Inc. Term Loan B, (LIBOR + 4.00%, 1.00% Floor), 6.03%, 11/27/20 <sup>(b)(d)</sup>	5,639,730	5,400,042
PharMerica Corp. First Lien Initial Term Loan, (LIBOR + 3.50%, 0.00% Floor), 5.21%, 12/06/24 <sup>(b)</sup>	1,732,523	1,741,549
Quorum Health Corp. Term Loan, (LIBOR + 6.75%, 1.00% Floor), 8.63%, 04/29/22 <sup>(b)</sup>	2,658,042	2,720,134
Team Health Holdings, Inc. Initial Term Loan, (LIBOR + 2.75%, 1.00% Floor), 4.63%, 02/06/24 <sup>(b)(d)</sup>	3,989,924	3,825,340
U.S. Renal Care, Inc. First Lien Initial Term Loan, (LIBOR + 4.25%, 1.00% Floor), 6.55%, 12/30/22 <sup>(b)</sup>	3,966,652	3,989,778 58,876,983
<b>HIGH TECH INDUSTRIES - 14.8%</b>		
Aptean, Inc. Term Loan B, (LIBOR + 4.25%, 1.00% Floor), 6.56%, 12/20/22 <sup>(b)</sup>	2,139,700	2,146,836
Aspect Software, Inc. First Lien Exit Term Loan, (LIBOR + 10.50%, 1.00% Floor), 12.38%, 05/25/20 <sup>(b)</sup>	1,558,338	1,557,855
DigiCert Holding, Inc. First Lien Term Loan, (LIBOR + 4.75%, 1.00% Floor), 6.52%, 10/31/24 <sup>(b)</sup>	1,895,411	1,919,303
Second Lien Term Loan, (LIBOR + 8.00%, 1.00% Floor), 9.77%, 10/31/25 <sup>(b)</sup>	1,514,727	1,532,002
Flexera Software, LLC First Lien Initial Term Loan, (LIBOR + 3.25%, 1.00% Floor), 5.13%, 02/26/25 <sup>(b)</sup>	1,562,701	1,574,101
Second Lien Initial Term Loan, (LIBOR + 7.25%, 1.00% Floor), 9.13%, 02/26/26 <sup>(b)</sup>	692,308	699,231
Gigamon, Inc. First Lien Initial Term Loan, (LIBOR + 4.50%, 1.00% Floor), 6.80%, 12/27/24 <sup>(b)</sup>	1,709,999	1,727,099
HS Purchaser, LLC First Lien Term Loan, (LIBOR + 3.75%, 0.00% Floor), 6.05%, 03/29/25 <sup>(b)(d)</sup>	1,506,928	1,510,695
Ivanti Software, Inc. First Lien Term Loan, (LIBOR + 4.25%, 1.00% Floor), 6.13%, 01/20/24 <sup>(b)(d)</sup>	4,988,095	4,916,391



**Apollo Tactical Income Fund Inc.****Schedule of Investments (continued)****March 31, 2018 (unaudited)**

	<b>Principal</b>	
	<b>Amount (\$)</b>	<b>Value (\$)</b>
<b>Senior Loans<sup>(a)</sup> (continued)</b>		
<b>HIGH TECH INDUSTRIES (continued)</b>		
MA FinanceCo., LLC		
Tranche B-3 Term Loan, (LIBOR + 2.75%, 0.00% Floor), 4.63%, 06/21/24 <sup>(b)(d)</sup>	257,956	255,659
Ocean Bidco, Inc.		
First Lien Term Loan B, (LIBOR + 5.00%, 1.00% Floor), 7.22%, 03/21/25 <sup>(b)(d)</sup>	1,101,311	1,106,361
Riverbed Technology, Inc.		
First Amendment Term Loan, (LIBOR + 3.25%, 1.00% Floor), 5.13%, 04/24/22 <sup>(b)</sup>	3,979,953	3,971,018
Seattle SpinCo, Inc.		
Initial Term Loan, (LIBOR + 2.75%, 0.00% Floor), 4.63%, 06/21/24 <sup>(b)(d)</sup>	1,742,044	1,726,531
SolarWinds Holdings, Inc.		
2018 Refinancing Term Loan, (LIBOR + 3.00%, 0.00% Floor), 4.88%, 02/05/24 <sup>(b)(d)</sup>	4,273,901	4,297,942
Syncsort, Inc.		
First Lien Initial Term Loan, (LIBOR + 5.00%, 1.00% Floor), 7.30%, 08/16/24 <sup>(b)</sup>	2,992,481	3,005,573
Second Lien Initial Term Loan, (LIBOR + 9.00%, 1.00% Floor), 11.30%, 08/18/25 <sup>(b)</sup>	2,000,000	1,969,380
Triple Point Group Holdings, Inc.		
First Lien Term Loan, (LIBOR + 4.25%, 1.00% Floor), 6.55%, 07/10/20 <sup>(b)</sup>	3,958,163	3,593,279
		37,509,256
<b>HOTEL, GAMING &amp; LEISURE - 1.5%</b>		
Mohegan Tribal Gaming Authority		
Term Loan A, (LIBOR + 3.75%, 0.00% Floor), 5.63%, 10/13/21 <sup>(b)</sup>	1,893,366	1,895,733
Seaworld Parks & Entertainment, Inc.		
Term Loan B-2, (LIBOR + 2.25%, 0.75% Floor), 4.55%, 05/14/20 <sup>(b)(d)</sup>	1,987,619	1,983,684
		3,879,417
<b>MEDIA: ADVERTISING, PRINTING &amp; PUBLISHING - 3.0%</b>		
Acosta, Inc.		
	3,000,000	2,524,035

Tranche B-1 Loan, (LIBOR + 3.25%, 1.00% Floor), 5.13%,  
09/26/21<sup>(b)</sup>

	Principal Amount (\$)	Value (\$)
<b>MEDIA: ADVERTISING, PRINTING &amp; PUBLISHING (continued)</b>		
Advantage Sales & Marketing, Inc. First Lien Initial Term Loan, (LIBOR + 3.25%, 1.00% Floor), 5.02%, 07/23/21 <sup>(b)</sup>	2,989,677	2,935,220
Incremental Term Loan B-2, (LIBOR + 3.25%, 1.00% Floor), 5.02%, 07/23/21 <sup>(b)(d)</sup>	515,708	506,314
Second Lien Term Loan, (LIBOR + 6.50%, 1.00% Floor), 8.27%, 07/25/22 <sup>(b)</sup>	1,000,000	963,215
F & W Media, Inc. Term Loan B-1 (8.38% PIK), (LIBOR + 6.50%, 1.50% Floor), 8.38%, 05/24/22 <sup>(b)(e)(j)</sup>	348,572	348,572
Term Loan B-2 (11.88% PIK), (LIBOR + 10.00%, 1.50% Floor), 11.88%, 05/24/22 <sup>(b)(e)(j)</sup>	858,143	321,191
		7,598,547
<b>MEDIA: BROADCASTING &amp; SUBSCRIPTION - 2.8%</b>		
Emmis Operating Co. Term Loan, (LIBOR + 7.00%, 1.00% Floor), 8.88%, 04/18/19 <sup>(b)</sup>	565,410	551,275
Global Eagle Entertainment, Inc. Initial Term Loan, (LIBOR + 7.50%, 1.00% Floor), 9.36%, 01/06/23 <sup>(b)</sup>	4,950,678	5,183,781
Urban One, Inc. Initial Term Loan, (LIBOR + 4.00%, 1.00% Floor), 5.88%, 04/18/23 <sup>(b)</sup>	1,439,080	1,430,993
		7,166,049
<b>MEDIA: DIVERSIFIED &amp; PRODUCTION - 0.2%</b>		
A-L Parent, LLC Second Lien Initial Term Loan, (LIBOR + 7.25%, 1.00% Floor), 9.13%, 12/02/24 <sup>(b)(e)</sup>	375,000	378,750
<b>METALS &amp; MINING - 0.0%</b>		
Magnetation, LLC / Mag Finance Corp. DIP Term Loan, 12.00%, 10/14/16 <sup>(e)(g)(i)</sup>	1,127,504	
<b>RETAIL - 9.5%</b>		
Academy, Ltd. Initial Term Loan, (LIBOR + 4.00%, 1.00% Floor), 5.78%, 07/01/22 <sup>(b)</sup>	1,950,781	1,561,600
Albertson's, LLC Replacement 2017-1 Term Loan B-4, (LIBOR + 2.75%, 0.75% Floor), 4.63%, 08/25/21 <sup>(b)(d)</sup>	2,992,462	2,959,994

4 See accompanying Notes to Schedule of Investments.

**Apollo Tactical Income Fund Inc.****Schedule of Investments (continued)****March 31, 2018 (unaudited)**

	Principal Amount (\$)	Value (\$)
<b>Senior Loans<sup>(a)</sup> (continued)</b>		
<b>RETAIL (continued)</b>		
Charming Charlie, LLC		
Senior Secured Super-Priority DIP Delayed Draw Term Loan, (LIBOR + 4.50%, 1.00% Floor), 6.37%, 06/08/18 <sup>(b)(e)</sup>	74,702	74,702
Senior Secured Super-Priority DIP Initial Term Loan, (LIBOR + 4.50%, 1.00% Floor), 6.37%, 06/08/18 <sup>(b)(e)</sup>	93,419	93,419
Senior Secured Super-Priority DIP Roll-up Loan, (LIBOR + 1.00%, 1.00% Floor), 2.87%, 06/08/18 <sup>(b)(e)</sup>	373,593	17,642
Term Loan, (LIBOR + 8.00%, 1.00% Floor), 12.33%, 12/24/19 <sup>(b)(e)(g)(k)</sup>	706,488	
David s Bridal, Inc.		
Initial Term Loan, (LIBOR + 4.00%, 1.25% Floor), 6.31%, 10/11/19 <sup>(b)</sup>	2,121,809	1,822,984
EG America, LLC		
Term Loan B, (LIBOR + 4.00%, 0.00% Floor), 4.00%, 02/07/25 <sup>(b)(d)</sup>	2,514,970	2,512,455
EG Finco, Ltd. (United Kingdom)		
Term Loan B, (LIBOR + 4.00%, 0.00% Floor), 4.00%, 02/07/25 <sup>(b)(c)(d)</sup>	500,000	499,500
General Nutrition Centers, Inc.		
Extended Term Loan B, (LIBOR + 8.75%, 0.00% Floor), 10.59%, 03/04/21 <sup>(b)</sup>	1,405,962	1,328,634
First In Last Out Term Loan, (LIBOR + 7.00%, 0.00% Floor), 8.88%, 12/31/22 <sup>(b)</sup>	572,350	588,233
JC Penney Corp., Inc.		
Term Loan B, (LIBOR + 4.25%, 1.00% Floor), 6.23%, 06/23/23 <sup>(b)(d)</sup>	4,155,357	4,078,753
Petco Animal Supplies, Inc.		
Second Amendment Term Loan, (LIBOR + 3.00%, 1.00% Floor), 4.77%, 01/26/23 <sup>(b)(d)</sup>	5,829,922	4,296,332
PetSmart, Inc.		
Tranche B-2 Loan, (LIBOR + 3.00%, 1.00% Floor), 4.68%, 03/11/22 <sup>(b)(d)</sup>	1,900,389	1,530,032
Sears Roebuck Acceptance Corp.		

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2017 Extended Term Loan, (LIBOR + 4.50%, 1.00% Floor), 6.20%, 01/20/19 <sup>(b)</sup> Vince, LLC	1,249,911	1,247,824
Initial Term Loan, (LIBOR + 7.00%, 1.00% Floor), 8.66%, 11/27/19 <sup>(b)</sup>	1,542,799	1,415,518
		24,027,622

	Principal	
	Amount (\$)	Value (\$)

**SERVICES: BUSINESS - 19.0%**

Access CIG, LLC		
First Lien Term Loan B, (LIBOR + 3.75%, 0.00% Floor), 5.63%, 02/27/25 <sup>(b)(d)</sup>	1,006,775	1,019,359
Air Medical Group Holdings, Inc.		
2017-2 New Term Loan, (LIBOR + 4.25%, 1.00% Floor), 6.01%, 03/14/25 <sup>(b)</sup>	2,262,778	2,285,055
2018 Term Loan, (LIBOR + 3.25%, 1.00% Floor), 4.94%, 04/28/22 <sup>(b)</sup> Boing US Holdco, Inc.	3,279,734	3,297,723
First Lien Term Loan B, (LIBOR + 3.50%, 1.00% Floor), 5.29%, 10/03/24 <sup>(b)</sup>	708,084	710,963
Second Lien Term Loan B, (LIBOR + 7.50%, 1.00% Floor), 9.29%, 10/03/25 <sup>(b)(e)</sup>	545,455	548,182
EIG Investors Corp.		
Refinancing Term Loan, (LIBOR + 4.00%, 1.00% Floor), 5.96%, 02/09/23 <sup>(b)</sup>	3,945,555	3,979,014
Electro Rent Corp.		
First Lien Initial Term Loan, (LIBOR + 5.00%, 1.00% Floor), 6.98%, 01/31/24 <sup>(b)</sup>	2,092,560	2,105,638
Evergreen Skills Lux S.A.R.L. (Luxembourg)		
First Lien Initial Term Loan, (LIBOR + 4.75%, 1.00% Floor), 6.63%, 04/28/21 <sup>(b)(c)</sup>	6,500,000	6,294,177
Explorer Holdings, Inc.		
Initial Term Loan, (LIBOR + 3.75%, 1.00% Floor), 5.52%, 05/02/23 <sup>(b)</sup>	4,059,110	4,097,185
IBC Capital, Ltd.		
First Lien Initial Term Loan, (LIBOR + 3.75%, 1.00% Floor), 5.82%, 09/09/21 <sup>(b)</sup>	2,969,388	2,979,038
Michael Baker International, LLC		
Initial Term Loan, (LIBOR + 4.50%, 1.00% Floor), 6.34%, 11/21/22 <sup>(b)</sup>	2,870,813	2,877,990
Navicure, Inc.		
First Lien Initial Term Loan, (LIBOR + 3.75%, 1.00% Floor), 5.63%, 11/01/24 <sup>(b)</sup>	789,898	794,835
Second Lien Initial Term Loan, (LIBOR + 7.50%, 1.00% Floor), 9.38%, 10/31/25 <sup>(b)</sup>	500,000	502,500
Onex Carestream Finance, L.P.		
First Lien Term Loan, (LIBOR + 4.00%, 1.00% Floor), 5.88%, 06/07/19 <sup>(b)</sup>	1,928,927	1,942,641
Second Lien Term Loan, (LIBOR + 8.50%, 1.00% Floor), 10.38%, 12/07/19 <sup>(b)</sup>	2,143,089	2,143,089





**Apollo Tactical Income Fund Inc.****Schedule of Investments (continued)****March 31, 2018 (unaudited)**

	Principal Amount (\$)	Value (\$)
<b>Senior Loans<sup>(a)</sup> (continued)</b>		
<b>SERVICES: BUSINESS (continued)</b>		
Paysafe Group PLC Facility B-1, (LIBOR + 3.50%, 1.00% Floor), 5.36%, 01/03/25 <sup>(b)</sup>	2,909,090	2,926,065
SGS Cayman, L.P. Initial Cayman Term Loan, (LIBOR + 5.38%, 1.00% Floor), 7.68%, 04/23/21 <sup>(b)</sup>	782,322	748,095
STG-Fairway Acquisitions, Inc. First Lien Term Loan, (LIBOR + 5.25%, 1.00% Floor), 7.13%, 06/30/22 <sup>(b)</sup>	2,514,689	2,513,118
Sutherland Global Services, Inc. Initial U.S. Term Loan, (LIBOR + 5.38%, 1.00% Floor), 7.68%, 04/23/21 <sup>(b)</sup>	3,360,816	3,213,780
U.S. Security Associates Holdings, Inc. Initial Term Loan, (LIBOR + 3.50%, 1.00% Floor), 5.80%, 07/14/23 <sup>(b)(d)</sup>	3,048,495	3,060,872 48,039,319
<b>SERVICES: CONSUMER - 1.9%</b>		
Laureate Education, Inc. Series 2024 Term Loan, (LIBOR + 3.50%, 1.00% Floor), 5.38%, 04/26/24 <sup>(b)</sup>	2,219,334	2,233,981
USS Ultimate Holdings, Inc. First Lien Initial Term Loan, (LIBOR + 3.75%, 1.00% Floor), 5.63%, 08/25/24 <sup>(b)</sup>	682,781	687,475
Second Lien Initial Term Loan, (LIBOR + 7.75%, 1.00% Floor), 9.63%, 08/25/25 <sup>(b)</sup>	1,884,615	1,910,915 4,832,371
<b>TELECOMMUNICATIONS - 11.1%</b>		
CenturyLink, Inc. Initial Term Loan A, (LIBOR + 2.75%, 0.00% Floor), 4.63%, 11/01/22 <sup>(b)(d)</sup>	1,975,000	1,971,297
Initial Term Loan B, (LIBOR + 2.75%, 0.00% Floor), 4.63%, 01/31/25 <sup>(b)(d)</sup>	997,500	982,852
Frontier Communications Corp. Initial Term Loan, (LIBOR + 2.75%, 0.00% Floor), 4.63%, 03/31/21 <sup>(b)(d)</sup>	1,972,603	1,960,284

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Term Loan B-1, (LIBOR + 3.75%, 0.75% Floor), 5.63%, 06/15/24 <sup>(b)(d)</sup> Global Tel*Link Corp.	3,352,784	3,316,473
First Lien Term Loan, (LIBOR + 4.00%, 1.25% Floor), 6.30%, 05/23/20 <sup>(b)</sup>	3,977,645	4,007,478

**Principal**

**Amount (\$)**

**Value (\$)**

**TELECOMMUNICATIONS (continued)**

Intelsat Jackson Holdings S.A. (Luxembourg) Tranche B-4 Term Loan, (LIBOR + 4.50%, 1.00% Floor), 6.46%, 01/02/24 <sup>(b)(c)(d)</sup>	3,406,019	3,510,617
Tranche B-5 Term Loan, 6.63%, 01/02/24 <sup>(c)(d)(i)</sup> Securus Technologies Holdings, Inc.	3,820,586	3,876,309
First Lien Initial Term Loan, (LIBOR + 4.50%, 1.00% Floor), 6.38%, 11/01/24 <sup>(b)</sup> TierPoint, LLC	2,118,327	2,146,797
First Lien Term Loan, (LIBOR + 3.75%, 1.00% Floor), 5.63%, 05/06/24 <sup>(b)(d)</sup> TVC Albany, Inc.	2,789,715	2,761,818
Term Loan B, (LIBOR + 4.00%, 1.00% Floor), 6.30%, 09/18/24 <sup>(b)(d)</sup> U.S. TelePacific Corp.	583,212	587,586
Advance Term Loan, (LIBOR + 5.00%, 1.00% Floor), 7.30%, 05/02/23 <sup>(b)(d)</sup>	3,141,820	3,058,562
		28,180,073

**TRANSPORTATION: CARGO - 2.5%**

Avolon Holdings, Ltd. Initial Term Loan B-2, (LIBOR + 2.25%, 0.75% Floor), 4.07%, 03/21/22 <sup>(b)</sup> Transplace Holdings, Inc.	3,484,956	3,490,584
First Lien Closing Date Term Loan, (LIBOR + 4.25%, 1.00% Floor), 5.96%, 10/07/24 <sup>(b)</sup>	2,739,439	2,758,615
		6,249,199

**TRANSPORTATION: CONSUMER - 0.6%**

Travel Leaders Group, LLC New Incremental Term Loan, (LIBOR + 4.50%, 0.00% Floor), 6.35%, 01/25/24 <sup>(b)</sup>	1,475,877	1,497,396
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**UTILITIES: ELECTRIC - 3.3%**

Green Energy Partners Advance Conversion Term Loan B-1, (LIBOR + 5.50%, 1.00% Floor), 7.80%, 11/13/21 <sup>(b)</sup>	849,470	836,728
Construction B-2 Facility, (LIBOR + 5.50%, 1.00% Floor), 7.80%, 11/13/21 <sup>(b)</sup>	339,205	334,116
Moxie Patriot, LLC Construction B-1 Facility, (LIBOR + 5.75%, 1.00% Floor), 8.05%,	1,660,681	1,642,521

12/19/20<sup>(b)</sup>

Construction B-2 Facility, (LIBOR + 5.75%, 1.00% Floor), 8.05%,  
12/19/20<sup>(b)(d)</sup>

1,942,016

1,920,780

6 See accompanying Notes to Schedule of Investments.

**Apollo Tactical Income Fund Inc.****Schedule of Investments (continued)****March 31, 2018 (unaudited)**

	<b>Principal</b>	
	<b>Amount (\$)</b>	<b>Value (\$)</b>
<b>Senior Loans<sup>(a)</sup> (continued)</b>		
<b>UTILITIES: ELECTRIC (continued)</b>		
Panda Liberty, LLC		
Construction B-1 Facility, (LIBOR + 6.50%, 1.00% Floor), 8.80%, 08/21/20 <sup>(b)</sup>	3,883,058	3,646,191
		8,380,336
<b>Total Senior Loans</b> <b>(Cost \$314,647,499)</b>		<b>313,027,870</b>
<b>Corporate Notes and Bonds - 17.3%<sup>(i)</sup></b>		
<b>AUTOMOTIVE - 1.4%</b>		
Tesla, Inc.		
5.30%, 08/15/25 <sup>(l)</sup>	4,000,000	3,505,000
<b>BANKING, FINANCE, INSURANCE &amp; REAL ESTATE - 0.6%</b>		
Greystar Real Estate Partners, LLC		
5.75%, 12/01/25 <sup>(l)</sup>	1,500,000	1,500,000
<b>CHEMICALS, PLASTICS &amp; RUBBER - 0.8%</b>		
TPC Group, Inc. (Texas Petrochemical)		
8.75%, 12/15/20 <sup>(l)</sup>	2,007,000	2,026,468
<b>CONTAINERS, PACKAGING &amp; GLASS - 1.2%</b>		
Reynolds Group Holdings, Inc. 6.88%, 02/15/21	1,069,414	1,085,455
W/S Packaging Holdings, Inc.		
9.00%, 04/15/23 <sup>(l)</sup>	2,000,000	2,035,000
		3,120,455
<b>ENERGY: OIL &amp; GAS - 2.1%</b>		
Moss Creek Resources Holdings, Inc.		
7.50%, 01/15/26 <sup>(l)</sup>	4,762,000	4,820,096
Northern Oil and Gas, Inc.		
8.00%, 06/01/20	599,000	563,060
		5,383,156
<b>HEALTHCARE &amp; PHARMACEUTICALS - 2.3%</b>		
Valeant Pharmaceuticals		
International, Inc. (Canada) 5.50%, 11/01/25 <sup>(c)(l)</sup>	1,500,000	1,465,875

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5.63%, 12/01/21 <sup>(c)(1)</sup>	1,500,000	1,438,125
7.50%, 07/15/21 <sup>(c)(1)</sup>	2,864,000	2,885,480
		5,789,480

**HIGH TECH INDUSTRIES - 0.7%**

Riverbed Technology, Inc. 8.88%, 03/01/23 <sup>(1)</sup>	2,000,000	1,907,500
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**HOTEL, GAMING & LEISURE - 1.2%**

Churchill Downs, Inc. 4.75%, 01/15/28 <sup>(1)</sup>	2,000,000	1,895,000
Hilton Grand Vacations Borrower, LLC 6.13%, 12/01/24	1,100,000	1,172,875
		3,067,875

**Principal**

**Amount (\$)**                      **Value (\$)**

**MEDIA: BROADCASTING & SUBSCRIPTION - 3.1%**

CSC Holdings, LLC 5.38%, 02/01/28 <sup>(1)</sup>	1,500,000	1,420,635
10.13%, 01/15/23 <sup>(1)</sup>	317,000	352,664
10.88%, 10/15/25 <sup>(1)</sup>	477,000	561,663
Univision Communications, Inc. 5.13%, 05/15/23 <sup>(1)</sup>	1,000,000	955,100
5.13%, 02/15/25 <sup>(1)</sup>	4,000,000	3,740,000
Urban One, Inc. 7.38%, 04/15/22 <sup>(1)</sup>	787,000	783,065
		7,813,127

**METALS & MINING - 0.0%**

ERP Iron Ore, LLC LIBOR +, 8.00%, 12/31/19 <sup>(e)</sup>	121,662	38,629
Magnetation, LLC / Mag Finance Corp. 11.00%, 05/15/18 <sup>(e)(g)(1)(m)</sup>	2,937,000	38,629

**RETAIL - 0.3%**

PetSmart, Inc. 5.88%, 06/01/25 <sup>(1)</sup>	112,000	81,480
8.88%, 06/01/25 <sup>(1)</sup>	1,000,000	575,000
		656,480

**SERVICES: BUSINESS - 0.9%**

Camelot Finance S.A. (Luxembourg) 7.88%, 10/15/24 <sup>(c)(1)</sup>	1,080,000	1,129,950
EIG Investors Corp. 10.88%, 02/01/24	1,000,000	1,095,830
		2,225,780

**SERVICES: CONSUMER - 1.2%**

3,000,000                      3,030,000

NVA Holdings, Inc.  
6.88%, 04/01/26<sup>(1)</sup>

**TELECOMMUNICATIONS - 1.5%**

Orbcomm, Inc.  
8.00%, 04/01/24<sup>(1)</sup>

3,694,000 3,850,995

**Total Corporate Notes and Bonds**  
**(Cost \$44,395,630)**

**43,914,945**

**Structured Products - 14.6%<sup>(n)</sup>**

Anchorage Capital CLO, Ltd.  
(Cayman Islands)

Series 2015-6A, Class ER, 8.07%, 07/15/30<sup>(c)(1)(o)</sup>

4,400,000 4,450,798

Babson CLO Ltd. (Cayman Islands)

Series 2014-IA, Class E, 7.39%, 07/20/25<sup>(c)(1)(o)</sup>

1,110,000 1,075,909

Fortress Credit Opportunities CLO,  
Ltd. (Cayman Islands)

Series 2018-11A, Class E, 7.15%, 04/15/31<sup>(c)(1)</sup>

4,000,000 4,000,000

Guggenheim 1828 CLO, LLC  
(Cayman Island)

Series 2016-1A, Class D, 8.72%, 04/15/28<sup>(c)(1)(o)</sup>

4,000,000 4,024,216

See accompanying Notes to Schedule of Investments. 7

**Apollo Tactical Income Fund Inc.****Schedule of Investments (continued)****March 31, 2018 (unaudited)**

	<b>Principal</b>	
	<b>Amount (\$)</b>	<b>Value (\$)</b>
<b>Structured Products<sup>(n)</sup> (continued)</b>		
Ivy Hill Middle Market Credit Fund, Ltd. (Cayman Islands)		
Series 10A, Class D2, 9.03%, 07/24/27 <sup>(c)(1)(o)</sup>	2,350,000	2,349,932
JFIN CLO, Ltd. (Cayman Islands)		
Series 2015-1A, Class E, 7.12%, 03/15/26 <sup>(c)(1)(o)</sup>	4,500,000	4,422,942
NXT Capital CLO, LLC		
Series 2014-1A, Class E, 7.24%, 04/23/26 <sup>(1)(o)</sup>	5,000,000	4,594,115
Teachers Insurance and Annuity Association of America CLO, Ltd. (Cayman Islands)		
Series 2016-1A, Class E2, 11.74%, 07/20/28 <sup>(c)(1)(o)</sup>	2,500,000	2,543,015
TIAA Churchill Middle Market CLO (Cayman Islands)		
Series 2016-1A, Class E2, 9.74%, 10/20/28 <sup>(c)(1)(o)</sup>	2,000,000	2,013,446
Series 2017-1A, Class E, 8.73%, 01/24/30 <sup>(c)(1)(o)</sup>	4,000,000	3,757,388
Voya CLO, Ltd. (Cayman Islands)		
Series 2015-3A, Series E, 8.24%, 10/20/27 <sup>(c)(1)(o)</sup>	1,000,000	981,008
Zais CLO, Ltd. (Cayman Islands)		
Series 2016-2A, Series D, 8.72%, 10/15/28 <sup>(c)(1)(o)</sup>	1,000,000	1,013,217
Series 2017-2A, Series E, 8.87%, 04/15/30 <sup>(c)(1)(o)</sup>	1,750,000	1,798,274
<b>Total Structured Products</b> <b>(Cost \$35,984,749)</b>		<b>37,024,260</b>

	<b>Share</b>	
	<b>Quantity</b>	<b>Value (\$)</b>

**Common Stocks - 0.2%****BANKING, FINANCE, INSURANCE & REAL ESTATE - 0.0%**

Medical Card System, Inc. <sup>(e)(g)</sup>	914,981	26,743
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**ENERGY: OIL & GAS - 0.2%**

Ascent Resources Marcellus Holdings, Inc. <sup>(g)</sup>	165,654	532,163
Southcross Holdings Borrower, GP LLC <sup>(e)(g)</sup>	129	
Southcross Holdings Borrower, LP, Class A-II <sup>(e)(g)</sup>	129	43,538
		575,701

**MEDIA: ADVERTISING, PRINTING & PUBLISHING - 0.0%**



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F & W Media, Inc. <sup>(e)(g)</sup>	9,510	
<b>Total Common Stock</b> <b>(Cost \$590,214)</b>		<b>602,444</b>
<b>Preferred Stock - 1.6%</b>		
<b>BANKING, FINANCE, INSURANCE &amp; REAL ESTATE - 1.6%</b>		
Watford Holdings, Ltd. (Bermuda) 8.50%, <sup>(c)(e)(l)</sup>	160,000	3,966,435
<b>Total Preferred Stock</b> <b>(Cost \$3,920,000)</b>		<b>3,966,435</b>
<b>Warrants - 0.0%</b>		
<b>ENERGY: OIL &amp; GAS - 0.0%</b>		
Ascent Resources Marcellus Holdings, Inc. <sup>(e)(g)</sup>	42,889	4,289
<b>Total Warrants</b> <b>(Cost \$4,289)</b>		<b>4,289</b>
<b>Total Investments-157.3%</b> <b>(Cost of \$399,542,381)</b>		<b>398,540,243</b>
<b>Other Assets &amp; Liabilities,</b> <b>Net-(2.8)%</b>		<b>(7,184,635)</b>
<b>Loan Outstanding-(54.5)%<sup>(p)(q)</sup></b>		<b>(137,998,140)</b>
<b>Net Assets -100.0%</b>		<b>253,357,468</b>

8 See accompanying Notes to Schedule of Investments.

**Apollo Tactical Income Fund Inc.****Schedule of Investments (continued)****March 31, 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 March 31, 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 March 31, 2018, the 1, 3 and 6 month LIBOR rates were 1.88%, 2.31% and 2.45%, respectively, and the Prime lending rate was 4.75%. 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) The issuer is in default of its payment obligations as of March 7, 2018, as such, income is no longer being accrued.
- (i) Fixed rate asset.
- (j) Represents a payment-in-kind ( PIK ) security, which may pay interest in additional principal amount.
- (k) The issuer is in default of its payment obligations as of December 11, 2017, as such, income is no longer being accrued.
- (l) 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 March 31, 2018, these securities amounted to \$80,949,791, or 31.95% of net assets.
- (m) The issuer is in default of its payment obligations as of May 5, 2015, as such, income is no longer being accrued.
- (n) 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.

- (o) Floating rate asset. The interest rate shown reflects the rate in effect at March 31, 2018.
- (p) The Fund has granted a security interest in substantially all of its assets in the event of default under the credit facility.
- (q) Principal \$138,000,000 less unamortized deferred financing costs of \$1,860.

See accompanying Notes to Schedule of Investments. 9

## **Apollo Tactical Income Fund Inc.**

### **Notes to Schedule of Investments**

**March 31, 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 and preferred stock 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.

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**Apollo Tactical Income Fund Inc.****Notes to Schedule of Investments (continued)****March 31, 2018 (unaudited)**

The valuation techniques used by the Fund to measure fair value at March 31, 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 March 31, 2018 is as follows:

Apollo Tactical Income Fund Inc.				
	Total Fair Value at March 31, 2018	Level 1 Quoted Price	Level 2 Significant Observable Inputs	Level 3 Significant Unobservable Inputs
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 23,950,042	\$23,950,042	\$	\$
Senior Loans	313,027,870		299,476,554	13,551,316
Corporate Notes and Bonds	43,914,945		43,876,316	38,629
Structured Products	37,024,260		37,024,260	
Common Stock	602,444		532,163	70,281
Preferred Stock	3,966,435			3,966,435
Warrants	4,289			4,289
<b>Total Assets</b>	<b>\$422,490,285</b>	<b>\$23,950,042</b>	<b>\$380,909,293</b>	<b>\$17,630,950</b>

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 March 31, 2018:

Apollo Tactical Income Fund Inc.						
	Total	Senior Loans	Corporate Notes and Bonds	Common Stock	Preferred Stock	Warrant
Total Fair Value, beginning of the period	\$ 23,768,803	\$ 19,745,730	\$ 40,335	\$ 67,513	\$ 3,915,225	\$
Purchases, including capitalized PIK	2,136,703	2,132,414				4,289

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Sales/Paydowns	(6,731,767)	(6,698,972)	(32,795)			
Accretion/(amortization) of discounts/(premiums)	97,115	97,115				
Net realized gain/(loss)	243,647	221,809	21,838			
Change in net unrealized appreciation/(depreciation)	(48,533)	(111,762)	9,251	2,768	51,210	
Transfer into Level 3	634,375	634,375				
Transfers out of Level 3	(2,469,393)	(2,469,393)				
Total Fair Value, end of period	\$ 17,630,950	\$ 13,551,316	\$ 38,629	\$ 70,281	\$ 3,966,435	\$ 4,289

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 March 31, 2018 was \$62,894.

## Apollo Tactical Income Fund Inc.

## Notes to Schedule of Investments (continued)

March 31, 2018 (unaudited)

The following table provides quantitative measures used to determine the fair values of the Level 3 investments as of March 31, 2018:

Apollo Tactical Income Fund Inc.				
Assets	Fair Value at March 31, 2018	Valuation Technique(s) <sup>(a)</sup>	Unobservable Input(s)	Range of Unobservable Input(s) Utilized
Senior Loans	\$ 8,478,179		Vendor and/or	N/A
		Independent pricing service and/or broker quotes	broker quotes	
	4,181,882	Discounted Cash Flow <sup>(b)</sup>	Discount Rate <sup>(b)</sup>	17.4%
	185,763	Recoverability <sup>(c)</sup>	EBITDA / EV Multiple <sup>(c)</sup>	\$7m / 2.9x
	669,763	Recoverability <sup>(d)</sup>	Liquidation Proceeds <sup>(d)</sup>	\$28.1m
		Recoverability <sup>(d)</sup>	Liquidation Proceeds <sup>(d)</sup>	\$0
	35,729	Recoverability <sup>(e)</sup>	Estimated Transaction Value <sup>(e)</sup>	N/A
		Discounted Cash Flow <sup>(b)</sup>	Discount Rate <sup>(b)</sup>	2.02%
Corporate Notes and Bonds	38,629	Discounted Cash Flow <sup>(b)</sup>	Discount Rate <sup>(b)</sup>	25.0%
		Recoverability <sup>(d)</sup>	Liquidation Proceeds <sup>(d)</sup>	\$7m
		Recoverability <sup>(d)</sup>	Liquidation Proceeds <sup>(d)</sup>	\$0
Common Stock	26,743	Option Model <sup>(f)</sup>	Volatility <sup>(f)</sup>	31.1%
		Recoverability <sup>(d)</sup>	Liquidation Proceeds <sup>(d)</sup>	\$28.1m
	43,538	Independent pricing service and/or broker quotes	Vendor and/or broker quotes	N/A
Preferred Stock	3,966,435	Discounted Cash Flow <sup>(b)</sup>	Discount Rate <sup>(b)</sup>	8.57%
Warrants	4,289		Vendor and/or	N/A



	Independent pricing service and/or broker quotes	broker quotes
Total Fair Value	\$17,630,950	

- (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 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.
- (d) 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.
- (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)****March 31, 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 March 31, 2018 were as follows:

	Apollo Tactical Income Fund Inc.
Federal tax basis, cost	\$ 399,850,636
Unrealized appreciation	\$ 5,326,260
Unrealized depreciation	(6,636,653)
Net unrealized appreciation/(depreciation)	\$ (1,310,393)

**General Commitments and Contingencies**

As of March 31, 2018, the Fund had unfunded loan commitments outstanding, which could be extended at the option of the borrower, as detailed below:

<b>Borrower</b>	<b>Unfunded Loan Commitments</b>
Access CIG, LLC	\$ 210,110
Centene Corp.*	4,378,671
Charming Charlie, LLC**	<u>18,676</u>
Total unfunded loan commitments	<u>\$4,607,457</u>

\* On May 9, 2018, the loan commitment was cancelled in its entirety.

\*\* On April 19, 2018, the loan commitment was fully funded.

For more information with regard to significant accounting policies, see the Fund's most recent 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 5/16/18

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 5/16/18

By (Signature and Title) /s/ Frank Marra  
Frank Marra, Treasurer and Chief Financial Officer  
  
(principal financial officer)

Date 5/16/18